

People Matters



Issue 14, February 2006

Welcome to the first edition of People Matters for 2006. You will notice our new design – we hope you like it! This issue outlines some of the key changes to Long Service Leave Legislation, and touches on the issues of 'mutual trust and confidence'. These will prove to be more important than ever with the start of Work Choices in March.

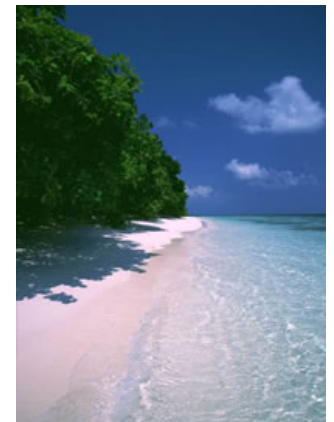
Long Service Leave change

Changes to the Victorian Long Service Leave Act became effective on January 1 this year. The basic entitlement remains the same (13 weeks after 15 years continuous service), however key changes include:

- Leave can be taken pro rata after 10 years continuous service
- Leave can be taken pro rata upon termination of employment after 7 years continuous service
- Long term casual and seasonal employees are now entitled to long service leave

- Leave can be taken for twice as long at half pay
- Some other types of leave count towards continuous service.

Employees covered by an award with more generous long service leave entitlements are still entitled to the more generous conditions. If you require more information on changes to Long Service Leave legislation that concern your business, contact your employment lawyer.



Trust and Confidence

With unfair dismissal laws being confined to businesses of over 100 staff, employees of smaller businesses are more likely to seek compensation for grievances in other areas. One is discrimination, which is unlawful (and covered by separate legislation), and the other is the implied 'mutual trust and confidence' which the law recognises as being part of the employer/ee contract.

Mutual trust and confidence requires that neither party act in a way likely to seriously damage or destroy the relationship, without reasonable cause.

A Damages Action is a likely consequence, whether employment has been terminated or not. To minimise this risk it is important that owners / managers are consistent with information. For example, if you tell people at interview that you are a family friendly company, do you live up to that by allowing flexible hours or allowing people to work from home? What are employees told about performance appraisals and salary reviews?

Messages need to be consistent across recruitment, induction, appraisals, incentives and retention. Use the RIT-AIR™ program to help you maintain consistency.

Do you have a question you would like answered? Let us know - your suggestions for topics are welcome.

If someone else in your business would be interested in People Matters let us know and we will forward a copy to them.