



Services Industry Scheme FAQs – Hairdressing and Beauty

Understanding portable long service leave

Question	Answer
What is portable long service leave in the ACT?	Portable long service leave is a valuable entitlement that allows eligible workers in the ACT to keep building long service leave, even when they change employers within the same industry. Set up under the Long Service Leave (Portable Schemes) Act 2009, the scheme lets workers hold on to – and grow – their entitlements for as long as they continue doing eligible work in the same industry scheme.
What is ACT Leave’s role in administering portable long service leave?	ACT Leave administers portable long service leave schemes in the ACT under the <i>Long Service Leave (Portable Schemes) Act 2009</i>. We help employers and workers understand their obligations and rights, support businesses to meet their compliance requirements, and ensure employers are registered with the scheme. Our team collects levies, keeps a database of workers’ service, and processes long service leave payments. ACT Leave is responsible for administering the scheme, but does not have responsibility for drafting the legislation, or advocating on matters relating to portable long service leave policy.
How is the Services Industry Scheme funded?	Portable long service leave for workers in the Services Industry Scheme is funded through a levy paid to ACT Leave by registered employers and returns earned on the invested funds. The levy amount payable by employers is calculated by applying the levy rate to the gross ordinary wages reported in each quarterly return. The current levy rate for the scheme is 1.07%. Employers will need to submit quarterly returns for their eligible workers, with the first return due by 30 April 2027.
How does ACT Leave set the levy rate for employers?	The levy rate is determined by the Minister for Skills, Training and Industrial Relations. ACT Leave’s Governing Board can also make minor adjustments to the rate less than or equal to a total variation of 40 basis points within a 12-month period if needed. Levy rates are reviewed regularly and based on an actuarial assessment that considers a range of factors, including: • expected investment performance and returns • industry demographics, wage trends, and growth rates • how quickly workers are likely to claim entitlements or leave the scheme without reaching an entitlement.

	The levy paid for a worker does not directly equal their benefit amount. For example, apprentices are exempt from levy contributions but still accrue service towards their entitlement.
--	--

Covered industries and eligibility

Question	Answer
Which industries are covered under the Services Industry Scheme?	Since its establishment on 1 April 2025, the Services Industry Scheme covers employers and workers in the contract cleaning industry. From 1 January 2027 the scheme will expand to include eligible employers and workers in hairdressing and beauty services and accommodation and food services, including hospitality services. To see the full list of services that are covered – or not covered – under the scheme, visit the Services Industry page on our website.
How can employers or workers check if they're eligible for the Services Industry Scheme?	The easiest way to check eligibility is by using the Services Scheme Eligibility Assessment tool on our website. If you're unsure or have more questions, you can also book an appointment with our team for personalised support.
Are all workers covered under the Services Industry Scheme?	Workers are covered if they perform eligible work – whether they're permanent, part-time, full-time, or casual. A covered employer is a business that operates for the predominant purpose of providing hairdressing and/or beauty services. Apprentices are also covered but are exempt from the levy (except for Australian School-Based Apprentices), as long as a copy of their training contract has been provided to ACT Leave. While no levy payment is required for apprentices, their service still needs to be recorded.
What counts as eligible work under the Services Industry Scheme?	Eligible work varies depending on the industry – contract cleaning, hairdressing and beauty, or accommodation and food services (including hospitality). Eligible work in the hairdressing and beauty services industry includes: • hairdressing and barbering services such as cutting, grooming, styling and shaving hair or beards • hair restoration services, such as regrowth treatment • beauty services, such as waxing, electrolysis, threading • make-up services • nail care, such as manicures and pedicures • non-medical skin care, such as facials • aesthetic and beauty medical services and treatments, such as laser therapy, cosmetic injectables, microblading, skin peels, LED light therapy and dermal care. • tanning, such as spray-tans

	A role is covered if, as part of the role, the worker is expected to provide hairdressing and beauty services.
Why are some workers covered under the scheme and not others?	Coverage under the Services Industry Scheme depends on both the type of business the employer operates and the kind of work the worker performs. Even if a business is covered because it operates within an eligible industry, only workers who perform eligible services work are covered under the scheme. To be eligible, a worker must be employed by a covered employer and be expected to perform eligible services work as part of their role. For example: • A <i>Salon Assistant</i> is rostered across reception and other areas in the salon. As their role includes both services work (hair or beauty services) and non-services work (such as reception duties), they are still required to perform services work as part of their role. As a result, their full service must be recorded under the scheme. • However, a worker employed as a full-time <i>Receptionist</i> who is never required to perform services work is not covered and will not accrue portable long service leave under the Services Industry Scheme. To check what's considered eligible services work in your industry, visit the Services Industry page on our website.

Employer registration and obligations

Question	Answer
How do I register for the Services Industry Scheme?	If you're an employer, registering your business is quick and easy. Simply complete the registration form on our website. Your registration will take effect on 1 January 2027, when your industry officially joins the Services Industry Scheme. If you're a worker, your employer will register you when they submit their first quarterly return – due by 30 April 2027. Once registered, we'll email your registration number along with instructions on how to access the client portal. If you think you have not been registered, please check with your employer in the first instance.
Is registration compulsory?	Registration is compulsory for all eligible employers and workers.
Why do some businesses with workers doing similar work to mine not have to register?	Whether a business needs to register depends on its predominant purpose – not just the type of work individual staff perform. Even if some workers are doing tasks that count as 'services work', the business may not be covered under the Services Industry Scheme.

	To check if your business is likely to be covered, use the Services Scheme Eligibility Assessment tool on our website or get in touch with us for assistance.
What happens after an employer registers?	Once registered, employers will receive a confirmation email with everything they need to get started. This includes login details for the online portal, instructions on how to complete quarterly returns, and a Certificate of Registration.
What information needs to be included in the quarterly return?	When completing a quarterly return, you need to provide the following information for your workers: • Full name • Date of birth • Employment type e.g. full time, part time, casual • What type of work they perform • Start date (for new workers) Please note, for the first return due on 30 April 2027, the start date of 1 January 2027 is to be recorded, not the workers original start date) • Gross ordinary wages • Apprentice wages (for apprentices only) • Cease date/reason (if they stopped working for you during that period), even if a worker commences and ceases with you in the same quarter • Contact details (address, phone number and email).
What happens if I don't register on time?	Employers must register within one month of becoming an employer in the services industry (or by the end of any extended period approved by ACT Leave). If you don't register within the required timeframe, we will work with you to help you meet your obligations. This may include: • contacting you directly to explain your obligations • visiting your workplace (if needed) • asking for more information to confirm your business activities • sending a final notice. If you still don't register, we may: • Refer you to Secure Local Jobs to consider sanction points against your employer code certification (if applicable). • Take the matter to the ACT Civil and Administrative Tribunal (ACAT) or ACT Magistrates Court for non-compliance. If you're unsure about your obligations or need help registering, contact our team and we'll guide you through the process.
What happens if I don't lodge my quarterly return or pay my levy on time?	Quarterly returns must be lodged within one month of the end of each quarter (e.g. 30 April for the January–March quarter), or by any extended due date approved by ACT Leave. If you don't lodge your return on time, late fees of \$200 for each month the return is overdue (up to a maximum of \$400) will apply. You may also be issued an infringement notice – \$640 for individuals or \$3,200 for corporations – and risk being

	referred to the ACT Civil and Administrative Tribunal (ACAT) and/or the ACT Magistrates Court. Levy payments are due at the same time as the quarterly return. Failure to pay on time may result in penalty interest, referral to a debt collector, and potential legal action. If you're unable to pay by the due date, please contact ACT Leave – we may be able to offer an extension or a payment plan.
--	--

Worker records and entitlements

Question	Answer
How do workers know if they've been registered for the Services Industry Scheme?	Once registered, workers will receive a welcome email from ACT Leave with their registration number and instructions on how to access the client portal. Employers are responsible for registering their workers, which happens when workers are reported in a quarterly return for the first time. The first returns are due by 30 April 2027. Workers can expect to receive their welcome email from ACT Leave by May 2027. If you haven't received your registration email after that time, please speak to your employer first. If you still have concerns, please contact us. Through the portal, workers can: • view their service record • update their personal details • track their entitlements • submit claim forms when eligible.
What counts as a service day under the scheme?	A service day is any day in which a worker performs any eligible work. For example, a short casual shift would count as one service day. To be included in a quarterly return, a worker must have completed a minimum of five service days within the quarter. Once included in a quarterly return, a worker receives a full quarter worth of service (90+ service days) towards their entitlement.
Do unpaid breaks – like unpaid parental leave or other kinds of extended leave – affect a worker's accrual?	If an extended period of unpaid leave covers an entire quarter, employers cannot report wages or service for that quarter. As a result, the worker will not accrue portable long service leave while they're away without pay. If the period of unpaid leave covers part of a quarter, and the worker has at least 5 service days in that quarter, the employer must report the reduced wages for that period. The worker will still accrue portable long service leave (90+ service days) for that period. Examples: • A worker takes two months of unpaid leave (April and May) during the April–June quarter. Their employer must report

	the wages earned for the month worked in that quarter (June). As they worked more than the minimum five service days required for the quarter, the worker will receive the full 90+ service days towards their entitlement. A worker takes unpaid leave for April, May and most of June, returning to work only on the last working day of the month. As they did not work the minimum 5 service days for the quarter, the employer would not include them in the quarterly return, and the worker would not accrue any service days for the April-June period. If a worker is unsure how a specific type of leave affects their record, they can check their service history in the client portal or contact ACT Leave for assistance.
Are other leave entitlements still accrued while on long service leave paid by ACT Leave?	ACT Leave is unable to provide advice to employers about how portable long service leave interacts with other entitlements. This type of advice may involve legal or financial considerations. For accurate information, we recommend contacting the Fair Work Ombudsman or seeking independent professional advice.
How are worker entitlements paid?	Workers can claim their entitlements by submitting an online claim through the client portal before taking leave. If the worker is currently employed, their employer must complete a declaration available on the portal confirming that: - they approve the leave - the leave hasn't already been paid. As long as no further information is needed and the online claim form has been submitted payment will generally be made before the worker starts their leave.
Are workers taxed on their long service leave payments?	ACT Leave withholds tax from long service leave payments in line with ATO guidelines. The amount withheld will show on your end of financial year income statement in your myGov account. For most long service leave payments, tax is withheld using weekly marginal tax rates, similar to how tax is applied to your average weekly wage. To estimate how much tax may be withheld, refer to the weekly tax table on the ATO website. If you are eligible for a lump sum payment under the <i>Long Service Leave (Portable Schemes) Act 2009</i>, different tax rates may apply depending on the condition under which the lump sum payment is made, for example leaving the industry permanently, total incapacity, reaching retirement age or death. For these payments, please refer to the ATO website. Contractors should seek independent advice about the tax implications of contractor payments and interest.
Can a worker choose who they are paid long service leave by? Can they be paid directly from their employer?	If a worker reaches an entitlement under the ACT Leave portable scheme, as well as the <i>Long Service Leave Act 1976</i>, or another related law, they can choose which entitlement they want to use, and this impacts how they will be paid for their long service leave.

	If the worker chooses to be paid under the 1976 Act or a related legally enforceable contract such as an Enterprise Bargaining Agreement (EBA), their employer is required to make the payment to them. Their employer can then request a reimbursement from ACT Leave for the portion of the payment that has been accrued under the <i>Long Service Leave (Portable Schemes) Act 2009</i>. The reimbursement will be for the lesser of the amount that the employer has paid the worker under the 1976 Act, or the amount that ACT Leave would have paid the worker under the portable scheme. If they choose to claim portable long service leave, then ACT Leave will make the payment. Only ACT Leave can make payments under the Long Service Leave (Portable Schemes) Act 2009.
Can an employer request information about a worker's long service leave record?	Registered employers can request limited information about a current employee who is registered with ACT Leave. To do so, the requesting person must be listed as a contact on the employer's ACT Leave account, and the worker must be currently employed and registered under that employer. Employers can request the following information: • total number of service days for the worker • whether the worker has reached an entitlement • number of long service leave weeks accrued • total levies paid by the employer for the previous financial year • entitlements the worker is eligible to claim. ACT Leave cannot provide: • names of other employers the worker has been registered with • wages reported by other employers • claims processed during employment with other employers • reimbursement claims paid to other employers.

Portability and transfer of entitlements

Question	Answer
Is there a minimum amount of time a worker can take for portable long service leave?	Yes. The minimum period of long service leave that can be taken is two weeks, as set out in the <i>Long Service Leave (Portable Schemes) Act 2009</i>. This ensures the leave provides workers with a genuine break from work.
Can a worker just take a payment instead of portable long service leave?	Generally, a worker cannot receive a payout of portable long service leave. The intention is that the worker takes portable long service leave so that it provides them with an actual break from work. However, there are a few of scenarios where a worker can receive a payment instead of leave. These scenarios are: • leaving the industry permanently

	• age retirement • total incapacity • death. Specific criteria must be met to be eligible to receive a payment instead of taking leave. For more information visit the claim your benefit page on our website.
Can portable long service leave for the services industry follow a worker to other states or territories?	There are currently only reciprocal arrangements in place with NSW and Queensland to recognise service for workers in the contract cleaning industry. There are currently no reciprocal arrangements for the remaining services industries, but they may be agreed in the future as other states and territories continue to grow their portable long service leave schemes.
What happens if a worker spends 3 years in the services industry, then moves to the security industry for 3 years, and later returns to the services industry? Will they have 6 years of service?	No, service can't be combined across different portable long service leave schemes. The Services Industry Scheme and the Security Industry Scheme are separate schemes, so portability does not apply between them. In this scenario, the worker would have two separate registrations with ACT Leave – one for each scheme – each showing 3 years of service. Entitlements are calculated based on the service recorded within each individual scheme. However, service is portable across industries within the Services Industry Scheme. For example, if a worker spent 3 years as a restaurant server, then 3 years in hairdressing, they would have 6 years of service, as both roles fall under the same scheme, and would be considered eligible work. The Services Industry Scheme includes contract cleaning, hairdressing and beauty services, and accommodation and food services, including hospitality services.
If a worker has 5 years of service and receives a payout for leaving the industry permanently, will they have to start from scratch if they return?	Yes. When a worker submits a Leaving the Industry (pro-rata) claim and receives a payout, their account is deactivated. If they return to the services industry later, a new account will be created. Their previous service will not carry over, and they will need to meet the minimum service requirements again before becoming eligible to claim long service leave.

Interaction of the 1976 Act with the Portable Scheme

Question	Answer
Does long service leave accrued before 1 January 2027 become portable after that date?	No. Only service accrued under the Services Industry Scheme from 1 January 2027 onwards is portable. Any long service leave accrued before the scheme commenced is covered by the <i>Long Service Leave Act 1976</i> (1976 ACT) and/or the worker's employment contract. It does not transfer into the portable scheme.
How is long service leave paid when a worker has 3 years of	Entitlements under the <i>Long Service Leave Act 1976</i> and the <i>Long Service Leave (Portable Schemes) Act 2009</i> are

service under the 1976 Act and then accrues 4 years under the portable long service leave scheme, while continuing to work for the same employer?	calculated separately. Each scheme has its own eligibility requirements: • Under the 1976 Act, a worker must have at least 7 years of continuous service with the same employer to access their entitlement. • Under the portable Services Industry Scheme, a worker needs 7 years of recorded service within the scheme (can be across one or more employers). For example, if the worker applies for long service leave in January 2031, they would not yet be eligible for a payment under the portable scheme, as they have not reached the 7-year minimum. However, because they have been continuously employed by the same employer since 2023, they may be eligible for long service leave under the 1976 Act. In this case, the worker would take their entitlement directly through their employer, and the employer may be eligible to seek reimbursement from ACT Leave for the portion of the entitlement that relates to service accrued under the portable scheme – i.e. 4 years of portable service.
How can an employer receive a reimbursement if they make a leave payment under the 1976 Act or other related law?	If a worker reaches an entitlement under the <i>Long Service Leave Act 1976</i>, or another related law, for example an Enterprise Bargaining Agreement (EBA), they will be paid directly by their employer under the provisions of the 1976 Act or other related law. Where there is an entitlement for the same period under the <i>Portable Long Service Leave Scheme</i>, such as in the above question, the employer can apply for reimbursement through the ACT Leave client portal for the portion of the payment that relates to service that has been reported to ACT Leave since the commencement of the portable scheme i.e. in the above example, for 4 years. The reimbursement will be for the lesser of the amount that the employer has paid the worker under the 1976 Act, or the amount that ACT Leave would have paid the worker under the portable scheme. For further guidance on how to apply for a reimbursement refer to the Employer Client Portal Step-By-Step Guide on our website.
If a worker stops working for an employer in July 2027 with 5 years of service, can they be paid out under the 1976 Act, and can the employer get a reimbursement from ACT Leave?	Under the <i>Long Service Leave Act 1976</i>, a worker may be eligible for a pro rata payment if they meet the eligibility criteria. In this case, if the worker has only 5 years of service, and meets the strict criteria under the 1976 Act for a pro-rata payment, the employer would be able to seek reimbursement from ACT Leave for the period of service from 1 January 2027 to July 2027. If the worker does not meet the criteria under the 1976 Act, they would not be eligible for a pro-rata payment, and therefore there would be no reimbursement from ACT Leave.

A worker stops working for an employer in July 2027 with 7 years of service. Can they be paid under the 1976 Act, and can the employer seek reimbursement from ACT Leave for 6 months of service? What happens to their service days, does it still count towards a future entitlement?	If the worker is eligible under the <i>Long Service Leave Act 1976</i> (i.e. they have at least 7 years of continuous service with the same employer), they can claim their entitlement directly through the employer. The employer may then submit a reimbursement claim form to ACT Leave to recover the portion of the entitlement that relates to the worker's service after the portable scheme commenced – in this case, from 1 January 2027 to July 2027. Only the worker's service recorded under the portable scheme is eligible for reimbursement. Any services days used in a payout under the 1976 Act will remain on record and will count towards reaching a future portable long service leave entitlement. However, the service days used for the payout will be excluded from future entitlement payment calculations.
What happens if a worker is paid out under the 1976 Act, then moves to another employer in the Services Industry Scheme?	Their long service leave eligibility under the 1976 Act resets when they change employers. However, if the worker had already begun accruing service with ACT Leave under the Services Industry Scheme, they can continue adding to their existing record – as long as there isn't a break of 4 years or more between jobs in the services industry. Any service already used in a payout under the 1976 Act will be excluded from future entitlement calculations under the portable scheme. However, the service days will remain on record and will count towards reaching future entitlement eligibility thresholds directly with ACT Leave.
What happens to levies if a worker doesn't reach an entitlement? Can employers get their money back?	No, levy payments are not refundable. Levy contributions are used to fund future liabilities for workers who reach an entitlement and associated operational costs. The levy is not directly tied to individual workers or benefits paid. Even if a worker doesn't reach an entitlement with one employer, they may still do so later – by continuing in the same industry with a different employer or returning within four years.
Who can I contact to receive assistance with the 1976 Act or other another related long service leave law?	WorkSafe ACT is the ACT government agency responsible for the administration of the Long Service Leave Act 1976. If a worker is covered by an industrial award or agreement that may override the provisions of the <i>Long Service Leave Act 1976</i>, please contact the Fair Work Ombudsman for advice on their applicable long service leave entitlements and the relevant legislation.

We're here to help

Question	Answer
Still want to know more about the Services Industry Scheme?	Visit our website to learn more about how portable long service leave works in the ACT. For detailed information about the Services Industry Scheme – including who's covered and how the scheme works – visit the Services Industry page on our website.
Want to give us a call?	You can reach us on 02 6247 3900, Monday to Friday between 8:30am and 4:30pm, to speak with one of our client service representatives.
Want to book a phone appointment with our team for dedicated help and support without waiting in a queue?	Visit the Book a call page on our website where you can book a time for us to call you and get the dedicated support you need to manage portable long service leave at a time that's convenient for you. We're here to make things easier. Whether you: • need help registering for the new Services Industry Scheme • have questions about how the Services Industry Scheme works • want support lodging your quarterly return (for <i>any</i> scheme).
Would you prefer to send us a message through our website?	Head to the Contact page on our website to send us a message directly. One of our client service representatives will get back to you as soon as possible.
Do you have any resources to help us understand portable long service leave, the Services Industry Scheme, process a quarterly return, or how to use the client portal?	Yes – we've put together a range of helpful resources on our website to guide you through every step. These include: • video overviews of portable long service leave and the Services Industry Scheme • the Services Scheme Eligibility Assessment Tool to check your eligibility for the scheme • a digital brochure for employers (in English, Vietnamese, and Simplified Chinese) • a digital postcard for workers (in English, Vietnamese, and Simplified Chinese) • step-by-step client portal guides for employers and workers • video guides on registration, quarterly returns, and how to claim your benefit • a detailed fact sheet about the Services Industry Scheme • general FAQs • the Long Service Leave (Portable Schemes) Act 2009. Visit our Resources page to explore everything in one place. As we get closer to your industry entering the Services Industry Scheme, we'll continue to add more resources.