

WesTrac



March 2026

WesTrac Pty Ltd

Coal Mining Industry (Long Service Leave)

Legislation Amendment Bill 2025

Submission to Senate Education and Employment Legislation Committee



Attention: Committee Secretary

Senate Education and Employment Legislation Committee

Parliament House

Canberra ACT 2600

Dear Committee Secretary,

WesTrac is grateful for the opportunity to contribute to the Education and Employment Legislation Committee's review of the proposed amendments to the Coal Long Service Leave (**Coal LSL**) legislation through the Coal Mining Industry (Long Service Leave) Legislation Amendment Bill 2025 (Bill).

Executive Summary

WesTrac is supportive of the Bill. WesTrac does however consider that there are some key gaps in the Bill being:

- State Long Service Leave (**State LSL**) payments made in service are not treated in the same way as State LSL payments made on cessation of employment. The latter can be set off against historical levy debts under Coal LSL, whereas the former cannot. State LSL payments in service should also be able to be set off; and
- There is a need for employers to be entitled to make more extensive reasonable assumptions when calculating eligible wages and related historical levy debts. Employers should be able to make reasonable assumptions in relation to all wages, rather than just incentive based payments and bonuses.

By addressing these gaps, there is an opportunity to improve the consistency and effectiveness of the Bill and support the Bill's objectives.

Organisational Context

WesTrac is one of the largest authorised Caterpillar dealers in the world, providing essential equipment, technology solutions, and whole-of-life asset management services to the mining, construction, energy and infrastructure sectors across Western Australia, New South Wales and the ACT. With a workforce of approximately 4,500 employees and a long-standing presence since 1990, WesTrac supports some of Australia's most critical resource and industrial operations through the supply, servicing and maintenance of heavy equipment. WesTrac is a wholly owned subsidiary of SGH Ltd, a leading Australian owned ASX 100 diversified investment company.

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Feedback on the Bill

WesTrac is supportive of the Bill. However, WesTrac has identified two key gaps in the Bill which, if addressed, will improve the consistency and effectiveness of the Bill. Doing so will also support the Bill's core objective of ensuring employees are properly connected with their Long Service Leave entitlements.

1. Ability to offset historical liabilities where employees have accessed their LSL entitlement under the State Legislation in service

The Bill allows for State LSL payments *made on cessation of employment* to be set off against historical levy debts. However, the Bill does not permit State LSL payments to an employee *made in service* to be set off against historical levy debts. This distinction creates an unfair outcome for employers who in good faith believed they were covered only by State LSL.

Under the current drafting of the Bill, employers would effectively be required to pay for long service leave twice for the same period of service:

- Firstly, by funding the State LSL already taken by a relevant employee; and
- Secondly, by paying an historical levy debt in respect of the same service which goes towards a future Coal LSL entitlement

This gap will also result in some employees receiving a benefit that is not enjoyed by other employees, as they are effectively allowed to “double dip” on long service leave. This outcome:

- Results in inconsistency and inequity within the workforce; and
- Is inconsistent with how long service schemes are intended to operate. Long service leave schemes are intended to provide a single entitlement for continuous service. Long service leave has never been intended to be accessed twice for the same period of service under different schemes.

Recommendation

WesTrac recommends that the Bill be amended to allow for State LSL payments made in service to be treated in the same manner as State LSL payments made on cessation of employment, and for employers to be entitled to set off these amounts from historical levy debts.

2. Ability to make reasonable assumptions to aid in calculation of historical eligible wages

The Bill as drafted permits employers to make reasonable assumptions in relation to incentive-based payments and bonuses for the purposes of an unpaid levy payment arrangement. The intention is that this will assist employers who may not have sufficient information available to otherwise calculate those payments. However, given the duration of time over which some employers will need to calculate eligible



wages for the purposes of proposing an unpaid levy payment arrangement, it is likely that employers may have gaps in records or no records at all for some periods.

The Bill does not provide employers with the ability to make reasonable assumptions generally when calculating historical eligible wages for an unpaid levy payment arrangement. As a result, employers may be prevented from determining historical levy debts for inclusion in an unpaid levy payment arrangement where they have insufficient or incomplete records. Allowing employers to make reasonable assumptions generally when calculating historical eligible wages will make it easier for employers to submit unpaid levy payment arrangements that cover a greater period of time and a greater amount of historical levy debt. This approach would seem likely to encourage participation in unpaid levy payment arrangements and lessen the need for further action by the Coal LSL Corporation in respect of relevant periods.

Recommendation

WesTrac recommends that the Bill be amended to allow employers to make reasonable assumptions generally when calculating eligible wages for the purposes of an unpaid levy payment arrangement.

Conclusion

WesTrac appreciates the Committee’s consideration of this submission and remains committed to working constructively with the Commonwealth to support the effective implementation of the Coal LSL Scheme and the Bill. WesTrac believes that the recommendations outlined above will improve the Bill and enable the legislation when passed to operate in a more consistent and effective manner, allowing employers to propose more extensive unpaid levy payment arrangements.

For any queries regarding this submission, please direct correspondence to Claire Pavey, People & Culture Project Manager, at [redacted] or [redacted]

Yours sincerely,



Nicole Issaakidis
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WesTrac Pty Ltd