

HOW PORTABLE LONG SERVICE LEAVE IN AUSTRALIA'S COAL MINING INDUSTRY WORKS

Leave hours are accrued monthly and held in individual long service leave records.

Levies are held in a pooled investment fund to cover payment of long service leave hours for all eligible employees.



Eligible employee example

David Smith

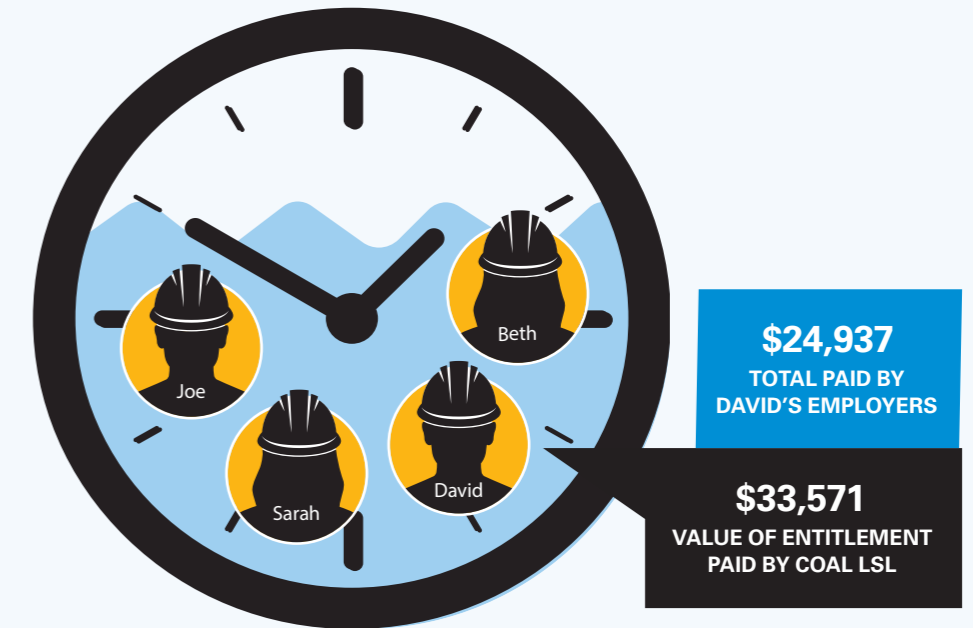
David Smith is a full-time eligible employee who has been in the coal mining industry for eight years.

His first position was at AA Mining, where he was paid a salary of \$100,000. At year six, he started a new job with BB Contracting on a higher salary.

In those eight years, David's employers have paid a percentage of his wage as a monthly levy payment to Coal LSL.

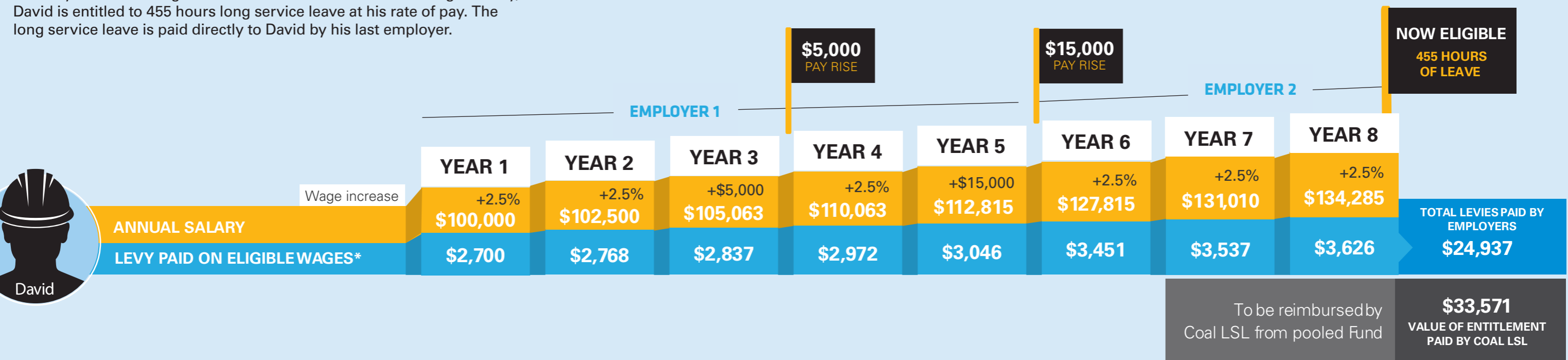
David's long service leave record is held and calculated in hours by Coal LSL.

After eight years of service, David has accrued 455 leave hours and is eligible to take his long service leave, which will be paid to him by his employer at his current hourly rate.



How leave accrues over the years of employment.

After 8 years of working 35-hour weeks in the black coal mining industry, David is entitled to 455 hours long service leave at his rate of pay. The long service leave is paid directly to David by his last employer.



*Scenario based on a payroll levy at 2.7%