Australian Government

Coal Mining Industry
(Long Service Leave Funding) Corporation

REGULATORY PRIORITIES 2026–27



1. Introduction

The Coal Mining Industry (Long Service Leave Funding) Corporation (Coal LSL) is the custodian and regulator of the long service leave scheme (the Scheme) for employees within the black coal mining industry. It is our responsibility to ensure that employees can access their long service leave benefits and employers in the industry fufil their legislative obligations.

Coal LSL adopts a whole-of-organisation approach to respond to emerging and persistent issues impacting the Scheme. Our regulatory priorities provide a framework for resource allocation and continual improvement. They enable Coal LSL to focus on collaboration and engagement to increase transparency and build trust with our stakeholders.

In accordance with our Regulatory Compliance and Enforcement Policy, our regulatory priorities focus on:

- the reduction of employer non-compliance that impacts eligible employee access to their long service leave (LSL) benefits[1] and
- emerging issues that may be of substantive harm or public interest.

[1] Eligible employee long service leave benefits may include LSL accrual and/or qualifying service.

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Refer to the Coal LSL website to ensure you are viewing the latest version.

COAL LSL

2. Regulatory priorities

2.1 Enduring priorities

Coal LSL's enduring priorities focus on activities and conduct that impacts the ultimate outcomes[2] our legislation is intended to achieve. The enduring priorities reflect those issues that are core to our role as regulator and will always be an important area of focus. These priorities inform the regulatory actions we take to ensure employers comply with their obligations and employees can access their long service leave benefits.

Access for all eligible employees in the black coal mining industry

The long service leave entitlements of eligible employees should be available to all employees who meet the requirements of the definition, prescribed by the *Coal Mining Industry (Long Service Leave) Administration Act 1992*. We will continue to take steps to ensure this is achieved. These activities can include educational campaigns, review of individual circumstances, provision of guidance or compliance actions.

Timely employer compliance with obligations

We work with employers to help them understand their obligations and we are committed to providing transparent processes and guidance to make it easier for them to comply.

We make risk-based and data-driven decisions about our regulatory actions to ensure ongoing employer compliance.

[2] Ultimate outcomes – the solution or reduction of the primary problem/s that resulted in the legislation being drafted (***Measuring Regulatory Performance – Evaluating the Impact of Regulation and Regulatory Policy***, Coglianese 2012, OECD)

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2.2 2026 – 2027 Annual priorities

Our annual priorities are informed by ongoing monitoring and regulatory intelligence. These priorities, together with the broader enduring priorities, support a targeted focus on areas of non-compliance that are of most concern.

Coal LSL is committed to driving voluntary compliance across the Scheme. Our annual priorities signal to stakeholders the areas that will receive increased regulatory focus over the 12 months. We will continue to help employers to understand and meet their obligations and will take decisive enforcement action where there is wilful and persistent non-compliance.

These priorities are reviewed annually. We may continue to focus on annual priorities in subsequent years if the impact persists beyond an acceptable level.



Resolution of off-scheme employer non-compliance

Coal LSL will prioritise working with employers entering the Scheme under the provisions of the *Coal Mining Industry (Long Service Leave) Legislation Amendment Act 2026* (the Act). This includes providing guidance for complying with the payment plans prescribed by the Act and for meeting ongoing levy obligations.

Employers of employees that Coal LSL consider eligible under the Scheme will be pursued through our regulatory process if they do not register under the payment plan provided for in the Act.



Consistent, direct debiting of leave hours

Coal LSL will work to ensure employers and employees understand the correct method for debiting leave hours when leave is taken. When we identify non-compliance, we will take appropriate regulatory action.

We will also review the Employer Reimbursement Rules 2017, which are due to sunset in 2027, to ensure they remain fit for purpose and adequately address the reimbursement of employers for long service leave paid to employees.



On-time payment of levy owing

Coal LSL will continue to enforce compliance, through application of our regulatory powers, where employers fail to pay their levy on time.

The Act prescribes an increase to the penalty rate (additional levy) imposed on employers who pay their levy after the due date, strengthening the regulatory framework for non-compliance.

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3. Monitoring progress

We will monitor our progress towards these priorities through our 'Engaged, active and compliant participants' Strategic Priority as outlined below.

STRATEGIC PRIORITY: Engaged, active and compliant participants

Outcome: Employers comply with their obligations under the legislation.

			TARGETS			
Measure*	Description	2025–26†	2026–27	2027–28	2028–29	2029–30
Employer Compliance	The % of employers who submit both levy returns and payments by the due date.	72%	75%	85%	90%	90%
On-time Levy Submissions	The % of employers who submit levy returns by the due date.	89%	90%	91%	95%	95%
On-time Levy Payments	The % of employers who submit payments by the due date.	72%	75%	85%	90%	90%
Entitlement Recorded On-time	The % of active employees whose entitlements were recorded on a levy return received by the due date.	93%	94%	95%	95%	95%

* All measures are based on a 6-month rolling average. † Actuals as at 30 June 2026.

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4. Definitions

Long service leave benefits – the qualifying service and LSL accrual attributed to employees based on their recorded eligible service.

Off-scheme employer – an employer suspected or recognised to have employed eligible employees and have not commenced facilitating access to employee entitlements.



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