



POLICY GUIDELINES ON PUBLIC SECTOR LONG SERVICE ALLOWANCE

1.0 PURPOSE AND INTENT

- 1.1 The introduction of a long service allowance in the public sector necessitates the development of guidelines to ensure consistency in the application of payment of the allowance. This policy document which provides the framework within which payment is to be made and applied strictly, has been drawn up taking into account various human resource considerations that are likely to affect payment of the allowance.
- 1.2 Recognising that experience and tenure is an excellent way for organizations to show their employees that they value their on-going dedication and contributions, the allowance will ensure that employees with more years of experience in the public service will be compensated for their vast experience and retained for stability and continuity in the organization.
- 1.3 Upon launching on 1 July 2019, all eligible **Seychellois** employees who are still in the service, shall receive their long service allowance dues as follows:

Service Period	Monthly Allowance in Seychelles Rupees as at July 2019
5 to less than 10 years	SR500.00
10 to less than 15 years	SR1,000.00
15 to less than 20 years	SR1,500.00
20 to less than 25 years	SR2,000.00
25 to less than 30 years	SR2,500.00
30 to less than 35 years	SR3,000.00
35 to less than 40 years	SR3,500.00
More than 40 years	SR,4000.00

- 1.4 Thereafter employees shall receive their allowance throughout the year depending on their due date of maturity subject to the criteria and conditions laid down.

2.0 CRITERIA FOR PAYMENT OF THE LONG SERVICE ALLOWANCE

In view that Government is investing a substantial sum which must be spent in productive employment the following criteria for payment shall apply:-

- 2.1 The allowance shall be payable to employees who complete **5 full years (60 months) or more, of active and productive work.**
- 2.2 Where employees fail to complete the 60 months interval required within a service period, their services will be carried forward and they will be required to complete the outstanding months or days to cover the required 5 years period prior to payment of the allowance.

3.0 ELIGIBILITY FOR PAYMENT

3.1 Core Services

- 3.1.1 The long service allowance will be applicable to Seychellois employees occupying an established post in a core function of Government from **salary band 1 step 1** to **salary band 5 step 15**.
- 3.1.2 Employees holding posts of **salary band 6** and above **who are not on PSC or Agency fixed-term contract** will also be eligible for payment of the allowance.
- 3.1.3 Employees working part-time for not more than 25 hours a week, occupying an established post will also be eligible for payment of the allowance in proportion to their number of working hours.
- 3.1.4 Notwithstanding (4.0), the following conditions **shall not** affect an employee's eligibility for payment of the allowance:
- (a) Employees who proceed on maternity leave;
 - (b) Employees who transfer from one Ministry/Department/Agency to another;
 - (c) Employees whose terms and conditions of employment are changed as a result of structural review/public service reforms;
 - (d) Employees who are suspended from duty without pay pending an investigation and are later re-instated without loss of earnings.

3.2 Non-core Services and Out-sourced services

- 3.2.1 The long service allowance will also be applicable to employees of certain non-core and out-sourced services working full time for the Government as follows:-

3.2.1.1 Non-core Services

- (a) District Technicians;
- (b) Maintenance staff working full time with the Government;
- (c) Victoria Market staff.

3.2.1.2 Out-sourced Services

- (a) Facilities Technician (National Sports Council);
- (b) Sensitive Security Officers;
- (c) Youth Hostel
- (d) School Meals
- (e) School Printing Text Books
- (f) Burial Services
- (g) Cleaners' Cooperative

4.0 **CONDITIONS FOR CARRYING FORWARD PAYMENT OF THE LONG SERVICE ALLOWANCE**

4.1 Considering the need for active and productive work, an employee's services will be carried forward if he/she have been out of employment in the following circumstances:-

- (a) Where an employee proceeds on unpaid/sabbatical leave for any approved period;
- (b) Where an employee proceeds on continuous unpaid sick leave (beyond 60 days);
- (c) Where an employee exhausts the 30 days paid sick leave aggregate per annum, any period beyond the 30 days will be carried forward;
- (d) Where an employee proceeds on long term training and/or training that exceeds 14 weeks duration;
- (e) Any period of unauthorised absence.

5.0 **BREAK IN SERVICE**

5.1 An employee who resigned/retired or had his/her appointment terminated and is re-appointed in the public service even if it is the next day, will be deemed to have a break in service. His or her service will start afresh for the purpose of receiving the long service allowance. This arrangement is in harmony with the long service gratuity payment when one resigns or is terminated from employment, one loses continuity of service.

6.0 **LONG SERVICE ALLOWANCE V/S PUBLIC SECTOR COMMISSION/AGENCY CONTRACT**

6.1 Where an employee drawing a long service allowance is appointed to a contract position of **salary band 6 and above**, the long service allowance earned will be **retained** but will not be increased further as the employee will benefit from contract terms where performance allowance is paid to recognise performance and experience upon renewal of contract.

7.0 **EFFECT ON PAYMENT OF COMPENSATION AND LONG SERVICE GRATUITY**

7.1 The allowance will be included as part of the salary package in the computation of payment of:-

- (a) compensation for past continuous service;
- (b) gratuity in the case of employees on continuous employment who are paid their gratuity as a percentage of their salary package: e.g. teachers and nurses, police etc.

7.2 The allowance will not be included when calculating end of contract payments in the case of an employee falling in **6.1** above.

8.0 **STATUTORY DEDUCTIONS**

8.1 The allowance shall be subject to Pension Fund deductions as a percentage of total earnings in line with existing regulations.

8.2 The allowance shall **be exempted** from Income Tax deduction.

9.0 **APPLICABILITY**

- 9.1 Payment of the allowance will be applicable to Ministries/Departments and budget dependent Agencies/Organs of the State. It will be the responsibility of the institutions concerned to manage payment in accordance with existing policy framework and to make budgetary provision for payment of the allowance annually.
- 9.2 Public Enterprises that do not receive a budget from Government may wish to apply the policy at their own discretion and affordability.

10.0 **IMPLEMENTATION DATE**

- 10.1 This policy will be effective as at **1 July 2019** and the conditions shall be strictly adhered to.

18 April 2019