



POLICY GUIDELINES ON PUBLIC SECTOR LONG SERVICE ALLOWANCE (SECOND REVISED VERSION JANUARY 2020)

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, and earning a monthly salary shall receive their long service allowance dues in line with the table. As from January 2020 the table has been extended to include employees from 45 to 50 years' service.

Service Period	Revised Monthly Allowance in Seychelles Rupees as at January 2020
5 to less than 10 years	SR 500.00
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
40 to less than 45 years	SR4,000.00
45 to less than 50 years	SR4,500.00 effective 1.1.2020
More than 50 years	SR5,000.00 effective 1.1.2020

- 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, payment of their Long Service Allowance will be postponed 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 on continuous employment occupying an established post from Salary band 1 to salary band 5 in a core function of Government;
- 3.1.2 Employees holding posts at 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 Effective from 1 January 2020 employees serving on PSC or Agency fixed-term contract** will also be eligible for payment of the allowance for their entire service.
- 3.1.4 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.
- 3.1.5 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 of budget dependent bodies/governmental organization who were/are required to resign their public service position to take up another post in the public service because institutional arrangement does not permit a transfer, provided that they are re-employed within a period not exceeding 31 calendar days.
 - (e) 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 (POSTPONEMENT) 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 21 days paid sick leave aggregate per annum, any period beyond the 21 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 NON ELIGIBILITY FOR PAYMENT

5.1 Break in Service

- (a) 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, and does not meet the requirement at **3.1.5(d)** 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.

(b) An employees who resigns from a State-Owned Enterprise to join a Ministry/Department or Agency or another State-Owned Enterprise will not have continuity of service.

5.2 Constitutional Appointees and Employees whose salary and allowances are prescribed by an Act

Notwithstanding **3.1.2** Constitutional appointees and employees whose salary and allowances are prescribed by an Act shall not be eligible for the Long Service Allowance.

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 **and reviewed at each five yearly intervals**.

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 annual gratuity and end of contract payments in the case of employees serving on the Public Sector Commission or Agency fixed-term contract.

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 are encouraged to apply the policy.

10.0 **IMPLEMENTATION DATE**

10.1 The revised policy will be effective as from **1 January 2020** and the conditions shall be strictly adhered to.

Reference:

Policy issued on
Circular No. 7 of 2019.

First revised version 2 September, 2019.
Circular No. 9 of 2019.

Second Revised version 26 December 2019
Circular No. 14 of 2019.