



## Inside this issue:

*New Chairman appointed*

*TasBuild's KPIs for 2009-2010*

*TasBuild industry issues—misinformation.*

*Estimations of Returns Policy*

**Please note: copies of the Monthly Employer Updates are also available on the TasBuild webpage at [www.tasbuild.com.au](http://www.tasbuild.com.au)**

### Entitlement Statistics for August 2010:

- Total entitlements paid: **57**
  - Total value of entitlements paid: **\$424,810.79**
  - Average weekly rate paid for all entitlements: **\$1035.72**
  - Average weekly rates paid to specific trades:
- |                  |                   |
|------------------|-------------------|
| Boilermaker:     | <b>\$1,656.33</b> |
| Bricklayer:      | <b>\$1,000.00</b> |
| Carpenter:       | <b>\$1,030.33</b> |
| Electrician:     | <b>\$1,307.95</b> |
| Glazier :        | <b>\$824.87</b>   |
| Labourer:        | <b>\$879.81</b>   |
| Plant operator:  | <b>\$1,096.10</b> |
| Plumber:         | <b>\$866.67</b>   |
| Refig Mechanic:  | <b>\$857.50</b>   |
| Rigger/Scaff:    | <b>\$893.00</b>   |
| Roadmaker:       | <b>\$1,015.58</b> |
| Sh metal worker: | <b>\$720.00</b>   |
| Others:          | <b>\$1,162.66</b> |

## *New Chairman Appointed!*

Mr. Graeme Sturges has been appointed to the position of Independent Chairman of the TasBuild Limited Board replacing long term Chairman Des Hodgman.

We are delighted to have such a high calibre person as Mr. Sturges join the TasBuild Board. Graeme's breadth and depth of skills combined with his experience will guarantee the work of the outgoing Chairman, Mr. Des Hodgman is continued.

Mr. Sturges was elected to State Parliament in 2002 and served as an MHA for eight years in the seat of Denison; he also held ministerial portfolios for Infrastructure and Veteran's Affairs. Graeme also filled the positions of Cabinet Secretary, Parliamentary Secretary to the Premier, Chair of the Tasmanian Road Safety Council, Chair of Parliament Budget and Government Business Enterprise Estimates Committee.

Prior to entering Parliament Mr. Sturges served as State Secretary of the Communications Division of the Communications Electrical Plumbing Union. He is also heavily involved in community and volunteer work and is the Patron of a number of community organizations including the Claremont RSL, Riding for the Disabled Association, Senior Polish Citizens Association and the RSPCA Hobart Shelter and is a Board Member of the RSPCA Tasmania.

In accepting the appointment Mr. Sturges said "The tireless efforts" of Mr. Hodgman must be applauded as he was involved in establishing TasBuild Limited some 12 years ago and was an inaugural Member of the Board. As result of Des's efforts he leaves the Fund in a sound financial position. I look forward to the challenges that are inherent in a position such as this, including those related to the growing value of the fund, the ever increasing liability of the Trustee and the uncertain local and global investment markets."

Chris Atkins CEO

## TASBUILD'S KPIs for 2009-2010!

Each year the TasBuild Board review the performance of the Trustee and the Fund to ensure there is continuous improvement against measureable outcomes.

During the twelve months ended 30 June 2010 the Trustee registered an additional 249 employers and an extra 1,767 employees.

Tasbuild paid a total of 465 entitlements to the industry's employees, with entitlement payments totalling over \$3.114 million. Both of

these figures are the highest recorded and represent an increase over the previous twelve months of 24.67% and 35.6% respectively.

The average value of entitlements paid increased from \$6,161.00 in 2009 to \$6,697.00 in 2010, an increase of 8.7%.

Since TasBuild's inception we have paid out a total of 3,224 entitlements with a total value of \$17.525 million.

The total value of funds invested by the Trustee grew to \$53.315 million, however the Trustee's liabilities for entitlements also grew to \$52.928 million.

As reported in the last "Update", we introduced a new "Debt Recovery Policy" during the year. The result of this Policy has had a significant effect on the average days debtors are outstanding. Previously this figure was 92 days, however this year the figure has dropped to 33 days.

## ***TasBuild industry issues—misinformation.***

It has been brought to our attention that a person or persons have been providing information to industry employers and employees regarding the operations of TasBuild.

Based on the discussion held with employers who have been provided with such information it is obvious that the information is incorrect or has not been presented in a way that is easily understood, which leads to misinterpretation by the receiver.

Whilst I am sure it is not the intention of these persons to provide in-

correct information, the complexity and interaction of the Construction Industry (Long Service) Act, the Trust Deed executed between the Government and the Trustee and the Rules make it extremely difficult for anyone not directly involved with these items on a day to day basis to correctly interpret and offer advice on related matters.

I assure employers and employees that TasBuild staff are only too happy to answer any queries you may have about the operations of TasBuild or the legislative provisions that apply..

One of the roles of TasBuild's Field Officer, Mr. Mark Corrigan is to educate industry participants as to the requirements of TasBuild and to respond to specific employer and employee questions.

Should you require information regarding any issue/s relevant to long service leave in the Construction Industry, please feel free to contact TasBuild as our staff are only too happy to assist. Further, this is at least one way you can be confident in the advice you receive.

## ***Estimations of Returns Policy—legislative provisions.***

Under the Rules of the Construction Industry (Long Service) Fund (the Rules), TasBuild Limited is responsible for providing long service benefits to workers in the Tasmanian construction industry by collecting information and obtaining contributions from employers as required by the *Construction Industry (Long Service) Act 1997* (the Act) to determine a workers eligibility and entitlement to portable long service.

To achieve the above outcome, the Act and the Rules impose the obligation on each employer, to provide the requested information by way of lodging a monthly or quarterly Employer Return.

The information contained within the Return allows service days to be credited to an employees account and the value of the Long Service Charge to be paid by the employer.

The information provided in these Returns is crucial to ensuring the correct contributions are received and service accrued. Where an employer fails to comply with their statutory obligation it undermines the principles of the Scheme. Employers who do not comply with these requirements tilt the otherwise level "playing field" in their favour.

Where an employer does not comply with the Return lodgment requirements TasBuild staff contact them and offer every assistance to help them with what, at times can appear to be a complex task.

Where we are unsuccessful, the Rules provide that TasBuild can "ESTIMATE" their Returns. The process of "ESTIMATING" Returns is procedurally based and complex, this ensures that the employer has every opportunity to provide the correct information and comply with their obligations.

The process is such that it restores the "level playing field" affords the recalcitrant employer every opportunity to comply with the Rules and ensures employees are not unfairly disadvantaged.

Through this process the Trustee's financial position is safe guarded through the wage rates used to calculate the employers liability. This action also provides an incentive to the employer to comply with the Rules.

As you can imagine, the time it takes a TasBuild employee to estimate an employers return is time that could be better spent elsewhere and adds to our operational overheads.

Whilst we make every effort to get employers to comply in this area, where they don't we will be seeking the assistance of the Magistrates Court to enforce the employers compliance. Court enforcement may result in a fine or where they fail to comply with a Court Order a charge of "Contempt of Court", with all its consequences may be issued.

The regular provision of information to TasBuild by employers is important and is an obligation imposed by legislative provisions which are enforceable in the courts. Employers are urged to lodge their Employer Returns, correctly completed and on time, this action will save you money and the potential embarrassment of a court appearance.

***TasBuild staff are only too happy to assist you where you are having trouble or experiencing difficulties in this area.***

***Give us a call should you need any assistance.***