



## Update—February 2011

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*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 December 2010:

- Total entitlements paid: **67**
- Total value of entitlements paid: **\$409,887.84**
- Average weekly rate paid for all entitlements: **\$1,053.59**
- Average weekly rates paid to specific trades:
  - Boilermaker: **\$1,074.20**
  - Carpenter: **\$994.41**
  - Electrician: **\$1,249.15**
  - Fitter: **\$810.28**
  - Glazier: **\$803.70**
  - Labourer: **\$1,050.31**
  - Painter: **\$855.00**
  - Plant operator: **\$1,011.00**
  - Plasterer: **\$912.67**
  - Plumber: **\$1,219.34**
  - Refig Mechanic: **\$1,188.64**
  - Rigger/Scaffolder: **\$1,007.00**
  - Roadmaker: **\$1,558.23**
  - Sheet metal Wrk: **\$893.76**

## Welcome to 2011!

I take this opportunity to wish you all a belated 'Happy New Year' and to wish you all the very best for 2011.

TasBuild Limited has a forward work schedule that is focused on finalising some very important legislative amendments and making it easier for employers and employees to interact and comply with their obligations to TasBuild.

We expect that should our due diligence support the implementation of some of the proposed changes, employers will find their reporting obligations simpler and easier than is the case currently. The end result will save significant time and effort on everyone's part.

I will keep you updated as to the progress of these reforms and other relevant issues during the year.

Chris Atkins CEO

## Electronic and Manual Employer Return - issues.

A number of employers have reported issues when completing their Employer Returns online, due to "discrepancy errors" being generated by the software system used by TasBuild.

Our software has a risk management tool with built in parameters that generates a "discrepancy" where certain information on the Return being submitted does not align with information previously provided.

Where the software identifies issues such as these it generates a query which the person entering the information must respond to before the Return can be submitted. This can and has caused a high level of frustration with those entering the data.

These same issues apply where a Return lodged manually by an employer is input to the system by a TasBuild operator. In this case the TasBuild operator will review the historical information and where possible will provide a response to the discrepancy and lodge the Return. However where the TasBuild operator is unable to identify the reason for the discrepancy the operator will contact the employer to identify the reason for the discrepancy. Obviously this is time consuming for the TasBuild operator and the subject employer.

We have reviewed the matter internally and

have identified that part of the problem is a glitch in the software. We have asked our consultant to review this issue.

The balance of the problem appears to be generated based on the way the "Period Pay" is calculated by the employer.

Whilst we are working on a long term solution to these issues in the interim the following changes will ultimately decrease the number of discrepancies being generated when you are inputting data for your Employer Return. The suggested changes will be of benefit to employers who lodge their Returns electronically or manually.

### **We suggest that you change the way you currently calculate your employee's 'Period Pay'**

To decrease the number of discrepancies we suggest that you calculate the employees **ordinary daily rate of pay** (weekly ordinary rate of pay divide by 5) and **multiply** the **daily rate** by the **number of ordinary days** the employee worked in the subject month or quarter.

Where you employee casual or part time employees, you would simply multiply their hourly rate by 7.6 hours where your ordinary working week is 38 hours or by 8 where you work 40 hours a week. The result of this calculation is

## ***Electronic and Manual Employer Return - issues.***

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then multiplied by the **number of ordinary days** the employee works in the subject month or quarter

Where an employee is a full time employee and has not taken any leave without pay, you would multiply their ordinary daily rate of pay by the 'Maximum Working Days in this Period' as indicated on the Return.

Obviously where an employee has a wage

increase you would re-calculate their daily rate of pay accordingly.

Due to the current computer software systems the changes suggested may result in an increased number of discrepancies being reported in the month where the changes have been made, however after the first month discrepancies should virtually disappear.

These changes are recommended for those

employers who lodge electronically and have a frustrating number of discrepancies generated when lodging their Return and for employers who lodge their Return manually and are frustrated by the follow-up phone calls from the TasBuild operators.

As advised previously we are working on a long term resolution to this issue, which it is hoped can be implemented in 2011. We will keep you updated.

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## ***Employee coverage guidelines***

TasBuild staff are often asked the question as to which employees should be registered with TasBuild and which ones don't need to be registered. The following information is provided as a guide only to assist you to answer this often difficult question:

A worker who is registered with TasBuild may claim long service leave in accordance with the *Construction Industry (Long Service) Act 1997 (the Act)* provided they have met the eligibility criteria as set out in the Act. Long Service Leave entitlements are normally claimable after 10 years service.

**A worker who performs building and construction work in Tasmania and is employed in 'relevant employment' on-site, or in some cases off-site and falls within one of the categories listed below, may be eligible for registration and long service entitlements under the Act:**

- Apprentices and trainees
- Casual workers
- Permanent employees
- Subcontractors who provide services which are substantially labour only
- Employees who are directors of a company *and*
- Workers carrying out building and construction work who are engaged by a labour hire agency.

**The following employees are generally not eligible for registration and long service entitlements under the Act:**

- Federal, state and local government employees
- Subcontractors who:
  - supply primary building materials under a contract
  - supply significant plant and equipment under a contract
  - supply significant plant and equipment which forms an integral part of a contract
  - include another person's labour under a contract
- Individuals who perform work in a partnership
- Professional and managerial staff
- Clerical staff and
- Ancillary staff (eg store persons, delivery drivers, camp cooks, mechanics, estimators etc)

The following list is an example of the typical trades classifications that come within the scope of the Act, subject to meeting certain conditions, the following list is not an exhaustive or complete listing:

Air Conditioning Worker, Aluminium Fixer, Asphalt Worker, Boilermaker, Bricklayer, Cabinetmaker, Cable Joiner, Carpenter/Joiner, Carpet Layer, Chainman, Communications Technician, Concrete Pumper, Concrete Worker, Crane Driver, Data Cable Installer, Electrician, Fitter, Floor Layer, Floor Polisher/Sander, Foreperson/Subforeperson, Formwork Carpenter, Garage Door Installer, Glass Worker, Technician, Labourer, Lagger, Landscaper, Painter/Decorator, Plant Operator / Driver, Plasterer, Plumber/Drainer/Gasfitter, Pool Builder / Installer, Refrigeration Mechanic, Rigger/Splicer/Dogger, Roof Plumber, Roof Tiler, Sandblaster, Scaffolder, Security System Installer, Sheetmetal Worker, Shopfitter, Shower Screen Installer, Signwriter, Sprinkler Pipe Fitter, Steelfixer, Stone Mason, Tiler, Trades Assistant, Traffic Controller, Tree Lopper, Truck Driver (Roadwork), Waterproofing, Welder, Window Assembler/Installer.

***This information is of a general nature and does not constitute legal advice. We encourage you to seek your own professional advice to find out how the Construction Industry (Long Service) Act applies to you.***