

TABLE OF CONTENTS

1	The Chairman's Report
2	The Chief Executive Officer's Report
3	2002-2003 Operations in Review
4	Profile of the Organisation
5	The Directors of the Board
7	Profile of a Worker
7	Profile of an Employer
8	Financial Statements



THE CHIEF EXECUTIVE OFFICER'S REPORT

My first full year as Chief Executive Officer of TasBuild Limited was challenging and eventful. I inherited from my predecessor, David Louez, a group of hard-working staff, a supportive Board and a professionally-run organisation.

Major highlights of my first year were:

Legislative Amendments

A bill was proclaimed during the year that amends the 1997 Long Service Act under which we operate. The amendments give the Trustee stronger enforcement powers, and clarify and improve certain important administrative matters. Thanks for many months of effort are due to my predecessor, the TasBuild Board and staff, our legal advisers, personnel in Workplace Standards Tasmania who facilitated the drafting of the amending legislation and, not least, the Hon Paul Lennon and later the Hon Jim Cox, who championed the passage of these important amendments through Cabinet and then the Parliament.

Business Plan

A TasBuild Business Plan was developed during the year, and was signed off by the Board. The plan sets out TasBuild's mission and objectives, as well as certain initiatives to be undertaken in 2003, including those relating to staff performance, information technology, external audit, the review of TasBuild's investment policy, the appointment of investment advisers and an assessment of internal controls.

Investments

2002-03 proved to be a disappointing year for investment returns - for TasBuild and the majority of investors nationwide. TasBuild's externally managed funds showed a return of -2% in the year, though this was slightly better than benchmarks against

which TasBuild judges investment performance to have performed better, however, with returns over the year were 2%.

TasBuild's Board closely monitored investment performance after regular briefings from advisers and the Trustee. There were a number of minor, changes to asset allocations across the portfolio.

Investments in loans to developers to support the residential industry increased only marginally in the year. There was a hotel refurbishment. During the year several projects were discussed potential, reasonably large construction projects. Lending funds to support their commencement was a potential borrowers at year end.

Financial Position

Although 2002-03 saw TasBuild experience a loss stakeholders in the fund should note that the adequate cover for projected payments to the fund. The subsidised contribution rate will remain a

2002 - 2003 OPERATIONS IN REVIEW

In October 2002 Industry Liaison Officer, Karin Dowling commenced with TasBuild and in May 2003 she was joined by Jeanette Francis on a part-time basis.

Karin and Jeanette have as their main priority the provision of tailored customer service to employers and workers in the Industry who are members of the Fund or who need to register.

In particular, site visits are now more regular and meetings are arranged at the office, workshop, on site or at home after hours if necessary. The Trustee has consequently seen a significant reduction in compliance matters being referred for legal action and an increased focus on education and communication has resulted in an equally good rise in registration levels.

Since the appointment of Jeanette, both she and Karin have commenced targeting areas of the Industry that have low levels of registration and/or poor compliance. This has involved the provision of more detailed and trade-specific information to employers and workers, better communication with Industry Groups and Unions representing employers and workers and a general increase in site visits within areas of the Construction Industry.

Registrations

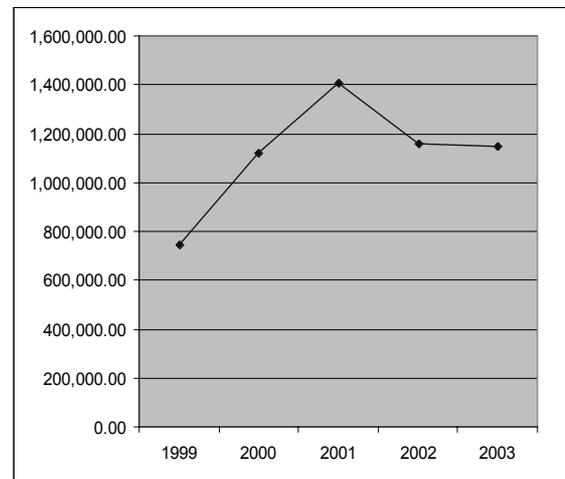
At 30 June 2003, 908 employers and 8,692 employees were registered with the fund.

Payment of Entitlements

Long service payments in the year exceeded \$1.148 million, paid out to 225 workers.

Since the incorporation of TasBuild on 1 July 1998 the Trustee has paid out \$5,695,591 in entitlements to workers.

\$ Value of Entitlements Paid 1999-2003



Self-Employed Persons

In July 1998 the revised *Construction Industry (Long Service Leave) Act 1998* provided for self-employed persons in the Construction Industry to, if they so desired, contribute to the Fund on their own behalf.

This financial year saw TasBuild introduce an improvement in the way self-employed persons engaged in relevant work who wish to contribute to the Fund can do so with minimal administrative impact. During registration, TasBuild will determine an individual's preferred commencement date for contributions and their current weekly wage rate. Self-employed persons' contributions and service is added to their record when they commence work with TasBuild.

Since March this year, approximately 80 self-employed persons have commenced contributing to the Fund and are now continuing to accrue long service leave entitlements.

PROFILE OF THE ORGANISATION

Organisational Structure as at 30 June 2003



THE DIRECTORS OF THE BOARD

MARK WATSON

Mark Watson is TCCI's Director of Industrial Services, a position to which he was promoted to in December 2001. Mark has 24 years experience in industrial relations/human resources, both in the public and private sector, and has been employed at TCCI for the past 9 years. His current responsibilities include managing the TCCI's member industrial relations service.

During Mark's time at TCCI he has represented and advised TCCI members across industry, including the building and construction industry.

Mark has also held the position of Divisional Director for the Australian Funeral Directors Association in Tasmania in a part-time capacity for 7 years during his time at TCCI.

KEVIN HARKINS

Kevin Harkins is the Assistant Secretary, Southern States Branch, of the Electrical Trades Union (ETU). Kevin is an "A" grade Electrician with over 15 years experience in all fields of electrical work. Kevin has had many years of experience working with apprentices as a Field Officer and Director of a large Group Training Company.

Kevin became an Organiser with the ETU in 1995 in Victoria and transferred to Tasmania in January 2001 to rebuild the Union in Tasmania.

PHILIP BAKER

Philip Baker is the State Secretary of the Australian Manufacturing Workers Union with over 25 years experience.

Philip is the Vice President of Unions Tasmania and the Deputy Chair of the Automotive, Engineering and Manufacturing Training Board. He is a member of the Fishing Industry & Electrotechnology, Utilities Training Board, a member of Automotive Training Australia and a member of the Manufacturing Industry Council, Tasmania.

THE DIRECTORS OF THE BOARD

Constitutionally the Tr Directors representing e employees and an Inde Chairman.

CHRIS ATKINS

Chris Atkins is the Executive Director of the Master Builders' Association of Tasmania Inc., a position he has held since 2000. Prior to his promotion Chris was the Association's Southern Regional Manager.

Chris is a qualified electrician and holds an Associate Diploma in Business (Accounting) and is a member of the National Institute of Accountants as a 'Professional National Accountant' (PNA). Chris has currently completed three quarters of the academic requirements towards obtaining a Graduate Diploma in Construction Law from the University of Melbourne.

Chris also represents the MBA and the industry on numerous other boards, including the Government's Procurement Advisory Group, Building Apprenticeship Scheme and the Tasmanian Building and Construction Industry Training Board.

TONY BENSON

Tony Benson is the Secretary of the Construction, Forestry, Mining and Energy Union (Construction & General Division), Tasmanian Divisional Branch.

After leaving school Tony completed an apprenticeship in Painting and Decorating with the Department of Housing and Construction (Housing Department). Some 21 years later Tony worked in the private sector as a painting foreman.

In 1991 Tony started work with the Operative Painters and Decorators Union and was elected Secretary in March 1992. After amalgamation with the building unions in 1993 and other restructuring, Tony was appointed Secretary of the combined building union, the CFMEU, in 1998 and was elected Secretary in 2000.

Tony is a Director of the Building Group Apprenticeship Scheme (BGAS) and is a Director and Treasurer of the Tasmanian Building Construction Industry Training Board (TBCITB) as well as the Union's representative on several Government Boards.

Board Attendance

ATKINS, Chris
BAKER, Philip***
BECKER, Kerry - *Alternate*
BENSON, Tony
COOPER, Greg *
DOWLING, Finbarr **
HARKINS, Kevin
HODGMAN, Des - *Chairman*
KERSHBAUM, Michael
SHEPPERD, Michael
WATSON, Mark
WHITE, Bill - *Alternate for T*
WHITE, Robert - *Alternate*

* Resigned 12 September 2002

** Appointed 12 September 2002
Resigned 13 February 2003

*** Appointed 13 February 2003

PROFILE OF A WORKER

TasBuild member Kevin Riley is a heavy plant operator from Devonport who was employed in the Tasmanian Construction Industry since the late 1940's. Kevin was directly involved in numerous construction projects of significance to the State and has a long record of commitment to the industry. During his working life, numerous employers contributed on Kevin's behalf into TasBuild for long service leave.

When Kevin was unfortunately forced to leave the industry due to ill health, he applied to the Trustee and consequently received payment of his entitlement in 2003.

TasBuild is proud to have been of assistance to Kevin and we wish him all the best for the future.



Becketts Heavy Plant Hire, a significant employer in the civil construction industry, on site on a cold and windy day at the Tamar Ridge Vineyard, Rowella.

Left to right: Stuart Lester, Mike Smith and Andrew Stephenson



Becketts Heavy Plant Hire's recently purchased drump truck which will be commissioned at the Kimbolton coal mine at Hamilton.

PROFILE OF AN

Brock Plaster is a significant employer employing a number of apprentices in the industry.

All eligible Brock Plaster employees and these apprentices are now well on their way to receiving their long service leave entitlements.

Through prompt registration and up to date legislation, Brock Plaster have ensured they remain compliant with the new long service leave legislation. This enables them to tender for work at the same time they are protecting their workers.



Brock Plaster Apprentices on the job.

Left to right: Darren Triffett, 1st year Apprentice, Jason Moore, 2nd year Apprentice and Craig Christie, 4th year Apprentice

FINANCIAL STATEMENTS

PURPOSE & SCOPE OF FINANCIALS

TasBuild Limited is a public trustee company limited by guarantee and incorporated under the Corporations Law. Its function is to administer the trust fund established to provide long service benefits to people working in the construction industry.

The Financial Statements and Independent Audit Report have been prepared:

- . .To satisfy the provisions of the Corporations Act 2001
- . .In accordance with the accounting standards laid down by the professional accounting bodies; *and*
- . .To communicate information on the Trustee's financial performance for the year and its financial position as at 30 June 2003 to the contributors, beneficiaries and potential beneficiaries of the fund.