



ANNUAL REPORT
2004-2005

TasBuild Limited is a public trustee company established in 1998. TasBuild administers the Construction Industry (Long Service) Act 1997, the governing legislation for the construction industry based portable long service scheme.

Interstate Scheme Contact List

Australian Capital Territory

Construction Industry
Long Service Leave Board
71 Constitution Avenue
Campbell ACT 2601
T: (02) 6247 3900
F: (02) 6257 5058
E: lslbact@actlslb.act.gov.au
W: www.actlslb.act.gov.au

Western Australia

Construction Industry
Long Service Leave Payments Board
1st Floor, 26 Collins Street
West Perth WA 6005
T: (08) 9476 5400
F: (08) 9321 5404
E: lslstaff@walslboard.com.au
W: www.lslboard.com.au

New South Wales

Building & Construction Industry
Long Service Payments Corporation
Ground Floor, Corner Donnison & Baker Streets
Gosford NSW 2250
T: 13 1441
F: (02) 9287 5685
W: www.lspc.nsw.gov.au

South Australia

Construction Benefit Services
1st Floor
81 Greenhill Road
Wayville SA 5034
T: (08) 8271 1222
F: (08) 8373 2740
W: www.cbserve.com.au

Queensland

QLeave
Level 4, Lutwyche Shopping Centre
543 Lutwyche Road
Lutwyche QLD 4030
T: (07) 3212 6811
F: (07) 3212 6844
E: member.services@qleave.qld.gov.au
W: www.qleave.qld.gov.au

Victoria

CoInvest Limited
478 Albert Street
East Melbourne VIC 3002
T: (03) 9664 7666
F: (03) 9663 7390
W: www.coinvest.com.au

Northern Territory

NT Build
Units 32-33, 12 Charlton Court
Stuart Park NT 0820
T: 1300 795 855
F: (08) 8923 9318
E: info@ntbuild.com.au
W: www.ntbuild.com.au

COMPANY REPORTS

A Message from the
Chairman *and* Chief Executive Officer
The Board

A Message from the Chairman and Chief Executive Officer

We have pleasure in presenting the Tasmanian Construction Industry Long Service Annual Report for the 2004-2005 financial year.

It has been a successful year for TasBuild. Objectives have been achieved and a high level of internal and external client satisfaction has been delivered. The TasBuild Board and staff have worked extremely hard to ensure that efficient business practices and quality customer service standards are achieved and continue to improve.

Operationally it was another strong year. The number of active workers in the industry has again reached record levels with activity in building and construction projects remaining strong. Investment markets performed very well for the Trustee and provided another positive year.

The actuarial review of the Fund as at 30 June 2005 identified a total accrued liability of \$22.668 million against total assets of \$49.238 million, a positive reserve of \$26.570 million. The Trustee continues to be in a very positive position. The Board in conjunction with the Trustee's Actuary completed a comprehensive review of the Fund during the year. The Board of Directors are committed to ensuring that TasBuild, as Trustee of the Fund, will provide and maintain the best benefits possible recognising that the Trustee is an integral part of the construction industry in Tasmania. As such the Board are currently reviewing the subsidised contribution rate offered to employers and the entitlements offered to workers for the scheme. It is envisaged the Board will make an announcement in this regard early in the new financial year.

Long service leave in the construction industry became truly national with the introduction during the year of the scheme in the Northern Territory, which will be known as NT Build. Legislation is now enacted in each state and territory within Australia providing portability and benefits to workers within the construction industry Australia-wide.

Tasmania is pleased to be hosting the 2005 National Conference of Construction Industry Long Service Authorities which is to be held in Launceston in late November. Delegates and partners will be in attendance from each State and Territory. Delegates consist of Chief Executive Officer's, Directors and senior staff from the relevant authorities. Directors mainly represent industry. We are looking forward to welcoming participants to the State and hosting a successful conference.

In closing we would like to thank staff and the Board for their work during the year and commitment towards the success of the scheme. Finally, thank you again to employers and workers in the industry who have provided feedback and comments during the year - we encourage you to let us know what you think.

We are looking forward to another successful year.



Des Hodgman
Chairman



Maree Tomes
Chief Executive Officer

The Directors' of TasBuild

The Construction Industry Long Service Board is established under the provisions of the Trust Deed. The Board consists of seven members. Three members are appointed to represent employers. They are nominated by the Master Builders Association of Tasmania, the Tasmanian Chamber of Commerce and Industry and the Building Industry Specialist Contractors Association. To represent employees, three members are selected from nominations by the Construction, Forestry, Mining and Energy Union, the Australian Manufacturing Workers Union and Unions Tasmania. An independent Chairman is nominated by the Board of Directors.

The Board is responsible for the administration of the portable long service scheme established under the *Construction Industry (Long Service) Act 1997*. In conjunction with senior management, the Board is responsible to employers and workers within the industry for the overall business performance of the scheme. It approves goals and objectives, strategic plans and performance measures. The Board ensures that appropriate policies, procedures and systems are in place to manage risk, optimise business performance and maintain high standards of behaviour and compliance.

The membership of the Board for the financial year was:

Mr Des Hodgman	Chairman
Mr Chris Atkins	Master Builders Association of Tasmania
Mr Mark Watson	Tasmanian Chamber of Commerce & Industry
Mr Michael Shepperd	Building Industry Specialist Contractors Association
Mr Tony Benson	Construction, Forestry, Energy & Mining Union
Mr Darren Hanisch	Australian Manufacturing Workers Union
Mr Kevin Harkins	CEPU - Electrical Trades Union (<i>nominated by Unions Tasmania</i>)

The Board of Directors meet on a monthly basis, in 2004-2005 the Board met on 10 occasions. Other meetings may be held to consider specific matters that require attention between scheduled meetings.

Board Attendance

10 meetings were held between 1 July 2004 and 30 June 2005

Director Attendance

Des Hodgman	9	
Chris Atkins	5	
<i>Michael Kershbaum</i>	2	<i>Alternate Director for Chris Atkins</i>
Mark Watson	10	
Michael Shepperd	10	
Tony Benson	5	
<i>Bill White</i>	5	<i>Alternate Director for Tony Benson</i>
Darren Hanisch	9	
Kevin Harkins	7	
<i>Nicole Wells</i>	1	<i>Alternate Director for Kevin Harkins</i>

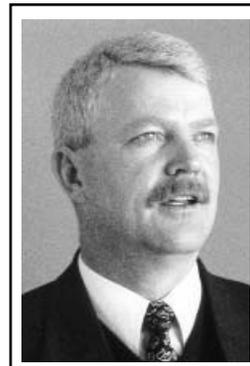
MR CHRIS ATKINS

Representative of Master Builders Association

Chris Atkins is the Executive Director of the Master Builders' Association of Tasmania Inc., a position he has held since 2000.

Chris is a qualified electrician and holds a Graduate Diploma in Construction Law (Melbourne University) an Associate Diploma in Business (Accounting) is a member of the National Institute of Accountants as a 'Fellow Professional National Accountant' (FPNA) and is a member of the Australian Institute of Company Directors.

Chris also represents the Master Builders' Association 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.



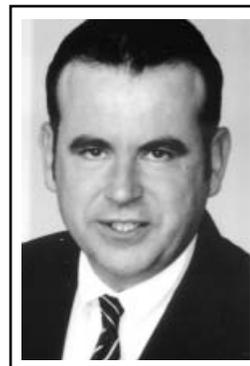
MR MICHAEL SHEPPERD

Representative of the Building Industry Specialist Contractors Association

After graduating with a Bachelor of Business Degree (Accounting), Michael gained his work experience within Tasmanian industry.

As a certified Practising Accountant, Michael's involvement in public practice has concentrated on the provision of services to specialist contractors in the building and construction industry.

Michael is also a member of the Building and Construction Industry Council, the AMCA Tasmania Industry Fund, the Tasmanian Building and Construction Industry Training Board - Services and TASTEC Group Training.



MR MARK WATSON

Representative of the Tasmanian Chamber of Commerce & Industry

Mark Watson is TCCI's Director of Industrial Services. Mark has been employed for 26 years in the human resources and industrial relations arena. Mark has a wealth of experience both in the public and private sector and has been employed at TCCI for the past 11 years. Mark is also a member of the National Employers Workplace Policy Committee.

During Mark's time at TCCI he has provided workplace relations advice, advocacy and representation to TCCI members across industry, including the building and construction industry. Mark regularly delivers training and presentations on workplace relations issues and has a Certificate IV in Assessment and Workplace Training. Mark is head of TCCI's Industrial Services Team and is responsible for managing TCCI's member workplace relations service.



MR TONY BENSON

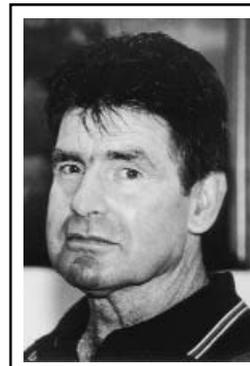
Representative of the Construction, Forestry, Energy & Mining Union

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), a Director of the Tasmanian Building Construction Industry Training Board (TBCITB), a Director on the Board of the Australian Construction Industry Redundancy Trust - ACIRT as well as the Union's representative on several Government Boards.



MR DARREN HANISCH

Representative of the Australian Manufacturing Workers Union

Darren Hanisch is the State President of the Australian Manufacturing Workers Union with over ten years of Union/Activist experience.

He worked for two years with the CFMEU Furnishing Division as an Organiser and relocated to Hobart in 2003 where he took up the position of State Organiser for the AMWU.

Darren is a Member of the Automotive, Engineering and Manufacturing Training Board.



MR KEVIN HARKINS

Representative of the CEPU - Electrical Trades Union

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.



THE YEAR'S HIGHLIGHTS

Review of Operations
Staff & Responsibilities

Review of Operations

Business systems and processes continued to undergo a range of upgrades and improvements as we strive to provide excellent service with a high level of reliability and efficiency whilst keeping administrative costs to a minimum.

TasBuild welcomed 1,022 workers during the financial year. This has resulted in the total number of active workers as at 30 June 2005 being 10,643. Employer registrations were 861. Self-Employed registrations were 133 - it is not compulsory for self-employed to contribute into the Fund, although they may do so if they wish on their own behalf.

The Fund paid a total of 223 claims totalling in excess of \$1.12 million during the financial year. This was slightly up on the previous years payments.

To enable interstate construction work to be counted towards a worker's long service leave, an agreement with interstate long service schemes was authorised back in 1987. Tasmania became a party to this when TasBuild Limited was formed in 1998 and currently work is underway to have the new Northern Territory scheme become a party to the agreement. As usual TasBuild made a number of payments during the year under the National Reciprocal Arrangements Agreement which involved either making payments to interstate Funds for service accrued in Tasmania or seeking reimbursement for interstate service recognised and paid to a worker on another Fund's behalf.

Since the incorporation of TasBuild on 1 July 1998 the Trustee has paid out in excess of \$6.8 million in entitlements to workers within the construction industry.

TasBuild was successful in gaining an exemption from charging Goods & Services Tax (GST) on contributions to employers. The exemption came into effect 1 July 2005 for contributions charged from this date onwards. We were very pleased to announce this to employers, many of whom had expressed their annoyance at us having to charge GST, it was nothing more than an administrative burden for all parties.

Today, TasBuild is in a financially strong position. The Trustee had an excellent end to the Financial Year with its investments. The investment return was comparable to last year at 12.68% (2004: 12.44%). The Board closely monitors investment performance during the year, and, after regular briefings from advisers, changes asset allocations across different types of investments to maintain an acceptable risk level for the Trustee.

Investment loans to developers were settled throughout the financial year. The Trustee has a small amount still invested with FTIL a Tasmanian venture capital fund which provided many opportunities for development in Tasmania, including Websters, Meadowbank Winery, Peppermint Bay etc.

It is anticipated the low demand for finance will continue throughout this financial year whilst the market remains fairly buoyant and potential developers are able to source finance from normal commercial arenas.

Staff & Responsibilities

As at 30 June 2005 TasBuild have a staffing level of 5 FTE who operate in the following areas of the organisation:

Operations

The Trustee's operations section plays an vital role in the organisation. Responsible for compliance, entitlement distribution, marketing and client liaison.

Information Technology

This section is responsible for programming, help desk both internal and external. IT support to the Construction Industry Long Service Scheme in South Australia and is also currently assisting South Australia with I.T. development for the Northern Territory scheme.

Administration & Corporate Services

Responsible for company administration, quality assurance, marketing, policy and legal services, accounting services, payroll and human resources. This section is also responsible for investments and property of TasBuild managed funds, construction projects and fund managers.