



## Media Release

Wednesday 27 September 2017

### **\$1.1 million to flow back to building and construction industry**

Employers in the building and construction industry making contributions to a Portable Long Service Fund are celebrating with over \$1.1 million flowing back into the industry following the announcement provider TasBuild is reducing the contribution required by employers by ten per cent.

TasBuild is responsible for providing long service benefits to workers in the construction industry and ensuring that both employee entitlements are protected and a level playing field for employers in Tasmania is maintained.

Employers make payments into the fund, which go towards the industry's employee's long service entitlements. When employees move from one employer to the next, their entitlements go with them.

Chief Financial Officer of Vos Construction & Joinery Pty Ltd Adrian Bott said that the move will have a positive impact on their business which currently employs 230 Tasmanians, the majority of whom have contributions made into TasBuild's Portable Long Service Fund by Vos.

"This decision will see up to \$20,000 of funds becoming available each year to be invested back into our business which we can spend on training and capital equipment, it's great for our workforce and the local economy," Mr Bott said.

"The Portable Long Service Fund managed by TasBuild is positive for employers because it provides an incentive for good people to remain in the industry and when employees take leave there is no impact on our cash flow," Mr Bott said.

Vos Construction & Joinery Pty Ltd has a strong and loyal workforce with many employees qualifying for long service leave whilst working with the company.

TasBuild CEO Chris Atkins said the TasBuild board took the decision to reduce the required contribution employers make after careful management and long-term growth of the fund.

"This is the first time the rate has changed since 2009, the reduction in employer contributions comes off the back of careful investments and management of funds

that has seen the fund grow from \$45.6 million in 2009 to \$116.5 million to June 2017, with liabilities growing from \$49.0 million to \$95.1 million in the same period.” he said.

“Our performance has been improving year on year for some time now and we are delighted that we are able to lower the costs of doing business for the industry.”

“We see a reduction in costs for employers as a positive for them and the industry. A more profitable sector will provide more employment and training opportunities for Tasmanian construction workers.”

TasBuild pays out in excess of \$6.5 million in entitlements to workers in the construction industry annually. All members of the construction industry including employers and relevant workers are required to be registered with TasBuild.

The changes come into effect from October 1st 2017.

**Chris Atkins from TasBuild and Mark Millhouse from Vos Construction will be available for interviews and picture opportunities on the Parliament Square construction site at 1pm.**

**We will muster outside 12 Murray St, which is located on the corner of Davey and Murray St, Hobart.**

***As this will be held on a construction site please ensure you have a hardhat, fluoro vest and sturdy footwear.***

For more information contact Adrian Smith on 0417 529 826.