



Update - September 2021

Volume 21, Issue 5

22 September 2021

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TasBuild Statistics

Entitlements

A comparison of the last 5 financial years of entitlements paid and the value of these:

2020/2021	1450	\$11 271 million
2019/2020	1167	\$10 357 million
2018/2019	1040	\$8 829 million
2017/2018	967	\$7 886 million
2016/2017	834	\$6 632 million

This is over a **70%** increase from 2016/17 to 2020/21 in the total number of entitlements paid as well as the monetary value of these.

Total Entitlements paid:

2017—2021

5458 \$44 975 million

2012—2016

3601 \$28 055 million

This is a **50%** increase in the number of entitlements paid from 2012—2016 compared to 2017—2021 and a **60%** increase in the value of the entitlements paid.

Annual General Meeting - AGM

The Annual General Meeting of Contributors, Beneficiaries and Potential Beneficiaries of the Fund will be held on Thursday 14th October at 5pm. This will be in conjunction with the Annual General Meeting of the Trustee and will be held at The Tasmanian Hockey Centre, 19 Bell Street New Town.

The Chairman and Board Members will be in attendance and they wish to extend an invitation to all Registered Employers to attend. Pre-registrations must be made for this event prior to the 10th October by emailing secretary@tasbuild.com.au or phoning (03) 62 940 807. Light refreshments will be available at the completion of the meeting.

Copies of the audited accounts of the Fund and a summary of the activities for the 2020/2021 financial year will be available at the meeting and also from the Tasbuild office at Level 3, 6 Bayfield Street, Rosny Park or online at www.tasbuild.com.au

How does Portable Long Service Leave Work

Portable Long Service in the construction industry in Tasmania is supported by a Trust Fund administered by Tasbuild. The basic principle underlying the legislation is that persons employed in the construction industry are able to count reported service with different employers in establishing an entitlement to long service leave.

It was clear that many workers were disadvantaged if they work on separate projects and frequently move from employer to employer. If portability did not exist, a worker would need to work with the same employer for at least 10 years and not have an unpaid break of longer than 3 months.

At Tasbuild a worker reaches an entitlement when they have 2600 days (10 years) of reported service accrued. If working full time a worker accrues 260 working days each calendar year. There are some circumstances where pro-rata entitlements are provided prior to this.

What does Tasbuild need to collect?

Tasbuild has two requirements:

The first, is to collect details of registered workers relevant service to enable maintenance of their service history and progression to qualifying for a long service entitlement. This is collected from the Returns lodged by Employers.

The second, is to collect a levy to fund the entitlements paid to workers who have the required service and qualify for a payment. This levy is calculated on the payroll information supplied on the returns lodged by Employers.

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The information contained in this Update 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.

How does Portable Long Service Leave Work

How is Portable Long Service Leave Funded?

Registered Employers who employ workers undertaking relevant employment within the construction industry are required to pay a levy to fund the entitlement payments for those workers that qualify for a payment. The current contribution rate is set at 2.5% which is discounted to 1.8% if both the Employer Returns are submitted and levy invoices are paid by the due date.

This levy is then added to a pool of funds that is invested to generate investment income to make up the difference between the levies paid by employers and the long service payments paid to registered workers.

It is calculated that the employer levy only accounts for approximately 65% of the payment to the worker and the remaining 35% needs to be generated from investment income.

In addition to the levy shortfall, Tasbuild is also required to make a payment to eligible workers irrespective of whether levies are collected from the employer in relation to their employment. This additional shortfall is also required to be funded from the investment pool.

What happens if a worker does not qualify for an entitlement?

If a worker does not qualify and reach an entitlement then it means that there is no payment required from the invested pool of funds. The funds that may have been used to fund entitlement payments, stay in the pool and are effectively utilised to offset the shortfall from employer levies and the shortfall from levies that have not been able to be collected from registered Employers.

Education, Support and Feedback

We are always looking at ways of implementing new functionality to the online portals to make them more user friendly for both employers and workers. If you do experience any difficulties using these online services or come across any system based issues we would be more than happy to receive your feedback in this regard.

We also understand that there are many Employers that are not fully aware of their legal obligations in regard to compliance and reporting for long service leave for their workers. In this respect we are always willing to offer further education and support in all facets of our business so please contact us if you would like some assistance.

We can provide support over the phone, online, emailing information flyers or even have someone attend your workplace if you wish. Some of the areas that we provide daily support for are;

- Accessing the Employer portal and completing Employer returns online
- Adding or terminating workers on your returns
- Due dates for completing returns and payment of invoices
- What you do and do not need to contribute on for your workers
- How to report for casual workers

If you would like any further assistance with any of the above please do not hesitate to contact us on 6294 0807 or secretary@tasbuild.com.au and we would be more than happy to help you.