

**INSIDE THIS
ISSUE**

Merry Christmas

Christmas Office
Closure

*From 12pm Friday 23rd
December to Tuesday
3rd January 2023*

Return Lodgements
over Christmas

When is a Worker
Eligible for a Long
Service Entitlement

Abnormal Wage
Increases

Public Holiday's –
TasBuild's
Obligations

Merry Christmas

On behalf of the Chair, Board Members and Staff at TasBuild I would like to welcome all new Employers to the fund and to thank all members for your support during the past year. I would also like to take this opportunity to wish you, your staff and your loved ones a Merry Christmas and a safe, happy and prosperous New Year.

The TasBuild Office will be closed from 12.00pm Friday 23rd December 2022 and will reopen on Tuesday 3rd January 2023 at 8.30am.

Best wishes for the season and we look forward to assisting you in 2023.

Michael Irwin CEO

Return Lodgements over Christmas

In keeping with previous years, we will be taking a lenient approach to the lodgement of your December 2022 Employer Return, due on the 14th January 2023.

Whilst we would encourage where possible for Employers to lodge their returns by the due dates, we do understand that the Construction Industry does traditionally close over Christmas and we therefore appreciate that many of you will be taking a well-deserved break through this time. We will therefore be allowing a level of leniency where the December return is lodged after the 14th January 2023.

Please note this leniency does not extend to Late Payments and/or Returns that are due or overdue for prior months and also for Employers that have a poor history of lodgement and/or payment of returns.

When is a Worker Eligible for a Long Service Entitlement

To be eligible for a long service entitlement a worker requires 2600 recorded working days. A worker's entitlement is not reached based on calendar years. For a full time worker, 2600 days is equivalent to 52 weeks of 5 days per week times 10 years of relevant employment;

52 weeks x 5 days x 10 years = 2600 days

If a worker is only employed on a part time or casual basis, it will take him/her longer to reach an entitlement.

Abnormal Wage Increases

TasBuild conducts a very detailed review of employment and payroll records prior to making an entitlement payment. The purpose of this review is to ensure that entitlements are paid in a manner that is consistent with actual wage payments and the employer contributions made.

Normally the majority of workers are paid long service leave at the rate of pay earned at the time they take the leave. There are some exceptions as noted below.

Where a worker's wage rate changes by an abnormal amount, in excess of 10%, within any 12-month period, the increase/decrease will be carefully reviewed. When it comes time to take long service leave, TasBuild will take a number of factors into account when determining the wage rate to be applied to the entitlement, including when the wage variation occurred.

TasBuild recognises there may be valid reasons for such a variation and where possible will incorporate a pro rata component of the abnormal wage rate in the entitlement payment. The bottom line is that long service accrued during periods of high wages will be preserved and that accrued service will be paid at the rate that was reported on at that time. If the entitlement payment includes periods of pay where the wage was not abnormal, the pay for those periods will be indexed up to either the date of termination or date of payment.

If the workers' rate of pay at the time of lodging an application for an entitlement has actually decreased, the wage rate that applied whilst accruing the entitlement will be preserved and that portion will be used to calculate the entitlement payment.

Public Holidays – TasBuild's Obligations

TasBuild processes entitlement claims and pays individuals to fund long service leave for the number of weeks applied for. How the worker utilises the payment is their decision.

The Employer still has the responsibility for managing the leave of the Employee, not TasBuild. If a public holiday falls in that period of leave, it is the Employer's responsibility to comply with Fair Work Australia requirements as the Employer has the employment relationship with the worker.

With the Christmas period public holidays and many more in the first half of 2023, we do encourage Employers to seek advice to ensure they are paying their employees correctly if a public holiday falls when they are on paid long service leave with TasBuild.

If you have any questions about any topics covered in this newsletter or general questions, please do not hesitate to contact us via email on secretary@tasbuild.com.au or call on (03) 6294 0807.

The information contained in this Employer Newsletter 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.