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New CEO

For our first newsletter this year I would like to wish you a Happy New Year and hope your year is prosperous and brings you the rewards you deserve for all your hard work. I would also like to announce that this will be my last newsletter as I have tendered my resignation with TasBuild. I would like to take this opportunity to thank the Board and hardworking staff for their support over the last three years.

The new CEO Mark Williams commences on the 1st March 2023 and I am confident he will continue to protect the TasBuild fund and also continue developing better and more efficient processes for both employers and workers. Mark has extensive experience as a senior financial services executive and is well positioned to take on the challenges of being the CEO of TasBuild.

I wish Mark, the Board, staff and industry employers and workers all the best for the future.

Michael Irwin CEO

Working Directors – New Rule

On the 13th of October 2022 a new Rule was approved by the Board for addition to the TasBuild Rules of the Construction Industry to allow Working Directors to “Opt Out” of making contributions to TasBuild. This has been included as Rule 9D – Deregistration of Working Directors, which can be viewed on the TasBuild website.

For TasBuild purposes a Working Director refers to a director, trustee or partner of an employer that undertakes relevant employment as an employee of the employer. Under the new rule a Working Director has the option of completing a Deregistration Notice (Working Director – Opt out Form) requesting that the name of the Working Director is removed from the Register of Employees.

The effect of the Deregistration Notice and subsequent removal from the Register of Employees will be that the Employer of the Working Director will no longer be required to lodge return information or pay any long service contribution charges in relation to the Working Director.

By doing this the Working Director loses the entitlement to recognition of any relevant employment from the date of the Deregistration Notice (Opt Out Form). This opt out can however be revoked at any point but only relevant employment post receipt of the revocation will be able to be recognised.

If you have any questions in regard to this please do not hesitate to contact the TasBuild office directly for further information specific to your situation.

Change of Entity/Structure in your Business

If your business has had or is going to have a change of structure which involves a new ABN you will need to contact us to update your details so that a new file can be generated for this entity.

Failure to update these details with us could potentially mean the ATO will not acknowledge the taxation deductions claimed for the Long Service Charges paid for workers via your former entity and you may be penalised by the ATO.

One example of this, is an entity set up as a Sole Trader (self-employed) and then they register as a Company and operate under a new ABN. In this circumstance the new Company (operating under a new ABN), would need to be registered with TasBuild and if there are any employees they would need to be transferred to the new Company. If the business owner (previously Sole Trader) is employed by the Company in relevant employment, they will also need to be added as an employee and contributions made for them (unless as a Working Director they "Opt Out" as per the Working Directors – New Rule).

If you are uncertain about any changes you have made in your business and whether these need to be updated with TasBuild please do not hesitate to contact us and we would be happy to assist you.

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 have reported service with different employers recognised to reach an entitlement to long service leave.

It was clear that many workers were disadvantaged if they worked on separate projects and frequently moved from employer to employer or state to state. If portability did not exist, a worker would need to work with the same employer for at least 10 years and not have any 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. If a worker is only employed on a part time or casual basis, it would take them longer to reach an entitlement.

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. Also, if there is anything you would like us to include in the next newsletter, please let us know.

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.