

RULES OF THE

CONSTRUCTION

INDUSTRY

LONG SERVICE FUND

as at 1 January 2026

CONTENTS

PART 1: INTERPRETATION.....	3
1. DEFINITIONS AND INTERPRETATION.....	3
PART 2: OVERRIDING RULES.....	7
2. OVERRIDING RULES.....	7
3. OVERRIDING RULE PRIOR TO ACT COMING INTO FORCE	7
4. OVERRIDING RULE ONCE THE ACT COMES INTO FORCE	7
5. EFFECTIVE DATE.....	8
PART 3: THE FUND.....	9
6. FUND.....	9
7. ACTUARIAL INVESTIGATIONS.....	9
PART 4: REGISTERS	10
8. REGISTER OF EMPLOYERS	10
9. REGISTER OF EMPLOYEES.....	10
10. REGISTER OF SELF-EMPLOYED WORKERS	10
11. TRANSFER OF MEMBERS BETWEEN REGISTERS	10
12. RELEVANT EMPLOYMENT	11
13. DEREGISTRATION OF WORKING DIRECTORS	11
PART 5: CONTRIBUTIONS	11
14. LONG SERVICE CHARGE.....	11
15. TRUSTEE MAY ESTIMATE CHARGES	14
16. APPEALS AGAINST CERTIFIED ASSESSMENTS.....	15
17. SOLE TRADER STATUS	15
PART 6: ENTITLEMENTS AND PAYMENTS	16
18. 'ORDINARY PAY'	16
19. ABNORMAL WAGE VARIATIONS	17
20. DETERMINATION OF ORDINARY PAY WHERE ORDINARY PAY EXCESSIVE	18
21. DETERMINATION OF ORDINARY PAY WHERE IT APPEARS INSUFFICIENT.....	19
22. CALCULATION OF CONTINUOUS SERVICE FOR EMPLOYEES.....	19
23. DETERMINATION OF ENTITLEMENT OF EMPLOYEE	21
24. ENTITLEMENTS FOR EMPLOYEE WITH SUBSTANTIAL CONTROL	23
25. DATE OF TERMINATION OF RELEVANT EMPLOYMENT.....	24
26. SELF EMPLOYED WORKER ACCOUNTS.....	24
27. SELF-EMPLOYED WORKER CONTRIBUTIONS	24
28. SELF-EMPLOYED WORKER ENTITLEMENTS	25
29. SELF-EMPLOYED WORKER REFUNDS.....	26
30. RECIPROCAL ARRANGEMENTS.....	26
31. PAYMENT FROM FUND IN RESPECT OF LEAVE ACCRUED UNDER PREVIOUS FUND	27
32. FURTHER PROVISIONS FOR PAYMENTS IN RESPECT OF LONG SERVICE PAYMENT	27

PART 7: PROVISION OF INFORMATION TO TRUSTEE	28
33. LONG SERVICE PAYMENT RETURNS	28
34. TRUSTEE MAY REQUIRE INFORMATION	28
35. EMPLOYER REQUIRED TO KEEP CERTAIN RECORDS.....	29
36. REGISTRATION CARDS	29
PART 8: GENERAL.....	30
37. MEANING OF CONSTRUCTION WORK	30
38. OBJECTIONS	31
39. KEEPING OF BOOKS AND RECORDS	32
40. CONTRACTING OUT PROHIBITED.....	32
41. REFUNDS	32
42. TRANSITIONAL MATTERS.....	33

RULES OF THE CONSTRUCTION INDUSTRY LONG SERVICE FUND

PART 1: INTERPRETATION

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In these rules unless the contrary intention appears:

'Act' means the *Construction Industry (Long Service) Act 1997*;

'Age for Retirement' in relation to an Employee or Self-Employed Person means:

- (a) in a case where the employee is engaged in relevant employment for which an age for retirement is prescribed by an Award or fixed by the terms of his contract of employment, the age so prescribed or fixed; or
- (b) in the case of any other employee, 55 years and over.

'Australian Business Register' means the register of Australian businesses as provided by the Australian Government.

'Award' means a law of Commonwealth or of a State or Territory or an award, order, determination or industrial agreement in force under any such law.

'Board' means the board of Directors of the Trustee.

'Business' includes any trade, process, profession or occupation or any part thereof.

'Commencement Date' means the date of execution of the Trust Deed.

'Construction Industry' means:

- (a) any industry in which any or all of the work described in Division E of the Standard Industrial Classification is performed; or
- (b) any industry in which any of the work described in the following classes of Division C of the Standard Industry Classification is performed which involves the construction and installation or fixing of goods, materials or products for use in or in connection with that industry:

Class

2323 Wooden Structural Fitting & Component Manufacturing

2635 Concrete Product Manufacturing

2911 Prefabricated Metal Building Manufacturing

2919 Prefabricated Building Manufacturing n.e.c.

'Construction Work' means work carried out in the Construction Industry including erection, installation, reconstruction, re-erection, renovation, alteration, demolition, maintenance and repairs.

'Continuous Service' in relation to an Employee, has the meaning given in Rule 22.

'Contribution Rate' means a set rate equal to one-sixtieth of \$720.00 per week or as determined from time to time by Special Resolution of the Board.

'Corporation' includes a body corporate, wherever incorporated, and any other entity which by the law under which it is formed has a separate legal personality.

Corporations Act means the Corporations Act 20001 (Cth).

'Corresponding Law' has the same meaning as given to 'corresponding law' in the Act.

'Deregistration Notice' means a written notice in a format approved by the Trustee for the purpose of requesting that the name of a Working Director is removed from the Register of Employees under Rule 13.

'Director' means a director of the Trustee.

'Effective Date' means the day that the Act is proclaimed.

'Employee' means a person who is, or has been, employed in Relevant Employment in the Tasmanian Construction Industry and includes any person engaged whether:

- (a) under a contract of service;
- (b) under a contract that is wholly or principally for the labour of the person; and/or
- (c) under a contract, whether or not a contract of employment, by any labour hire agency or group training scheme.

'Employer' in relation to any Relevant Employment in which an Employee is or has been engaged, means their employer in that employment.

'Fund' means the Construction Industry (Long Service) Fund which is established under the Trust Deed.

'Long Service Leave' means long service leave which an Employee is entitled to under these Rules.

'Long Service Contribution' means a contribution paid into the Fund by any Self-Employed Worker in accordance with these Rules.

'Long Service Payment' means an entitlement paid out of the Fund in accordance with these Rules.

'Long Service Charge' means a contribution paid into the Fund by any Employer in accordance with these Rules.

'Minister' means:

- (a) at any time prior to the Effective Date, the Minister of the Tasmanian Government who is allocated responsibility for the Long Service Leave (Construction Industry) Act 1971; and
- (b) as from and including the Effective Date, the Minister of the Tasmanian Government who is allocated responsibility for the Act.

'Ordinary Pay':

- (a) for the purposes of Rule 14, has the meaning given in Rule 14.6; and

- (b) for the purposes of Part 6 of these Rules, has the meaning given in Rule 18; and
- (c) for the purposes of Rule 33.1, has the meaning given in Rule 14.6.

'Ordinary Resolution' means in relation to the Directors, a resolution approved (in writing on a show of hands or by a poll) by a majority of Directors.

'Pay Day', means the day on which an Employee was paid for the work done by the Employee.

'Prescribed' means prescribed by the Board.

'Prescribed Percentage' has the meaning given in Rule 14.4.

'Previous Fund' means the Long Service Leave (Construction Industry) Fund established under the *Long Service Leave (Construction Industry) Act 1971* as in force immediately before its repeal.

'Reciprocal Arrangement' has the meaning given in Rule 30.3.

'Register of Employers' means the register of Employers in the Construction Industry, kept in accordance with Rule 8.

'Register of Employees' means the register of Employees in the Construction Industry, other than Self-Employed Workers, kept in accordance with Rule 9.

'Register of Self-Employed Workers' means the register of Self-Employed Workers in the Construction Industry, kept in accordance with Rule 10.

'Relevant Employment' means employment on a permanent or casual basis of an employee by an Employer for the purposes of the carrying out by the Employer of any Work in the Construction Industry on the site of the Work or, if they are not employed on the site of the Work, is employed by that employer in making, preparing, storing, or transporting goods or material for use in that Work, but does not include:

- (a) employment of an employee by an employer who is not engaged in the Construction Industry in the maintenance of plant and equipment notwithstanding the nature of the work done by the person is similar to Work in the Construction Industry; or
- (b) a period of employment of less than one full day's duration.

'Relevant Employment Period' means the period of Relevant Employment in respect of which a Long Service Payment arises.

'Self-Employed Worker' means a person who performs Construction Work for fee or reward under a contract, a substantial component of which is for labour, regardless of whether they are an Employer or in partnership with another person, but does not include a person who performs Construction Work under a contract of employment.

'Sole Trader' means a natural person that performs Construction Work for another person or business other than as an Employee.

'Sole Trader Communication' means the process of notifying a Sole Trader in accordance with Rule 17 regarding the recognition of Relevant Employment.

'Special Resolution' means in relation to the Directors, a resolution approved (in writing on a show of hands or by a poll) by not less than 5 out of 6 of the A Class Directors and B Class Directors.

'Trust Deed' means the trust deed between The Honourable Raymond John Groom being and as Minister for Workplace Standards (as 'Settlor') and TASBUILD LIMITED ACN 082 066 939 (as 'Trustee') establishing the Fund, and to which these Rules are scheduled as Schedule 2.

'Trustee' means the trustee of the Fund created by the Trust Deed.

'Unrecorded Service' means the period of time an Employee carried out Relevant Work in the Construction Industry but that period of time was not previously recorded by the Trustee as Relevant Work.

'Work' means work carried out in the Construction Industry.

'Working Director/Trustee' means:

- (a) a director of an Employer; or
- (b) a trustee of an Employer,

engaged in Relevant Employment as an Employee of a Corporation or trust and does not include a Self-Employed Worker.

1.2 Interpretation

In these Rules unless the context otherwise requires:

- (a) the singular includes the plural and vice versa and words importing a gender includes other genders;
- (b) a reference to any legislation or statutory instrument is construed in accordance with the relevant State or Federal Acts Interpretation Act applicable to the legislation or statutory instrument;
- (c) a reference to a "person" includes a Corporation, firm or body of persons;
- (d) other grammatical forms of defined words or phrases have corresponding meanings;
- (e) a reference to a schedule or annexure is a reference to a schedule or annexure to these Rules and a reference to these Rules includes any schedules and annexures;
- (f) terms defined in the *Corporations Act* as at the date of these Rules have the meanings given to them in the *Corporations Act* at that date;
- (g) a reference to a document or agreement, including these Rules, includes a reference to that document or agreement as novated, altered or replaced from time to time;
- (h) a reference to writing includes typewriting, printing, lithography, photography and any other mode of representing or reproducing words, figures or symbols in a permanent and visible form; and
- (i) headings are used for reference only and do not affect the construction of these Rules.

PART 2: OVERRIDING RULES

2. OVERRIDING RULES

- 2.1 Rules 3 and 4 apply notwithstanding anything to the contrary in any other part of these Rules.
- 2.2 Rule 3 cannot be added to, revoked, amended, modified, varied, substituted, or replaced in whole or in part, except in accordance with that Rule 3.
- 2.3 Rule 4 cannot be added to, revoked, amended, modified, varied, substituted, or replaced in whole or in part, except in accordance with that Rule 4.

3. OVERRIDING RULE PRIOR TO ACT COMING INTO FORCE

Prior to the Effective Date, these Rules cannot be added to, revoked, amended, modified, varied, substituted, or replaced in whole or in part, except:

- (a) by the Minister by notice in writing to the Trustee; or
- (b) by a Special Resolution of the Board and made with the prior written approval of the Minister.

4. OVERRIDING RULE ONCE THE ACT COMES INTO FORCE

- 4.1 As from the Effective Date, the provisions of these Rules may, be added to, revoked, amended, modified, varied, substituted or replaced in whole or in part by a unanimous resolution of the Board.
- 4.2 If the Board cannot unanimously resolve to alter the provisions of these Rules in accordance with Rule 4.1 then as from the Effective Date, the provisions of these Rules may, subject to the Act, be added to, revoked, amended, modified, varied, substituted or replaced in whole or in part by a Special Resolution of the Board and approved at a meeting of Employers and Employees.
- 4.3 For the purpose of Rule 4.2 a Special Resolution of the Board shall be deemed to have been approved at a meeting of Employers and Employees provided that:
 - (a) 50% of the Employers present at the meeting vote for approval of the resolution; and
 - (b) 50% of Employees present at the meeting vote for approval of the resolution.
- 4.4 The Trustee shall cause notice of the meeting of Employers and Employees to be given to all Employers and Employees either personally or by sending it by post or hand to:
 - (a) in the case of an Employer the last known address of that Employer as supplied to or ascertained by the Trustee; and
 - (b) in the case of an Employee the last known address of that Employee as supplied to or ascertained by the Trustee, and

notice will be deemed to have been effected:

 - (c) where sent by post and properly addressed, postage prepaid, three days after the date of its posting; or
 - (d) where delivered personally or by hand, at the time of delivery.

- 4.5 For the purposes of Rule 4.4, the Trustee may rely upon the information held by the Trustee in the Registers kept by the Trustee under Rules 8 and 9 for the purpose of identifying persons who are Employers and Employees.
- 4.6 Any notice under this Rule shall specify the time, place and purpose of the meeting and detail the Special Resolution.
- 4.7 Despite the provisions of Rule 4.4, notice may be given by newspaper advertisement in the manner set out in cases where the Deed so provides.

5. EFFECTIVE DATE

- 5.1 Rules 1, 2, 3, 4 and this Rule 5 operate from the Commencement Date.
- 5.2 Subject to Rule 5.1, these Rules become operative as from the Effective Date. Until the Effective Date, the Trustee holds the Fund and Income on trust for the Previous Fund.

PART 3: THE FUND**6. FUND**

6.1 There is to be paid into the Fund:

- (a) the Long Service Charges paid to the Trustee under these Rules in respect of an Employee;
- (b) the Long Service Contributions paid to the Trustee under these Rules in respect of a Self-Employed Worker;
- (c) the proceeds from Fund investments; and
- (d) other money paid into the Fund under these Rules and the Act.

6.2 There is to be paid out of the Fund:

- (a) the Long Service Payments provided for under these Rules;
- (b) in accordance with the Trust Deed, the remuneration and expenses reasonably incurred by the Trustee in the administration of the Fund; and
- (c) any other money authorised to be paid from the Fund under these Rules.

7. ACTUARIAL INVESTIGATIONS

- 7.1 Investigations as to the state of sufficiency of the Fund must be made at such intervals as the Trustee determines, but at least one investigation must be made into the Fund at or before the expiration of each period of three years from the Commencement Date.
- 7.2 Investigations under this Rule 7 must be made by an actuary or two or more actuaries appointed by the Trustee.
- 7.3 The actuary or actuaries must report to the Trustee the result of his or their investigations and must state whether any reduction or increase is in his or their opinion necessary in the rates of contribution to the Fund and may include in that report a statement of any changes which the actuary or actuaries consider could be made to improve the efficiency of the administration of the Fund.

PART 4: REGISTERS**8. REGISTER OF EMPLOYERS**

- 8.1 The Trustee shall keep the Register of Employers.
- 8.2 The Trustee must enter in the Register of Employers the name of any Employer who registers with the Trustee.
- 8.3 The Trustee may remove from the Register of Employers the name of any Employer who ceases to be an Employer in the Construction Industry.

9. REGISTER OF EMPLOYEES

- 9.1 The Trustee shall keep the Register of Employees.
- 9.2 The Trustee must enter in the Register of Employees the name of any Employee whom the Trustee reasonably believes is an Employee who performs Construction Work and who has applied to the Trustee to be registered.
- 9.3 The Trustee may remove from the Register of Employees the name of any Employee where the Employee has been absent from the Construction Industry for a continuous period of 4 years or more. The Trustee will be entitled to treat an Employee as absent for 4 years or more in the event that no contributions have been received into the Fund in respect of that Employee for that period of time.

10. REGISTER OF SELF-EMPLOYED WORKERS

- 10.1 The Trustee shall keep a Register of Self-Employed Workers.
- 10.2 The Trustee must enter in the Register of Self-Employed Workers the name of any Self-Employed Worker whom the Trustee reasonably believes is a Self-Employed Worker who performs Construction work and who has applied to the Trustee to be registered.
- 10.3 The Trustee may remove from the Register of Self-Employed Workers the name of any Self-Employed Worker where the Self-Employed Worker has been absent from the Construction Industry for a continuous period of 4 years or more. The Trustee will be entitled to treat a Self-Employed Worker as absent for 4 years or more in the event that no contributions have been received into the Fund in respect of that Self-Employed Worker for that period of time.

11. TRANSFER OF MEMBERS BETWEEN REGISTERS

- 11.1 Where appropriate, the name of any Self-Employed Worker who has become an Employee of an Employer may, with the consent of the Trustee be transferred from the Register of Self-Employed Workers to the Register of Employees.
- 11.2 Where appropriate, the name of any Employee who is a Self-Employed Worker may, with the consent of the Trustee be transferred from the Register of Employees to the Register of Self-Employed Workers.
- 11.3 Where a person has had periods of Relevant Employment and has also contributed as a Self-Employed Worker:
 - (a) for the purposes only of determining years of Relevant Employment, the period during which the person contributed as a Self-Employed Worker under rule 18B shall count;
 - (b) for the purposes only of determining years of carrying out Construction Work, years of Relevant Employment shall count;

- (c) the entitlements under rules 23 and 27 shall be determined on a pro-rata basis by reference to the period of Relevant Employment and the period for which contributions as a Self-Employed Worker were made;
- (d) the period during which a person contributed whilst Self-Employed before 1 July 2004 shall count as Relevant Employment for the purposes of Rule 23.

12. RELEVANT EMPLOYMENT

- 12.1 Relevant Employment recorded in a members account is restricted to a maximum annual total of 260 days per year except in leap years or years where timing of pay periods means an additional pay period may occur in a year resulting in additional Relevant Employment days being recognised in a year.
- 12.2 To have unrecorded Relevant Employment recognised, Employees are required to complete an Unrecorded Service form which must be supported by the provision of evidence as specified in the Form and supporting documentation.
- 12.3 The review of Unrecorded Service for an applicant will be limited to a period of 10 calendar years prior to the date of receipt of the Unrecorded Service form.

13. DEREGISTRATION OF WORKING DIRECTORS/TRUSTEES

- 13.1 The Trustee is to make available for use by Employers a form known as a Deregistration Notice for the purpose of requesting that the name of a Working Director/Trustee is removed from the Register of Employees in accordance with this Rule 13.
- 13.2 A completed Deregistration Notice may only be provided to the Trustee with the consent of the Working Director/Trustee to which it relates.
- 13.3 The effect of the Deregistration Notice and subsequent removal of the Working Director/Trustee from the Register of Employees will be that the Employer of the Working Director/ Trustee will no longer be required to lodge return information or pay any Long Service Charges in relation to the Working Director/Trustee as of the date of receipt of the Deregistration Notice by the Trustee.
- 13.4 Any Long Service Charges paid on behalf of a Working Director/Trustee and not paid out of the Fund in accordance with these Rules prior to the receipt of a Deregistration Notice will not be reimbursed to the Employer (unless the Trustee determines otherwise in its absolute discretion).
- 13.5 A Deregistration Notice will be deemed to be cancelled if the Employer, with the consent of the Working Director/Trustee, delivers or causes to be delivered to the Trustee a return containing the employment details of the Working Director/Trustee, in which case the Employer will be required to pay Long Service Charges in relation to Relevant Employment in which the Working Director/Trustee is engaged from the date of receipt of the return. For clarity, a Working Director/Trustee's Relevant Employment will recommence on the date the Trustee receives such return and a Working Director/Trustee's Relevant Employment Period will exclude the period for which they were removed from the Register of Employees under Rule 13.3.

PART 5: CONTRIBUTIONS

14. LONG SERVICE CHARGE

- 14.1 Payment of Long Service Charge

Every Employer shall in respect of every Employee employed by the Employer in Relevant Employment pay to the Trustee a Long Service Charge:

- (a) at the end of the month, after the month the Long Service Charge was issued, except where the Employer has not lodged the relevant return in accordance with the Rules, then the Long Service Charge is to be paid at the end of the month the Long Service Charge was issued;
- (b) on a quarterly basis in accordance with Rule 14.2;
- (c) as determined by the Trustee; or
- (d) until such time as the Trustee determines to introduce a charge by way of the imposition of a levy system in accordance with section 7 of the Act.

14.2 Payment of Long Service Charge on a quarterly basis

An Employer may apply to the Trustee to pay the Long Service Charge under this Rule on a quarterly basis where the Employer contributions either:

- (a) are less than \$500.00 per month; or
- (b) relate to five or less employees; and
- (c) is to support alignment with the quarterly completion of a Business Activity Statement by a book keeper.

Any Employer approved for quarterly payment of the Long Service Charge may have their approval revoked at any time where the Employer is non-compliant with the Rules.

14.3 Amount of Long Service Charge and Imposition of Levy

- (a) The amount of the Long Service Charge under Rule 14.1 shall be the prescribed percentage as determined from time to time by Special Resolution of the Directors of the Trustee ('Prescribed Percentage').
- (b) The Trustee may at any time determine to introduce a charge by way of the imposition of a levy in accordance with section 7 of the Act.
- (c) For Relevant Employment Periods prior to and including 30 June 2006 where an Employer has not registered with the Trustee as required under the Act any accrued liability at the date of registration is calculated using the Employee's weekly Ordinary Pay rate at the date of registration with the Trustee and is payable at a rate equal to one-sixtieth of the length of the period of employment to which the accrued liability relates.
- (d) For Relevant Employment Periods on or after 1 July 2006 where an Employer has not registered with the Trustee as required under the Act any accrued liability at the date of registration is calculated using the employee's weekly Ordinary Pay rate at the date of registration with the Trustee and is payable at a rate equal to one-fortieth of the length of the period of employment to which the accrued liability relates.
- (e) A registered Employer is required to lodge with the Trustee the relevant monthly or quarterly return for their Employee(s) by the 14th day of the following month to which the returns refer.
- (f) Where the registered Employer has not lodged the relevant return for their Employee(s) with the Trustee within 7 days of the date determined under Rule 14.3(e); or, any other outstanding returns for their Employee(s) which were outstanding at the date this Rule takes effect, the prescribed Long Service Charge will be a rate equal to one-sixtieth of the period of service for which those returns are in arrears multiplied by the daily wage rate of the Employee(s) for periods of relevant service prior to and including 30 June 2006, or the prescribed Long Service Charge

will be a rate equal to one-fortieth of the period of service for which those returns are in arrears multiplied by the daily wage rate of the Employee(s) for periods of relevant service on or after 1 July 2006.

- (g) Where the registered Employer has not paid the Trustee the prescribed Long Service Charge for their Employee(s) within 30 days of the date of issue of the relevant Tax Invoice; or, the prescribed Long Service Charge for their Employee(s) which had accrued at the date this Rule takes effect, the prescribed long service charge will be amended to be rate equal to one-sixtieth of the period of service for which those charges are in arrears multiplied by the daily wage rate of the Employee(s) for periods of relevant service prior to and including 30 June 2006, or the prescribed Long Service Charge will be amended to be rate equal to one-fortieth of the period of service for which those charges are in arrears multiplied by the daily wage rate of the Employee(s) for periods of relevant service on or after 1 July 2006.

14.4 Amount of Long Service Charge - Prescribed Percentage

- (a) Effective 1 September 1999 up to and including 30 June 2006, the Prescribed Percentage is 0.7 percent of the Ordinary Pay of an Employee.
- (b) Effective 1 July 2006 up to and including 31 March 2009, the Prescribed Percentage is 0.3 percent of the Ordinary Pay of an Employee.
- (c) Effective 1 April 2009 up to and including 30 September 2009, the Prescribed Percentage is 0.6 percent of the Ordinary Pay of an Employee.
- (d) Effective 1 October 2009 up to and including 30 September 2017, the Prescribed Percentage is 2.0 percent of the Ordinary Pay of an Employee.
- (e) Effective 1 October 2017 and until otherwise determined by the Board, the Prescribed Percentage is 1.8 percent of the Ordinary Pay of an employee.
- (f) The Trustee shall give all affected Employers notice in writing of any increase in the Prescribed Percentage, not less than 2 months prior to the change taking effect.

14.5 Compliance with Legal Obligations

When setting a Long Service Charge or imposing a Levy, the Trustee will, in addition, apply all taxes or charges required to be applied to meet its legal obligations e.g. GST.

14.6 Ordinary Pay

For the purposes of Rule 14, 'Ordinary Pay' of an Employee, other than a Self-Employed Worker, means the remuneration the Employee receives when the Employee is employed in Relevant Employment. The remuneration for the period includes any allowance payable by the Employer but does not include:

- (a) payment for overtime;
- (b) disability allowance being any allowance payable to an Employee as a consequence of his working in specified circumstances, being circumstances that involve, or are likely to involve, special danger, hardship, or inconvenience to the Employee, except where it is reasonably to be expected that persons engaged in the type of employment in which the Employee is ordinarily engaged would be entitled to that allowance for the whole, or the greater portion, of the time in which they are so engaged;
- (c) if the Employee is expected to work away from the Employee's usual place of residence, the value of, or any payment in respect of, board and lodging;

- (d) the value of, or any payment payable in respect of, meals or refreshments;
- (e) payment in respect of travel to or from, or in the course of Work;
- (f) payment payable in respect of the use of a vehicle;
- (g) payment payable by way of bonus;
- (h) annual leave loading;
- (i) unused annual leave or rostered days off paid out on termination; and
- (j) redundancy payments.

For clarity:

- (k) when determining an allowance that has a time frame, the "greater proportion" means greater than 50% of a 6 month period; and
- (l) if an Employee works for more than 40 hours per week, any such hours in excess of 40 hours are overtime, unless agreed with TasBuild it is ordinary pay.

15. TRUSTEE MAY ESTIMATE CHARGES

- 15.1 Where, from returns furnished pursuant to these Rules or from such other information as satisfies the Trustee, it appears to the Trustee:
 - (a) that any work that has been performed (whether before or after the commencement of this Rule 15.1) is Construction Work; and
 - (b) that the Employer is liable to pay Long Service Charges to the Trustee in respect of the work performed by Employees; and
 - (c) that those Long Service Charges have not been paid,
 and where there is insufficient information available to the Trustee to enable the amount of the Long Service Charges due in respect of such work to be calculated in accordance with Rule 14, the Trustee may estimate and make an assessment of the amount of Long Service Charges that in its opinion are due from the Employer in respect of the work performed by Employees.
- 15.2 The Trustee may estimate and make an assessment under Rule 15.1, notwithstanding that there is insufficient information available to the Trustee to enable the Trustee to identify the Employee who performed the Construction Work for an Employer.
- 15.3 In making an assessment under Rule 15.1, the Trustee may have regard to;
 - (a) the prevailing rates of pay for the type of work the subject of the assessment at the time when that work was performed; and
 - (b) (where the work the subject of the assessment was performed for an Employer) any records kept by an Employer or other information relating to amounts paid by the Employer in respect of the work performed by an Employee.
- 15.4 The Trustee shall cause notice of any assessment made under this Rule 15 to be served on the Employer to whom the assessment relates.
- 15.5 The Employer to whom the assessment relates may within a period of 28 days from the date of service of the notice referred to in Rule 15.4, lodge with the Trustee a notice in writing objecting to the assessment and setting out the grounds of such objections.
- 15.6 The Trustee shall consider every such written objection and may affirm or vary the assessment objected to.

- 15.7 In considering an objection to an assessment under this Rule 15.7 the Trustee shall have regard to the written objection of the Employer and may otherwise inform itself in such manner as it thinks fit, but except as provided by this Rule 15.7 and Rule 36 the Trustee is not required to give to any person notice of or an opportunity to answer or to be heard in relation to any matter taken into account by the Trustee in making the assessment or considering the objection to the assessment.
- 15.8 After considering any objection or if there is no objection, after the expiration of 28 days from the date of service of the notice referred to in Rule 15.4, the Trustee shall certify its assessment and subject to Rule 15.9 the certified assessment shall be deemed to be the amount of Long Service Charges in respect of the relevant work due to and recoverable by the Trustee in accordance with these Rules.
- 15.9 The Trustee shall cause notice of the certification under Rule 15.8 of an assessment to be sent to the Employer to whom the assessment relates.

16. APPEALS AGAINST CERTIFIED ASSESSMENTS

An Employer to whom a certified assessment under Rule 15 applies may within fourteen days from the date of service of notice of that certified assessment lodge an objection with the Trustee pursuant to Rule 37.

17. SOLE TRADER STATUS

- 17.1 The Trustee will advise (**Initial Contact**) Sole Traders that they must complete a Claim for Unrecorded Service as per Rule 12 for eligible Relevant Employment to be considered.
- 17.2 Subject to Rule 17.3, the Trustee will not recognise any Unrecorded Service as Relevant Employment if the Sole Trader has not contacted the Trustee within 3 months of the Initial Contact.
- 17.3 If the Sole Trader does not receive the Sole Trader communications and can provide evidence that the contact details used for the Sole Trader communications were not current at the time of communication then they have the option to contact the Trustee and request recognition of Unrecorded Service be considered.
- 17.4 If the Sole Trader has notified the Trustee that they have elected to opt out of having their Eligible Unrecorded Service recognised (**Sole Trader Contact**) and any subsequent claim for recognition of Relevant Employment can only be on a prospective basis from the date of receipt of the written advice of the Sole Trader's decision to have Relevant Employment recognised.
- 17.5 The Trustee will notify all new Sole Trader's listed on the Australian Business Register and identified as being involved in the Construction Industry of their requirement to advise the Trustee that they want recognition for undertaking Relevant Employment. If the Sole Trader fails to do so they will lose recognition of past Relevant Employment. If a subsequent request is received for recognition of Relevant Employment from the Sole Trader, the Trustee will only recognise Relevant Employment from the date of receipt of the request.

For the purpose of this Rule 17, acceptable forms of communication are at least two of the following:

- (a) letter;
- (b) email;
- (c) phone; and
- (d) text message.

PART 6: ENTITLEMENTS AND PAYMENTS

18. 'ORDINARY PAY'

18.1 In this Part 6 of these Rules, 'Ordinary Pay' of an Employee, other than a Self-Employed Worker, in respect of whom any entitlement to Long Service Payment means the remuneration the Employee is reasonably expected to receive if the Employee were to continue to be employed in the Relevant Employment on a full-time basis (being 38-40 hours per week) during the period for which the entitlement covers. Assuming they continued in the Relevant Employment throughout the period including any allowance payable by the Employer but does not include:

- (a) payment for overtime;
- (b) disability allowance being any allowance payable to an Employee as a consequence of his working in specified circumstances, being circumstances that involve, or are likely to involve, special danger, hardship, or inconvenience to the Employee, except where it is reasonably to be expected that persons engaged in the type of employment in which the Employee is ordinarily engaged would be entitled to that allowance for the whole, or the greater portion, of the time in which they are so engaged;
- (c) if the Employee is expected to work away from the Employee's usual place of residence, the value of, or any payment in respect of, board and lodging;
- (d) the value of, or any payment payable in respect of, meals or refreshments;
- (e) payment in respect of travel to or from, or in the course of Work;
- (f) payment payable in respect of the use of a vehicle;
- (g) payment payable by way of bonus;
- (h) casual or annual leave loadings loading;
- (i) unused annual leave or rostered days off paid out on termination; and
- (j) redundancy payments.

For clarity:

- (k) when determining an allowance that has a time frame, the "greater proportion" means greater than 50% of a 6 month period; and
- (l) if an Employee works for more than 40 hours per week, any such hours in excess of 40 hours are overtime, unless agreed with TasBuild it is ordinary pay.

18.2 If the remuneration payable to an Employee:

- (a) is dependent on the results achieved by the Employee; or
- (b) is not fixed,

the remuneration for the purpose of calculating Ordinary Pay at any point of time is determined by taking the average of the remuneration paid to the Employee during:

- (c) the 3 months in Relevant Employment immediately prior to that point in time; or
- (d) the actual period of Relevant Employment with an Employer if that period was less than 3 months.

18.3 If an Employee dies, any variation in the Employee's remuneration that would have come into effect after the date of the Employee's death is not included in the calculation of the Employee's ordinary pay.

18.4 Notwithstanding any other Rules in this part, if the remuneration of an Employee is less or more than the remuneration of another Employee employed by the same Employer in substantially the same employment, the Trustee may determine the remuneration of the employee for the purpose of these Rules.

19. ABNORMAL WAGE VARIATIONS

19.1 For the purposes of this rule an 'abnormal wage variation' may be due to the reason for the variation or the size of a variation which results in an Employee's weekly 'Ordinary Pay' being increased or decreased during any twelve-month period by an amount greater than the average movement in wages for employees of a similar classification during the same period.

19.2 Where an employee has had an 'abnormal wage variation' the 'Long Service Payment' for the period of the 'abnormal wage variation' will be calculated on the basis of the 'Pay' the employee received during the 'abnormal wage variation' period, adjusted to a present day value, and further adjusted in accordance with Rule 18.1, and multiplied by the amount of long service accrued during the 'abnormal wage variation'.

The rate of long service accrual is 0.8667 weeks for every 260 days of employment in 'relevant employment where employment occurred prior to 01 January 2006 or 1.3 weeks for every 260 days of employment in 'relevant employment for employment on or after 1 January 2006.

19.3 Wage variations that occurred during a period where the employee was employed as an apprentice or a trainee are not considered to be periods of 'abnormal wage variation'.

19.4 Subject to clauses 19.6 and 19.7, in determining whether an Employee has had an 'abnormal wage variation' the Trustee will consider the Employee's weighted average Ordinary Pay for the last 3 years of reported wages determined as follows:

- (a) aggregating the Ordinary Pay for all reported days for the previous 36 months;
- (b) dividing the total in 19.4(a) by the total reported days; and
- (c) converting the daily weighted average Ordinary Pay to a weekly weighted average Ordinary Pay (**WWAOP**).

19.5 Subject to clauses 19.6 and 19.7, if the Employee's current weekly Ordinary Pay:

- (a) exceeds the WWAOP by more than 10%, the Trustee will determine the Employee's entitlement to a Long Service Payment based on the WWAOP multiplied by 1.1;
- (b) less than the WWAOP by more than 10%, the Trustee will determine the Employee's entitlement to a Long Service Payment based on the WWAOP multiplied by 0.9; and
- (c) is between 90% and 110% of the WWAOP, the Trustee will determine the Employee's entitlement to a Long Service Payment based on the Employee's current weekly Ordinary Pay.

19.6 Despite anything else in these Rules (including Rule 19.5), when determining an Employee's entitlement to a Long Service Leave Payment, the chief executive officer of the Trustee (or their delegate) will review the entire employment history of an Employee for reasonableness to preserve the financial stability of the Fund. For clarity, the chief executive officer (or their delegate) can adjust the weekly Ordinary Pay of an Employee in their discretion after considering the entire employment history of an Employee.

19.7 Despite anything else in these Rules (including Rule 19.5), the Trustee retains the discretion whether or not to apply clauses 19.4 and 19.5 to Working Directors/Trustees and related parties. The weekly Ordinary Pay that applied before the 'abnormal wage variation' will be adjusted to a present-day value.

20. DETERMINATION OF ORDINARY PAY WHERE ORDINARY PAY EXCESSIVE

20.1 Where an entitlement to Long Service Payment accrues in respect of an Employee, other than a Self-Employed Worker, and it appears to the Trustee that his Ordinary Pay calculated in accordance with Rule 18 is excessive by reason of:

- (a) the nature of the work performed by the Employee at any time material to the calculation; or
- (b) the remuneration that was payable to the Employee in respect of any work performed by the Employee at any time material to the calculation,

the Trustee may by notice in writing served on the Employee or their personal representative (as the case requires) inform the Employee or their personal representative that, unless they satisfy the Trustee that it should not do so, the Trustee proposes to determine the Employee's Ordinary Pay at a lesser amount.

20.2 Any notice under Rule 20.1 shall specify a time within which the Employee or their personal representative may make a written submission to the Trustee that the Employee's Ordinary Pay as calculated in accordance with Rule 18 is not excessive by reason of either of the matters referred to in Rule 20.1.

20.3 Where:

- (a) a written submission is not made within the time specified; or
- (b) a written submission does not satisfy the Trustee that the Ordinary Pay of an Employee calculated in accordance with Rule 18 is not excessive by reason of either of the matters referred to in Rule 20.1(a) or 20.1(b),

the Trustee may determine the Ordinary Pay of the Employee to be paid in respect of or in lieu of a Long Service Payment under these Rules at such amount (being less than the Ordinary Pay as calculated in accordance with Rule 18) as the Trustee thinks fit.

20.4 In making a determination under this Rule 20.4 the Trustee shall have regard to any written submission and may otherwise inform itself in such manner as it thinks fit, but except as provided by this Rule 20.4 the Trustee is not required to give to any person notice of or an opportunity to answer or to be heard in relation to any matter taken into account by the Trustee in making the determination.

20.5 The Trustee shall cause notice of its determination to be served on the Employee or their personal representative.

20.6 An Employee or their personal representative may, within fourteen days after the date of service of the notice under Rule 20.5, appeal against the determination in accordance with Rules 36 and 37.

20.7 The Ordinary Pay of an Employee as determined under this Rule 20 shall, notwithstanding anything to the contrary in these Rules, be the Ordinary Pay to be paid in respect of or in lieu of a Long Service Payment.

21. DETERMINATION OF ORDINARY PAY WHERE IT APPEARS INSUFFICIENT

21.1 Where an entitlement to Long Service Payment or pay in lieu of Long Service Payment accrues in respect of an Employee, other than a Self Employed Worker, and it appears to the Trustee that his Ordinary Pay calculated in accordance with Rule 18 is insufficient by reason of either of the matters referred to in Rule 20.1(a) or 20.1(b) the Trustee may determine the Ordinary Pay of the Employee to be paid in respect of or in lieu of Long Service Leave under these Rules at such amount (being greater than the Ordinary Pay as calculated in accordance with Rule 18) as the Trustee thinks fit.

21.2 The Trustee shall cause notice of its determination to be served on the Employee or their personal representative.

21.3 The Ordinary Pay of an Employee as determined under this Rule 21.3 shall, notwithstanding anything to the contrary in these Rules, be the Ordinary Pay to be paid in respect of or in lieu of Long Service Leave under these Rules.

22. CALCULATION OF CONTINUOUS SERVICE FOR EMPLOYEES

Continuous Service

22.1 **Continuous Service** for an Employee means all of the Construction Work performed by the Employee, unless broken.

22.2 An Employee's Continuous Service will be broken by any interruption to that Employee's performance of Construction Work of more than 4 years.

22.3 A period which is included in the calculation of a period of Service for an Employee by reason of Rule 22.6 will not constitute an interruption to the Employee's performance of Construction Work for the purpose of Rule 22.2.

Meaning of Service

22.4 **Service** by an Employee means, subject to Rules 22.5, 22.6 and 22.7, the performance of Construction Work by an Employee.

22.5 Subject to Rules 22.6 and 22.7, a day on which an Employee has performed Construction Work will constitute a day of Service, where the day of work occurs:

- (a) for Employee whose days of work are fixed by the Employee's terms of employment, on one of the days of work so fixed; or
- (b) for Employee whose days of work are not fixed by the Employee's terms of employment, on any day of the week.

22.6 The following periods are included in the calculation of the period of Service by an Employee:

- (a) any period of any annual leave or Long Service Leave where immediately prior to that leave the Employee performed Construction Work;
- (b) any other paid absence from work approved by the Employee's Employer including, but not limited to, paid carer's leave, adoption leave, parental leave, workers compensation or compassionate leave;
- (c) any continuous absence from work on account of illness or injury which occurred during a period when the Employee's employment was in the Construction Industry if the Employee does not engage in any employment for hire or reward and if the absence is certified to be necessary by a registered medical practitioner within the meaning of the *Medical Practitioners Registration Act 1996*;
- (d) any period of absence from work of an Employee for the purpose of:
 - (i) complying with a summons to appear as a juror;
 - (ii) appearing to give evidence before any court, body or person before whom or which a person may by law be required to appear to give evidence; or
 - (iii) complying with any requirement or exercising any right to appear before such a court, body or person as is referred to in Rule 16.1(c)(ii), whether as a party to any proceedings or as a witness or otherwise; and/or
- (e) any absence from work on a public holiday in accordance with the terms and conditions of the Employee's service.
- (f) any absence from work where an employee was engaged in relevant employment and the employee is in receipt of workers compensation payment.

22.7 The following periods are not included in the calculation of the period of Service by an Employee:

- (a) any interruption of the employment of the Employee arising directly or indirectly from an industrial dispute;
- (b) any standing down of an Employee on account of slackness of trade; any service as a member of the naval, military or air forces of the Commonwealth of Australia;
- (c) any break in an Employee's performance of Construction Work of 4 years or less, other than an absence under Rule 22.6;
- (d) any period during which the Employee's Employer was not liable to pay a Long Service Charge in respect of that Employee;
- (e) any period during which the Employee performed Construction Work outside Tasmania, unless Long Service Charges were paid in accordance with Rule 33.1 in respect of the Employee while the Employee was so employed;
- (f) any calendar month in which the Employee is employed by an Employer to carry out Construction Work for 5 days or less; and
- (g) any period in which:
 - (h) the Employee was a director of an Employer; and
 - (ii) any amount payable by the Employer to the Trustee in accordance with the Act or these Rules (in respect of that Employee or any other Employee) has not been paid;

22.8 Where an Employee, whether before or after the commencement of this Rule 22.8, is Employed by an Employer (in this Rule 22.8 called the '**Old Employer**') and commences employment with a new Employer (in this Rule 22.8 called the "**New Employer**"):

- (a) the continuity of the employment of the Employee shall be deemed not to have been broken the Employee commencing employment with the New Employer; and
- (b) the period of employment which the Employee has had with the Old Employer (or any prior Employer) shall be deemed to be employment of the Employee with the New Employer.

22.9 In Rule 22.8, 'transmission' includes transfer conveyance assignment or succession whether by agreement or by operation of law; and 'transmitted' has a corresponding interpretation.

22.10 Any period of service as a member of the defence forces (other than as a member of the permanent forces) of the Commonwealth of Australia or as a member of the Civil Construction Corps established under the Commonwealth Act known as the *National Security Act 1939* shall be deemed to be employment by the Employer by whom the Employee concerned was last employed before they commenced to serve as a member.

23. DETERMINATION OF ENTITLEMENT OF EMPLOYEE

Entitlement of Employee

23.1 Entitlement to a Long Service Payment occurs in respect of any Employee who is not a Self-Employed Worker and has completed:

- (a) wholly prior to and including 31 December 2005, 15 years of Continuous Service;
- (b) wholly after 1 January 2006, 10 years of Continuous Service; or
- (c) at least 7 years of Continuous Service and the Relevant Employment of the Employee is terminated by:
 - (i) the Employer other than for the serious and wilful misconduct of the Employee; or
 - (ii) the Employee.

Entitlement upon additional service

23.2 Entitlement to a Long Service Payment occurs in respect of any Employee who is not a Self-Employed Worker who has:

- (a) received a Long Service Payment under Rule 23.1(a) or Rule 23.1(b); and
- (b) completed an additional 5 years of Continuous Service beyond the years of Continuous Service which were accounted for in the determination that a Long Service Payment was payable under Rule 23.1(a) or Rule 23.1(b).

Entitlement in circumstances of illness or incapacity

23.3 Entitlement to a Long Service Payment occurs in respect of any Employee who is not a Self-Employed Worker who has:

- (a) wholly after 1 January 2006, completed at least 55 days of Continuous Service; and
- (b) ceased being engaged in Relevant Employment due to illness or incapacity which renders the Employee permanently unable to continue working in the Construction Industry.

Entitlement upon death

23.4 Entitlement to a Long Service Payment occurs in respect of a deceased Employee who is not a Self-Employed Worker if the deceased Employee:

- (a) prior to December 2005, had completed at least 7 years of Continuous Service before the date of the Employee's death; or
- (b) on or after 1 January 2006, had completed at least 55 days of Continuous Service before the date of the Employee's death,

and had not been engaged in any employment other than Relevant Employment between ceasing Relevant Employment and the date of death.

Entitlement upon reach Age for Retirement

23.5 Effective from 1 January 2006 an entitlement to Long Service Payment under these Rules arises where the period of Relevant Employment of an Employee, other than a Self-Employed Worker, prior to 1 January 2006 is at least 7 years and on or after 1 January 2006 is at least 2 years and Relevant Employment in which the Employee, other than a Self-Employed Worker, is engaged is terminated on, or at any time after, they attain the Age for Retirement.

23.6 For the purposes of Rule 23.5, an Employee, other than a Self-Employed Worker, who terminates his employment on or after becoming eligible for a service pension under Section

38 of the *Veterans' Entitlements Act 1986* of the Commonwealth, shall be deemed to have attained the Age for Retirement.

Calculation of entitlement

23.7 The amount of an Employee's Long Service Payment under this Rule 23 is:

- (a) in respect of Continuous Service completed up to and including 31 December 2005, an amount equal to 1/60th of that Continuous Service, at the rate of the Employee's Ordinary Pay determined in accordance with Part 6 of these Rules; and
- (b) in respect of Continuous Service wholly after 1 January 2006, an amount equal to 1/40th of that Continuous Service, at the rate of the Employee's Ordinary Pay determined in accordance with Part 6 of these Rules.

Entitlement process

23.8 A Long Service Payment to which an entitlement has arisen under this Rule 23 shall, on application made to the Trustee in the prescribed manner, be paid by the Trustee to the Employee, other than a Self-Employed Worker, or, if they died, their legal personal representatives.

23.9 Notwithstanding anything contained in this Rule 23, an Employee is not entitled to receive a payment from the Trustee in respect of a period of Relevant Employment for which the Employee is entitled to any benefit or entitlement for long service other than a benefit determined under the rules of the Fund.

23.10 Notwithstanding anything contained in this Rule 23 the Board may in all the circumstances determine that there arises an entitlement to Long Service Payment under these Rules and the amount of the benefit and when the benefit is to be paid.

23.11 The Trustee may determine that an Employee has no entitlement to a Long Service Payment where a Court has to the Trustees satisfaction, determined no legal obligation to pay Long Service Charges in respect of that Employee. In the event this occurs, the Trustee will be entitled to treat the Employee as though no contributions have been received into the Fund in respect of that Employee for that period of time. In those circumstances, the Employee will have no entitlement to any payment from the Fund.

24. ENTITLEMENTS FOR EMPLOYEE WITH SUBSTANTIAL CONTROL

24.1 Rule 24.2 applies if an Employee:

- (a) becomes entitled to a Long Service Payment under these Rules; and
- (b) has or had substantial control over an Employer liable to pay a Long Service Charge under these Rules.

24.2 The Trustee, in its absolute discretion, is not required to pay an Employee's Long Service Payment if there is any outstanding Long Service Charges payable by an Employer that the Employee has or had substantial control over at any time during the period referable to that outstanding Long Service Charge, or in the 12 months prior to that period.

24.3 For the purposes of this Rule, an Employee will have "substantial control" over an Employer where:

- (a) in the case of an Employer that is a corporation (however described), the:
 - (i) Employee was a director of that corporation; or
 - (ii) Employee and the corporation are Associated Entities (as defined in section 50AAA of the Corporations Act); or
 - (iii) Employee Controls (as defined in section 50AA of the Corporations Act) the corporation; or

- (b) in any other case, where the Trustee determines after providing the Employee reasonable opportunity to be heard.

24.4 Rule 24.3 does not limit the circumstances in which an Employee may have substantial control over an Employer.

25. DATE OF TERMINATION OF RELEVANT EMPLOYMENT

- 25.1 Relevant Employment of an Employee, other than a Self-Employed Worker, with an Employer shall, for the purpose of these Rules be deemed to have terminated when the Employee ceases to be employed by that Employer or, although remaining in the employment of that Employer, they cease to be engaged in Relevant Employment.
- 25.2 A reference in this Rule to the termination of Relevant Employment shall be construed as including, if the Employee dies while they are engaged in that employment, reference to their death.

26. SELF EMPLOYED WORKER ACCOUNTS

- 26.1 The Trustee shall keep an account for each Self-Employed Worker showing the following amounts:
 - (a) Long Service Contributions made by the Self-Employed Worker in accordance with Rule 27; and
 - (b) any income determined in accordance with clause 3 of the Trust Deed credited (or debited) to the account.
- 26.2 All amounts credited to the account of a Self-Employed Worker pursuant to Rule 26.1 shall form part of a distribution reserve pursuant to clause 3.1(b) of the Trust Deed until the Self-Employed Worker becomes entitled to such amounts in accordance with Rule 28.1.
- 26.3 The Trustee shall be permitted to terminate a Self-Employed Worker's account if:
 - (a) a Long Service Contribution has not been paid for two or more consecutive quarters in accordance with these Rules; or
 - (b) the Self-Employed Worker has been absent from the Construction Industry for a continuous period of 4 years or more; or
 - (c) the Self-Employed Worker has reached 10 years of combined service as an Employee and Self-Employed Worker.

27. SELF-EMPLOYED WORKER CONTRIBUTIONS

- 27.1 Payment of Long Service Contributions

Every Self-Employed Worker may pay to the Trustee on a voluntary basis a Long Service Contribution:

- (a) on a quarterly basis; or
- (b) as determined by the Trustee.

27.2 Amount of Long Service Contribution

- (a) The amount of the Long Service Contribution under Rule 27.1 shall be the Contribution Rate.
- (b) The Board shall review the Contribution Rate annually at the June Board Meeting.

- (c) The Trustee shall give all affected Self-Employed Workers notice in writing of any increase in the Contribution Rate, not less than 2 months prior to the change taking effect.

27.3 Invoices

- (a) Long Service Contributions made in accordance with Rule 27.1 must be invoiced by the Trustee to the Self-Employed Worker.
- (b) Service will only be recorded in the Self-Employed Worker account once the Self-Employed Worker has paid the contributions in the invoice specified in Rule 27.3(a) to the Trustee.

28. SELF-EMPLOYED WORKER ENTITLEMENTS

- 28.1 A Self-Employed Worker shall be entitled to the amount standing in their account under Rule 26.1 on the making of a demand for payment not earlier than the first to occur of:
 - (a) Completion of 10 years of carrying out Construction Work,
 - (b) Completion of 2 years of carrying out Construction Work, and on attaining the Age for Retirement;
 - (c) Completion of at least 7 years of carrying out Construction Work and the Self-Employed Worker has had to cease carrying out Construction Work for at least 2 months on account of being unable to obtain Construction Work;
 - (d) Completion of at least 55 days of carrying out Construction Work, and they are suffering from illness or incapacity of such a nature that the self-employed worker is unable to continue working in the Construction Industry;
 - (e) Completion of 55 days of Carrying out Construction Work, and on death of the Self-Employed Worker whether or not at the time of their death they carried out Construction Work but only if whose last gainful activity before their death was Construction Work.
- 28.2 For the purposes of Rule 28.1(c), a Self-Employed Worker shall be regarded as being unable to obtain Construction Work only if:
 - (a) he or she is making all efforts reasonable in the circumstances to obtain such work;
 - (b) there is domestic or other pressing necessity of such a nature as to justify them not seeking or not engaging in such work.
- 28.3 A Long Service Payment to which an entitlement has arisen under these Rules shall, on application made to the Trustee in the prescribed manner, be paid by the Trustee to the Self-Employed Worker, or, if they have died, their legal personal representatives.
- 28.4 Subject to meeting the requirements of Rule 28.1 and 28.2 and the Self-Employed Worker providing the relevant payment details to the Trustee, the Trustee must pay the aggregate amount in the:
 - (a) Self-Employed Worker's account under Rule 26.1; and
 - (b) any Employee account in the name of the Self-Employed Worker.
- 28.5 Following a payment under Rule 28.4, the Self-Employed Worker will not be permitted to register Self Employed Worker account for the receipt of Long Service Contributions.

28.6 If the amount in the Self-Employed Worker's account meets the requirements of unclaimed money in accordance with the *Unclaimed Money Act 2005* (Tas), the Trustee shall have the power to transfer unclaimed money to the Department of Treasury and Finance.

29. SELF-EMPLOYED WORKER REFUNDS

29.1 Prior to becoming entitled to a payment under Rule 28.1 and subject to Rule 29.2, any Self-Employed Worker shall be entitled to a refund of contributions paid into the Fund under Rule 27 upon making a written request, and receiving written consent from, the Trustee. Interest accrued on the Self-Employed Worker's account will be forfeit.

29.2 Any Self-Employed Worker account that has recorded a refund under Rule 29.1 shall not be entitled to receive future Long Service Contributions in respect of those periods for which they obtained such refunds.

30. RECIPROCAL ARRANGEMENTS

30.1 The Minister may from time to time notify the Trustee that the Minister has made a Reciprocal Arrangement with a Minister responsible for the administration of Corresponding Law.

30.2 Notwithstanding Rule 30.1 the Minister shall before entering into a Reciprocal Arrangement consult with the Trustee and obtain the Trustee's consent to the Reciprocal Arrangement.

30.3 A reciprocal arrangement ('Reciprocal Arrangement') may relate to Long Service Payment, the exchange of information about service credits and entitlements to benefits or payments between the Trustee and any equivalent authority established under or subject to Corresponding Law and any other matters relating to Long Service Payments or other payments which the Minister thinks are necessary or convenient.

30.4 If a person has been paid a Long Service Payment by an equivalent authority and the Minister has entered into a Reciprocal Arrangement with the Minister responsible for administering the equivalent authority and the payment is either wholly or partly in respect of a period of service in the Construction Industry in Tasmania the Trustee must pay to the equivalent authority the Prescribed Amount.

30.5 For the purposes of Rule 30.4 the 'Prescribed Amount' is an amount equal to the amount that bears the same proportion to the amount paid to the person as the period of service in the Construction Industry in Tasmania bears to the total period of service in respect of which the payment was made.

30.6 The payment by the Trustee is subject to any terms and conditions which are specified in the Reciprocal Arrangement.

30.7 If a Reciprocal Arrangement has been or is from time to time made these Rules are to be construed as applying with any modifications that are necessary from time to time to give effect to the terms of the Reciprocal Arrangement.

31. PAYMENT FROM FUND IN RESPECT OF LEAVE ACCRUED UNDER PREVIOUS FUND

31.1 Notwithstanding anything to the contrary in these Rules, no payment shall be made from the Fund in relation to any entitlement which is by these Rules deemed to have accrued before the Effective Date where an equivalent entitlement accrued under and an equivalent payment was made from the Previous Fund but nothing in this Rule 20.1 shall affect:

- (a) the liability of the Employer to make any payment not made; or
- (b) the liability of the Trustee to make any payment from the Fund in respect of an entitlement which accrued prior to the Effective Date but for which no payment was made from the Previous Fund.

31.2 Notwithstanding anything to the contrary in these Rules, where:

- (a) an Employee has completed 15 years' Relevant Employment in the Construction Industry before the Effective Date; and
- (b) his entitlement under these Rules is deemed to have accrued before the Effective Date, or
- (c) the Board has made a determination pursuant to Clause 23.11,

payment may be made in accordance with Rule 23 to the Employee or his personal representative from the Fund in relation to that entitlement.

32. FURTHER PROVISIONS FOR PAYMENTS IN RESPECT OF LONG SERVICE PAYMENT

32.1 Any Long Service Payment that accrues or is by these Rules deemed to have accrued under these Rules on or after the Effective Date shall be made from the Fund.

32.2 If an Employer makes any payment on or after the Effective Date in respect of Long Service Payment that accrues or is by these Rules deemed to have accrued under these Rules on or after the Effective Date (being a payment which by these Rules is authorized to be made from the Fund) they shall be entitled to be reimbursed from the Fund to the extent thereof.

32.3 Where:

- (a) any person is given a long service payment to which they are entitled otherwise than under these Rules; and
- (b) the Employer who gives the payment or any other person employing the Employee during the period of employment giving rise to the entitlement has paid Long Service Charges in accordance with these Rules in respect of any part of the period of employment giving rise to entitlement, Employer shall be entitled to be reimbursed from the Fund to the extent of such sum as bears the same relation to the whole sum in respect of Long Service Payment (or, if it appears to the Trustee that that sum is calculated in whole or in part by reference to work attracting higher remuneration than work of the kind performed by Employees, such lesser sum is determined by the Trustee for the purposes if this Rule 32) as the part of the period of employment in respect of which Long Service Charges were paid by the Employer or any person so employing the Employee bears to the whole period of employment giving rise to the entitlement.

32.4 The Trustee is not required to make a reimbursement under this Rule 32 unless the Employer makes an application for that reimbursement within seven years of the making of the payment for which the Employer is entitled to be reimbursed.

PART 7: PROVISION OF INFORMATION TO TRUSTEE

33. LONG SERVICE PAYMENT RETURNS

33.1 Long Service Leave Returns

Every Employer who employed an Employee to perform Construction Work must deliver or cause to be delivered to the Trustee a return, in a format approved by the Trustee, showing the following information with the payment to be made under Rule 14.3:

- (a) with respect to every Employee employed to perform Construction Work during that period:
 - (i) the Employee's name and registration number (if any); and
 - (ii) the amount of ordinary pay received by the Employee during that period; and
 - (iii) the period of the Employee's Relevant Employment in the Construction Industry during the period commencing with the day following the last date of the previous return and ending with the last Pay Day in the period to which the return relates; and
 - (iv) the period of, and reasons for, any absence or interruption of any kind mentioned in Rule 22.1 during the period commencing with the day following the last Pay Day in the period preceding the period to which the return relates and ending with the last Pay Day in the period to which the return relates; and
- (b) the total amount of Long Service Charges payable by the Employer in respect of Employees employed to perform Construction Work during that period; and
- (c) in the case of an Employee who commenced employment during that period, the name of that Employee and the date of commencement of employment; and
- (d) with respect to every Employee who ceased employment during that period:
 - (i) the Employee's name and registration number (if any); and
 - (ii) the date of cessation of employment.

33.2 Return where no Construction Employee employed

An Employer or a person who has not during a period employed any Employee to perform Construction Work must, if required by the Trustee, deliver or cause to be delivered to the Trustee a return to that effect within 14 days of being required to do so.

34. TRUSTEE MAY REQUIRE INFORMATION

- 34.1 The Trustee may by notice in writing require any person to give all that information including any books documents or papers under that person's control to the Trustee which will enable the Trustee to ascertain that person's or any other person's liability to pay Long Service Charges or entitlement to Long Service Payment under these Rules.
- 34.2 A notice under Rule 34.1 must specify the time (being not less than 28 days) and place at which the required information must be produced.
- 34.3 A person required to give that information:
 - (a) must do so in the specified time or in any further period allowed by the Trustee;

- (b) must give such information that it is within that person's power to give; and
- (c) must not give any information which is to that person's knowledge false in any material particular.

34.4 Information disclosed to the Trustee by any Employee or Employer will be treated as confidential and will not be used or disclosed by the Trustee except for the purposes of these Rules, without the prior written consent of the person who disclosed that information to the Trustee. This Rule 34.4 does not apply to information which the Trustee is required by law to disclose, or information which is public knowledge.

35. EMPLOYER REQUIRED TO KEEP CERTAIN RECORDS

Every Employer must in relation to every Employee employed by the Employer to perform Construction Work keep a record of:

- (a) the Employee's name, address and registration bumber (if any); and
- (b) the number of working days for which the Employee was engaged on Construction Work; and
- (c) the period of any absence or interruption; and
- (d) the date of the Employee's commencement and termination of employment; and
- (e) the total amount of remuneration received by the Employee; and
- (f) the amount paid in respect of annual leave not taken when the Employee's employment was terminated.

PART 8: GENERAL

36. MEANING OF CONSTRUCTION WORK

36.1 The Trustee may determine

Subject to Rules 15 and 36.4, the Trustee may by Ordinary Resolution of its Directors make a decision:

- (a) that any specified work is or is not Construction Work;
- (b) that a person is or is not an Employer engaged in the Construction Industry;

In the exercise of this discretion, the following guidelines not rule shall apply:

- (i) *Where an employer engages in relevant construction work on an irregular basis and such activity constitutes on average less than 10% of the total hours worked by all employees in the business, then subject to (ii) below, such employers shall not be required to join and contribute to the fund.*
- (ii) *Notwithstanding (i) above, in circumstances where an employer engages employees to work exclusively or predominately in relevant employment, then such employees shall be registered with the fund and contributions made on their behalf. In this context 'predominately' shall mean more than 90% of the total hours worked by an employee. This guideline shall apply notwithstanding that the predominate activity carried on by the employer is other than construction work.*
- (c) that a person is or is not an Employee employed in the Construction Industry; or
- (d) otherwise concerning a person's obligations or entitlements under these Rules (including obligations or entitlements under these Rules arising by virtue of the Act).

36.2 Trustee may determine on own motion or on application

Subject to Rule 37, the Trustee may make a decision under Rule 36.1 either of its own motion or upon the application of an Employee or Employer, or a person on behalf of an Employee or Employer.

36.3 Prescribed Form

An application for a decision by the Trustee under paragraphs (a), (b), (c) or (d) of Rule 36.1 must be in accordance with Form 1 of these Rules, or in such other form as may be approved by the Trustee (by Ordinary Resolution of its Directors) for the purposes of this Rule 36.

36.4 Trustee to give reasonable opportunity for hearing

The Trustee must not make the final decision under this Rule 36 unless it has provided each Employee or Employer who the Trustee reasonably believes will be affected by that decision a reasonable opportunity to make written or verbal submissions. The Trustee may delegate to a Directors' Committee (established in accordance with Article 35 of the Articles of Association of the Trustee) the task of hearing any verbal submissions or considering any written submissions. This Directors' Committee will, after receiving and considering such submissions, report to the Board of Directors of the Trustee and make a recommendation to the Trustee on the basis of the submissions it received. The Board will then make a final decision in relation to the issue and may, in making that final decision, act in accordance with the recommendation by the Directors' Committee, contrary to that recommendation or

otherwise and will not be required to hear or receive submissions from any Employee or Employer whom the Trustee has reason to believe will be affected by that decision.

36.5 Meaning of 'reasonable opportunity'

Without limiting the meaning of the expression 'reasonable opportunity', the Trustee will for the purpose of Rule 36.4 have provided a person a reasonable opportunity to make submissions in respect of a final decision under this Rule 36 where the Trustee:

- (a) notifies the person of the nature of the decision which the Trustee has decided (or has been requested) to make, and invites the person to make written submissions to the Trustee in relation to the decision;
- (b) provides the person with details of the time and place of the Directors' meeting at which the Trustee will make the decision; and
- (c) informs the person of that person's right to make written and verbal submissions.

Such notification shall be not less than 14 days prior to the Directors' meeting at which the Trustee proposes to make that decision.

36.6 Notice of decisions

The Trustee must within 14 days of making a decision under this Rule 36, notify each person in respect of whom the decision is made and each person who made a submission to the Trustee in relation to the decision, of the Trustee's decision by notice in writing setting out the terms of the decision and stating that the person may within 14 days of the date that the notice was posted by the Trustee, send by post or lodge with the Trustee an objection in writing against the decision stating fully and in detail the grounds on which they rely.

36.7 Decision of Trustee not invalidated

A decision by the Trustee under this Rule 36 will not be invalidated because the Trustee has failed to comply with Rules 36.5 or 36.6 in respect of every Employee or Employer affected by that decision, provided that the Trustee substantially complied with Rule 36.5 in relation to those Employees or Employers whom the Trustee ought reasonably to have been aware would be affected by the decision.

36.8 Date Persons notified

Each person to whom the Trustee issues a notice under Rule 36.6 is deemed to have been notified of the Trustee's decision on the 3rd Business Day after the notice was posted by the Trustee.

37. OBJECTIONS

37.1 Persons may object

An Employee or Employer who is dissatisfied with any decision made by the Trustee under Rule 36 may, within 30 days of being notified under Rule 36 of the Trustee's decision, send by post or lodge with the Trustee an objection in writing against the decision stating fully and in detail the grounds on which they rely.

37.2 Trustee to consider objections

The Trustee must consider an objection received under this Rule 37 and may either disallow or allow it either wholly or in part, and must serve the person who lodged the objection by post or otherwise with written notice of the Trustee's decision within 14 days of the Trustee making that decision.

37.3 Arbitration

If a person ('Objector') who has lodged an objection with the Trustee under Rule 37.1 is dissatisfied with the decision of the Trustee on the objection, the Objector may require the Trustee to submit the dispute to arbitration as follows:

- (a) the Objector shall serve a written notice on the Trustee, within 14 days after notice of the Trustee's decision, requiring the appointment of an arbitrator;
- (b) the arbitrator shall be a person agreed to by the Objector and Trustee or, failing agreement within 14 days from service of the notice requiring arbitration, shall be a person nominated by the President of the Law Society of Tasmania or his nominee;
- (c) the arbitration must be conducted in accordance with and subject to the provisions of the *Commercial Arbitration Act 2011*;
- (d) the fees and expenses of the arbitrator are to be borne jointly by the Objector and Trustee unless the arbitrator determines, in the circumstances, that one party should bear all or a large proportion of the fees and expenses; and
- (e) the Objector and the Trustee are to bear their own costs unless the arbitrator determines, in the circumstances, that one party should bear the costs, or part of the costs, of the other.

37.4 Notice of decisions

The Trustee must within 14 days of the arbitrator's making a decision under this Rule 37, send to each person in respect of whom the decision is made and each person who made a submission to the arbitrator in relation to the decision, a notice in writing setting out the terms of the arbitrator's decision.

38. KEEPING OF BOOKS AND RECORDS

- 38.1 An Employer must keep such books and records as may be Prescribed containing such particulars as may be Prescribed relating to Employees employed by them on Construction Work and must preserve each of those books and records for a period of seven years after the last entry was made in it.
- 38.2 The Trustee will not pursue the penalty provisions under Section 8(2) of the Act where the Employer can demonstrate a record of compliance in respect to:
 - (a) Registration of all employees engaged by the employer in the construction industry;
 - (b) Payment of the Long Service Charge in accordance with Rule 14.

39. CONTRACTING OUT PROHIBITED

For the purposes of these Rules, except as is otherwise expressly provided in these Rules, no contract or agreement made or entered into either before or after the commencement of these Rules will operate to annul, vary or exclude any of the provisions of these Rules.

40. REFUNDS

- 40.1 Where the Trustee finds in any case that Long Service Charges have been overpaid or an amount has been paid on account of an employee of an Employer that is not entitled to a Long Service Payment ('Excess Contribution'), the Trustee may, provided the amount has not been paid to the employee, or as otherwise provided under these Rules, within seven years after the Excess Contribution is made, make a refund to that Employer of that Excess Contribution.

40.2 Where the Employer has paid the Trustee an amount on account of GST on the Excess Contribution the Trustee will refund the amount paid and provide the Employer with an adjustment note.

40.3 Where an Employer that has made an Excess Contribution has not received a refund under Rule 40.1 and the employee of that Employer in respect of whom the contributions have been made is not eligible under the Rules to a Long Service Payment has completed a period of service equivalent to a period of Relevant Employment that would give rise to an entitlement to Long Service Payment under these Rules, the employee although not entitled to any payment from the Fund, may be paid an amount equivalent to Long Service Payment as if that employee has been engaged in Relevant Employment for the Relevant Employment Period, if and only if, in the absolute discretion of the Trustee, the Trustee decides to do so.

41. TRANSITIONAL MATTERS

41.1 Subject to Rule 41.4, any Employer who has any outstanding Liability to the Previous Fund shall:

- (a) pay the outstanding Liability over a 3-year period provided that the Employer pays at least one third of the Liability in each Year; or
- (b) pay the outstanding Liability in respect of each Employee at the time that the Employee leaves the Relevant Employment with the Employer.

41.2 Notwithstanding Rule 41.1 any Employer who has any outstanding Liability shall pay the outstanding Liability where the Employee has already received an entitlement from the Previous Fund.

41.3 For the purposes of Rules 41.1, 41.2 and 41.3:

- (a) "Liability" includes any obligation or contribution arising under the Previous Fund;
- (b) "Year" means the financial year commencing the 1st July and ending 30th June of each calendar year;
- (c) "Previous Fund" means the Long Service Leave (Construction Industry) Fund established under the repealed *Long Service Leave (Construction Industry) Act 1971*.

41.4 An Employer shall pay to the Fund any outstanding Liability upon any Employee making a claim for an entitlement under these Rules and such entitlement is approved by the Trustee.

41.5 Notwithstanding Rules 41.1, 41.2 and 41.4, any Employer who has any outstanding liability to the Previous Fund shall pay the outstanding liability as and when determined by the Trustee.

(a) FORM 1

To: The Trustee
The Construction Industry Long Service Fund

I

(Name)

.....

(Address)

apply under Rule 36 of the Rules of the Construction Industry Long Service Fund for a decision of the Trustee that the following work:

- is/is not Construction Work

My present status is that of:

- Employee
- Employer
- person acting on behalf of one of the above

The grounds on which a decision is sought are:

The following information is provided about the application: (the following details must be included):

- (1) Description of type of work engaged in by the Employer about which this application is made;
- (2) Description of the machinery or equipment used in the work;
- (3) Period over which this application is sought;
- (4) Award under which the Employee is paid (if any);

- (5) Description of duties of Employee;
- (6) Address for service of notices;
- (7) If an Employer application, names and addresses of Employees;
- (8) Description of places at which work is performed.

Additional information in support of the application (if any)

Signature of Applicant..... Date / /