



# Annual Report 2007-08

BUILDING AND CONSTRUCTION INDUSTRY

LONG SERVICE PAYMENTS CORPORATION



The Hon John Hatzistergos MLC  
Attorney General  
Minister for Justice  
Minister for Industrial Relations  
Parliament House  
Macquarie Street  
SYDNEY 2000

Dear Minister

I have pleasure in submitting the twenty sixth Annual Report of the Building and Construction Industry Long Service Payments Corporation for presentation in Parliament.

The report for the year ended 30 June 2008 has been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the *Annual Reports (Statutory Bodies) Act 1984* and the associated regulations.

Yours sincerely

Jon Blackwell  
Chief Executive Officer

31 October 2008





# ANNUAL REPORT 2007- 2008

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## **Director's Report**

It is pleasing to report that 2007-08 was another very successful although challenging year. Long service payments of \$48 million were paid to 9,128 workers throughout the year. Although not a record, a major milestone was reached with more than \$500 million paid to more than 143,000 workers since the commencement of the scheme.

2007-08 was also the first full year of some fundamental changes in the delivery of core services with new online facilities available to all employers and workers. The new online services greatly enhance the efficiency of the scheme and reduce the administrative burden on employers. Within less than 18 months of implementation, online services have now become the principal method by which employers provide information to the Corporation for the majority of workers covered by the scheme. Workers are now accessing and checking their own service records online. This is a major achievement and positions the Corporation as a leading provider of online services.

Actions to promote the use of the online services have increased overall scheme awareness and compliance with the scheme's requirements.

The Corporation has developed a new corporate plan for the next four years. The plan includes a number of additional performance improvements including improved information management systems.

A major actuarial investigation of the scheme undertaken as at June 2007 confirmed that the Scheme holds sufficient funds to meet its liabilities and verified the adequacy of the current long service levy rate. Levy income increased substantially in the 2007-08 year. However, extreme volatility in capital markets resulted in very substantial negative investment income for the year although performance was better than the benchmark. Consequently a deficit for the year and a relatively small accumulated loss at year-end has been reported. This situation does not impact on the Corporation's capacity to continue to meet its future liabilities, particularly payments to workers.

The Corporation has maintained an extensive internal audit program that continues to provide assurance of effective and efficient operations of the scheme.

In the new financial year legislative change proposals, which have been subject to comprehensive consultation with the Industry Committee, will be forwarded to the Minister for consideration.

Also in 2009 the Corporation will be undertaking a major program of cancellation and removal of inactive worker registrations. This follows concerns raised by the Audit Office of NSW in 2007 and a subsequent review that overturned earlier legal advice that had indicated major issues with legislative provisions and prevented earlier cancellation of worker registrations that were inactive.

The Corporation hosted the 2007 Annual National Conference of board members and executives from all interstate long service schemes in Sydney. Feedback from participants indicated that it was a very successful event.

The Corporation continues to rely on and is appreciative of the efforts and contributions of Corporation staff as well as the support of the Industry Committee, industry organisations and the many partner organisations that work with the Corporation.

Keith Napper

Director

## **CHARTER**

The Corporation was established in 1982 and administers the Building and Construction Industry Long Service Payments Act 1986 which provides a portable long service payments scheme to building and construction workers in NSW.

## **ACCESS**

Head Office: Ground Floor, Corner Donnison and Baker Streets  
GOSFORD NSW 2250

Branch Office: Level 1, 10-12 Railway Street  
LIDCOMBE NSW 2141

Mail: Locked Bag 3000  
CENTRAL COAST MC NSW 2252

Telephone: 13 14 41 (local call rates)  
For calls from mobile phones the usual plan rates apply

Fax: (02) 9287 5685

Internet  
Address: <http://www.lspc.nsw.gov.au>

E-mail: [info@lspc.nsw.gov.au](mailto:info@lspc.nsw.gov.au)

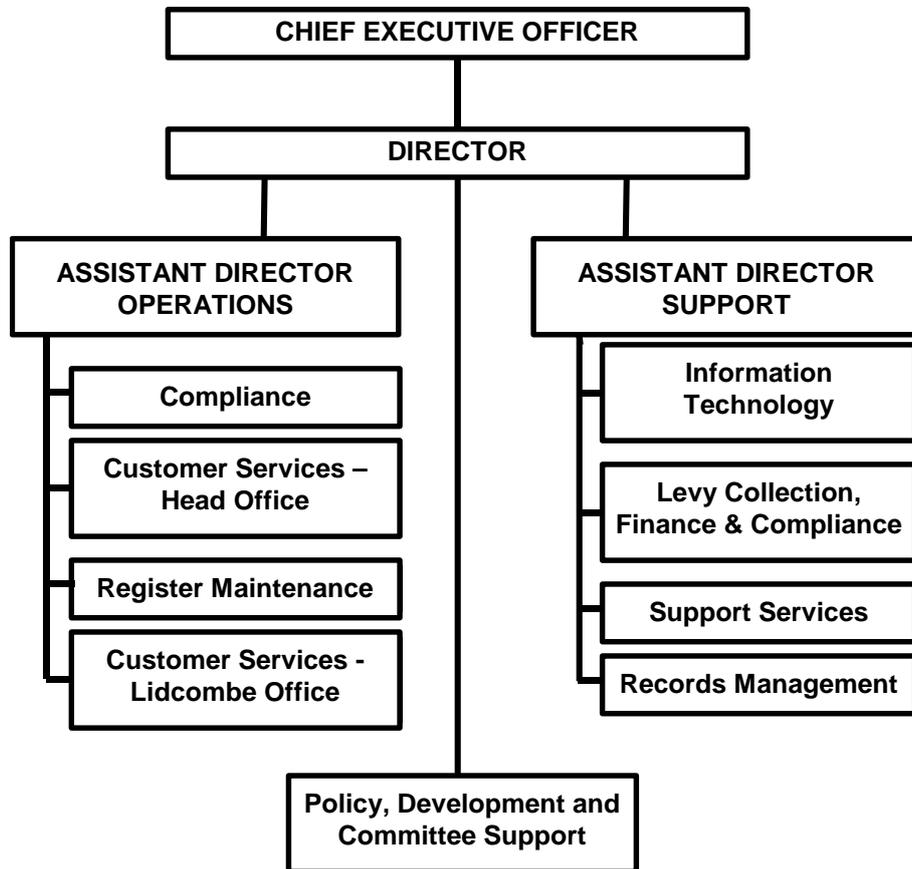
Hours: 8.30 am to 5.00 pm Monday to Friday

## **ROLE OF THE CORPORATION**

The Building and Construction Industry Long Service Payments Act 1974 commenced on 1 February 1975 and established a portable long service payments scheme for building and construction workers in New South Wales. Prior to 31 July 1982 the scheme was a division within the former Builders Licensing Board (now part of the Office of Fair Trading). On 1 August 1982 the Building and Construction Industry Long Service Payments Amendment Act 1982 established the Corporation with all the assets and liabilities of the scheme.

Before July 1986 the scheme was funded by a charge on employers. From July 1986, the Building and Construction Industry Long Service Payments Act 1986 provided that the funding would come from a levy on building and construction work. The levy is currently 0.35% on building and construction work costing \$25,000 or more with local councils acting as agents to collect the levy for the Corporation. The Corporation provides a service to some 270,000 registered active workers and more than 36,000 registered employers in building and construction work in NSW. Its role includes the keeping of records of service of workers, the provision of long service benefits to workers and employers and the collection of levies on building work.

## ORGANISATION STRUCTURE



## PRINCIPAL OFFICERS

**Mr Jon Blackwell BA, MA**  
Chief Executive Officer

**Mr Keith Napper BCom, CA**  
Director

**Mr Brent Weiley**  
Assistant Director - Operations

**Mr Robert Armstrong BSc**  
Assistant Director – Support

# CORPORATE PLAN 2005-2008

## OUR MISSION AND PURPOSE

DELIVER INDUSTRY-BASED WORKER BENEFITS

## OUR VISION

A COST EFFECTIVE AND QUALITY SERVICE PROVIDER

## OUR VALUES

Be Professional  
Show Respect  
Earn Trust  
Be Honest  
Be Fair

## OUR OBJECTIVES AND OUR STRATEGIES

**OBJECTIVE 1: Intended beneficiaries of the scheme receive their entitlements.**

**Strategy** Maintain information services and marketing activities that provide accurate and consistent information.

**OBJECTIVE 2: Rights are observed and obligations are enforced.**

**Strategy** Undertake activities that ensure compliance with obligations.

**OBJECTIVE 3: Scheme viability is maintained.**

**Strategies** Maintain effective business systems and practices.  
Maintain effective staff management.

**OBJECTIVE 4: Corporate governance standards are maintained.**

**Strategy** Ensure appropriate governance standards are in place.

# CORPORATE PLAN 2008-2012

## OUR MISSION AND PURPOSE

DELIVER INDUSTRY-BASED WORKER BENEFITS

## OUR VISION

A COST EFFECTIVE AND QUALITY SERVICE PROVIDER

## OUR VALUES

Be Professional  
Show Respect  
Earn Trust  
Be Honest  
Be Fair

## OUR OBJECTIVES

**Informed and participating industry.**

**Maximum use of on-line services.**

**All records are electronic and systems efficient.**

**Knowledgeable and motivated staff.**

**Sound governance is maintained.**

## KEY FOCUS AREAS

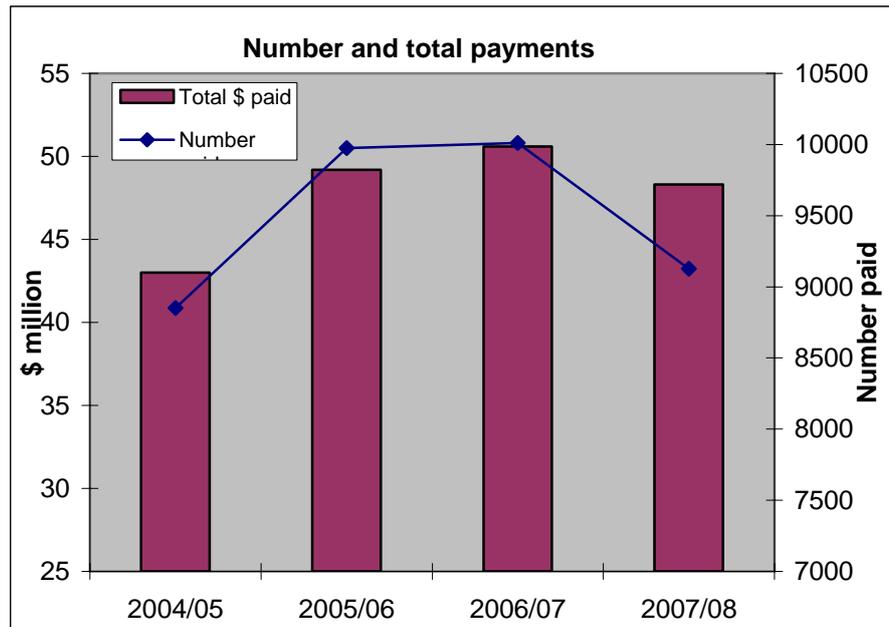
<b>GOVERNANCE</b>	<b>Business practices are legislatively compliant, values driven, ethical and transparent.</b>
<b>PEOPLE</b>	<b>Staff are skilled, informed and motivated.</b>
<b>SERVICES</b>	<b>Services are timely, accurate, accessible and reliable</b>
<b>MARKETING &amp; COMPLIANCE</b>	<b>Industry participants are aware of their rights and obligations.</b>
<b>FINANCE &amp; FUNDING</b>	<b>Scheme is financially viable.</b>
<b>MANAGEMENT OF RECORDS</b>	<b>Records are accurate, complete, accessible and secure.</b>

## MANAGEMENT ACHIEVEMENTS AND PERFORMANCE

### Intended beneficiaries of the scheme receive their entitlements

- The Corporation's 13 14 41 Helpline remained the main channel for client contact with over 90,000 calls being made during the 8:30am to 5:00pm service period. Of the 75,000 calls answered more about 75% were answered within the performance target of 2 minutes.
- As a direct result of the introduction of the Corporation's online services facility and its unexpected quick take-up by many employers, overall calls to the Helpline declined this year. Call lengths increased in the early part of the year, as operators guided employers with use of the new facility.
- As a result of the implementation of a computerised records management system all documents received by the Corporation are now recorded. 64% were responded to within the 10-day target. If a matter remains incomplete after a further 32 days an update letter is issued.
- During the year, as part of a corporate priority, enhancements were made to the computerised worker register system to improve its functionality from both an internal and external perspective. Internally, changes were aimed at improving efficiency in the correction of system exception transactions. Externally, changes were made to the online services facility to further simplify long service reporting requirements for employers.
- The corporate priority of transitioning employers and workers to use of the online services facility was achieved. 52% of registered employers chose the online services option to meet some or their entire scheme reporting obligations. As for workers, as anticipated there was a relatively small uptake of the facility with just over 11,000 workers utilising the options currently available for them on the site.
- At year-end there were in excess of 400,000 workers and more than 36,000 employers on the register, with over 28,000 workers and 2,800 employers being added during the year. Of the total number of workers more than 157,000 were due for cancellation and following resolution of perceived legislative obstacles, cancellation action will proceed during 2008-09.
- Service reporting arrangements introduced in the preceding period continued to be marketed to all registered employers and workers, particularly the online services facility. This included:
  - Supply of a detailed step-by-step guide to all employers on the use of the online services facility and provision to workers of similar information on their access and use of the facility.
  - Direct contact with the 100 largest employers in the industry to advise them of the new requirements and to encourage them to use the new online services. Guides, revised forms and online access passwords were also issued to all employers.
  - Advertisements advising employers of the new arrangements in the major metropolitan newspapers, a range of community language newspapers and a selection of major industry trade journals.
- The Corporation continued its relationship with the University of Technology Sydney School of Marketing. Work this year was in relation to developing a generic survey tool to measure workers and employers general satisfaction with the Corporation. The project and resulting survey will not be completed until the 2008-09 financial year.

- The Corporation's TAFE Excellence in Training Award scheme was maintained and, in its seventeenth year of operation, has proven to be an excellent method of maintaining the scheme's profile within building and construction industry related TAFE courses.
- This year 9,128 long service payments were made totalling \$48.3 million. While total numbers of payments have declined marginally this year, the proportion of payments based on registered negotiated agreements has grown by an average of more than 7% annually since introduced as a basis of payment in 1998-99, nearly twice the average growth rate of payment numbers. During the year more than 19% of all payments were based on registered agreements and made up more than 27% of the total amount paid by the scheme.



## Rights are observed and obligations are enforced

- Audits of employers are undertaken across the state, with 90% resulting in a satisfactory rating.
- Audits of Councils for levy collection resulted in a 98% satisfaction rating.
- Stronger relationships with key industry associations and their members continued to be developed through participation in meetings and workshops involving employer associations.

## Scheme viability is maintained

- Actuaries have updated as at June 2008 a full investigation of the scheme as at 30 June 2007 and have recommended the levy rate remain unchanged. The current rate of 0.35% is still being maintained well below the legislated maximum of 0.6%.
- The volatility of share markets has in 2007/08 significantly impacted incomes from investments with TCorp and eroded the Corporation's accumulated surplus.
- The current funds of the Corporation invested with TCorp are in excess of vested liabilities of the scheme.

- Regular staff meetings have occurred to ensure staff are aware of organisational performance and emerging issues. This has improved staff understanding of the progress and implications of the new worker registry system and future changes affecting the Corporation including relocation of the Corporation in the near future to other premises in Gosford.
- Staff have attended courses specific to their own development needs. A number of staff are undertaking external studies.

## **Corporate governance standards are maintained**

- The Corporation operates with a four-year Corporate Plan underpinned by business and marketing plans. Executive management regularly reviews performance against these plans and current and emerging needs of stakeholders.
- The Corporation has retained the Internal Audit Bureau as its internal auditor and maintains a three-year audit plan, which is reviewed annually. The audit approach has a strategic and risk focus, and provides a continuous audit presence in core business areas of worker service register, levy revenue and long service payments. Effective management controls were found to be in place in all areas and there have been no adverse findings from the audit program.
- Appeals in relation to decisions of the Corporation are made to the independent Industry Committee. The Committee also acts as a Customer Council to the Corporation and provides advice on issues such as levy rates and scheme legislative provisions.

## **CORPORATE PRIORITIES FOR 2008-09**

- Promote awareness and use of new on-line services by employers and workers,
- Post implementation review of Worker Records System, business processes and related systems,
- Progress the finalisation of enhancements to scheme legislative provisions,
- Update Fraud Control and Risk Management Plans,
- Relocate Corporation to new premises in Gosford,
- Update and test Business Continuity Plan,
- Improve Internet site and make it consistent with Government requirements,
- Develop and apply employer compliance strategies and measures,
- Develop online levy payment facilities,
- Review investment objectives and strategies for scheme Fund,
- Undertake worker registration cancellation catch-up,
- Image and digitise all administrative and onsite hardcopy worker records,
- Develop and implement organisational improvements.

## MAJOR OPERATIONAL PERFORMANCE STATISTICS

Activity and /or administrative function	2005-06	2006-07	2007-08
Long service payments made to workers	9,976	10,020	9,128
Value of long service payments made	\$49.2M	\$50.5M	\$48.3
Cumulative number of payments since scheme began	124,511	134,531	143,659
Cumulative value of payments made since scheme began	\$441.5M	\$492.0M	\$540.3M
New worker registrations approved	26,036	32,098	28,809
Number of workers excluding those identified for cancellation	234,504	244,941	273,865
Workers identified for cancellation (see note 1)	131,936	146,450	157,766
New employer registrations approved	2,868	2,925	2,850
Total number of registered employers	32,532	34,262	36,353
Number of employed worker service years recorded	101,122	100,338	99,777
Number of self employed worker service years recorded	28,856	26,940	23,548
Number of other service years recorded	874	856	622
Number of objections by workers to service credits per 1,000 workers	14	14	8
Appeals against Corporation decisions	4	4	7
% of employer audits with satisfactory ratings	95%	95%	90%
% of 13 14 41 Helpline calls answered in 2 minutes	79%	76%	75%
Total funds invested	\$490.5M	\$565.7M	\$530.9M
Vested Benefits	\$450.2M	\$453.5M	\$482.7M
Investment income	\$70.6M	\$67.3M	(\$58.9M)
% investment return - cash	5.2%	6.4%	6.8%
% investment return – long term growth	16.9%	13.8%	(10.3%)
Long service levy income	\$47.4M	\$69.3M	\$79.6M
% of levy audits with satisfactory ratings	98%	98%	98%
Net administration costs	\$6.25M	\$9.4M	\$9.9M

Note (1) The numbers of workers identified for cancellation are cumulative since the last cancellation in 1994.

## FINANCIAL PERFORMANCE - SUMMARY

### Revenues and Expenses

During the 2007-08 financial year, revenue from all sources amounted to \$80.3m and expenditure amounted to \$84.1m, with a further \$59.3m incurred from investment losses. This resulted in an operating deficit of \$63.1m for the year.

The budget for the year was an operating surplus of \$2.8m, resulting in a decline of \$65.9m. This is mainly a result of the following net outcomes:

- Investments are predominantly placed in the NSW Treasury Corporation Long Term Growth Facility (TCorp). Investments in this facility incurred a loss of \$59.3m compared to a budgeted gain of \$37.4m. This resulted in a negative return of 10.28% compared to a budgeted return of 7% for the year.
- Scheme expenses, comprising the long service expense and finance costs decreased from a budget of \$95.3m to \$74.3m based on actuarial advice.
- Scheme administration costs comprising operating costs, depreciation and amortisation were \$0.5m or 5% lower than budget.

### Financial Position

The principal assets continue to be investments of \$525.1million in the TCorp Long Term Growth Facility and the principal liabilities are the estimates for the Provision for Scheme Liabilities of \$555.6 million as assessed by actuarial consultants.

Equity decreased by \$63.1 million from a retained surplus of \$44.6 million at 30 June 2007 to an accumulated loss of \$18.4 million at 30 June 2008.

### Capital Expenses

The Corporation spent \$77 thousand on the purchase of motor vehicles and additional office equipment.

### Accounts Payable Performance

*Aged analysis at end of each quarter*

PAYMENT	September 2007 Qtr	December 2007 Qtr	March 2008 Qtr	June 2008 Qtr
Current	\$269,374	\$202,346	\$266,251	\$625,336
Less than 30 days overdue	\$0	\$0	\$0	\$0
More than 30 days overdue	\$0	\$0	\$0	\$0
Total Accounts Payable	\$269,374	\$202,346	\$266,251	\$625,336

*Accounts Paid on time in each quarter*

	September 2007 Qtr	December 2007 Qtr	March 2008 Qtr	June 2008 Qtr
Target % paid on time	95%	95%	95%	95%
Actual % paid on time	97%	97%	97%	97%
Total dollar amounts paid on time	\$1,916,918	\$918,976	\$824,879	\$849,806
Total dollar amounts paid	\$1,943,269	\$939,407	\$830,016	\$865,218
Total accounts paid on time	322	354	263	332
Total accounts paid	331	365	272	341

There have been no delays in account payments that led to the payment of interest.

### Investments

The Corporation invested its funds in the 'Long Term Growth' and 'Cash' Hour-Glass Investment Facility Trusts administered by NSW Treasury Corporation (TCorp) utilising external managers under contract to TCorp.

The following table shows the movement in funds within these facilities and indicates the rate of return compared with the benchmark return.

Fund Categories	Balance on hand As at		Investment Performance		Benchmark Performance
	30.6.07	30.6.08	Income	Return	Return
	\$'000	\$'000	\$'000	%	%
Long Term Growth	560,333	525,061	(59,272)	(10.28)	(10.51)
Cash	5,383	5,750	367	6.82	7.34
<b>TOTAL</b>	<b>565,716</b>	<b>530,811</b>	<b>(58,905)</b>	<b>n/a</b>	<b>n/a</b>

## BUDGET FORECAST AND RESULTS

	<b>BUDGET 2007-2008 \$'000</b>	<b>ACTUAL 2007-2008 \$'000</b>	<b>BUDGET 2008-2009 \$'000</b>
<b>REVENUES</b>			
Investment Income	37,550	(58,905)	47,350
Levy Income	70,800	79,631	84,808
Other Income	105	354	205
<b>TOTAL REVENUES</b>	<b>108,455</b>	<b>21,080</b>	<b>132,363</b>
<b>OPERATING EXPENSES</b>			
Long Service Payments	57,700	47,993	60,800
Long Service Payments Liability Expense	37,600	26,257	24,800
<b>TOTAL OPERATING EXPENSES</b>	<b>95,300</b>	<b>74,250</b>	<b>85,600</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>13,155</b>	<b>(53,170)</b>	<b>46,763</b>
<b>ADMINISTRATIVE EXPENSES</b>			
<b>Personnel Services</b>			
Salaries	4,094	3,608	4,089
Leave Entitlements	570	431	610
Superannuation	593	755	639
Other Salary Related Expenses	298	294	318
	<b>5,555</b>	<b>5,088</b>	<b>5,656</b>
<b>Operations</b>			
Depreciation/Amortisation	935	916	698
Printing	210	116	205
Postage	320	301	378
Contractors	550	807	600
Long Service Levy Commissions	800	695	650
General Expenses	650	615	680
	<b>3,465</b>	<b>3,450</b>	<b>3,211</b>
<b>Occupancy</b>			
Rental	395	393	397
Associated Occupancy Expenses	270	362	267
	<b>665</b>	<b>755</b>	<b>664</b>
<b>Computing</b>			
Computer Operations and Maintenance	<b>446</b>	<b>436</b>	<b>550</b>
<b>Marketing</b>			
Marketing Program Expenses	<b>130</b>	<b>110</b>	<b>91</b>
<b>Travel</b>			
Travel Expenses	<b>75</b>	<b>54</b>	<b>60</b>
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	<b>10,336</b>	<b>9,893</b>	<b>10,232</b>
<b>SURPLUS/(DEFICIT) FOR YEAR</b>	<b>2,819</b>	<b>(63,063)</b>	<b>36,531</b>

**NOTE:** These budget figures have not been audited



GPO BOX 12  
Sydney NSW 2001

## INDEPENDENT AUDITOR'S REPORT

### Building and Construction Industry Long Service Payments Corporation

To Members of the New South Wales Parliament

I have audited the accompanying financial report of the Building and Construction Industry Long Service Payments Corporation (the Corporation), which comprises the balance sheet as at 30 June 2008, the operating statement, statement of recognised income and expense and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

#### Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Corporation as at 30 June 2008, and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), and
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

My opinion should be read in conjunction with the rest of this report.

#### The Chief Executive Officer's Responsibility for the Financial Report

The Chief Executive Officer is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Corporation's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Chief Executive Officer, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does *not* provide assurance:

- about the future viability of the Corporation,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

#### Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.



Chris Giumelli, CPA  
Director, Financial Audit Services

15 October 2008  
SYDNEY

**BUILDING AND CONSTRUCTION INDUSTRY  
LONG SERVICE PAYMENTS CORPORATION**

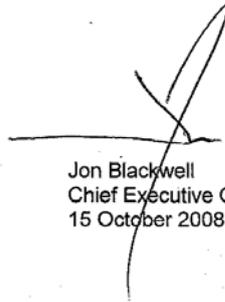
**FINANCIAL STATEMENTS**

Pursuant to Section 41C of the Public Finance and Audit Act 1983 we state that:

1. In our opinion the accompanying financial statements exhibit a true and fair view of the financial position of the Building and Construction Industry Long Service Payments Corporation as at 30 June 2008 and transactions for the year then ended;
2. The financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983 and Regulation and the Treasurer's Directions; and
3. We are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Keith Napper  
Director  
15 October 2008



Jon Blackwell  
Chief Executive Officer  
15 October 2008

**BUILDING AND CONSTRUCTION INDUSTRY  
LONG SERVICE PAYMENTS CORPORATION**

**BALANCE SHEET  
AS AT 30 JUNE 2008**

	Note	2008 \$'000	2007 \$'000
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2	8,707	9,135
Receivables	3	5,149	5,145
<b>TOTAL CURRENT ASSETS</b>		<b>13,856</b>	14,280
<b>NON-CURRENT ASSETS</b>			
Financial assets at fair value	4	525,061	560,333
Property, plant and equipment	5	141	597
Intangible assets	6	1,405	1,825
<b>TOTAL NON-CURRENT ASSETS</b>		<b>526,607</b>	562,755
<b>TOTAL ASSETS</b>		<b>540,463</b>	577,035
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Payables	7	1,003	682
Provision for scheme liabilities	8(a)	361,432	339,296
Other provisions	9	2,264	2,351
<b>TOTAL CURRENT LIABILITIES</b>		<b>364,699</b>	342,329
<b>NON-CURRENT LIABILITIES</b>			
Provision for scheme liabilities	8(b)	194,197	190,076
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>194,197</b>	190,076
<b>TOTAL LIABILITIES</b>		<b>558,896</b>	532,405
<b>NET (LIABILITIES)/ASSETS</b>		<b>(18,433)</b>	44,630
<b>EQUITY</b>			
(Accumulated loss)/Retained surplus		(18,433)	44,630
<b>TOTAL EQUITY</b>	10	<b>(18,433)</b>	44,630

The accompanying notes form an integral part of these financial statements.

**BUILDING AND CONSTRUCTION INDUSTRY  
LONG SERVICE PAYMENTS CORPORATION**

**OPERATING STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2008**

	Note	2008 \$'000	2007 \$'000
<b>REVENUE</b>			
Investment revenue	11	367	324
Long service levy	12	79,631	69,343
Other revenue	13	346	211
<b>TOTAL REVENUE</b>		<b>80,344</b>	69,878
<b>EXPENSES EXCLUDING LOSSES</b>			
Long service expense	14	40,370	36,854
Finance costs	15	33,880	29,688
Operating expenses			
Personnel services expenses	16	5,088	4,775
Other operating expenses	17	3,889	4,102
Depreciation and amortisation	5 and 6	916	509
<b>TOTAL EXPENDITURE, EXCLUDING LOSSES</b>		<b>84,143</b>	75,928
Gain / (loss) on disposal		8	1
Other Gains / (losses)	18	(59,272)	66,928
<b>(DEFICIT)/SURPLUS FOR YEAR</b>		<b>(63,063)</b>	60,879

The accompanying notes form an integral part of these financial statements.

**BUILDING AND CONSTRUCTION INDUSTRY  
LONG SERVICE PAYMENTS CORPORATION**

**STATEMENT OF RECOGNISED INCOME AND EXPENSE  
FOR THE YEAR ENDED 30 JUNE 2008**

	<b>Note</b>	<b>2008</b>	2007
		<b>\$'000</b>	\$'000
<b>TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY</b>		-	-
(Deficit)/Surplus for the year		<b>(63,063)</b>	60,879
<b>TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR</b>		<b>(63,063)</b>	60,879

The accompanying notes form an integral part of these financial statements.

**BUILDING AND CONSTRUCTION INDUSTRY  
LONG SERVICE PAYMENTS CORPORATION**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2008**

	Note	2008 \$'000	2007 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Long service levy received		79,458	68,793
Interest received		692	539
Other		393	520
<b>Total Receipts</b>		<b>80,543</b>	<b>69,852</b>
<b>Payments</b>			
Long service payments		(47,819)	(50,198)
Payments to suppliers		(9,120)	(9,282)
<b>Total Payments</b>		<b>(56,939)</b>	<b>(59,480)</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	19	<b>23,604</b>	<b>10,372</b>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>			
Proceeds from disposal of plant and equipment		45	28
Purchase of investments		(24,000)	(8,000)
Purchase of plant and equipment		(77)	(37)
Purchase of intangibles		-	(180)
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>		<b>(24,032)</b>	<b>(8,189)</b>
<b>NET (DECREASE)/INCREASE IN CASH</b>		<b>(428)</b>	<b>2,183</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>		<b>9,135</b>	<b>6,952</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	2	<b>8,707</b>	<b>9,135</b>

The accompanying notes form an integral part of these financial statements.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008**

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**1 STATEMENT OF ACCOUNTING POLICIES**

**(a) Reporting entity**

The Building and Construction Industry Long Service Payments Corporation (Corporation) has its principal office at the corner of Donnison and Baker Streets, Gosford 2250. The Corporation was established in 1982 and administers the Building and Construction Industry Long Service Payments Act 1986 which provides a portable long service payments scheme to building and construction workers in NSW.

As profit is not the principal objective of the Corporation it is a not-for-profit entity. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

The financial report for the year ended 30 June 2008 has been authorised for issue by the Chief Executive Officer on 15 October 2008.

**(b) Basis of preparation**

The Corporation's financial report is a general-purpose financial report which has been prepared in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations), and
- the requirements of the Public Finance and Audit Act 1983 and Regulation

Property, plant and equipment, and other assets (or disposal groups) held for sale and financial assets at 'fair value through profit or loss' and available for sale are measured at fair value. Other financial report items are prepared in accordance with the historical cost convention.

Judgements, key assumptions and estimations management have made are disclosed in the relevant notes to the financial report.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

**(c) Statement of compliance**

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

**(d) Insurance**

The Corporation's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past claim experience.

**(e) Accounting for the Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except that:

- the amount of GST incurred by the Corporation as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of the cost of acquisition of an asset or as part of an item of expense and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the Cash Flow Statement on a gross basis. However, the GST components of cash flows arising from investing activities that are recoverable from, or payable to, the ATO are classified as operating cash flows.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008**

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**(f) Income recognition**

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of income are discussed below:

(i) Investment revenue

New South Wales Treasury Corporation (TCorp) administers the Corporation's investment funds through its Hour-Glass Investment Facilities. Investment income comprises interest and changes in the unit value of the investments in the TCorp Cash Facility.

Interest revenue is recognised using the effective interest method as set out in *AASB 139 Financial Instruments: Recognition and Measurement*.

(ii) Long Service Levy

The long service levy rate is 0.35% of the cost of building and construction work costing \$25,000 or more. The Corporation has arrangements with local government councils to act as agents for the collection of the long service levy in return for a commission. Long service levy income is recognised as it accrues.

(iii) Other revenue

Other revenue consists of bank interest and other miscellaneous income that is recognised as it accrues.

(iv) Other Gains/(losses)

The movement in the fair value of the Hour-Glass Investment Facilities incorporates distributions received as well as unrealised movements in the fair value and is reported in the line item "Other Gains/(losses)".

**(g) Assets**

(i) Acquisitions of assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Corporation. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

(ii) Capitalisation thresholds

Property, plant and equipment and intangible assets costing \$5,000 and above individually (or forming part of a network costing more than \$5,000) are capitalised.

(iii) Impairment of property, plant and equipment

As a not-for-profit entity with no cash generating units, the Corporation is effectively exempted from AASB136 Impairment of Assets and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

(iv) Depreciation of Property, Plant and Equipment

Depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Corporation.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008

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All material separately identifiable components of assets are depreciated over their shorter useful lives.

Motor vehicles and plant and equipment are depreciated over 5 years and computer equipment is depreciated over 3 years. The Corporation's leasehold improvements, when constructed, are considered to have a useful life equivalent to the un-expired period of the lease.

### (v) Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

### (vi) Leases

The Corporation is not a party to any finance lease. Existing operating leases relate to leasing premises at the corner of Donnison and Baker Streets, Gosford, and 12 Railway Street, Lidcombe.

Operating lease payments are charged to the Operating Statement in the periods in which they are incurred.

### (vii) Intangible Assets

The Corporation recognises intangible assets only if it is probable that future economic benefits will flow to the Corporation and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost.

All research costs are expensed. Development costs are only capitalised when certain criteria are met.

The useful lives of intangible assets are assessed to be finite. Intangible assets are measured at fair value only if there is an active market. As there is no active market for the Corporation's intangible assets, the assets are carried at cost less any accumulated amortisation.

The Corporation's intangible assets are amortised using the straight-line method over a period of 3 or 5 years. In general, intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

### (viii) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are accounted for in the Operating Statement when impaired, derecognised or through the amortisation process.

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

### (ix) Investments

Investments are initially recognised at fair value plus, in the case of investments not at fair value through profit or loss, transaction costs. The Corporation determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

- *Fair value through profit or loss* – The Corporation subsequently measures investments classified as 'held for trading' or designated upon initial

recognition 'at fair value through profit or loss' at fair value. Financial assets are classified

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008**

as 'held for trading' if they are acquired for the purpose of selling in the near term. Gains or losses on these assets are recognised in the Operating Statement.

The Hour-Glass Investment Facilities are designated at fair value through profit or loss using the second leg of the fair value option i.e. these financial assets are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management strategy, and information about these assets is provided internally on that basis to the Corporation's key management personnel.

Purchases or sales of investments under contract that require delivery of the asset within the timeframe established by convention or regulation are recognised on the trade date; i.e. the date the entity commits to purchase or sell the asset.

The fair value of investments that are traded at fair value in an active market is determined by reference to quoted current bid prices at the close of business on the reporting date.

**(x) Impairment of Financial Assets**

All financial assets, except those measured at fair value through profit or loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the Corporation will not be able to collect the amounts due.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the Operating Statement.

**(xi) Other Assets**

Other assets are recognised on a cost basis.

**(h) Liabilities**

**(i) Payables**

These amounts represent liabilities for goods and services provided to the Corporation and other amounts, including accrued long service payments. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

**(ii) Personnel Services**

The Corporation receives personnel services from the Office of Workcover Authority to resource the Corporation. The Corporation recognises the relevant employee related expenses associated with this arrangement as follows:

- Salaries, wages, annual leave, sick leave and on costs

Liabilities for salaries, wages and annual leave are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008**

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- Long service leave

Long service leave is measured at present value in accordance with *AASB 119 Employee Benefits*. This is based on the application of certain factors (specified in NSW Treasury Circular 07/04) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

- Superannuation

The Corporation accounts for the liability for superannuation and contributions to the SAS Trustee Corporation for the First State Superannuation (FSS), the State Superannuation Scheme (SSS), the State Authorities Superannuation Scheme (SASS) and the State Authorities Non-Contributory Scheme (SANCS). The Gross Superannuation liabilities for the defined benefit schemes were assessed by the schemes actuary at the reporting date. Economic assumptions are reported in the Office of Workcover Authority financial report.

**(i) Provision for Scheme Liabilities**

The liability is determined by annual actuarial valuation. The assumptions used in arriving at that valuation are set out in note 8.

**(j) Finance costs**

Scheme liabilities are valued using *AASB 137 Provisions, Contingent Liabilities and Contingent Assets*, which provides that the increase in a provision resulting from the unwinding of the discount rate must be recognised as a borrowing cost.

**(k) Comparative information**

Except where an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

**(l) Going Concern**

The going concern basis has been applied in the preparation of this financial report even though the Corporation has a negative equity position at the reporting date due to significant losses on investments during the financial year.

The Corporation has adopted the going concern basis because, over the foreseeable future, it has adequate resources to pay its liabilities as and when they become payable, and should circumstances require a reassessment of the financial position, the Government has the ability to vary the levy rate, and therefore income streams.

In view of the above, the Corporation has reasonable grounds to believe that it will realise its assets and extinguish its liabilities in the normal course of business at amounts stated in the financial report.

**(m) New Australian Accounting Standards issued but not effective**

The following Australian Accounting Standards that are not yet effective were not used in preparing this report.

- AASB 101 Presentation of Financial Statements (revised September 2007);
- AASB 1004 Contributions (revised December 2007)

All AASB amendments above are applicable for the year commencing 1 July 2008. The new standards are concerned with disclosures and will have no direct impact on the Corporation's financial results.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008**

2008	2007
\$'000	\$'000

**2 CASH AND CASH EQUIVALENTS**

Cash at bank and on hand	2,957	3,752
TCorp Hour-Glass cash facility	5,750	5,383
	8,707	9,135

For the purposes of the Cash Flow Statement, cash and cash equivalents include cash at bank, cash on hand and deposits in the TCorp Hour-Glass cash facility.

2008	2007
\$'000	\$'000

Cash and cash equivalent assets recognised in the Balance Sheet are reconciled at the end of the financial year to the Cash Flow Statement as follows:

Cash and cash equivalents (per Balance Sheet)	8,707	9,135
Closing Cash and cash equivalents (per Cash Flow Statement)	8,707	9,135
	8,707	9,135

Refer Note 21 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

**3 RECEIVABLES**

Long service levy	4,034	3,861
Interest	29	16
Other	81	110
Less: Allowance for impairment	-	-
Prepaid Superannuation	966	1,127
Prepayments	39	31
	5,149	5,145

Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired, are disclosed in Note 21.

**4 FINANCIAL ASSETS AT FAIR VALUE**

TCorp Hour-Glass long term growth facility	525,061	560,333
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Refer to Note 21 for further information regarding credit risk, liquidity risk and market risk arising from financial instruments

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008**

**5 PROPERTY, PLANT AND EQUIPMENT**

	Plant and equipment \$'000	Leasehold improvements \$'000	Computer equipment \$'000	Motor vehicles \$'000	Total \$'000
<b>At 1 July 2007 – fair value</b>					
Gross carrying amount	517	885	408	100	1,910
Accumulated depreciation and impairment	482	507	298	26	1,313
Net Carrying Amount	35	378	110	74	597
<b>At 30 June 2008 – fair value</b>					
Gross carrying amount	461	885	378	87	1,811
Accumulated depreciation and impairment	461	854	332	23	1,670
Net Carrying Amount	-	31	46	64	141
	Plant and equipment \$'000	Leasehold improvements \$'000	Computer equipment \$'000	Motor vehicles \$'000	Total \$'000

**Reconciliation**

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below:

**30 June 2008**

Net carrying amount at start of financial year	35	378	110	74	597
Additions	-	-	30	47	77
Disposals	-	-	(59)	(60)	(119)
Adjustments for disposals	-	-	59	23	82
Depreciation expense	(35)	(347)	(94)	(20)	(496)
Net carrying amount at end of financial year	-	31	46	64	141

**At 1 July 2006 – fair value**

Gross carrying amount	541	885	371	145	1,942
Accumulated depreciation and impairment	396	433	211	22	1,062
Net Carrying Amount	145	452	160	123	880

**At 30 June 2007 – fair value**

Gross carrying amount	517	885	408	100	1,910
Accumulated depreciation and impairment	482	507	298	26	1,313
Net Carrying Amount	35	378	110	74	597

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008**

**Reconciliation**

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the previous reporting period is set out below:

**30 June 2007**

Net carrying amount at start of financial year	145	452	160	123	880
Additions	-	-	37	-	37
Disposals	(23)	-	-	(46)	(69)
Adjustments for disposals	22	-	-	20	42
Depreciation expense	(109)	(74)	(87)	(23)	(293)
Net carrying amount at end of financial year	35	378	110	74	597

**6 INTANGIBLE ASSETS**

	<b>Software \$'000</b>
<b>At 1 July 2007</b>	
Cost (gross carrying amount)	2,117
Accumulated amortisation and impairment	292
Net Carrying Amount	<u>1,825</u>
<b>At 30 June 2008</b>	
Cost (gross carrying amount)	2,117
Accumulated amortisation and impairment	712
Net Carrying Amount	<u>1,405</u>
	<b>Software \$'000</b>
<b>30 June 2008</b>	
Net carrying amount at start of financial year	1,825
Additions	-
Amortisation	(420)
Net carrying amount at end of financial year	<u>1,405</u>
<b>At 1 July 2006</b>	
Cost (gross carrying amount)	1,937
Accumulated amortisation and impairment	76
Net Carrying Amount	<u>1,861</u>
<b>At 30 June 2007</b>	
Cost (gross carrying amount)	2,117
Accumulated amortisation and impairment	292
Net Carrying Amount	<u>1,825</u>
<b>30 June 2007</b>	
Net carrying amount at start of financial year	1,861
Additions	180
Amortisation	(216)
Net carrying amount at end of financial year	<u>1,825</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008**

**7 PAYABLES**

	<b>2008</b>	2007
	<b>\$'000</b>	\$'000
Long service payments	414	251
Long service levy commissions	73	82
Administrative expenses	516	349
	<b>1,003</b>	682

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of payables, are disclosed in Note 21.

**8 PROVISION FOR SCHEME LIABILITIES**

<b>(a) Current</b>	<b>361,432</b>	339,296
<b>(b) Non-Current</b>	<b>194,197</b>	190,076
	<b>555,629</b>	529,372

The Corporation expects to pay claims of \$60.8 million during 2008/2009

**Movement in Provision**

Carrying amount at beginning of financial year	<b>529,372</b>	513,293
Additional provisions recognised	<b>40,370</b>	36,854
Claims paid	<b>(47,993)</b>	(50,463)
Unwinding of discount rate	<b>33,880</b>	29,688
<b>Carrying amount at end of financial year</b>	<b>555,629</b>	529,372

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008**

The Building and Construction Industry Long Service Payments Act, 1986, under Section 14 requires that an actuarial investigation be undertaken to determine the sufficiency of the Fund and the adequacy of the long service levy rate at intervals of not more than three years.

The last full actuarial investigation was undertaken as at 30 June 2007 by Bendzulla Actuarial Pty Ltd. For the purpose of that valuation the following number of workers were valued:

	2007
Active within last 2 years	165,493
Inactive for last 2 years but active within 2 prior years	53,066
Inactive for 4 or more years	7,721
Total number of workers considered	<u>226,280</u>

At 30 June 2008 Bendzulla undertook an actuarial update. Based on data requested for the twelve months ending 30 June 2008, the actuaries estimated the scheme liabilities to be as follows:

	Note	2008 \$'000	2007 \$'000
AASB Valuation	(i)	555,629	529,372
Accrued Benefit Reserve	(ii)	547,327	517,964
Vested Benefits	(iii)	482,675	453,451

- (i) The AASB Valuation is a calculation of benefits in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets that requires Scheme liabilities, taking into consideration an allowance for unreported service of active workers, to be discounted at a rate that reflects current market assessment of the time value of money and the risks specific to the liability, rather than the rate of return on the Scheme assets. The financial assumptions used in the actuarial update were: rate of increase in wages 4.5% (2007 4.5%) and a government bond rate 6.7% (2007 6.4%).
- (ii) The Accrued Benefit Reserve is the calculation of scheme liabilities, taking into consideration an allowance for unreported service of active workers, and discounted by the projected rate of return on the Scheme assets as determined by the actuary. The financial assumptions used in the actuarial valuation were: rate of increase in wages 4.5% (2007 4.5%) and a rate of return on assets 7.5% (2007 7.5%). The actuary uses the Accrued Benefit Reserve to assess the Corporation's funding position and for purposes of recommending the rate of levy payable to the Fund.
- (iii) The Vested Benefit is the amount of benefits payable if service ceased on the valuation date. Workers qualify for a vested benefit if they have attained age 55 and have at least 55 days of accumulated service credits or if they are under 55 and have at least 1,100 days of accumulated service credits. This amount is used to assess the Corporation's solvency position.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008**

	<b>2008</b>	2007
	<b>\$'000</b>	\$'000
<b>9 OTHER PROVISIONS</b>		
The Corporation receives personnel services from the Office of Workcover Authority to resource the Corporation. The Corporation recognises the relevant employee benefits associated with this arrangement as follows:		
Recreation leave	349	330
Long service leave	1,670	1,758
Other Costs	245	263
Total Provision for personnel services	<b>2,264</b>	<b>2,351</b>
Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of payables, are disclosed in Note 21.		
	<b>2008</b>	2007
	<b>\$'000</b>	\$'000
<b>10 CHANGES IN EQUITY</b>		
Retained surplus/(Accumulated loss) at the beginning of the financial year	44,630	(16,249)
(Deficit)/Surplus for the year	<b>(63,063)</b>	60,879
(Accumulated loss)/Retained surplus at the end of the financial year	<b>(18,433)</b>	44,630
<b>11 INVESTMENT INCOME</b>		
TCorp Hour-Glass cash facility	367	324
	<b>367</b>	324
<b>12 LONG SERVICE LEVY</b>		
Long service levy	81,235	70,323
Long service levy refunds	<b>(1,604)</b>	(980)
	<b>79,631</b>	69,343
<b>13 OTHER REVENUE</b>		
Interest	338	209
Miscellaneous income	8	2
	<b>346</b>	211
<b>14 LONG SERVICE EXPENSE</b>		
Claims paid	47,993	50,463
Liability expense	<b>(7,623)</b>	(13,609)
	<b>40,370</b>	36,854
<b>15 FINANCE COSTS</b>		
Unwinding of discount rate	33,880	29,688
	<b>33,880</b>	29,688

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008**

**16 PERSONNEL SERVICES EXPENSES**

The Corporation receives personnel services from the Office of Workcover Authority to resource the Corporation. The Corporation recognises the relevant employee related expenses associated with this arrangement as follows:

Salaries including recreation leave	<b>3,964</b>	3,958
Long service leave	<b>75</b>	236
Superannuation – defined benefit plans	<b>551</b>	120
Superannuation – defined contribution plans	<b>205</b>	196
Payroll tax and fringe benefits tax	<b>277</b>	250
Other expenses	<b>16</b>	15
	<b>5,088</b>	4,775
	<b>2008</b>	2007
	<b>\$'000</b>	\$'000

Superannuation – defined benefit plans		
Defined benefit plans – contributions	<b>390</b>	390
Defined benefit plans – liability adjustments	<b>161</b>	(270)
Total Superannuation – defined benefit plans	<b>551</b>	120

**17 OTHER OPERATING EXPENSES**

Computing	<b>436</b>	594
Marketing	<b>110</b>	83
Travel	<b>54</b>	52
Occupancy	<b>754</b>	643
Long service levy commissions	<b>695</b>	730
Contractors	<b>807</b>	894
Consultancy	<b>39</b>	35
Audit remuneration - audit of financial report	<b>68</b>	58
Services agreement	<b>170</b>	165
Other administrative expenses	<b>756</b>	848
	<b>3,889</b>	4,102

**18 OTHER GAINS / (LOSSES)**

Loss on TCorp Hour-Glass long term growth facility	<b>(59,272)</b>	66,928
	<b>(59,272)</b>	66,928

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008**

**19 NET CASH FLOWS FROM OPERATING ACTIVITIES**

Reconciliation of (Deficit)/surplus for year to net cash flows from operating activities:

(Deficit)/surplus for year	<b>(63,063)</b>	60,879
Plus/(minus) non-cash items:		
Depreciation and amortisation	<b>916</b>	509
Investment income	<b>59,272</b>	(66,928)
Long service payments liability expense	<b>(7,623)</b>	(13,609)
Finance costs	<b>33,880</b>	29,688
Net (profit) on disposal of plant and equipment	<b>(8)</b>	(1)
Change in asset and liabilities:		
(Increase)/decrease in receivables	<b>(165)</b>	(656)
Increase/(decrease) in payables	<b>269</b>	408
Increase/(decrease) in provisions	<b>126</b>	82
Net cash flows from operating activities	<b>23,604</b>	10,372
	<b>2008</b>	2007
	<b>\$'000</b>	\$'000

**20 COMMITMENTS FOR EXPENDITURE**

**(a) Operating Lease Commitments**

Future non-cancellable operating lease rentals not provided for and payable:

Not later than one year	<b>453</b>	524
Later than one year and not later than 5 years	<b>2,024</b>	2,123
Later than 5 years	<b>535</b>	13
Total (including GST)	<b>3,012</b>	2,660

The total operating lease commitments above include input tax credits of \$273,870 that are expected to be recoverable from the ATO.

**(b) Other Expenditure Commitments**

Not later than one year	<b>34</b>	27
Total (including GST)	<b>34</b>	27

The total operating expenditure commitments above include input tax credits of \$3,096 that are expected to be recoverable from the ATO.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008**

**21 FINANCIAL INSTRUMENTS**

The Corporation's principal financial instruments are outlined below. These financial instruments arise directly from the Corporation's operations or are required to finance the Corporation's operations. The Corporation does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Corporation's main risks arising from financial instruments are outlined below, together with the Corporation's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout this financial report.

The Chief Executive Officer has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Corporation, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the internal auditors on a regular basis.

**(a) Categories of financial instruments**

<b>Financial Assets</b>	<b>Note</b>	<b>Category</b>	<b>Carrying Amount 2008 \$'000</b>	<b>Carrying Amount 2007 \$'000</b>
<b>Class:</b>				
Cash and cash equivalents	2	N/A	8,707	9,135
Receivables*	3	Receivables (at amortised cost)	29	16
Financial Assets at fair value	4	At fair value through profit or loss	525,061	560,333

\* Excludes statutory receivables and prepayments

<b>Financial Liabilities</b>	<b>Note</b>	<b>Category</b>	<b>Carrying Amount 2008 \$'000</b>	<b>Carrying Amount 2007 \$'000</b>
<b>Class:</b>				
Payables *	7	Financial liabilities measured at amortised cost.	589	431
Other Payables	9	Financial liabilities measured at amortised cost.	2,264	2,351

\* Excludes statutory payables

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008**

**(b) Credit Risk**

Credit risk arises when there is a possibility of the Corporation's debtors defaulting on their contractual obligations, resulting in a financial loss to the Corporation. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of the Corporation, including cash, receivables and investments in the Hour-Glass facilities. No collateral is held by the Corporation. The Corporation has not granted any financial guarantees.

**Cash**

Cash comprises cash on hand, cash at bank and deposits in the Hour-Glass cash facility. Interest on cash at bank is earned at 0.5% less than the cash rate. The TCorp Hour-Glass cash facility is discussed in paragraph (d) below.

**Receivables – trade debtors**

The Corporation does not have any trade debtors.

There are no financial assets that are past due or impaired.

**(c) Liquidity risk**

Liquidity risk is the risk that the Corporation will be unable to meet its payment obligations when they fall due. The Corporation continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets.

The Corporation does not have any loans or credit standby arrangements. No assets have been pledged as collateral. The Corporation's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

Liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. No interest was awarded during the year (2007 \$Nil).

The table below summaries the maturity profile of the Corporation's financial liabilities, together with the interest rate exposure.

	Nominal Amount	Interest Rate Exposure	Maturity Dates		
			<1 yr	1-5 yrs	>5 yrs
<b>2008</b>					
Payables	589	Non Interest Bearing	589	-	-
Other Payables	2,264	Non Interest Bearing	2,264	-	-
<b>2007</b>					
Payables	431	Non Interest Bearing	431	-	-
Other Payables	2,351	Non Interest Bearing	2,351	-	-

The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008

### (d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Corporation's exposures to market risk are primarily associated with the movement in the unit price of the Hour-Glass Investment facilities. The Corporation has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Corporation operates and the time frame for assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the reporting date. The analysis is performed on the same basis for 2007. The analysis assumes that all other variables remain constant.

#### Interest rate risk

Exposure to interest rate risk arises primarily through having interest bearing liabilities. The Corporation does not have any interest bearing liabilities. The Corporation does not account for any fixed rate financial instruments at fair value through profit or loss or as available-for-sale. Therefore, for these financial instruments, a change in interest rates would not affect operating profit or loss or equity.

#### Other price risk – TCorp Hour-Glass facilities

Exposure to 'other price risk' primarily arises through investment in the TCorp Hour-Glass Investment Facilities, which are held for strategic rather than trading purposes. The Corporation has no direct equity instruments. The Corporation holds units in the following Hour-Glass investment trusts:

Facility	Investment Sectors	Investment Horizon	2008 \$'000	2007 \$'000
Cash facility	Cash, money market instruments	Up to 1.5 years (pre-June 2008 – Up to 2 years)	5,570	5,383
Long-term growth facility	Cash, money market instruments, Australian and international bonds, listed property, Australian and international shares	7 years and over	525,061	560,333

The unit price of each facility is equal to the total fair value of the net assets held by the facility divided by the number of units on issue in that facility. Unit prices are calculated and published daily.

TCorp is trustee for each of the above facilities and is required to act in the best interest of the unitholders and to administer the trusts in accordance with the trust deeds. As trustee, TCorp has appointed external managers to manage the performance and risks of each facility in accordance with a mandate agreed by the parties. However, TCorp acts as manager for part of the Cash Facility. A significant portion of the administration of the facilities is outsourced to an external custodian.

Investment in the Hour-Glass facilities limits the Corporation's exposure to risk, as it allows diversification across a pool of funds with different investment horizons and a mix of investments.

TCorp provides sensitivity analysis information for each of the Hour-Glass Investment facilities, using historically based volatility information collected over a ten-year period, quoted at two standard deviations (i.e. 95% probability). The TCorp Hour- Glass Investment facilities are **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008**

designated at fair value through profit or loss and therefore any change in unit price impacts directly on profit (rather than equity). A reasonably possible change is based on the percentage change in the unit price (as advised by TCorp) multiplied by the redemption value as at 30 June each year for each facility (balance from Hour-Glass statement).

	Impact on Profit/loss		
	Change in Unit price	2008 \$'000	2007 \$'000
Hour Glass Investment – Cash facility	+/-1%	56	54
Hour Glass Investment – Long-term growth facility	+/-15%	78,759	84,050

**(e) Fair Value**

Financial instruments are generally recognised at cost, with the exception of the TCorp Hour-Glass facilities, which are measured at fair value. As discussed, the value of the Hour-Glass Investments is based on the Corporation's share of the value of the underlying assets of the facility, based on the market value. All of the Hour-Glass facilities are valued using 'redemption' pricing.

Except where specified below, the amortised cost of financial instruments recognised in the Balance Sheet approximates the fair value, because of the short-term nature of many of the financial instruments.

There are no financial instruments where the fair value differs from the carrying amount.

**22 CONTINGENT LIABILITIES**

The Corporation was not aware of any contingent liabilities as at the end of the financial year.

**23 AFTER BALANCE DATE EVENTS**

The Corporation is not aware of any events that have occurred after balance date which are of such significance that they need to be disclosed or recognised in the financial report.

**END OF AUDITED FINANCIAL STATEMENTS**

## THE BUILDING AND CONSTRUCTION INDUSTRY LONG SERVICE PAYMENTS COMMITTEE (INDUSTRY COMMITTEE)

The Industry Committee is constituted under the Building and Construction Industry Long Service Payments Act 1986. It is an advisory and appellate body and consists of ten part-time members appointed by the Minister and is chaired by the Chief Executive Officer. The Industry Committee is empowered under Section 9 of the Act to advise on administration of the Act, including matters concerning publicity, the investment of funds and the rate of the long service levy.

The Industry Committee decides appeals lodged against Corporation decisions to:

- reject an application for registration in the scheme made on behalf of or by workers;
- cancel registrations of workers in the scheme;
- refuse service credits to registered workers.

The Industry Committee also decides appeals lodged by levy payers in respect of:

- an assessment made of the amount of a long service levy due in respect of the erection of a building;
- a direction given, or refusal to give such direction, in relation to interest payable on a long service levy not paid before the due date, or extension of time for payment of a long service levy.

Apart from its legislated functions the Committee also acts as 'Customer Council' in relation to customer service standards and helps to ensure that the quality and effectiveness of services meet customers' needs.

The term of the current Industry Committee is from 1 August 2005 to 31 July 2008. This year the Industry Committee met on three occasions.

During the year the Committee reviewed proposals from the Corporation for improvements in scheme administration for consideration by the Minister and potential future legislative change. Significant matters considered included pay-rates from the scheme and a variety of pay-rate models to improve administration and equity, verification requirements for self-employed worker service claims and coverage issues. Other matters included improvements to contacts with worker union representatives, which were subsequently put in place.

### Appeals

Sections 49-54 of the Act empowers the Industry Committee to determine appeals lodged by workers, employers and levy payers in respect of certain Corporation decisions. Appeals are considered and determined on the basis of documentary evidence submitted by the parties involved.

There were no appeals lodged by levy payers in the year but 7 worker appeals were considered and determined as shown in the table. The Corporation did not carry out registration cancellations for workers where there are no records of service for at least four consecutive years, consequently there were no appeals in respect of such workers.

### RESULTS OF APPEALS

Appeal Against	UPHELD		DISMISSED	
	06/07	07/08	06/07	07/08
Rejected Application for registration	1	0	1	0
Refusal of Service Credits	1	4	1	3
Total	2	4	2	3

## CHAIRPERSON

Mr Jon Blackwell BA, MA  
Chief Executive Officer  
Attended 3 out of 3 meetings

## MEMBERS

### MEMBERS NOMINATED BY THE UNIONS NSW

Mr Andrew Ferguson BEc, MEc, Dip Ind Law, Dip Urban Studies  
NSW General Secretary, Construction Forestry Mining Energy Union  
NSW Secretary, CFMEU (Construction and General Division) NSW Branch  
Director, Australian Construction Industry Redundancy Trust  
Director, COMET Training  
Director, MEND Rehabilitation  
Director, BWAC Employment  
Member, WorkCover NSW, Construction Industry Reference Group  
Member, Construction Industry Consultative Committee  
Executive Member, Unions NSW  
Member, WorkCover NSW Occupational Health & Safety Council  
Attended 1 out of 3 meetings, Deputy Member Keryn McWhinney attended in place of the Member on 2 occasions

Mr Russ Collison  
State Secretary, AWU NSW  
Board of First State Super Corporation  
Vice President, Unions NSW  
Attended 3 out of 3 meetings

Mr Michael Doust  
Organiser, Electrical Trades Union  
Attended 3 out of 3 meetings

### MEMBERS NOMINATED JOINTLY BY THE MASTER BUILDERS' ASSOCIATION OF NSW AND EMPLOYERS FIRST

Mr Brian Seidler B Build.  
Executive Director, Master Builders' Association of NSW  
MBA of NSW Representative, Building Awards Conciliation Committees  
MBA of NSW Representative, Building Apprenticeship Conciliation/Training Committees  
MBA of NSW Representative, Construction Industry Training Advisory Board (NSW)  
Committee Member, Construction Policy Steering Committee  
Committee Member, Construction Industry Consultative Committee  
Director, Australian Construction Industry Redundancy Trust  
Director, COMET Training  
Director, MEND Rehabilitation  
Committee Member, Building & Construction Industry Drug & Alcohol Foundation  
Participant, Australian Traineeship System Working Party  
Director, Building Workers' Assistance Centre  
Attended 3 out of 3 meetings.

Dr John Elder AM BBus, MIR (Hons), Phd (Syd Univ)  
Director, Australian Construction Industry Redundancy Trust  
Independent Chairman, COMET Training  
Attended 2 out of 3 meetings

Mr Tony Doyle BCom(Hons), MCom  
Senior Workplace Relations Consultant  
Australian Federation of Employers and Industries  
(Appointed 20 May 2008)  
Was not required to attend any meetings

## **MEMBERS DIRECTLY APPOINTED BY THE MINISTER**

Mr John Robertson GradDip Employment Relations/Industrial Law (UTS)  
Secretary, Unions NSW

Director, Labor Media

Director, Labor Campaign

Director, Getonboard

Trust Member, Parramatta Stadium Trust

Attended 0 out of 3 meetings, Deputy Member Chris Christodoulou attended in place of the Member for 3 meetings.

Mr Doug Wright AM BEc, BA

Representational and Special Services, Australian Industry Group

Director, Hunter Valley Training Company Ltd

Director, WorkCover NSW

Member, NSW Vocational Education and Training Accreditation Board

Member, TAFE Commission Board

Member, Commonwealth Study Conference Executive Committee

Member, Plan-It-Youth Mentoring Program, State Reference Group

Alternate Director-Worldskills Australia

Attended 2 out of 3 meetings, Deputy member Catherine Brokenborough attended in place of member for 1 meeting.

Ms Elizabeth Crouch BEc, GAICD

Consultant

Chair, Fair Trading Advisory Council

Chair, Public Transport Ticketing Corporation

Chair, Ku-ring-gai Planning Panel

Member, City of Sydney Planning Committee

Member, NSW Housing Ministerial Advisory Board

Member, Macquarie University Council

Member, Finance Committee, Macquarie University

Chair, Audit and Risk Committee, Macquarie University

Attended 3 out of 3 meetings

Mr Brian Beer

State President, Australian Manufacturing Workers Union (Retired)

Member, Australian Government Central Trades Committee;

Member, Australian Government NSW Local Trades Committee;

Independent Chairperson, NSW Dept Primary Industries Estuary Prawn Trawl Management Advisory Committee;

Independent Chairperson, NSW Dept Primary Industries Marine & Estuarine Recreation Charter Management Advisory Committee

Attended 2 out of 3 meetings, Deputy member Catherine Brokenborough attended in place of member for 1 meeting.

## **DEPUTY MEMBERS**

### **DEPUTY MEMBERS NOMINATED BY THE UNIONS NSW**

Ms Keryn McWhinney Dip Ind Law

Senior Wage Claims Officer, CFMEU (Construction & General Division) NSW Branch

Member, Vocational Training Tribunal of NSW

Member, Vocational Training Appeal Panel

Attended 2 meetings in place of Member Andrew Ferguson

Mr Steve McCarney

State Secretary CEPU Plumbing Division NSW Branch

Was not required to attend any meetings

Mr Paul Farrow

Organiser, AWU NSW Branch

(Appointed 20 May 2008)

Was not required to attend any meetings

**DEPUTY MEMBERS NOMINATED JOINTLY BY THE MASTER BUILDERS' ASSOCIATION OF NSW AND EMPLOYERS FIRST**

Mr Peter Slattery Master of Business (Employment Relations)  
Employee Relations Manager, Laing O'Rourke.  
Was not required to attend any meetings

Mr Mervyn Warner Dip Personnel Admin  
Personnel and Industrial Relations Consultant  
Member of MBA of NSW  
Member, Safety Field Day Steering Committee  
Member, Industrial Relations Society of NSW  
Was not required to attend any meetings

Mr Brent Ferguson BEc  
Workplace Relations Consultant  
Australian Federation of Employers and Industries  
(Appointed 20 May 2008)  
Was not required to attend any meetings

**DEPUTY MEMBERS DIRECTLY APPOINTED BY THE MINISTER**

Mr Chris Christodoulou BA Ind Rel  
Deputy Assistant Secretary, Unions NSW  
Chair, Wollongong Sportsground Trust  
Member, Corrections Industry Advisory Council  
Director, Sydney Olympic Park Authority  
Attended 3 meetings in place of Member John Robertson

Ms Catherine Brokenborough BA Dip Ed, Carpentry and Joinery  
Regional Environmental Health and Safety Skilling and Development Manager,  
Bovis Lend Lease  
Attended 2 meetings in place of Members Doug Wright and Brian Beer

## APPENDICES

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## Appendix 1

### SERVICE STANDARDS

#### OUR COMMITMENT TO CUSTOMER SERVICE

**The Corporation's aims are to:**

- provide accurate and helpful advice on the scheme;
- pay benefits accurately and promptly;
- assist workers in maintaining accurate long service records;
- provide a high level of responsiveness to customer needs that is courteous, consistent, reliable, informative, timely and objective;
- increase awareness of the scheme amongst workers who are eligible for membership in the scheme;
- fund long service payments by the collection of a levy on building work.

The Corporation provides a telephone 'Helpline' which customers may contact for information on any aspect of the scheme by phoning 13 14 41 for the cost of a local call. Normal plan rates apply for mobile phone calls.

The levels of service that customers can normally expect are shown in the following tables.

SERVICE PROVIDED	LEVEL OF SERVICE
------------------	------------------

#### Scheme Benefits

Benefit enquiries	Advice of calculated long service payment amount will be posted within 2 working days.
Payment of benefits	Will be processed within 10 working days.

#### Inquiries

Telephone or counter inquiries regarding general or specific matters	Advice will be provided immediately.
Response to written inquiries	A written response or acknowledgement of receipt of the inquiry will be posted within 10 working days. Where an inquiry cannot be answered within that timeframe, the inquirer will be kept advised of the progress of investigations until finalised.

#### Scheme Members Records

Objection to accuracy of records	Where a worker lodges an objection to the accuracy of their record, an acknowledgment will be posted within 10 working days. Objections where eligibility and performance of service are uncomplicated will be resolved within 30 days. Complicated matters will be resolved no later than the issue of the next due annual statement of recorded service.
Annual Statement of Recorded Service	Employed registered workers with recorded current addresses will be posted an annual statement of recorded service by 30 November each year. Self – employed workers will receive annual statement of recorded service by 31 March each year.

SERVICE PROVIDED	LEVEL OF SERVICE
------------------	------------------

**Scheme Registrations**

Applications for worker registration	Decision on eligibility for membership will be posted within 10 working days of receipt of application with all required information. Where eligibility is complicated by information limitations membership will be resolved within 30 days.
Applications for employer membership.	Decision on eligibility for membership will be posted within 10 working days of receipt of application with all required information. Where eligibility is complicated by information limitations membership will be resolved within 30 days. Employers will be issued with an employer information kit within 10 working days of registration being accepted.

**Other Services**

Inquiries in respect of financial matters concerning payment of accounts, claims and related matters	Processed within 5 working days.
Turnaround of administrative payments on commercial terms	Processed in accordance with supplier trade terms.

**Levy Collection**

Response to written inquiries	Written response will be posted within 10 working days.
Partial exemptions from payment of levies eg owner builders	Applications will be processed within 3 working days.
Refunds of levies	Will be processed within 10 working days where the monies have been received by the Corporation.

The Corporation regards comments from customers as a valuable means of helping to identify additional potential services and to ensure that existing services are maintained and enhanced.

### **What if customers have any problems or suggestions?**

Most matters can be resolved directly with the staff member providing customer services. It is suggested that this should be the first action taken. If this course of action is not successful, or not considered appropriate, customers should ask to speak with the officer's manager, or contact the Support Services Manager by:

Phone: 13 14 41  
Fax: (02) 9287 5685  
E-mail: [info@lspc.nsw.gov.au](mailto:info@lspc.nsw.gov.au)  
Post: Locked Bag 3000  
Central Coast MC NSW 2252

### **The Customer Council**

The independent Building and Construction Industry Long Service Payments Committee (Industry Committee) acts as the Customer Council, monitors the current level of service performance, advises on new or modified services, recommends performance indicators of service quality and advises on client needs.

Customers wishing to make suggestions to the Industry Committee regarding services or their customer needs may contact the Committee Secretary by:

Phone: 13 14 41  
Fax: (02) 9287 5685  
E-mail: [info@lspc.nsw.gov.au](mailto:info@lspc.nsw.gov.au)  
Post: Customer Council  
Locked Bag 3000  
Central Coast MC NSW 2252

### **Appeals against decisions by the Corporation**

Sections 49-54 of the Act empowers the Industry Committee to determine appeals lodged by workers, employers and levy payers in respect of certain Corporation decisions. Appeals are considered and determined on the basis of documentary evidence submitted by the parties involved.

## Appendix 2

### PERFORMANCE INDICATORS FOR PROVISION OF SERVICES

SERVICE	TARGET	RESULTS
Turnaround of written inquiries (excluding <i>Annual Statement of Recorded Service</i> related inquiries)	Resolved within 10 working days. If unresolved within 10 working days regular advice issued until finalised.	Achieved.
Turnaround of <i>Annual Statement of Recorded Service</i> requests to review service allocated to a member's record and related inquiries	Acknowledgment issued within 10 working days and resolution prior to next statement issue.	Achieved.
Turnaround of employer and worker applications for registration with all required information	Within 10 working days for worker applications. Within 10 working days for employer applications.	Achieved.
Issue of <i>Annual Statement of Recorded Service</i>	All issued by 30 November to employed registered workers with current addresses and by 31 March to self-employed registered workers.	Achieved.
Turnaround of long service payments with required information	Within 10 working days.	Achieved
Turnaround of financial inquiries	Within 5 working days.	Achieved.
Telephone or personal inquiries on general or specific matters relating to levy matters	Where possible, advice will be provided immediately.	Achieved.
Partial exemptions from payment of the levy eg owner builders	Applications processed within 3 working days.	Achieved.
Training days per staff member	Average 4 days per person.	Achieved.
Emergency computer hardware and software problems responded to within 1 hour	90%.	Achieved.
Standard computer hardware and software request responded to within 2 working days	90%.	Achieved.
Computer system availability between 8.30 am and 5.00 pm	98% in each month.	Achieved.
Computer system recovery	100% within 8 working hours.	Achieved.
Bulk documents updated to main computer systems	Within 2 working Days.	Achieved target 90% of time and 100% within 5 working days.

## **Appendix 3**

### **CONSUMER RESPONSE**

An important function of the independent Industry Committee is to act as Customer Council. Through the Committee the Corporation is able to provide the industry with regular updates on its achievements and consult with industry representatives on any issues that may impact on the Corporation's operations.

### **Marketing and communication activities**

Marketing and communication activities are part of the Corporation's compliance strategy. The aim of these activities is to increase employers understanding of their obligations and workers knowledge of their entitlements.

A key focus of marketing and communications in 2007-08 was the ongoing promotion of the online services facility, which allows employers to meet their entire scheme reporting obligations online. A major project was the production and distribution of a comprehensive step-by-step guide to the use of the online facility. The guide was distributed to all employers registered with the Corporation.

Advertisements were run in trade journals and metropolitan and community language newspapers to advise all industry employers of their obligations. Throughout the year staff also gave presentations to members of trade associations, including the Housing Industry Association, Master Builders Association, Civil Contractors Federation and Master Plumbers Association.

The Corporation's Marketing Plan highlights the importance of developing effective relationships with industry organisations and the benefits of using these relationships to promote the Corporation's messages throughout the industry. To foster and strengthen these relationships the Corporation allocated a component of its marketing budget to participate in industry events. In 2007-08 a number of industry events such as the Master Plumbers Association's Clarrie Wymer Awards, HIA Southern NSW & HIA Riverina Housing Awards were sponsored.

To inform workers of their long service entitlements advertisements were placed in the CFMEU journal and metropolitan and community language newspapers. Staff also provided information services at the annual Building Trades Group of Unions picnics and conducted a number of information seminars for union organisers and delegates.

The Corporation also sponsored Excellence in Training Awards for building trades students from TAFE colleges throughout NSW to promote awareness of the scheme to apprentices in the industry.

## **Customer complaints**

There was one formal complaint made to the Corporation during the year. This complaint related to the rejection of a request from a worker to have his registration date backdated and the delay in obtaining a decision. The Assistant Director Operations reviewed the information and the complainant was advised that further backdating could not be justified and that the appropriate correspondence had been sent within the required timeframes. There was one complaint made in the previous year.

## **Appendix 4**

### **LEGISLATIVE CHANGE**

There were no changes to the Building and Construction Industry Long Service Payments Act 1986.

## **Appendix 5**

### **FREEDOM OF INFORMATION ACT 1989**

Two agencies are relevant under the Building and Construction Industry Long Service Payments Act 1986:

Building and Construction Industry Long Service Payments Corporation - Agency 968 and Building and Construction Industry Long Service Payments Committee - Agency 1682.

Clients are encouraged to make direct contact with the Corporation if they wish to review their scheme records. This service is supplied free of charge and does not require an FOI application.

Updated FOI Statements of Affairs have been prepared and are available from the FOI Coordinator.

The Summary of Affairs of both Agencies are published in the Government Gazette.

All written inquiries on the above Agencies should be directed to:

The FOI Coordinator  
Locked Bag 3000  
Central Coast MC NSW 2252

or lodged on

Ground Floor  
Corner Donnison and Baker Streets  
GOSFORD NSW 2250

## Freedom of Information (FOI) Requests

	Agency 968				Agency 1682			
	2007-2008		2006-2007		2007-2008		2006-2007	
	Personal	Other	Personal	Other	Personal	Other	Personal	Other
Total FOI requests	0	0	0	0	0	0	0	0

There were no FOI requests this year and no requests were unresolved from the previous year in relation to either agency. No Ministerial Certificates were issued by either Agency and there were no requests requiring formal consultation or personal records required amendment as a result of any FOI request.

There were no Ombudsman's Reviews or District Court Appeals in 2006-07 or 2007-08.

## Appendix 6

### PRIVACY AND PERSONAL INFORMATION PROTECTION ACT

In accordance with section 33 of the Privacy and Personal Information Protection Act 1998, a Privacy Management Plan is in place and a copy has been provided to the Privacy Commissioner. No applications have been received for internal review of conduct under Part 5 of the Privacy and Personal Information Protection Act. As required a statement of data collected, data source, purposes and authority for collection of personal data was also supplied to the Privacy Commissioner.

Induction of new staff has included training on policies and guidelines for protecting personal information and privacy, particularly on the telephone Helpline.

The Privacy and Personal Information Protection Act does not apply in respect of information requests under a variety of State and Federal legislation. The Corporation complies with the requirements of such legislation in respect of any information provision.

The Corporation's formal complaint mechanism encompasses situations where customers have grievances in respect of requirements of the Privacy and Personal Information Protection Act. Customers in this position may lodge formal grievances and these will be addressed in accordance with the requirements of the legislation.

## Appendix 7

### DISABILITY PLAN

Development of access for people with disabilities to generic services and facilities has been actively sought by the following strategies:

- Monitor and review access by people with disabilities to the scheme's services and facilities.
- Investigate/develop options for improving internal employment opportunities for people with disabilities.
- Ensure the continued safety and the minimisation of hazards for people with disabilities.

## **Access**

The Corporation's head office at Gosford is on the ground floor and the Lidcombe office has lift access. Offices have wheelchair access, disability toilet facilities and lift facilities that comply with requirements. Public access and all counter areas include stand-up counters to enable persons with back problems to fill in forms while standing and have seating for customers waiting.

The physical nature of building and construction work limits opportunities for industry-based programs for people with disabilities. However, the scheme allows access to accrued benefits and, in some circumstances, continuation of the recording of service credits due to disability. This year, 747 grants of service on medical grounds were approved valued at \$263,000 and 270 long service payments totalling \$754,340 were paid to members who became totally incapacitated for work in the industry and were forced to leave the industry.

## **Employment**

EEO strategies ensure staff are provided with appropriate equipment and access to career development and training to enhance their prospects for promotion.

## **Appendix 8**

### **WOMEN'S ACTION PLAN**

#### **Scheme**

The Corporation's legislation requires it to deliver a long service benefits scheme to the building industry of NSW. Scheme benefits are equally available to male and female workers in the industry, but it is recognised that the industry is heavily male dominated. The scheme legislation includes provisions to help preserve women's registrations in the scheme if they are pregnant.

#### **Staff**

The Corporation obtained services under its Service Partnership Agreement, from WorkCover NSW, in respect of women's matters. The WorkCover NSW Spokeswomen's Program included information sessions for women employees to assist them combining work and family commitments and provides financial and career planning information. The bi-monthly meetings have been well attended.

The Corporation has continued flexible working arrangements that offer a wide bandwidth, no core time and provides for up to three flex-days in a six-week period, which assist staff to meet work as well as family commitments. New staff are advised of these provisions during their induction and the flexible working agreement is on the Intranet for all staff to access. To assist with childcare and other commitments, eight women worked part-time during the year.

## Appendix 9

### ETHNIC AFFAIRS PRIORITY STATEMENT

#### COMMUNITY RELATIONS

The Corporation is committed to the principles of multiculturalism. Progress against Key Result Areas is shown below:

Key Result Area	Achievements
<p><b>Social Justice</b></p> <p>Providing an efficient and equitable scheme of portable long service benefits for the construction industry</p>	<ul style="list-style-type: none"> <li>• A telephone translation service and staff speaking some community languages are available. The service is promoted to the industry and workers through various information materials and to callers on the Helpline when difficulties are obvious.</li> <li>• Information about the scheme has been translated into fifteen community languages and has been made available on the Corporation's Website.</li> <li>• An information sheet, in fifteen community languages, on the availability of the translation service and how to respond to the <i>Annual Statement of Recorded Service</i> was forwarded to over 300,000 workers together with their annual statements.</li> <li>• The Corporation's legislation includes requirements for employers to register their workers thus ensuring workers with low English proficiency have access to the scheme.</li> <li>• Information in fifteen community languages is included on the reverse of all letterhead.</li> <li>• A community languages advertising strategy includes advertisements promoting key employer obligations and worker information appearing in community language newspapers.</li> </ul>
<p><b>Corporation staff</b></p> <p>Awareness of and adherence to the principles of multiculturalism</p>	<ul style="list-style-type: none"> <li>• Merit based recruitment practices are used for the recruitment of staff that included the use of the Public Sector Common Selection Criteria requiring an applicant to show a knowledge and understanding of Ethnic Affairs Priority Statements.</li> <li>• A Community Language Allowance Scheme (CLAS) is in place and staff encouraged to obtain accreditation for community languages most used in the building industry. The Corporation also has access to WorkCover NSW CLAS qualified officers.</li> <li>• Training and access to career development opportunities were available to all staff. Target groups participated in training and career development opportunities.</li> <li>• The Corporation's two offices have designated quiet areas that can be used for religious practices.</li> <li>• The PSA and the Corporation are signatories to a Dignity and Respect in the Workplace Charter.</li> </ul>

Future EAPS strategic directions are to monitor, review and improve the effectiveness of the advice and services to workers from all community groups. This will be assisted by mainstreaming community relations awareness to all Corporation staff and including review and consideration of existing strategies in the business planning of all operational units and by inclusion of relevant material where possible in any surveys conducted.

## Appendix 10

### PROGRAM EVALUATION

The NSW Internal Audit Bureau is retained for the provision of internal audit services and a three-year audit plan is maintained and reviewed annually. The audit approach has a strategic and risk focus, and provides a continuous audit presence in the three core business areas. Other functions are audited on a regular basis.

Core business areas subject to audit comprise worker service register, levy revenue and long service payments. Effective management controls were found to be in place in all areas. A number of recommendations for improvements were noted and accepted. There have been no adverse findings from the audit program.

## Appendix 11

### INSURANCES AND RISK MANAGEMENT

#### Insurances

Insurance was through the NSW Treasury Managed Fund (TMF). The coverage was as follows:

- Workers Compensation – As per the NSW Act.
- Property – “New for old” full replacement and includes consequential increased costs of operation as a direct result of the physical loss or damage sustained to protected properties.
- Public Liability – All legal liabilities (for which the Corporation can be sued).
- Motor Vehicle – Full comprehensive.
- Miscellaneous Risk – Personal accidents (non-Workers compensation); overseas travel; fidelity; etc

#### Workers Compensation

There were three new workers compensation claims lodged by staff.

All three new claims were for injuries incurred whilst travelling to or from work.

Total costs incurred against workers compensation claims this year were \$6,261 compared to \$18,034 for 2006-07.

As at 30 June 2008, there were no open claims.

## **Risk Management**

The Corporation faces risks in respect of possible fraud and loss of business premises. These risks relate to internal and external fraud and the possible impact of fire or other related interruption or failure of computer equipment. Procedures have been put in place to minimise the impact of such risk. Systems are regularly reviewed through a cycle of risk focussed internal audits. The Corporation also regularly reviews its internal control and check systems to ensure they continue to be aligned with business objectives and risk management strategies.

Analysis of the Corporation's business risk has provided estimates of residual inherent risk. This analysis has been used to ensure that the Internal Audit Plan was appropriate and focused on identified risk areas. The analysis objective was also to increase awareness of risk management principles and practices and to specify individual manager's responsibilities for managing the risk. Management controls were subsequently reviewed further by internal audit and found to be adequate. Management and staff were found to possess an appropriate awareness of risk management concepts and principles.

## **Business Continuity Plan**

A contingency and disaster recovery plan is in place. Recovery of key business systems onto alternate contingency computer servers from backup tapes has been successfully performed. Business recovery aspects relating to computer networks and telephone services, which are provided by WorkCover NSW under a Service Partnership Agreement, also continue to be refined.

Duplicate stores of brochures and worker and employer related scheme stationery are maintained. Supplies of significant employer and worker forms are also retained at a third party site. This will assist in business resumption in the event of any major disruption. The Intranet is also a comprehensive source of corporate knowledge that will assist in any business resumption. It contains procedures and policies for all business processes, images of a variety of worker documents, for example worker annual statements, Industry Committee worker appeal considerations and legal advisings on scheme issues and administration.

The Internal Audit Bureau Risk Management and Consulting Service were commissioned to help prepare the Corporation's Business Continuity Plan. Their final report, containing revised Business Recovery, Information Technology Recovery and Pandemic Response Plans has been received. Implementation and testing of the revised plans is scheduled for 2008-09.

## **Appendix 12**

### **WASTE REDUCTION AND PURCHASING PLAN**

Paper-based materials including mail-outs are used to provide information and to communicate with workers and employers. Recycling has been actively supported for many years and, for stationery and copy paper requirements, Australian-made recycled paper is used wherever possible. All envelopes used are a minimum of 60 percent recycled paper. All waste paper products are disposed of either in the secure or general collection bins provided for regular collection and recycling. The Corporation recycles all printer toner cartridges.

In accordance with its waste reduction plan, the Corporation operates three multifunctional copier/facsimile/printers with the capacity to print on both sides.

Electronic service initiatives in relation to employers have resulted in estimated savings to date of over \$160,000 in avoiding the use of carbon impregnated triplicate forms.

## **Electronic service delivery**

The Corporation has implemented a variety of initiatives to improve services and reduce the administrative burden in relation to compliance by employers, workers and levy payers.

The most recent new service introduced in January 2007 was full online services for employers and workers. Online services include options for employers to register workers, notify start and termination of work and notify service to be recorded by the scheme and for workers to check their records online. Workers have all been issued with PIN numbers and are able to view their service records online. Concurrently, new administration procedures that reduce compliance workload for employers were also introduced.

The new initiatives have been well received by employers based on feedback sought by telephone helpline staff. The worker registry system also enables the Corporation to better service industry workers and employers with the system also incorporating electronic document and records management and data capture directly from hardcopy documents. These systems operate on an open platform system with a relational database and a windows interface.

As well as online transactions for employers and access to service records for workers, the Corporation's website continues to also provide immediate access to most scheme forms, information materials including community language material, and also enables online ordering of most scheme forms and information brochures.

Over 50% of employers have now lodged their worker service advices online. In practical terms this means a majority of workers have their service lodged online.

Electronic funds transfer (EFT) for making long service payments to workers and administrative expenses has been in place for many years. Over 95 percent of payments are now made by EFT.

Electronic lodgement by local councils of long service levy returns has improved efficiency, accuracy and month end account balancing and financial reporting.

## **Appendix 13**

### **GOVERNMENT ENERGY MANAGEMENT POLICY**

Energy conservation strategies have continued.

In accordance with the NSW Government Energy Management Plan, and through the Corporation's head office leasing arrangements with WorkCover NSW, the Corporation continued to obtain competitive rates for its accommodation energy requirements and took full advantage of green power and renewable energy sources.

Additional energy reduction strategies that are in place include:

- computer and photocopying equipment with sleep modes, if not in use;
- timers installed on meeting and mail room and after work hours air-conditioning to reduce unnecessary usage of power;
- staff procedures to turn off electrical equipment at night or when not in use.

The introduction of a Fleet Environmental Improvement Plan has contributed to a reduction in petrol usage of approximately 23% in 2006-07 and an additional 26% in 2007-08. Fleet requirements are regularly assessed in accordance with this plan.

## **Appendix 14**

### **INFORMATION TECHNOLOGY**

The Corporation is engaging the services of the WorkCover NSW to provide the information technology and telecommunication infrastructure under the NSW Government Shared Corporate Services Program.

The Corporation has a strong reliance on information technology to manage the Long Service Payments Scheme in an efficient and cost effective manner. This can be found in the areas of electronic data capture from paper forms, records management, information retrieval, and management of telephone calls.

2007-08 was also the first full year the Corporation provided on-line services for our clients in the provision and receipt of information over the internet. The uptake rate of our clients is encouraging – more than 50% of the active employers submitted their employee information via the online service centre throughout the year.

## **Appendix 15**

### **OCCUPATIONAL HEALTH AND SAFETY**

The Corporation has a Service Partnership Agreement for Human Resources with WorkCover NSW. Occupational Health and Safety is part of this agreement. WorkCover NSW assists with managing and reporting in accordance with the Working Together: Public Sector OHS and Injury Management Strategy 2005-2008.

The Occupational Health and Safety Committee consists of two management members and four staff representatives.

Emergency evacuation procedures are in place and are current. Fire evacuation drills were conducted, which included special procedures for staff with disabilities. All staff are instructed in emergency procedures and the locations of the emergency exits on commencing duty. Four fire wardens are appointed at our Gosford head office and attended training programs organised by the building management. Besides evacuation procedures for fire, training has included managing potential hazards such as biohazards, bomb threats and earthquakes.

Davidson Trahaire Corpsych under the Employee Assistance Program provides a confidential counselling and assistance scheme for employees and their families. This service has been widely promoted within the Corporation.

## **Appendix 16**

### **EQUAL EMPLOYMENT OPPORTUNITY**

WorkCover NSW, under a Service Partnership Agreement with the Corporation, collects EEO data regularly for the Premier's Department Workforce Profile. This assists the Corporation in monitoring its EEO performance against NSW Government employment benchmarks for staff from EEO minority groups. The Corporation achieved the established targets for "trends in the representation of EEO groups" with the exception of people whose language first spoken as a child was not English.

The Corporation's two offices are designed to ensure easy access is provided for people with disabilities. Our offices also have designated quiet areas that can be used for meditation or religious practices.

The Public Service Association of NSW and the Corporation have a Dignity and Respect in the Workplace Charter to reinforce commitment to a workplace that is free from harassment and bullying.

### TRENDS IN THE REPRESENTATION OF EEO GROUPS

EEO Group	Benchmark or Target	% of Total Staff				
		2004	2005	2006	2007	2008
Women	50%	52%	55%	60%	60%	65%
Aboriginal & Torres Strait Islander Employees	2%	2%	2%	2%	2%	3%
People whose language first spoken as a child was not English	20%	15%	16%	13%	16%	9%
People with Disabilities	12%	12%	12%	22%	15%	14%
People with Disabilities requiring work-related adjustment	7%	3%	10%	16%	9%	10%

### TRENDS IN THE DISTRIBUTION OF EEO GROUPS

EEO Group	Benchmark or Target	Distribution Index				
		2004	2005	2006	2007	2008
Women	100	85	86	85	85	86
Aboriginal & Torres Strait Islander Employees	100	n/a	n/a	n/a	n/a	n/a
People from culturally & linguistically diverse backgrounds	100	n/a	n/a	n/a	n/a	n/a
People with Disabilities	100	n/a	n/a	n/a	n/a	n/a
People with Disabilities requiring work-related adjustment	100	n/a	n/a	n/a	n/a	n/a

**Notes:**

Staff numbers are a % as at 30 June and exclude agency staff.

A distribution index of 100 indicates that the centre of the distribution of EEO group salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than other staff. An index of more than 100 shows that the EEO group is less concentrated at lower levels.

The distribution index is not calculated where the EEO group is less than 20.

## Appendix 17

### HUMAN RESOURCES INFORMATION

WorkCover NSW has continued to provide human resource services through a Service Partnership Agreement implemented in response to Government policy initiatives. The Corporation has adopted relevant WorkCover NSW human resources policies.

#### Work practices/industrial relations

There were no major industrial relations issues. A Joint Consultative Committee meets regularly to address industrial issues. The Committee consists of representatives from the Public Service Association of NSW and the Corporation, with WorkCover NSW providing advice on human resource issues.

## Training and development

To develop officers the Corporation has encouraged staff to participate in the Certificate III and Certificate IV in Government. Eight officers commenced the Certificate IV Course and one has commenced the Certificate III.

### Staffing Statistics

#### APPOINTMENTS

	2004-05	2005-06	2006-07	2007-08
Non Promotional Permanent (Base Grade)	-	-	-	-
Temporary	-	-	-	-
Promotional Positions Permanent	6	9	3	3
Temporary	1	5	5	13
Total	7	14	8	16

#### RECRUITMENT

	2004-05	2005-06	2006-07	2007-08
Applicants outside the Public Sector	-	8	4	6
Applicants within the Corporation	4	3	3	6
Applicants from other Public Sector Organisations	3	3	1	4
Total	7	14	8	16

#### SEPARATIONS

	2004-05	2005-06	2006-07	2007-08
Resignations Permanent Officers	1	-	-	-
Separations Temporary Officers	-	1	2	-
Transfers within Public Sector	-	1*	2*	2*
Promotions to other Public Sector Organisations	3	2	2	1
Voluntary Redundancy	-	-	-	-
Retirement	-	-	-	6
Total	4	5	6	9

\* Includes officers on promotional secondments

#### CHIEF AND SENIOR EXECUTIVE OFFICERS

	2004-05	2005-06	2006-07	2007-08
SES Officers	1	1	1	1
Number of Female SES officers	-	-	-	-
Number of SES officers at Level 5 and above	-	-	-	-

## COMPARISON OF STAFF LEVELS

	FTE* 2004-05	FTE* 2005-06	FTE* 2006-07	FTE* 2007-08
Senior Executive Service	1	1	1	1
Clerk Grade 9-12	7	7	7	7
Clerk Grade 5-8	21.1	23.7	24.1	21.5
Clerk Grade 1-4	27.7	30.9	29.3	28.8
Temporary contracting staff	9.6	7	7.5	7
Total	66.4	69.6	68.9	65.3

\*FTE equals full time equivalent permanent/temporary officers employed and agency staff but excludes officers on leave without pay or secondment to other departments or agencies.

## Appendix 18

### CONSULTANTS

The Corporation engaged one consultant during 2007-08 at a total cost of \$13,500.

## Appendix 19

### CODE OF CONDUCT

The Corporation's Code of Conduct is available on our Internet Site at <http://www.lspc.nsw.gov.au>.

## Appendix 20

### ANNUAL REPORT COSTS

Two hundred copies of the Annual Report were printed at a total cost of \$2,682 including artwork and printing.

## Appendix 21

### ANNUAL REPORT AVAILABILITY

Copies of annual reports are available on the Corporation's website <http://www.lspc.nsw.gov.au>

## Appendix 22

### OTHER DISCLOSURES

- The Corporation has no subsidiaries and has not entered into joint ventures or partnership with other organisations.
- The Corporation does not own any real estate property nor was any real estate property disposed of during the year.
- Officers made no overseas visits during the year.
- No research or development programs were undertaken.
- There were no grants made to non-government community organisations.
- The Corporation does not use or hold credit cards.

## Appendix 23

### PUBLICATIONS

#### Publications available from the Corporation include:

Annual Report.

Employer Guide

Registered Workers brochure.

Information for workers (including self employed) in Arabic, Chinese, Croatian, Dari, Farsi, Greek, Italian, Khmer, Korean, Kurdish, Macedonian, Portuguese, Serbian, Spanish and Vietnamese.

Building and construction industry rostered day off calendar.

Building and construction industry wall planner calendar.

Employer newsletter.

Your Annual Statement – Frequently asked questions for Employed Workers

Your Annual Statement – Frequently asked questions for Self Employed Workers

Information Sheet W001 - 'When You Can Apply for a Long Service Payment'

Information Sheet W002 - 'National Agreement on Long Service'

Information Sheet W003 - 'Application for an Earlier Registration Date'

Information Sheet W004 - 'Long Service Leave v Long Service Payment'

Information Sheet W005 - 'How Your Service is Recorded'

Information Sheet W006 - 'Tax Payable on Long Service Payments'

Information Sheet W007 - 'If Your Employer Stops Trading'

Information Sheet W008 - 'Unable to Work Due to Illness or Injury'

Information Sheet W009 - 'Appeals to the Industry Committee'

Information Sheet W010 - 'Special Service Credits'

Information Sheet W011 - 'Service Preservation Days'

Information Sheet W012 - 'Things You Need to Know Before Making a Claim'

Information Sheet W014 - Employer or Worker?

Information Sheet - Information to assist in processing your payment

Information Sheet E905 - 'Information to Assist in Completing your Employer Application for Payment'

Levy collection agent manual (for councils only).

Counter Stand – partial exemption information (for councils only).

Levy poster (for councils only).

Information for levy payers brochure.

Long Service ...not just old blokes! Information for apprentices

A4 stick on poster – I deserve it

A4 stick on poster – we deserve it

A4 stick on poster – you deserve it

A4 stick on poster – interstate service

General information brochure - About the Long Service Payments Corporation.

Information assisting employers in using online services

Subcontractor calculations of long service credits

I am self-employed...How does my tax agent work out my prescribed costs?

**Forms available from the Corporation**

Levy Payment form.

Application for partial levy exemption by non-profit, voluntary, sporting or church organisations form.

Application for partial exemption of levy by owner builder form.

Application to pay levy by instalments form.

Application for levy refund - where work is not to proceed.

Application for levy refund – except where work is not to proceed.

Start Notice.

End Notice.

Self-Employed Certificate of Service.

Record Update.

Request for voluntary cancellation.

Appeal form.

Worker Registration Application

Employer Registration Application

Employer Return

Application for payment

Record of customer feedback

Statutory Declaration

Application for days service – for a period of speculative building

Application for days service – during a declared emergency

Application for days service – while undertaking building and construction training

Application for days service – for periods on light duties

Notification of inability to work or record service

Tell us what you think – feedback form

Literature/Stationary request

Notification of worker change of address

All Publications are reviewed to ensure currency and accordance with legislation and policies.

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