

ANNUAL REVIEW & NEWS

ACIRT20

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FEBRUARY 2020



YOUR
REDUNDANCY
SAFETY NET

Rita Mallia, ACIRT Chair



All for one, and **ONE FOR ALL MEMBERS.**

Each time she chairs a meeting of the ACIRT Board – half of which is appointed by unions, the other half employer groups – Rita Mallia is comforted by the reminder that all in the room are on the same page. Crucially, she knows that doing their best for the fund's members is foremost in everyone's thinking.

'When we're sitting at the ACIRT Board table, we are acting absolutely in the interests of the members of ACIRT,' Ms Mallia says. 'It's a lot of workers' money that we're looking after, and we take that very seriously. We're all pulling in the one direction.'

Serving members is multi-layered, demanding proactive dialogue with the fund's administrator to ensure both good service and value for money. Governance is another constant, staying on top of best practice, ever mindful of the potholes such as cyber risk that routinely bob up on an ever-changing landscape.

Ms Mallia is emboldened by the Board's collective commitment to meet every challenge, and in turn giving ACIRT's close to 100,000 members the buffer of a safety net as

'It's a lot of workers' money that we're looking after, and we take that very seriously.'

they navigate an industry that can swing from boom to bust and back again.

'The entire Board is committed to ensuring we can minimise exposure to risk, ensuring contributions are paid and the safety net is there for our members when they need it.'

A two-way street for employers and employees

A big factor in the fund's success, in Rita's eyes, is the important service it provides not just to construction workers but in ensuring that employers who contribute to ACIRT meet their obligations swiftly and easily. 'We're providing an important service to employers too – it's a two-way street, it's good for them as well.'

At the end of a busy 2019, she could reflect with pride on the success of the campaign for members to update their details with ACIRT, and an improvement in the claims process. 'It is fantastic now that members can basically make a claim over the phone, have their money within 24 to 48 hours, and have that peace of mind that when they need to get access to their funds, they're there, and they're there quickly.'

The greatest comfort she draws from her role came at the end of the year in which the ACIRT Board again successfully navigated difficult investment and financial conditions to secure their members' distribution. 'Many members accessed their contributions in the weeks before Christmas.'

Which is just as the ACIRT Board would have it – to be there for their members when they need it most.



Message from the CEO

Tony Butcher

Our members are **OUR FOCUS AND OUR TEACHERS.**



Tony Butcher knows what ACIRT does for its almost 100,000 members, the quiet comfort it brings construction workers to know that should the jackhammers fall quiet and the cranes stop swinging, their lives won't come to a halt too. As the fund's General Manager and CEO, it gives him great satisfaction.

In 2019 he was especially buoyed by the introduction of over-the-phone claims, which have made processing entitlements more straightforward and rewarding for members and ACIRT staff alike. 'Our new over the phone claim service means that many claims can be processed with little or even no paperwork,' he says. 'That empowers our staff, and means the person who takes the call is processing the claim immediately for a more seamless member experience.'

Members use their annual distribution to cover anything from mortgage payments, to Christmas presents, to funeral costs for their dearly departed. Charged with overseeing the fund's investments, it's outsourced administration and assisting the ACIRT Board, Tony says listening to and learning from the people at its heart has been key to ACIRT's growth and strength over 25 years.

'Our new over the phone claim service means that many claims can be processed with little or even no paperwork.'

The fund's assets are now nearly \$720 million, almost half being cash. 'That's a good indication of how financially strong we are.' In 2019, to ensure members continue to be paid their annual distribution, ACIRT invested in a new asset class of global listed infrastructure, in keeping with its low-risk, solid return strategy.

'Our investments are conservative,' Tony says. 'We're a safety net.'

Listening to what members want is fundamental

All profits are redirected to members, who are both ACIRT's focus and its greatest teachers. Social media strategy has been another focal point, with a campaign to update member details prompting 'a staggering successful response' that identified contact via SMS as the most effective way for ACIRT and its people to communicate.

The strength of the Sydney construction market has ensured strong contributions, while almost

\$18 million was paid out to members as a distribution in 2019. Signs of a lull mid-year have given way to an infrastructure climate swelling with commercial development – new football stadiums, rail lines, a second Sydney Harbour tunnel – while green shoots have appeared on the home unit front.

Listening to what members want is fundamental. In the lead-up to Christmas, Tony marvelled at a reception area at ACIRT headquarters brimming with members who could have made their claims remotely, but still enjoy the old-fashioned, personal touch of speaking to a friendly face.

'We believe our main touchpoint is when our members claim their benefit. And if they're happy when they claim their benefit, they'll be happy when their new EBA includes ACIRT.'

TONY BUTCHER
ACIRT, CEO

Meet the Board.

Half of the Board is appointed by union organisations while the other half is appointed by employer organisations. Any decision has to be supported by three quarters of the Board.



Rita Mallia
(Chair) (ACTU)



Chris Melham
(CCF – National)



Callum McKay
(MP and MCA – NSW)



Jason Jennings
(CFMEU)



Jim Wilson
(AWU)



Matt Gissane
(MBA – NSW)



Frank O'Grady
(CFMEU)



Lindsay Le Compte
(AIG)



Brian Seidler
(MBA – NSW)



Peter Glover
(MBA – NSW)



Jim Barrett
(AIG)



Steve McCarney
(PTEU)



Glenn Thompson
(AMWU)



Peter Genovese
(CFMEU)

Financial summary.

Note: Dean Hall resigned from the Board 29 August 2019, and Jason Jennings has taken his place. The Board acknowledges his many years of service to ACIRT.

THE YEAR IN NUMBERS

Total Assets	\$715,229,555
Total Liabilities	\$18,985,602*
Contributions Received	\$151,927,375
Benefits Paid	\$101,795,547
Number of Members	97,417
Number of Employers	1,985
Number of Claims Paid	18,206
Total Member Account Balances	\$612,016,750
Total Value of Funeral Benefits Paid	\$246,925
Total Income Distribution to Members	\$17,260,005
Total Value of Investments	\$710,583,858

*Includes distribution.

'All of the Board members are committed to ensuring the safety net is there for our members when they need it.'

Rita Mallia, ACIRT Chair

Barry Martin, ACIRT Northern
Region Coordinator

A memory for faces, **A KNACK FOR PUTTING SMILES ON THEM.**

In the close to four years that Barry Martin visited the Inpex off-shore gas project off Darwin every few months, he met thousands of workers. "I get to see a lot of people, I remember a lot of faces," the ACIRT Northern Co-ordinator says. "The names you sometimes struggle with, but certain faces stay with you."

When he took a call from a worker who'd been laid off, hadn't had money coming for eight weeks and was struggling to provide for his young family while waiting for the next project, Barry put a face to the voice straight away.

"This guy was a big unit, a Kiwi boy, a really genuine bloke. I knew him from when I went up there. He said, 'I need to get my ACIRT money mate – I don't want to, but I need it to get by.'"

"When you hear that you think, 'Okay, we've got to get that to you as soon as possible to make sure your family is provided for.'"

Pretty soon Barry was taking another call, the kind that makes his job a joy. "We got the money to him and he rang straight away and said, 'Thanks for that, it really got us through.' When you have people say that, you know what you're doing is worthwhile. It puts a smile on your face, put it that way."

Barry doesn't find discussing the benefits of being with ACIRT with employers and workers a hard sell, having seen so many examples of the peace of mind it brings to construction workers who find themselves in a tight spot.

He takes quiet pride in seeing people he's helped recommend ACIRT to their colleagues, knowing what their answer will be when their next employer asks, "Which redundancy fund do you want to go with?"

"You've helped them out," Barry says, "and you know they'll come back to you."

Most of all, the former union official with a background in construction enjoys people. "You have a bit of a chat, a laugh and a joke make them feel at ease. Even the employers, you get to know them too and most are really happy to deal with you. It helps, it really does help."

It goes without saying that, when he arrives on site, Barry is a friendly face that everyone is happy to see.

"Got a good head for radio mate, that's about it!" he laughs.

'You've helped them out, and you know they'll come back to you.'

Barry Martin



NEED HELP?

Barry Martin

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E: barry.martin@acirt.com.au

All your questions answered

MEMBERS AND EMPLOYERS.



MEMBERS

What is ACIRT?

ACIRT is your redundancy safety net – a trust set up to secure entitlements owed by employers in the building and construction industry.

How have I become an ACIRT member?

Because we have been advised by an employer that you are entitled to receive contributions, we have received your personal details (name, residential address and date of birth), and we have received a contribution that we can add to your account.

How do I claim my money?

We aim to make claiming your ACIRT benefit as easy as possible.

1. You can call our Contact Centre on **1800 060 467**
2. Log in to your account

3. Or download the Claim Form from our website.

Once you have supplied the appropriate documentation (ACIRT requires something in writing from your former employer, or from a relevant union confirming your situation), we aim to pay your benefit within three business days.

It's that simple, and if you need any help, don't hesitate to contact Ben Manna or Barry Martin, our Member Coordinators. Claims can be lodged at acirt.com.au.

When do I get my distribution?

Annual distributions are made in November. Not every member receives a distribution – we have a minimum distribution amount which usually exceeds the cost per member of running the fund.

How can I find out more about my ACIRT?

The easiest way is by visiting our website, acirt.com.au. Here, you can obtain your account balance using our

MemberAccess facility, which also includes any statements – including your annual taxation statement – that have been sent to you.

What about ACIRT and tax?

Most payments by ACIRT are classified as Eligible Termination Payments and taxed accordingly. You will pay tax on any distribution you receive, and if we don't have your Tax File Number you will usually pay more tax.

How secure is my ACIRT money?

We invest more conservatively than most superannuation funds that have a longer-term investment horizon, with the highest percentage of our investments being in cash. This gives us great security – in our 24-year history, even during recessions and the Global Financial Crisis, every member has been able to access the full value of their redundancy account when they ceased employment.

EMPLOYERS

I'm an Employer. Tell me about Employer online.

EmployerAccess is fast, simple and easy to use – you just need your ACIRT employer number and follow the prompts:

1. Visit acirt.com.au
2. Select the Employer tab
3. Click on 'Register' and enter your ACIRT employer number.

How much do I have to contribute to ACIRT for our employees?

ACIRT requires a minimum payment of \$25 per week, per employee paid monthly. However, your redundancy obligations may be more than this and will be detailed in your Enterprise Bargaining Agreement or relevant

Award. ACIRT is not aware of the redundancy obligation that applies to your business, therefore we suggest that you contact Fair Work Australia, the relevant trade union or one of the employer associations represented on the Board to confirm your obligations.

Do I have to pay redundancy when an employee is on leave?

Yes. Employers are obligated to make ACIRT payments while an employee is on any Annual Leave, Long Service Leave, other paid leave or Workers Comp up to a maximum of 26 weeks.

What payment options do I have?

- Bpay – we can provide you with the ACIRT biller code and your unique Reference Number
- Cheque – made payable to ACIRT
- Electronic Funds Transfer
- Direct Debit

Do I have to pay FBT on contributions into ACIRT?

No. ACIRT has been prescribed in regulation as an Approved Worker Entitlement Fund. This is important because any employer contributions to a fund that is not 'approved' will result in a taxable fringe benefit and thus taxed under the provisions of the *Fringe Benefits Tax Assessment Act 1986* (FBTAA).

What if I can't pay employer contributions on time?

ACIRT employer contributions are due and payable by the 14th day of the following month, i.e. September 2019 is due and payable by the 14th October 2019. The trust deed does give us the right to charge interest for late payments, therefore if you think your payment might be late or you are having cash flow issues, contact our Arrears Co-ordinator, Nicole Dorahy on **02 9863 1213** or at nicole.dorahy@acirt.com.au to discuss your concerns.

'There's a lot to be said for being with a good company, where you're looked after with your ACIRT and super.'

Eamonn O'Brien



High in Sydney's skies, Eamonn **FEELS RIGHT AT HOME.**

Eamonn O'Brien knows a thing or two about life taking an unexpected turn.

In his early 20s Eamonn left his job as a greenkeeper at Ballykisteen Golf Club in his native Tipperary and set off to see the world. He arrived in Australia figuring he'd stay for three months. 'And 10 years later I'm still here.'

His background is landscaping, but now Eamonn is a formworker helping to mould a piece of history – the new Crown Casino at Barangaroo, which will be Sydney's first six-star hotel when it opens in 2021.

'I'd never worked in construction before I came here – I was looking at landscaping, but it was only \$18 an hour. Construction is where the money is.'

He's proud to be part of a team that's laying the foundations for steel workers and concreters to erect Sydney's tallest building, a 72-storey icon by the harbour. Like his BKH Constructions co-workers, he's relieved to know that ACIRT is there for them should life ever take a less appealing twist.

'Sydney is pretty good for construction work, but I've seen fellas out of work,' Eamonn says. 'I've seen guys having to pay their own redundancy insurance and whatnot,

there's a lot to be said for being with a good company, where you're looked after with your ACIRT. It's good to have something to fall back on.'

The pre-Christmas arrival of the annual ACIRT interest distribution is a welcome bonus for Eamonn, partner Mariana and their two-year-old daughter Scarlett. Living a beach-driven lifestyle is a regular reminder of how far his travels have taken him. Coming home to his little family, a long way from Tipperary, never fails to put a smile on his face.

'That's when the real work starts,' Eamonn laughs. 'It's good to know you're looked after.'

YOUR ACIRT PAYMENT COULD GO MISSING IF WE CAN'T FIND YOU

NEVER MISS AN ACIRT PAYMENT
UPDATE YOUR DETAILS TODAY

ACIRT.COM.AU | 1800 060 467



YOUR
REDUNDANCY
SAFETY NET

ACIRT Education Foundation Grants.

GO BACK TO SCHOOL AND SCALE NEW HEIGHTS?

If you're thinking about qualifying for a new ticket in 2020 that will broaden your construction skill-set, the ACIRT Education Foundation might be able to help.

The program has been running for almost two decades, offering financial grants to assist ACIRT members in advancing their industry skills.

The ACIRT Education Foundation is a separate fund from ACIRT itself, meaning grants are not funded out of members' entitlements.

Due to limited funds, not all applicants will be successful and grant applications should be made before embarking on a course.

Go to acirt.com.au/ACIRT-Education or call **02 85715437** for more information.

Ben Manna, ACIRT Southern
Region Coordinator

THE MAN WHO'S THERE TO HELP WHEN ALL SEEMS LOST.

'They'll be quite surprised how much money they've got there, even the young blokes.'

Ben Manna's ACIRT success story of 2019 was reinforced virtually daily, at site meetings from Barangaroo to Canberra, Wollongong to Grafton. Workers would approach him to say they'd heeded the campaign to update their details, and been able to access their money quickly and easily as a result.

'They appreciate it,' ACIRT's Southern Region Coordinator says. 'A big thing in the industry, a lot of the young blokes don't know what ACIRT is. I have a lot of discussions with apprentices who don't even realise they're getting it – it's on their payslip, but they might not be getting mail from us because we haven't got their correct details.'

'They'll be quite surprised how much money they've got there, even the young blokes.'

Manna was just starting out as a 'chippy' when ACIRT began 25 years ago. His personal experience of making claims in the inevitable quiet times that come with life in a cyclical industry leave him well placed to offer a guiding hand to the members he meets on the road, who might access their annual dividend to pay bills, for a family holiday, for Christmas presents or simply to cushion the days, weeks or months between jobs.

'Blokes can have 30, 40, \$50,000 sitting there that they can access straight away if they're out of work,' Manna says. 'I tell them to leave it there for the future if they don't really need it, but either way it's a great safety net, it's a big stress relief to know it's there.'

He's a popular figure on site because workers know he's there to help, not only with their distribution, but by educating members about the scheme's other benefits. These include Education Foundation Grants, in which up to 80 percent of the cost of further training can be covered by ACIRT, allowing members to add extras 'tickets' to their qualifications and in doing so boost their wages.

He also sees how desperate people can be, and how ACIRT lightens their load in a very real way. 'They're the ones that stay with me – a family who have lost a loved one and can't afford to pay for the funeral. That's an overwhelming experience for anyone.'

'ACIRT is protection, money for when you're out of work. But it's also there when you've got nothing else.'



HOW TO MAKE A CLAIM

We aim to make claiming your ACIRT benefit as easy as possible.

1. You can call our Contact Centre on **1800 060 467**
2. Log in to your account
3. Or download the Claim Form from our website

Once you have supplied the appropriate documentation (ACIRT requires something in writing from your former employer, or from a relevant union confirming your situation), we aim to pay your benefit within three business days.

It's that simple, and if you need any help, don't hesitate to contact Ben Manna or Barry Martin, our Member Coordinators.

Claims can be lodged at [acirt.com.au](https://www.acirt.com.au).

NEED HELP?

Ben Manna

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'I said, 'Mate, that's what the ACIRT's for! You had seven or eight weeks pay to go and find another job.'

Justin Geale
Boone & Willard Plumbing

The employer's view.

THE FRUIT THAT'S STILL GROWING WHEN THE PICKING IS DONE.

Justin Geale was wandering through Star Casino on a night out with his wife when they bumped into a plumber he'd had to let go a few months earlier. For Justin, their encounter was an ACIRT 'lightbulb moment'.

'I was making small talk and could tell he was a bit agitated,' Justin says. 'Eventually he said, "Justin, I've gotta say, I wasn't happy with how you let me go. You only gave me a day's notice, I didn't have time to find a job.'"

On the surface he was right – in line with their EBA, Justin had given the worker eight hours pay when he apologised and told him the work on that particular job had come to an end. But thanks to ACIRT, he'd already given him much more.

'I said to him, "George, I gave you seven to eight weeks' notice." He looked at me puzzled, so I asked, "How much ACIRT did you have?" He'd been with me 18 months, he had close to \$9000.

'I said, "Mate, that's what the ACIRT's for! You had seven or eight weeks pay to go and find another job.'"

Having worked for Boone & Willard for nearly 40 years, Justin feels lucky to have seen ACIRT's introduction when he was a wet-behind-the-ears apprentice. Now a Boone & Willard Director, he remembers when the industry's itinerant nature amounted to the builder employing workers at the gate. 'You'd work that project, pick up your tool box and go looking for the next job.'

Now he employs a staff that averages 150, and grows or

shrinks depending on demand. Construction has changed, but the itinerant nature of the work remains.

'I call construction workers fruit pickers – that's not being disrespectful, you're just going from one farm gate to the next where the fruit's on the tree. When I let guys go it's because the fruit's all gone.'

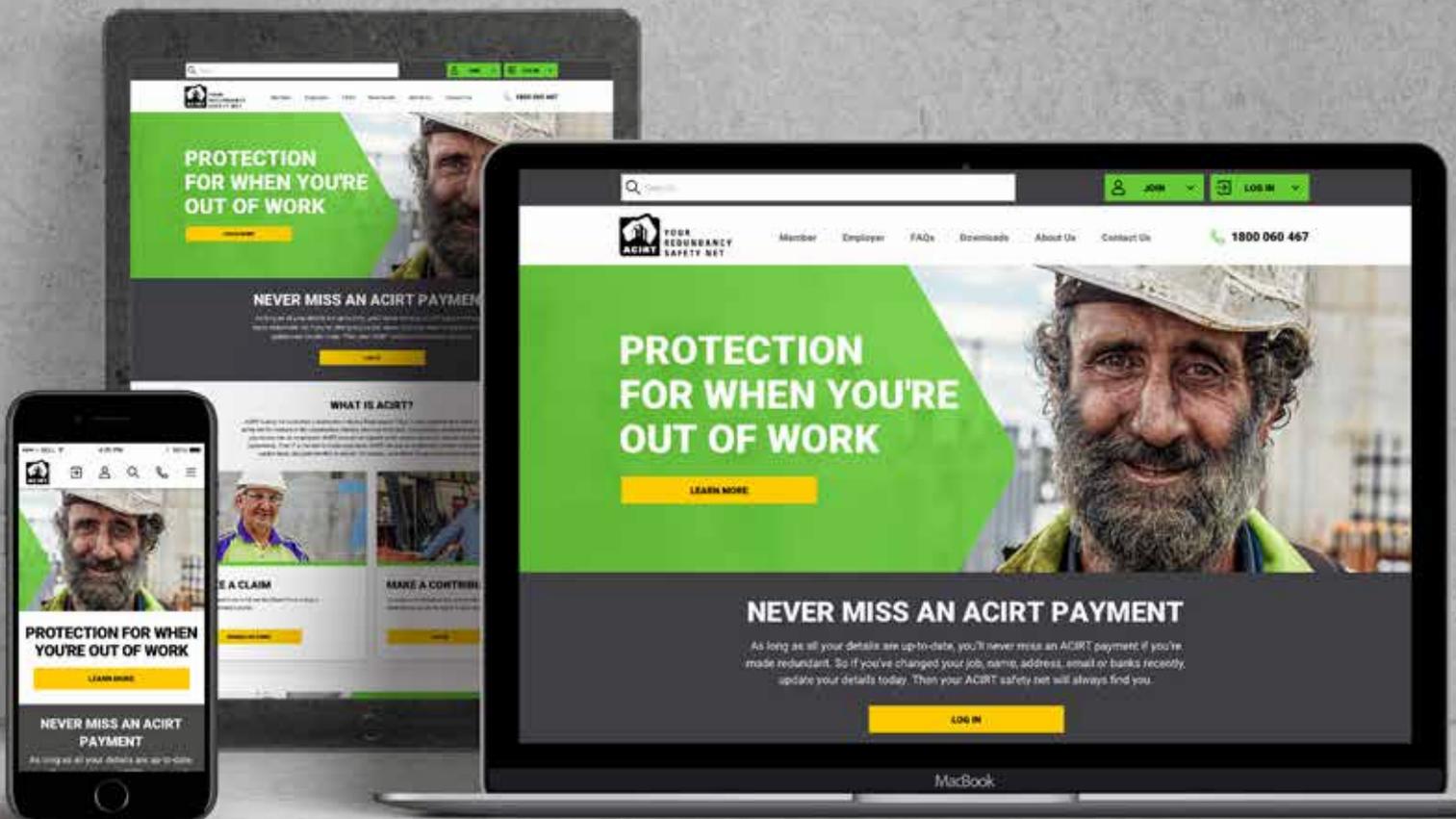
And like fruit, the work comes back – Justin has re-employed the worker he bumped into at the casino twice since, and loves that ACIRT has been there for him in the meantime.

'You've got a generation of guys who probably don't appreciate where it's come from,' Justin says. 'But it's a great scheme, it really protects the workers.'



ACIRT.COM.AU

JUST GOT EVEN BETTER.



Whether you're an employee making a claim, an employer making contributions, or you simply want to learn more about ACIRT and the many and varied benefits of being involved, our new website is your one-stop shop.

ACIRT has been going to work for building and construction industry workers since 1994. Now, our new website makes the ACIRT helping hand even more welcoming.

Go to **acirt.com.au** to see for yourself.

Need help? Contact us.



SOUTHERN REGION CO-ORDINATOR

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GENERAL MANAGER

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NORTHERN REGION CO-ORDINATOR

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Docklands VIC 3008

BRISBANE

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10 Eagle Street
Brisbane QLD 4000

PERTH

QV1 Building
Level 12
250 St Georges Terrace
Perth WA 6000

GET ON-LINE WHEN YOU'RE OFF-SITE.

Want to learn how to redundancy-proof yourself?

Hop on our website. It's the main way we communicate with members so it's easy for you to get anything you need, like when your distribution will be paid, updating your account details, learning about the ACIRT Education Foundation and lots more.

Get all your questions answered at acirt.com.au. It's the tool you can't go without.



Become part of the ACIRT community.

Stay up to date with member distributions, news, jobs, competitions and more.



facebook.com/redundancyfund

This report was prepared as of February 2020. Every reasonable attempt has been made to ensure that it represents an accurate summary of the Fund. However, if a question of interpretation arises, the trust deed and audited accounts will be the only valid source of reference. Neither the Directors nor their service providers accept responsibility for any error or misprint.

ACIRT Pty Limited | ABN 39 062 330 170

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Locked Bag 5040, Parramatta NSW 2124

Extended call centre hours

Our Contact Centre is open until 7 o'clock (NSW time Monday to Friday). So we're on, when you knock off.



**YOUR
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