

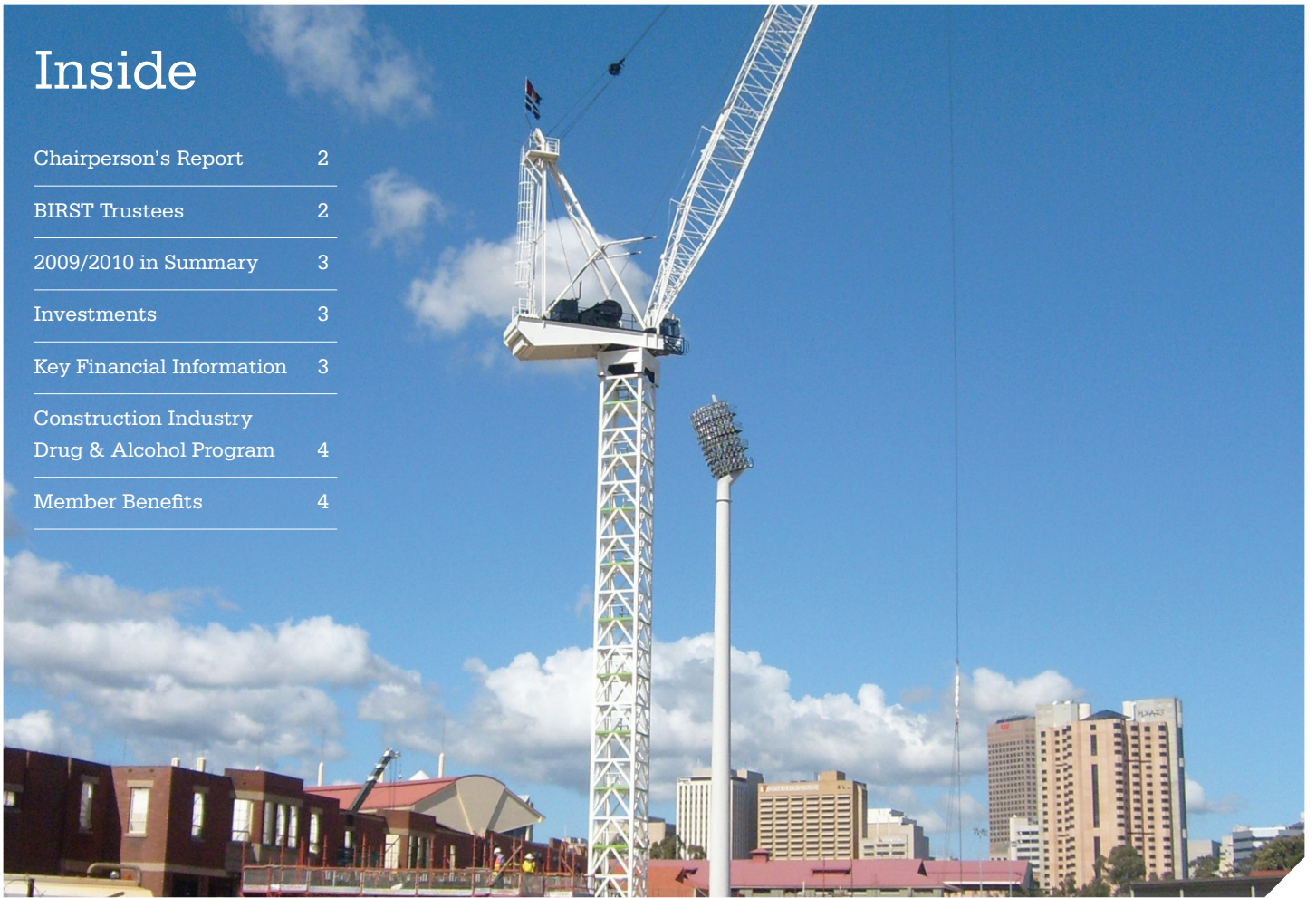
South Australian
Building Industry Redundancy Scheme Trust

MEMBERS REPORT 2010



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Chairperson's Report

I am pleased to present the year 2010 Members Report of the South Australian Building Industry Redundancy Scheme Trust.

Despite concerns over the impact of the financial crisis BIRST recorded growth of 9% in funds under management for the second consecutive year. Funds held in trust on behalf of construction workers increased to \$30.7 million. Contributions by employers increased by 13% to \$8.6 million and claims for the year remained relatively stable.

BIRST's policy of investing in capital stable investments meant members funds were not dramatically affected by the unpredictable performance of the financial markets. Our focus on

cash investments has seen our income reduce but our primary investment objective has always been to provide secure redundancy entitlements for our members and this policy has served our members well in these uncertain times.

The construction Unions continue to ensure that almost 50% of BIRST's annual surplus is used to provide free emergency transport, funeral and journey cover for members. The Trustees consider this money well spent as it provides added security to workers and their families through insurance cover they would not normally purchase as individuals.

The Board continued to underwrite the Construction Industry Drug & Alcohol

Program, an important occupational health and safety initiative in our industry. The program has been recognised by industry and Government as a model for dealing with drug and alcohol issues in the workplace and our expertise has been sought by other industries attempting to deal with similar problems. Reduced funding from other sources led BIRST to confirm its ongoing commitment to the program.

I would like to thank all the Trustees and the administration staff for their input and commitment to the fund over the last year and look forward to their continued support in 2010.

Martin O'Malley
Chairperson

BIRST Trustees

Doug Buchanan
CEPU (Plumbing Division)

Ben Carslake
CFMEU (Construction & General)

Maurie Howard
Master Builders Association

John Kennett
Kennett Pty Ltd

Dave Kirner
CFMEU (Furnishing Trades)

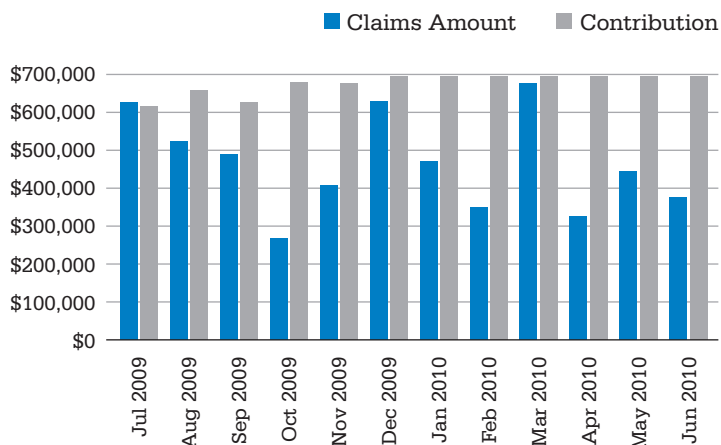
Martin O'Malley
CFMEU (Construction & General)

Robert Stewart
Master Builders Association

2009/2010 in Summary

- In 2009/2010 employers contributed \$8.6 million on behalf of their workers.
- \$5.6 million was paid to workers whose employment had been terminated.
- Total funds held in trust on behalf of workers increased to \$30.7 million
- Since 1989 \$86 million has been paid to workers in the building industry.

Contribution & Claims 2009/2010

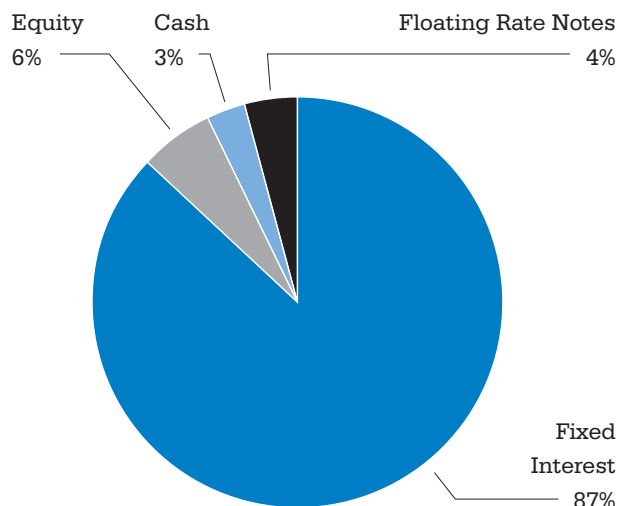


Investments

The BIRST Board manages the capital of the fund to meet the following investment criteria:

- To protect and preserve the employees benefits
- To ensure that the Trust Fund is sufficiently liquid to meet the likely demand for payment of workers
- To provide sufficient income to meet the costs of administering the Trust
- To provide income for distribution

To achieve these goals investments are in secure, capital stable cash securities. This conservative strategy which means we have no exposure to the more volatile share market resulted in positive investment returns in a year where many investment funds recorded losses.



Key Financial Information as at 30 June 2010

	30 June 2010	30 June 2009
Total Assets	\$34,431,287	\$31,013,761
Total Liabilities	\$1,991,396	\$1,260,784
Trust Capital	\$32,439,891	\$29,752,592
Returns on Investments	4.5%	6.7%
Earnings	\$1,464,019	\$1,729,263
Expenses	\$461,292	\$405,518
Employer Contributions	\$8,609,569	\$7,631,442
Payments to Workers	\$5,641,151	\$5,327,751
Contributing Employers	416	402
Active Members	3,826	3,724

Drug & Alcohol Program

The Construction & Other Industries Drug & Alcohol Program Inc. was established by employers and worker representatives in the construction industry to address the issue of unsafe work practices caused by drugs and alcohol in the workplace.

The program aims to increase the awareness of workers regarding the harmful effects of drugs and alcohol, provide safety committees with the skills to effectively intervene in the event of unsafe work practices caused by alcohol and other drugs and inform workers of the availability of drug and alcohol assessment and treatment services.

This is achieved through education sessions provided to around 1,000 apprentices a year when they attend group training or TAFE, and on site presentations for workers and site safety committees. The training course has been designed to enable all participants to have a better understanding of the

problems associated with the use or misuse of alcohol and other drugs. It also aims to provide participants with the necessary skills to effectively intervene in the case of a worker being unable to work safely as a result of alcohol, drugs or other factors.

While the safety concerns created by substance abuse was the driving factor in the inception of the program, fitness for work can be effected by many other factors, such as stress, depression, anxiety or grief. Often workers do not know where to turn for help when trying to deal with these issues and in the worst case scenario may even contemplate suicide. Cases of workplace intoxication are often symptomatic of emotional stress and mental health issues.

Workers need not feel alone as help is only a phone call away, as the Drugs & Alcohol Program links to counselling and rehab service providers throughout the community. If you need help, advice or are concerned about a workmate, family member or a friend, or would like to arrange a meeting on your site contact Jack Owens on 0418 847 180.

Member Benefits

Journey Personal Accident Cover

This cover protects a member's income for injuries sustained whilst traveling to or from their home, to or from their place of employment.

If a member sustains an injury that prevents them from working and being paid, they may be paid their ordinary wages up to a limit of 85% of average gross wages subject to a maximum of \$1,200 per week or their currently weekly pay excluding allowances and overtime (whichever is the lesser) for a maximum benefit period of 104 weeks. Members who are 60 years of age or older will have a benefit period of 52 weeks. Should a member suffer either permanent disability preventing them working again, or die as a result of the accident, they or their estate may receive a payment of up to \$5,000. The Journey cover only applies members up to 70 years of age.

Funeral Cover

Funeral Cover was established to assist the families of the deceased member with the financial burden of paying for the funeral costs. The cover may reimburse the actual cost incurred of the funeral of a member, their spouse or dependant offspring to a maximum limit of \$6,000 following injury or illness resulting in death of the member, their spouse or dependant offspring. The funeral benefit only applies to members up to 70 years of age.

Emergency Transport

Covers the member, their spouse and dependant offspring, including adopted or foster children or children they have responsibility for resulting from a de-facto relationship. A Child is defined as a person financially dependent upon the member and under the age of 18 and attending full time school or a person under the age of 24 who is attending full time tertiary college or university and is financially dependant upon the covered member.

This cover may reimburse a member for the cost of ambulance transport anywhere in Australia resulting from an accident or at the request of a qualified medical practitioner. The maximum cover for any one member is \$10,000 per year. For transportation above normal local ambulance services, prior approval would have to be obtained from the Trustee before the expense of transporting the Member from a remote or interstate location is commenced.

For full details contact BIRST or visit www.birst.com.au.

Access Your BIRST Account Online!

By accessing our website at www.birst.com.au you will be able to:

- View your account balance
- View your contribution history
- Update your contact details
- Download forms and brochures



Benefits Increased!

Funeral cover has increased to a payment of up to \$6,000.

It has also been extended to include the spouse and dependent children of financial members.