

## CoINVEST Employer Obligations in the Construction Industry

CoINVEST Ltd administers the *Construction Industry Long Service Leave Act 1997* (MIC) on behalf of industry and the Victorian Government.

The Act gives workers in the construction industry an entitlement to a benefit for long service in the industry. That is, the worker is rewarded for loyalty to the construction industry rather than loyalty to a single employer. The construction industry is defined to mean work in domestic, commercial, civil and industrial industries and includes all kinds of building work including new builds, renovation, installation, maintenance or repair as well as all electrical contracting services (whether in relation to building work or not). It also extends to some other kinds of associated work as well as metal trades maintenance of industrial machinery or equipment.

If you employ workers, (including Working Directors and apprentices), or a principal contractor who engages subcontractors to carry out construction work as defined, you **must** be registered with CoINVEST and you **must** submit quarterly returns reporting days worked by your employees carrying out construction work and then pay a long service charge in respect of them.

The CoINVEST definition of worker or working subcontractor is complex and determined on an individual case by case basis.

A subcontractor is an individual performing work covered by CoINVEST operating as a sole trader or partnership.

To avoid paying CoINVEST for subcontractors, it is important that they are registered as a company with Pty Ltd.

You commit a criminal offence under the Act if you:

1. Are not registered with CoINVEST and employ workers or engage subcontractors to perform construction work for more than 5 days in any month; or
2. Fail to report worker service to CoINVEST Ltd within 14 days after the end of each quarter.

Directors or managers of a company are also guilty of a criminal offence if they knowingly authorise or allow a contravention by their company.

Each one of these offences carries a penalty of \$3,033.40.

You can register and learn more about how to submit returns at [www.coinvest.com.au](http://www.coinvest.com.au).

You can also check your obligations via the Fair Work Ombudsman at [www.fairwork.gov.au/leave/long-service-leave](http://www.fairwork.gov.au/leave/long-service-leave).

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