



2020

MASTER BUILDERS TASMANIA

Annual Report



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MASTER BUILDERS ASSOCIATION OF TASMANIA INC.
ABN 70 540 112 530

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Our Vision

Master Builders Tasmania is committed to best practice in all aspects of the built environment and the promotion of a safe and healthy, productive, ethical and innovative building and construction industry.



Our Mission

Master Builders' Association of Tasmania Inc. is an employer organisation representing builders, trade contractors, service providers and trade suppliers in the building and construction industry. The Association seeks to lead the development and professional standards of the industry, to further the interests of its members and the Tasmanian community.



Our Purpose

Leadership in the promotion of quality in building and professional standards.

Develop, educate and mentor all stakeholders to support long term sustainability in the building and construction industry.

To be a trusted business partner for our members and offer specialist products and services which improve business success.

Peak industry group for the building and construction industry actively involved with affiliated organisations, federal, state and local government authorities, architects and lending institutions for the purpose of advocacy and improving the regulatory, legislative and general business environment in the industry.

Overview

About Master Builders

Master Builders' Association of Tasmania Inc. (Master Builders – MBT) is the State's peak building and construction industry association. Over its 129 years, the movement has expanded to greater than 600 businesses and Master Builders' members represent all segments of the building and construction industry in Tasmania, including the largest commercial and civil construction firms, small and medium sized businesses, building industry service providers and regional and remote business operators. This gives us a unique reach in terms of our access to industry and ability to represent our members from an industry wide position.

MBT provides a wide range of services for members covering industrial relations, contractual, legal, legislative, educational and technical matters. We are the leading industry voice to government and the Tasmanian community, with Master Builders widely represented on many industry and government advisory bodies. Our members are the leaders of the building and construction industry in Tasmania.

MBT is part of a national network of Master Builders Associations with a member of more than 33,000 businesses, and a national body representing our members interests to the Federal Government.

As part of our mission, MBT seeks to lead the development and professional standards of the industry to further the interests of its members and the Tasmanian community.

The building and construction industry is an extremely important part of, and contributor

to, the Tasmanian economy and community. We build the roads, schools and hospitals used by Tasmanian families, and the buildings and infrastructure for business to provided products and services and jobs to the community. A strong and confident building and construction industry is essential for the ongoing prosperity of the Tasmanian community.

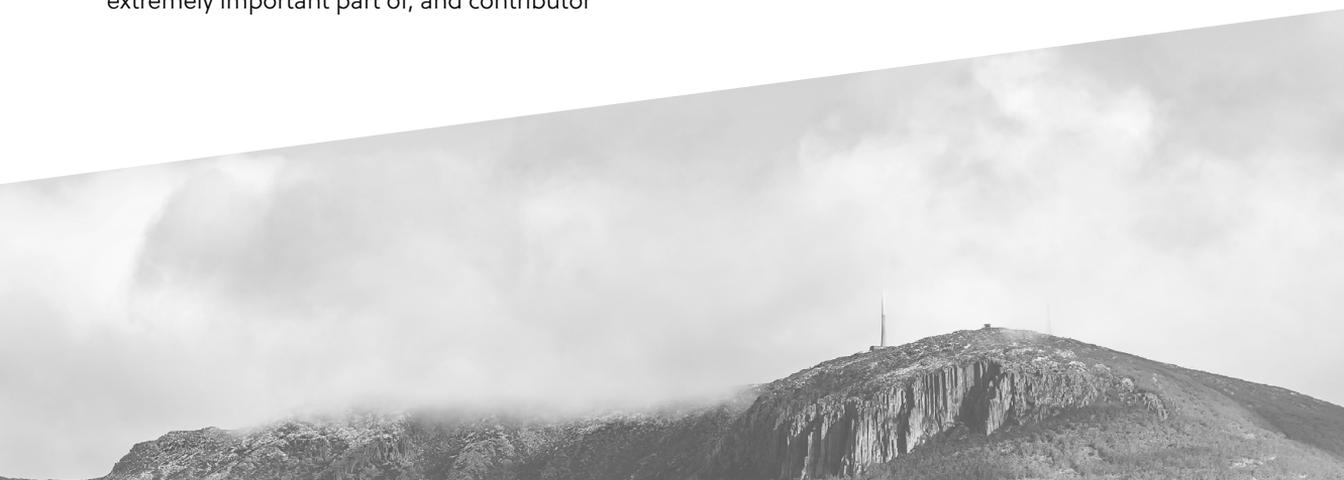
The industry contributed more than \$2.5 billion to the Tasmanian economy in 2019/20, including the construction of 2,900 new homes, \$930 million in commercial construction work and more than \$1.4 billion in engineering construction work.

Looking ahead Master Builders members will need to play a central role in the COVID-19 economic recovery strategy, 'building our way out of this crisis.'

The building and construction industry:

- Consists of over 6,000 business entities, almost all of which (95%) employ fewer than 20 people and over half (55%) having no employees;
- Employs over 20,000 people, 80 per cent of which are full-time skilled workers;
- The value of work done represents approximately 8 per cent of Gross State Product; and
- Is the largest employer of trainees and apprentices in the economy.

This is a contribution to be proud of!



Report

From the President

At the start of March this year Tasmania was maintaining strong economic momentum, in fact, over the course of 2019, the State economy grew the fastest of all States, a CommSec's State of the State report showed Tasmania leading the nation in the first quarter of this year when it came to population growth and demand for new homes. Confidence was up. By the end of March a major disruption to the way we live and work was thrust upon us all due to the impacts of COVID-19, initial fear has given way to managing risk and being considerate of those around us, work colleagues, family and friends.

I congratulate Governments both State & Federal for the leadership shown so far in this pandemic which has gone a long way to help mitigate both the social and economic risk COVID-19 imposes. Having the building and construction industry classed as an essential service has reinforced the importance that our sector contributes in the success of



both local and national economies. Building contractors and people working in the sector are to be recognised for their ability to comply and adapt to rapidly changing Government health regulations to keep building sites safe. The North West of the State in particular, experienced much tighter restrictions in April due to the outbreak at the North West Regional Hospital.

Despite the significant economic challenges of COVID-19, construction activity in several areas has held strong, thanks largely to government stimulus targeted at putting the construction industry at the centre of the economic recovery strategy.

It was pleasing to see the government include several key policy recommendations from Master Builders' 'Rebuilding Tasmania' submission. The latter was presented to the Premier in the lead-up to the government's economic stimulus announcement and including, among other things a call to introduce HomeBuilder, and to bring forward public commercial infrastructure spending to bridge the gap caused by a foreseen retreat in private sector projects.

The latest building approvals data at the time of publishing this Annual Report shows the government stimulus plans to boost construction are working. Dwelling approvals totaled 321 in July, a jump of 50 per cent compared to June, and 28 per cent above the total number of dwelling approvals in July 2019. HomeBuilder has boosted confidence in the residential sector which is starting to show up in dwelling approvals. As we head into the latter months of 2020, a greater share of new dwelling construction activity will be supported by the government's HomeBuilder grants.

The value of commercial building approvals in the public sector shows government

stimulus has helped support our industry since COVID-19 lockdown restrictions have been in place. The value of approvals on public projects was \$84 million between May and July 2020. By comparison, the value of public projects approved in the 3 months before the government stimulus plan was announced totaled only \$21 million.

The approvals data also shows the impact that a crisis of confidence is having on private investment decisions, with the total value of private jobs approved over the last three months down to around \$65.5 million. This is about half the value of private jobs approved in the previous three months of over \$122 million.

While the government stimulus is working, the ABS weekly jobs data shows consistently that we've lost around 1000 construction jobs since around mid-March, thanks largely to the retreat of private funded projects. The commercial sector is not as easy to stimulate with longer lead times to get suitable projects shovel ready, MBT calls on the State government to provide the necessary leadership in this area as private investment stalls. Public money cannot do all the heavy lifting and to build our way out of this crisis it is going to be crucial that we create the conditions to bring confidence and private investment back into the market as fast as possible.

Mr. Ben Nicholls has recently been appointed to the position of Southern Regional Chairman and also fills the vacancy on State Council after the resignation of Mr. Mark Schmidt. Mark is to be commended for his dedication and commitment as Southern Regional Chairman over the last 2 years.

An organisational restructure was undertaken earlier this year to ensure MBT can deliver on its strategic plan for member services. The positions filled by Clyde Sharp, Angela Gunn

and Campbell Crowden were made redundant as part of this restructure, I would like to acknowledge their collective service for Master Builders Tasmania.

Last year Michael Plunkett joined the team as Membership Manager bringing a wealth of industry knowledge with him. We also welcome the recent appointment of Beck Lauer as the new Membership Experiences Manager and look forward to opportunities Beck will create for our members.

MBT staff are to be congratulated for their work in challenging times and the ability to do more with less.

An extensive review of MBT's constitution has been underway for the purpose of ensuring compliance of the rules in line with recent changes to legislation, and better alignment Nationally with other State and Territory MBAs to allow greater flexibility in the changing circumstances in which MBT now operates. A draft discussion paper was put out for member comment and will next be voted on at special general meeting of association members.

MBT finds itself in a strong financial position. Given the current economic climate we are experiencing, this is a good result and I would like to take this opportunity to thank our Executive Director, Mr. Matthew Pollock for his sound financial management and guidance over the last 12 months. I am also very appreciative of all fellow State Councilors for their support and expertise that has ensured a productive year for Master Builders Tasmania and our members.

Yours Faithfully,

David Gates
President

Report

From the Executive Director

It is with pleasure that I submit this year's Annual Report demonstrating the success of the past 12 months despite what has been some of the most challenging circumstances facing our industry in decades.

Through this period the Association has continued to strengthen, thanks to the dedication and resilience of the MBT Team, strong leadership from the Master Builders State Council, and above all the commitment by all MBT members to the ongoing improvement of our industry and to the crucial role we all play in supporting the Tasmanian community.

We continue to embark on an ambitious agenda of continuous improvement, guided by our 2019-2022 strategic plan and outcomes of the Master Builders Membership Survey.

There have been several changes to the organisational structure of the business to better meet the needs of the membership and ensure we have the right skills to achieve our strategic goals.

We have welcomed new members to the team, with Mr Michael Plunket joining as a new Membership Manager and Ms Beck Lauer joining as our new Member Experience Manager.

Key improvements in our front of house marketing and branding were a focus of the past 12 months, to present a contemporary vision aligned to the purpose of the Association as the peak body group for the building and construction industry.

A new website gives the Association a fresh platform to convey industry relevant information, association events, training, and business support tools to our membership.

New online contracts are now available through the Master Builder eDocs platform, which will, over time give Master Builders Tasmania members access to a library of contracts and documents to make it easier to do business and manage their clients. The latter is thanks to the

support of Master Builders Queensland.

New digital operating systems have cut the amount of paper used in the administration of the office and helped reduce duplication in our systems.

Thanks to these improvements and a commitment to the goals written in our strategic plan, the financial performance of the business was the one of the best in the 129-year history of our Association.

The business surpassed budgeted growth targets despite the challenges of COVID-19 and an ambitious growth agenda set out in the 2019 Budget.

The commercial operations of the business – training, GTO, membership, events, and sponsorship – all performed well, with member engagement with MBT services showing a significant improvement.

Most impressive, the strong financial performance of the business was underpinned equally by efficiency improvements in our operations, cutting expenses, and growth in income.

Overall, this demonstrates an ongoing improvement in the productivity of the business, driven by a smaller, higher performing team.

Master Builders Tasmania exists only because of its members. We are here to provide support for members in their business to ensure they are positioned to take advantage of the opportunities and overcome the challenges which may lie ahead. This role has undergone a significant transformation in the last few months. Only a few months ago our focus was on how we overcame the challenges associated with delivering an unprecedented pipeline of work in scope and scale.

The February 2020 Master Builders Forecasts showed 2020/21 was shaping up to be perhaps the strongest year on record for construction

activity, with double digit growth predicted across the three sectors of construction – residential, commercial, and engineering construction.

The crisis of confidence brought on by COVID-19 and the accompanying government lockdowns shifted this outlook almost overnight. The industry was facing a cliff, with a contraction of new dwelling construction in the order of 800 dwellings in 12 months and a shortfall in commercial construction predicted to be as high as \$300 million.

Our attention quickly turned to stimulus, and what the government needed to do to support our industry through this crisis.

Master Builders' 'Rebuilding Tasmania' report was submitted to government in the lead-up to the economic stimulus announcements and featured heavily in the final stimulus package.

I must give a special thanks to those members who, without hesitation, contributed to a fighting fund to assist in the development of an evidence based policy platform, putting our industry ahead of others in the negotiations around where stimulus is best focused.

On behalf of the MBT membership I would like to extend a special thanks to:

- Hutchinson Builders
- Meadcon
- Vos Construction
- Fairbrother
- Stubbs Construction
- Hansen Yunken

Master Builders is committed to the ongoing advocacy for our industry. A priority for the next 12 months will be to continue our advocacy efforts to ensure as many building construction businesses and workers make it to the other side of this crisis.

There is cautious confidence that we will make it through this crisis. But our work is not done. Despite some strong advocacy wins, there are



still sectors of our industry hanging on by their fingernails.

We know more needs to be done to bring confidence back to the market, and with it the private capital investment which underpins such a large part of our industry.

We are committed the promotion of a diverse workforce and as much as possible, that government stimulus supports Tasmanian businesses and Tasmanian jobs.

Lastly, I'd like to thank our Building and Construction Minister, the Hon. Elise Archer for her dedication to the portfolio and making the building and construction industry a better place for all of us to work and build our businesses.

I'd also like to thank our Premier, the Hon. Peter Gutwein for the strong leadership he and his government has shown to our industry through very difficult times.

We are committed to supporting the government's efforts to 'build our way out of this crisis' and are devoted to setting a policy platform which lets our members do what they do best – build the infrastructure which supports our economy and community.

Matthew Pollock
Executive Director

Membership

Our Member Base

Our total membership is slightly down on that recorded last year. The latter is largely due to an internal audit of the membership database which uncovered several non-active or lapsed members within the database.

The total number of active members as recorded in July 2020 was 591.

A total of 44 new members joined the Association, with 27 resigned over the year.

Year 19/20	North	North West	South	Total (2020)
Affiliate	1	4	9	14
General Contractor	9	9	16	34
Honorary	4	9	6	19
Housing Contractor	132	66	101	299
Life Member	0	2	6	8
Service Provider	8	8	20	38
Trade Contractor	45	31	60	136
Trade Supplier	7	5	31	43
Totals	206	134	249	591



Products & Services

Training

This year has seen Master Builders Tasmania (MBT) achieve two major milestones.

Over the past twelve months we have facilitated the delivery of 101 courses with 1093 participants attending. This is the first time we have delivered over 100 events and the first time we have delivered to over 1000 participants.

The ongoing COVID-19 pandemic has caused MBT to change our approach to the delivery of training and trigger the beginning of the introduction of online training. Since the beginning of April, we have hosted 12 online events, providing training for 124 participants. During this time, we introduced 4 new courses to our members:

- Writing a business grant for government funding
- Builders Coach, Survive and Thrive
- Writing a tender application for government contracts
- Charging to quote

This year has also witnessed the increasing demand of “workplace training,” enabling members to have their employees trained at the same time, tailored for their immediate needs. 28 events were conducted for 234 participants, the most popular of these being First Aid with 104.

We visited members on both King and Flinders Islands along with Smithton, St Helens and Scamander.

Face-to-face training remains our strongest and most popular form of training, held at our 3 offices statewide. This year we hosted 62 events with 693 participants attending. 28 in Hobart, 19 in Launceston and 15 in Devonport. The best attended of these were First Aid (171), Electrical Testing & Tagging (103) and our pre-apprentice program (64).

The Certificate IV in Building & Construction units attracted on average 75 participants statewide and Diploma of Building & Construction with currently 14 participants.

MBA Insurance Services

On the back of another successful 2019/2020 year, MBAIS has continued to grow and service members across the state.

We had our first national conference in October 2019 where we launched a change of name to Master Builders Insurance Brokers (MBIB). This change will take place from 1st July 2020.

Our rebranding to MBIB aligns with our new strategic vision and core values, all focussed on being your go-to construction insurance broker. We are still the same group of hard working, specialist brokers in 9 locations across Australia with a focus on what matters to local builders – but we’re no longer MBAIS.

Due to this change Glen Johnson will now report directly into MBIB, reporting to MBIB Southern Regional Manager, Joe Keiper who is based in Melbourne. Glen is still committed to service the Tasmanian members and assist where he can with all insurance needs and will still be based in the Launceston office with regular visits to all the Tasmanian offices.

Master Builders Insurance Brokers (MBIB) is a specialised ‘go to’ Construction Insurance Broker and is owned by seven of the Master Builder Associations around Australia, and unlike other Insurance Brokers, ALL profits are injected back into the Building & Construction Industry. Your Industry, ensuring a better future for all of us.

Products & Services

Group Training Organisation (GTO)

Master Builders Tasmania Group Training Organisation (GTO) continues to provide a tailored service to MBT members to support new entrants into our industry.

We remain devoted to maintaining the highest standards for our GTO participants and striving for market-leading results in apprentice completions through our program.

We have again kept to these commitments with a better than 90 per cent completion rate through our program, upheld for the second year in a row.

During the 2019-2020 financial year, 4 apprentices successfully completed the program:

- James Sall-Davies
- Caven Boyle
- Lachlan Greenwood
- Jock Darke

Six new apprentices commenced during the year:

- Joey King
- Cameron Christie
- Edward Hunt
- Julien De Sousa
- Richard Weeding
- Tom Steele

The total number of apprentices employed through the MBT GTO program as at 30 June 2020 was 22.

Pathways into the Building & Construction Industry

Master Builders Tasmania (MBT) delivered information on career pathways to 56 high schools and colleges around the state in 2019, reaching 2,240 students.

MBT received positive feedback from students and teachers and is pleased to announce we have received funding support again from the TBCITB to continue these presentations in 2020.

Contracts

eDocs is now available to all members, putting Master Builders contract templates and all supporting materials online and into a management platform which allow members to manage their contracts more easily with clients.

These templates and supporting materials are industry leading and updated on a regular basis to comply with changes to Acts and legislation. Training sessions are also offered on the content and use of all MBT contract templates.

Industry Information

As the peak industry association for the building and construction industry, a key role for us is to ensure we inform our members and stakeholders of trends and developments in our industry. To do this, our social media channels are updated daily and the MBT Digital Newsletter is released fortnightly. We also produce bi-annual industry forecasts which provide an outlook for construction activity for the next five years. We pride ourselves on being leaders in the provision of information relevant to our member business and industry.

OH&S

Our industry experts offer specialist advice across a complete range of occupational health and safety obligations. We provide customised services and products including consultation sessions, inspections, SWMS training, templates and development of fully encompassed safety management plans/systems for businesses of all sizes.

Workplace Relations

Master Builders members are backed by a national network of some of the best industrial relations experts in the country. We can help with employee relations, industrial advocacy, policies and procedures, enterprise bargaining agreements, redundancy, award advice and provisions, and many other areas relating to the management of your businesses' human resources.

Technical

Our technical services draw on the experience of the MBT team, network of builders and national MBA network. This covers all aspects of housing and commercial construction, the Building Act and other relations codes and practices. We can offer guidance on building standards and codes, strategic planning and approval processes.



Strategic Plan

2019-2022

Master Builders Tasmania is a year into the 2019-2022 strategic plan, with several key strategic goals met over the course of the 2019/20 financial year.

Key highlights included significant improvements in organisational performance, backed by investment in new technologies and digital systems to improve efficiency and allow staff resources to be reallocated towards frontline members services.

A new Constitution is under development, with member-wide consultations completed and a final discussion paper submitted to the Fair Work Commission for feedback. Next steps will be to submit a redraft of the Rules for further feedback before implementation.

Greater engagement and better alignment with our member businesses needs to remain a key tenant of the 2019-2022 strategy, with several changes to the organisational structure of the Association implemented in response to the MBT members survey. Communication has been a key focus to ensure MBT is the

source of reliable and contemporary industry information, including greater awareness of the products and services on offer to MBT members.

A revamped approach to advocacy is aimed at putting MBT as the go-to organisation on issues important to our membership and industry. This strategy proved crucial in the lead-up to the government's COVID-19 stimulus plan, which featured heavily the building and construction industry and the recommendations presented to government through the MBT 'Rebuilding Tasmania' submission.

Significant progress was made in the attraction and retention of a high performing team. An ongoing organisational restructure to ensure our team is best suited to deliver the 2019-2022 strategy, has underpinned several changes to the skills mix of the MBT team. The latter will be a key focus for the year ahead as we ensure we have the right people, with the right skills to support our members through the COVID-19 recovery phase.



Objectives

1. Organisational Performance

Stable and sustainable business structure set up for long terms success

Key goals:

Business excellence: Comprehensive organisational strategy, strategical use of capital and resources allocated to best serve member services.

Governance: Develop and implement structural changes to reflect the changing mix of membership over time.

2. Membership

We are a trusted partner and provide services that raise the standards and make our members the leaders in the Building and Construction Industry

Key goals:

Membership value: Further develop our service culture through investment in technology and the anticipation of changing needs.

Membership diversity: Recruit and retain the best. Attract a more diverse range of members across the industry and better reflect industry diversity in our Association.

3. Industry Advocate and Representation

Trusted to provide leadership and advocate on the behalf of the industry

Key goals:

Industry leadership: Sought by government and other stakeholders as experts in our industry.

Clear and consistent policy: Policies developed with members to advocate on the issues most important to the industry.

4. High Performing Team

Reliable industry experts highly regarded by members

Key goals:

'One MBT' culture: Promotion of a professional, skills based team set up to service the membership across the State.

Service focused organisational model: Anticipate the changing needs of the industry and develop practical and professional ways to support businesses and staff through these changes.

Reporting

The Board continues to monitor the Plan on an ongoing basis as the Association works tirelessly to achieve its objectives. Membership surveys have also been conducted in order to monitor the awareness of, and satisfaction with, our outcomes.

Partners

Sponsors, Supporters & Partnerships

Master Builders Tasmania would like to take this opportunity to thank all our sponsors, supporters and partners for their ongoing support. Their generous contributions have enabled us to deliver a series of outstanding awards celebrations and promotional opportunities throughout 2020.

Sponsorship has made a significant difference to Master Builders Tasmania, its members, and their families.

Our sponsors are a crucial part of our businesses and without their support, we could not provide the value-added benefits and comparative advantages which puts MBT members ahead of the competition. Our sponsors make it easier for our members to do what they do best.

Our sponsors and partners have the satisfaction of knowing they have made a difference to our members and the construction industry in Tasmania.

The calendar of events over 2019/20 were affected by social distancing measures needed to control COVID-19, however several successful events were still held.

The marquee event, the Master Builders Award for Excellence, was a success, with more than 450 attendees.

Despite the challenges, MBT has brought in several new business partners for the benefit of members.

Local legal services firm, Simmons Wolfhagen have joined as a member and are offering special member services for legal advice and representation.

Bank of Us has joined as Master Builders Tasmania's official financial services partner, offering members and their clients some of the most competitive financial products in the country. This partnership will also focus on financial training, with a series of member information sessions and training to come over the next 12 months.



Thank You

To all of our Sponsors, Supporters & Partners





Events

Events Program & National Award Winners

Master Builders Tasmania has offered members a varied events program over the past 12 months. The recent 6 months has seen the event schedule change due to the ongoing pandemic that the world is facing around COVID-19. The reduced event program that MBT has managed to hold, has seen strong engagement for all events held.

This year saw an array of events, a Golf day was held at the Royal Hobart Golf Club in November.

For the first time in quite a while a President's Luncheon was held at the Grand Chancellor in Hobart. It was a great success with strong attendance by members, sponsors, and excellent guest speakers.

A Women Building Australia Luncheon was scheduled to be held in Launceston earlier this year, however this is currently on hold due to the pandemic.

The Monthly General Meetings are always an important forum for members to engage with the association. There are ten meetings held each year in each of our regional offices. Presentations of relevant industry sessions and the opportunity for networking are all important and members are urged to attend to ensure they are kept up to date on industry and Association issues.

Master Builders Gala Event – Excellence Awards was held at the Grand Chancellor in Hobart in August 2019. The Awards continue to excel with record numbers of entries and attendees.

A very special congratulations is extended to our National Award Winners.

National Award Winners

Best Use of Australian Made Products

Pro Build Tasmania

National Environment and Energy Efficiency Commercial Building Award

AJR Construct Pty Ltd

National Alterations / Additions Award

\$200,000- \$400,000

Pro Build Tasmania

National Alterations/ Additions Award

\$400,000- \$650,000

Craftsman Investments Pty Ltd t/n Aspect Building Solutions

National Project Home – \$350,000 to \$500,000

DS Building Pty Ltd

National Commercial/Industrial Construction Award – \$5 million to \$10 million

AJR Construct Pty Ltd

National Young Builder of the Year

Matthew Barwick of Barwick Developments

MBT Awards for Excellence

2019

Over \$403 million worth of commercial buildings and homes, built in Tasmania over the last 12 months by Master Builders Tasmania members, were presented for judging for the annual Master Builders Tasmania Awards for Excellence.

The Awards this year attracted 113 entries in both Construction and Special categories.

Congratulations to each of our winners:

State Apprentice of the Year

Adam Gelston
Fairbrother Pty Ltd

Hands on Skills Apprentice of the Year

Matthew Bates
Faulkner Building

Young Builder of the Year

Matthew Barwick
Barwick Developments Pty Ltd

Residential Builder of the Year

AJR Construct Pty Ltd

Commercial Builder of the Year

Fairbrother Pty Ltd

Unique Achievement in Construction 2019

MPH Builders Pty Ltd
Cimitiere House Lift

Medium Density Construction

De Jong and Sons Construction Pty Ltd
Supported Disability Accommodation

Renovation / Addition Under \$200,000

KAM Joinery
Red Knights Road Project

Renovation / Addition \$200,000 - \$400,000

Pro Build Tasmania
TwoWoods House

Renovation / Addition \$400,000 - \$650,000

Craftsman Investments Pty Ltd
Renovation

Renovation / Addition Over \$650,000

Burleigh & Dean Constructions Pty Ltd
Pool House

Dwelling Construction Under \$200,000

Collins Homes
Spec Home

Dwelling Construction \$200,000 - \$350,000

Beardwood Pty Ltd
Tatiana Residence

Dwelling Construction \$350,000 - \$500,000

DS Building Pty Ltd
Franklin Project

Dwelling Construction \$500,000 - \$750,000

Heazlewood Homes
Coles Beach Residence

Dwelling Construction \$750,000 - \$1 Million

AJR Construct Pty Ltd
Stowport Residence

Dwelling Construction Over \$1 Million

My Build
The Fishing Lodge

Heritage Listed or Period Home Restoration / Renovation – Open Value

Pro Build Tasmania
TwoWoods House

Energy Efficiency – Housing

Craig Doran Design & Construction
Shooting Star

Best Use of Australian Made Products – Housing

Pro Build Tasmania
TwoWoods House

Soil & Water Management

Fairbrother Pty Ltd – Lion Dairy & Drinks
Cheese Operations Blue Lagoon



Work Health & Safety (WHS)

Vos Construction & Joinery Pty Ltd
Parliament Square Precinct – Stage 3 & 4

Lifestyle for Seniors

Fairbrother Pty Ltd
Queen Victoria Home 16 Room Addition

Energy Efficiency – Commercial

AJR Construct Pty Ltd
Three Capes Track Lodges

Heritage Listed or Period Building Restoration / Renovation - Open Value

Anstie Constructions (Tas) Pty Ltd
Glover House

Health Facility

Fairbrother Pty Ltd
St Helens District Hospital

Entertainment & Recreation Facility

Fairbrother Pty Ltd
Devonport City Council Art Gallery / Information
Centre

Education Facility

Stubbs Constructions Pty Ltd
Parklands High School Redevelopment

Renovation / Fitout Under \$1 Million

Vos Construction & Joinery Pty Ltd
Evolve Spirits Bar

Renovation / Fitout \$1 Million- \$5 Million

Anstie Constructions (Tas) Pty Ltd
Stillwater

Renovation / Fitout Over \$5 Million

Mead Con
Devonport Youth Accommodation

New Construction Under \$1 Million

David Gates Design Unlimited Pty Ltd
ATR Wynyard

New Construction \$1 Million - \$2 Million

AJR Construct Pty Ltd
Sea Stacks

New Construction \$2 Million - \$5 Million

Fairbrother Pty Ltd
Milledge Lane

New Construction \$5 Million - \$10 Million

AJR Construct Pty Ltd
Three Capes Track Lodges

New Construction \$10 Million - \$20 Million

Vos Construction & Joinery Pty Ltd
Hobart Airport – Freight Precinct

New Construction \$20 Million - \$50 Million

Fairbrother Pty Ltd
CH Smith

New Construction Over \$50 Million

Fairbrother Pty Ltd
Devonport Living City

Civil Construction

Fairbrother Pty Ltd
Huon Aquaculture Salmon Nursery

Specialist Contractor of the Year

Fairbrother Joinery
Devonport Living City

AWARD WINNERS

State Apprentice of the Year

Adam Gelston

Fairbrother Construction

From early on in Adam's apprenticeship he was identified as an enthusiastic and bright young apprentice with the potential to be a very good tradesman. He is very confident, experienced and has been exposed to many different types of construction during his apprenticeship.

He is committed to safety on the work site and undertakes this and other roles with great pride and pleasure in making a positive and safe working environment for his employer.



Hands on Skills Apprentice of the Year

Matthew Bates

Faulkner Building

Matthew was recognised for his all-round ability to manage and build new architecturally designed projects, restore century old buildings and renovate commercial projects for his company's clients from start to finish.

Matthew finds the variety and different types of builds he is being exposed to and the experience he is gathering along the way will place him in good stead to have his own company one day in the future.



Young Builder of the Year

State and National Winner

Matthew Barwick
Barwick Developments

Matthew has had an impressive start to his career in the building and construction industry, commencing his own company, Barwick Developments, 10 years ago working on residential projects and has successfully built his business into a strong construction company known for their high-end residential projects. Matthew's "do it once, do it right" approach sets him aside from his competitors.

Matthew continues to strive to develop his knowledge and skills within the industry. Quality and safety are always at the forefront of his business. Matthew's overall professional business undertaking, his high level of workmanship and his passion for the industry is a credit to him.





Environmental & Energy Efficiency

Commercial Building Award
State and National Winner

AJR Construct

These remote and self-sufficient buildings need to be energy efficient to work well and to minimise their ongoing impact on the environment. AJR Construct have overseen the installation of measures that go beyond this expectation however. These buildings are an excellent exemplar of commercial energy efficiency.



Alteration / Additions Award

\$400,000 to \$650,000
State and National Winner

Aspect Building Solutions

In a radical transformation, Aspect Building Solutions has undertaken a wholesale makeover of a small 1970s shack, yet the end result retains a clear sense of shack life on the water's edge. The end result is a true showcase of the builder's craft.



Policy & Advocacy

Lobbying for the Industry

With COVID-19 presenting the biggest challenge to our industry in decades, MBT advocacy efforts were a prominent feature of our work on behalf of members in 2019/20.

Our revamped industry committees and the Master Builders Tasmania State Council were instrumental in ensuring that our advocacy on behalf of industry was on message and best represented the views of our membership.

Advocacy is in our DNA and is something MBT is committed to on a daily basis on behalf of our members. A few key advocacy highlights of 2019/20 include:

Rebuilding Tasmania – how the building and civil construction sectors can drive Tasmania’s economic recovery

In the lead-up to the Tasmanian government’s COVID-19 recovery plan, Master Builders, in partnership with the Civil Contractors Federation, presented a detailed submission outlining a roadmap to recovery for the building and construction sector. This submission was evidence based and backed by modelling from Ernst & Young, as well as research from the Master Builders Australia.

Several key stimulus measures from the submission were implemented by government, including HomeBuilder, slated to inject up to \$40 million in stimulus into the residential construction sector and unlock more than \$200 million in construction activity.

Other crucial advocacy wins from the MBT Rebuilding Tasmania submission include:

- Support for the commercial major projects pipeline through the Office of the Coordinator General,

- Fast tracking the public infrastructure pipeline, with \$3.1 billion brought forward into the next two years,
- Removal of red tape through the Building and Construction (Regulatory Reform Amendments) Act 2020,
- Fast tracking the introduction of the Land Use Planning and Approval Amendments (Major Projects) Draft Bill 2020,
- Investment into the capacity of the training system through an extra \$7 million into the new TasTAFE Clarence Campus water and trades schools.

Keeping sites safe and open

At the onset of the COVID-19 crisis, Master Builders and the Sector Committees worked tirelessly to keep sites safe and open. This was only achieved thanks to the close industry consultation with government stakeholders and the dedication to social distancing and hygiene measures by all MBT members.

Detailed materials to help manage and mitigate the spread of COVID-19 on worksites were developed for the whole industry. These materials continue to be available on SafeWork Tasmania’s website as the official source materials to keep building and construction sites COVID-19 safe.

Another key advocacy win was against the implementation of proposed regulatory changes under the Work Health and Safety Amendments Regulations (COVID-19) 2020. Master Builders successfully lobbied against the implementation of these regulatory changes, ensuring member businesses were not unnecessarily impacted by restrictive regulations and possible excessive penalties despite already showing a commitment to government health guidelines.

Major projects

The immediate introduction of new legislation to support the development applications of major projects in Tasmania is a key advocacy position of Master Builders Tasmania. We provided a detailed submission into the Land Use Planning and Approval Amendments (Major Projects) Draft Bill 2020 to ensure the new legislation is structured in a way which best meets industry needs.

This new legislation will be crucial to support industry and ensure the major projects pipeline can play a central role in the economic recovery of Tasmania.

Every other jurisdiction in Australia has functioning legislation which supports the permit and approval processes for major projects. The fact we do not have a functioning process to support local major projects puts us at a significant disadvantage.

MBT Sector Committees

Residential

The **Housing Sector Committee (HSC)** is the core group of MBT members tasked with the development and promotion of policies on behalf of the residential construction sector. The key policy priorities of the HSC are:

- **Housing and land affordability** – policies to help speed up supply and reduce the cost of land for residential developments
- **Property taxes** – policies to lower the high tax burden on the property industry
- **Planning and approvals** – Participate in planning provisions consultations, red tape reduction and a planning system which does

not prevent industry from keeping pace with the growing housing demands of the community

- **Accessible housing** – engage with MBA national office and Liveable Housing Australia in the development of national accessible housing standards
- **Energy stringency** – policies which do not add to the cost of building and mitigate issues with condensation caused by current energy efficiency standards
- **National Construction Code** – participation in national submissions to code amendments, review cycles and Building Ministers Forum meetings
- **Local Government** – monitor performance of local government and work on way to speed up development the development approval process
- **Education and training** – development and promotion of education and training to raise the standards of residential building and Master Builders members.

Commercial

The **Commercial Sector Committee (CSC)** is the peak group of commercial contractor members tasked with the development and promotion of policies on behalf of the commercial construction sector. Major strategic priorities identified for the commercial construction sector are:

- **Industrial Relations** – All legislation, regulation, rules, codes and instruments that refer to workplace laws
- **Workplace Health and Safety** – All legislation, regulation, rules, codes and instruments that refer to WHS rights and obligations of parties with regard to the building and construction industry.

Corporate Governance

State Councils & Committees

Master Builders Tasmania corporate governance is based on good faith, diligence and care in advancing the organisation's vision, mission and values. The State Council is committed to providing strong leadership and governance to enable the Association to fulfill its important role for members, industry and the community.

Office Bearers and State Council meetings

Master Builders' State Council is the Association's supreme governing body, overseeing management of the organisation. It comprises a minimum of 9 and maximum of 12 members. Each election, the Regional Chairman from each region take a seat on State Council. Each region also elects 2 further representatives to sit on the State Council Board. The Immediate Past President is automatically a member of the State Council Board and the Council has discretion to elect two extra ordinary members if required.

The Association's President, Vice President and Treasurer are elected by, and from among, the State Council members. The State Council meets on minimum, 11 times a year.

Strategic Planning

We are a year into the 2019-2022 Strategic Plan. This plan was officially endorsed by the MBT State Council in July 2019. The State Council is charged with ongoing monitoring of the strategic plan and objectives, approving correcting actions.

The strategic plan is the central tool in guiding the allocation of MBT resources in the pursuit of its Mission, Vision and Purpose.

Progress against the strategic plan is tabled monthly as a standing agenda item at State Council meetings.

The strategic plan is a working document, updated when required to ensure MBT continues to best meet the expectations of its members.

Reporting Requirements

Master Builders Tasmania is an incorporated body by virtue of registration under the Fair Work (Registered Organisations) Act 2009 (the RO Act) and furnishes an annual audited Financial Return as required under subsection 255(2A) of the Act.

Complaints

Master Builders records complaints against, and by, members and attempts to help with prompt resolution. Intractable matters and those involving non-members are referred to relevant agencies or to professional advisers. Where it is uncovered that the conduct of a member is deemed to bring the name of the association into disrepute, the Association reserves the right to enforce reasonable disciplinary action, up to and including compensation to the Association, and/or the suspension termination of membership.

Ethical Behaviour

As an industry leader, Master Builders encourages high ethical standards. The Association's Code of Ethics establishes a best-practice guide by which members are expected to abide. In addition, the Association has a comprehensive Code of Conduct governing Council and Committee members, management and staff.

Policy & Procedures

Master Builders has comprehensive policies

and procedures in place across all worksites and regulating the practices of the Councils, Committees, staff and volunteers. Policies cover organisational governance, financial management, staff, administration and members, information technology and workplace health and safety.

The Association is committed to protecting the privacy of personal information and always seeks to comply effectively with the Privacy Act 1988 and other laws regulating collecting, holding and administering such information. Master Builders also has a strong anti-discrimination policy.

Committees

Master Builders currently has three regional management committees, each made up of nominated regional members. It is endeavored that the composition of regional committees includes representation across membership categories and industry sectors.

The State Council has the power to establish additional committees in the governance and leadership of the Association. Two Sector Committees, Housing and Commercial meet to discuss policies and issues specific to these sectors and act as advisory committees to the State Council.

Other standing State Council appointed committees include the Risk and Audit committee to assist in the management of organisational risk, the Investment committee to assist in the management of Association assets, and a temporary committee recently set-up to provide advice to the Council in the revision of the Associations Constitution and governance.

State Council Members

David Gates
President / Councillor

John Faulkner
Vice President / Councillor

Lyndon Fenton
Treasurer / Immediate Past President

Wayne Licht
Councillor

Tim Mead
Councillor

Denis Reid
Councillor

Russell Oakes
Councillor

Mark Schmidt
Councillor

Andrew Kilpatrick
Councillor

Tony Streefland
Councillor

Craig Edmunds
Co-opted Extraordinary Board
Member, MBT National Board
Representative

Corporate Governance

Representatives

Investment Committee

Chairman: Wayne Licht

Denis Reid, Russell Oakes, John Faulkner, David Moody

Commercial Sector Committee

Chairman: Darryn Scott

Vice Chairman: Kurt Arnold

Paul Ransley, Vonette Mead, Wayne Licht, Julian Proud, Nick Silcox

Housing Sector Committee

Chairman: Tony Streefland

Robert, Rimmelzwaan, Denis Reid, Greg Rothaker, Mark Schmidt, Lyndon Fenton, John Beswick, Tyson Clements, Luke Davies, Penelope Haley, Luke Eiszele, Russell Oakes, Shane Spaulding, Lucy Fraser, Ty Turner, Ben Nicholls

North West Regional Committee

Chairman: Tim Mead

Vice Chairman: David Gates

Wayne Licht, Grant Barnes

Northern Regional Committee

Chairman: John Faulkner

Vice Chairman: Peter Douglas

Tony Streefland, Andrew Kilpatrick, Craig Burleigh, Craig Edmunds

Southern Regional Committee

Chairman: Mark Schmidt

Vice Chairman: Ben Nicholls

Denis Reid, Rod Betts, Russell Oakes, Alicia Roughan

Staff Members

Head Office

Matthew Pollock

Executive Director

Wendy Bridges

Commercial Director

Amy Ransley

Training Officer

Misbah Shah

Accounts

Tarni Hawkins

Executive Assistant

Nancy Zuo

Bookkeeper

Regional Staff

North West

Victoria Jackson

Manager/Events Co-Ordinator (N/NW)

Pyper Page

Administrator

North

Rachel Jenkins

Administrator

Michael Plunket

Membership Manager

Insurance Services

Glen Johnson

Business Development Manager

*Thank you to the staff members who have now left the employment of Master Builders Tasmania during 2019-2020: Mr Clyde Sharp, Mrs Angela Gunn, Mr Campbell Crowden, Ms Terri Nichols.



From left: Denis Reid, Russell Oakes, Wayne Licht, Craig Edmunds, David Gates, John Faulkner, Tony Streefland, Lyndon Fenton, Ben Nicholls, Matthew Pollock, Andrew Kilpatrick, Tim Mead (Apologies: Mark Schmidt, 2020 State Council Member)

Name	Position	Meetings attended	Meetings eligible to attend
David Gates	President	11	11
John Faulkner	Vice President	11	11
Lyndon Fenton	Treasurer / Immediate Past President	11	11
Mark Schmidt	State Councillor	8	11
Wayne Licht	State Councillor	10	11
Tim Mead	State Councillor	8	11
Denis Reid	State Councillor	10	11
Russell Oakes	State Councillor	9	11
Andrew Kilpatrick	State Councillor	10	11
Tony Streefland	State Councillor	8	11
Craig Edmunds	State Councillor	8	11
David Moody	Former State Councillor	3	3

Report

From the Treasurer

It is an honour to present my first Treasurer's report for Master Builders Association of Tasmania Inc. for the financial year ending 2020.

The first half of the year was a very robust period driven by strong external environmental factors, the association was able to maximise this period as a result of strategic decision making over the previous financial year.

To say that the building environment changed in the second half of the year and has been unpredictable, would be an understatement of the continuing situation. COVID-19 has changed the landscape of what we have known and will know going forward. Having said this, MBT has weathered the initial storm, whilst maintaining service to members in new and innovative ways under the restricted conditions.

Total revenue over the 2020 financial year grew by 6%, while expenses were reduced by - 0.5%, thanks to efficiency improvements in the administrative functions of the business. Through a continued evolution of the operational structure of the business and systems to support an improved service delivery model, the Association has expedited investment into a new website, social media platforms and online contracts. This is part of an ongoing improvement strategy outlined by the Board as part of the 2019-2022 strategic plan.

The reduction in expenses has made way for a significant upswing in available funds if

required during this pandemic. A risk adverse decision-making protocol was adapted around expenditure with security to the business and members' funds being paramount. To say that no one had experience in what was coming or what to expect is an understatement. The 'current' ratio or current assets over current liabilities was a good indicator of the risk adverse options adopted – between 1.2-2 is standard depending on conditions and MBT kept an average of 5.74 over the pandemic period in Tasmania.

Our property portfolio continued well, providing a diverse income stream into the business. Bathurst Street has continued to be fully tenanted throughout the year; however COVID-19 has impacted the revenue reviewed over the year, from the portfolio. The Canning Street property in Launceston was sold for a significant capital gain.

The State Council and Investment Committee continue to seek alternate investment options, with proceeds from the sale currently invested in low risk managed funds.

Financially the GTO has remained steady for the year with total apprenticeship numbers over 20, growth opportunities have been subdued due to COVID-19. MBT also administered apprenticeship wage subsidies to host employers and were passed on in full.

Training has recorded the strongest year on

record with over 1,000 short course training places delivered and approximately 100 students commencing Master Builders Cert IV and Diploma courses.

MBT has maintained a shareholding in MBA Insurance service. The business performed well over the 2019-20 financial year, meeting an ambitious budget year, despite the challenges of COVID-19 and recording total revenue for the year of 14.5 million dollars.

The first six months of the financial year MBT hosted several events with the MBT Awards for Excellence held in Hobart being the highlight of the calendar. Financially all events broke even in terms of their budget in accordance with MBT policy. The second half of the year was completely disrupted with all events cancelled from February onwards.

Given the nature of a not-for-profit association of members, we will strive to return value and security to members funds, with the association currently having a strong position to take on the challenges of both the immediate and long term future. Having said that, it is important to closely monitor the financial position of the business in what is likely to be a challenging 12 months ahead.

I would like to take the opportunity to thank the State Council and Matthew for the financial and strategic stewardship over these unprecedented times.

Members, I submit to you the financial statements and the Auditor's operating report, being the financial position of Master Builders Association of Tasmania for the financial year 2019-2020.

Lyndon Fenton
Treasurer



Income & Expenditure Statement

2018 – 2020

Category	2020	2019	2018
Revenue	\$3,837,181.00	\$3,629,577.00	\$3,134,785.00
Expenses from ordinary activities	\$3,330,477.00	\$3,347,723.00	\$3,116,974.00
Operating Surplus from ordinary activities	\$506,704.00	\$281,854.00	\$17,811.00
Other Comprehensive income for the year	\$-	\$-	\$1,345,290.00
Total Comprehensive income	\$506,704.00	\$281,854.00	\$1,363,101.00
Accumulated Surplus at 1 July	\$4,792,552.00	\$4,510,698.00	\$4,492,887.00
Accumulated Surplus as at 30 June	\$5,399,256.00	\$4,792,552.00	\$4,510,698.00
Current Assets			
Cash on hand & at bank	\$2,004,369.00	\$600,249.00	\$421,210.00
Debtors	\$278,460.00	\$270,005.00	\$289,772.00
Prepayments	\$13,750.00	\$7,393.00	\$4,512.00
Stock on hand	\$22,641.00	\$22,918.00	\$16,584.00
Total Current Assets	\$2,319,220.00	\$900,565.00	\$732,078.00
Non-Current Assets			
Investments	\$3,254,111.00	\$4,403,920.00	\$4,387,000.00
Fixed Assets	\$2,062,980.00	\$2,084,990.00	\$2,077,063.00
Other Financial Assets	\$120,000.00	\$120,000.00	\$120,000.00
Total Non-Current Assets	\$5,437,091.00	\$6,608,910.00	\$6,584,063.00
Total Assets	\$7,756,311.00	\$7,509,475.00	\$7,316,141.00
Current Liabilities			
Creditors	\$131,902.00	\$226,933.00	\$290,459.00
Income Received in Advance	\$70,665.00	\$95,632.00	\$95,710.00
Bank Loan Facility	\$-	\$20,556.00	\$20,556.00
Leave Entitlements	\$136,266.00	\$108,734.00	\$92,182.00
Other Liabilities	\$64,849.00	\$56,339.00	\$47,061.00
Total Current Liabilities	\$403,682.00	\$508,194.00	\$545,968.00
Non-Current Liabilities			
Bank Loan Facility	\$-	\$155,356.00	\$206,102.00
Total Non-Current Liabilities	\$-	\$155,356.00	\$206,102.00
Total Liabilities	\$403,682.00	\$663,550.00	\$752,070.00
Net Assets	\$7,352,629.00	\$6,845,925.00	\$6,564,071.00
Members' Funds			
Accumulated Surplus	\$5,399,256.00	\$4,792,552.00	\$4,510,698.00
Reserves	\$1,953,373.00	\$2,053,373.00	\$2,053,373.00
Total Members' Funds	\$7,352,629.00	\$6,845,925.00	\$6,564,071.00





MASTER BUILDERS
T A S M A N I A

Is your builder a Master Builder?

mbatas.org.au

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