

Subject: Portable long service scheme in the building industry

To whom it may concern,

Currently Coinvest operates to collect long service leave for employees of the building industry. My husband and I operate a small concrete company and find the contributions for long service a good idea in theory, but in practice is not in the best interest of the building industry, its employers or employees.

I have noticed a number of problems.

1. The lack of transparency by Coinvest to determine how much has been contributed for each employee.

The web based system is not good enough. As an employee I need to be able to check what has or has not been contributed each quarter rather than rely on my own accounting system.

2. The high level of contribution.

2.7% is far in excess of what the employee will ever receive for his long service. Why should our business be supporting an organisation who does very little to justify its existence. ( which leads me to the lack of information available to accountants and other professional personnel who advise small construction businesses. This needs to be taught at a university level the different requirements of each industry)

3. My preferred option is to have employee open a bank account which can only be accessed after 10 years or after death (by his/her estate).

Employers contribute quarterly to the employees account. The employee then has ownership and there is not justification of such a elevated level of contributions. They also receive interest on their money.

I'm happy to discuss my idea further but the current system is not working effectively.

Kind regards

Anne Archer

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