

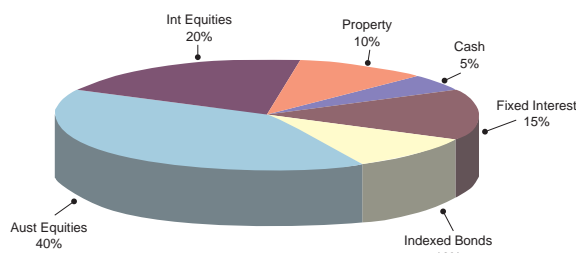
## REVIEW OF INVESTMENT STRATEGY

During 1997/98, the Board has undertaken a comprehensive review of its investment strategy in conjunction with the investment consultant Towers Perrin. The revised investment objective of the Board is to target:

- a real rate of return relative to the CPI of at least 4% in the medium to longer term;
- a probability of a negative nominal return of no more than once every five years.

An integral feature of the new strategy is a more growth orientated approach. The investment portfolio will be framed on the ratio of 70% growth assets to 30% income assets. This compares with the previous position of 20:80.

A diversified strategic asset allocation has now been adopted. Within each asset class the aim is to exceed the relevant benchmark.



The Board has since appointed a mix of sector fund managers to manage fixed interest, indexed bonds and equity investments on behalf of the Board. Cash and property will continue to be managed internally. An additional cash holding will be maintained to pay worker claims and meet operating costs.

## VISIT TO OLYMPIC DAM

Work at the Olympic Dam Expansion Project is ahead of schedule and is expected to be completed later this year. This multi million dollar expansion has resulted in significant increases in worker registration levels in the long service leave scheme, both from South Australia and interstate.

When Board Industry Liaison Officers Terry Redman and Michael Shanahan visited Roxby Downs and Olympic Dam during March, they met with major employer representatives to provide information about the scheme and to offer ongoing assistance for their workers.

The visit also provided an ideal opportunity to meet with registered employers and visit building sites in Roxby Downs and other far northern towns.

Future visits are planned this year to the South East, West Coast, Riverland, Iron Triangle, Victor Harbor and Barossa regions. Should you wish an Industry Liaison Officer to contact you during one of these visits, please arrange an appointment with the Senior Industry Liaison Officer on 8271 1222.

## CONTRACTOR SCHEME PROVES POPULAR

386 contractors are now regularly contributing into the voluntary long service leave scheme set up in 1995.

The Board has paid 95 self-employed contractors over \$450,000 to take long service leave.

A large proportion of this amount was accrued as employees and would have been lost if not for the scheme.

## NEW TECHNOLOGY TO REDUCE COSTS

The implementation of our new computer system in 1995 has resulted in administrative efficiencies and significant cost savings for the industry.

We have since closely monitored information technology developments, particularly in the areas of document imaging and optical/intelligent character recognition.

This technology allows paper documents to be stored and retrieved as electronic images, and for machine and hand written information to be read by the computer and automatically stored on the database.

This will speed up the processing of your Employer Return Form by immediately updating our database without the need for data entry. Client enquiry time will also be reduced through instant access to correspondence and other information.

## LEARNING THE TRADE

Board Industry Liaison Officer, Michelle Jakubowicz met Michelle Wimpenny recently at the Golden Grove Village Shopping Centre development during one of her regular visits to building sites. Michelle is an apprentice roof plumber with Hi Line Roofing Pty Ltd, and is one of only 22 females registered with the scheme.

By the time her apprenticeship is complete, she will only have 6 years to wait before taking long service leave. Importantly, registration as an apprentice has been at no cost to her employer.

To ensure all apprentices are aware of our scheme, we will continue our visits to TAFE colleges throughout the State in 1998.

Our presentations are conducted informally and have been well received by apprentices and course coordinators alike.



## HIGHER LONG SERVICE LEAVE PAYMENTS

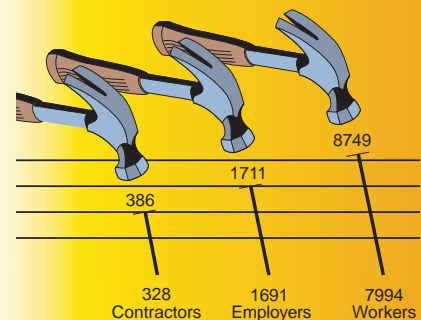
Workers are now receiving higher payments when taking long service leave, due mainly to an increase in Enterprise Bargaining Agreements between workers and employers.

The average weekly rate of pay used to calculate long service leave payments has risen by over \$30 since July 1997.

It is therefore critical that levies are paid into the Fund at the correct rate. To ensure this occurs, the Board will be conducting random checks of employers' records.

If you are unsure as to the amount of remuneration your levy should be based on, please contact one of the Board's Industry Liaison officers.

## REGISTRATIONS ON THE INCREASE



Scheme registrations have continued to rise steadily.

The graph above shows an increase in the level of registrations at the end of September 1997, compared with the end of February 1998.

These are the highest worker registrations since the late 1980's.

This increase is a positive sign for the industry.

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