

VBBTF

TRAINING FOUNDATION LIMITED

Holmesglen TAFE
488 South Road
Moorabbin 3188
Ph: 9209 5948

POSTAL ADDRESS

VBBTF LTD.
P.O. Box 42
Holmesglen 3148

TO: Ursula Everett, ACCC

CC:
FROM : Geoff Noble
Fax No: 02 6243 1211
Total pages 9

Dear Ursula

Attached information as requested.

Many thanks,

Geoff Noble
General Manager
Ph: 9209 5948
Fax: 9209 5880
geoffn@holmesglen.vic.edu.au

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488 South Road
Moorabbin 3188
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P.O. Box 42
Holmesglen 3148

13 April 2004

Mr Tim Grimwade
Australian Competition and Consumer Commission
PO Box 1199
Dickson ACT 2602

Dear Mr Grimwade,

Victorian Brick and Blocklaying Training Foundation Ltd application for revocation and substitution of authorisation A 90738

I refer to your letter dated 8 April 2004 and provide additional information as follows:

1 Levy increase will increase bricklayer numbers

The original submission included support for a Bricklayer Training Centre at Holmesglen Institute of TAFE, which would double its training capacity. This increase is not a target number of apprentices in training for the VBBTF. Our growth is measured by numbers of supported apprentices, employed through group schemes, and numbers enrolled in bricklayer training at all TAFE colleges throughout Victoria.

At the end of February 2004 we were supporting the employment of 78 apprentices through group schemes, this is an increase of 34 on the number employed on 1 July 2003.

The VBBTF have allocated funds in the budget for each of the next two years to support the Bricklayer Training Centre at Holmesglen TAFE. The support will enable the centre to promote, train and service the special needs of the bricklaying trade.

The VBBTF allocates a significant portion of the levy towards the promotion of bricklaying as a career to young people in the community. The 620 secondary colleges in Victoria are an important target market to ensure students are well informed on the nature and benefits of a career in bricklaying. The VBBTF also fund taster programs for year 9 and 10 secondary school students to attend a 40 hour bricklayer course at a TAFE college. We are budgeting to support 150 students in 2004 in this program, which strongly influences a future career choice in bricklaying.

Bricklayer promotion has been delivered by radio campaigns, press advertisements, presentations to schools, community, career and industry groups.

An increase of the current levy would enable support for increased numbers of apprentices employed through group schemes as well as improve the quality and reach of our promotion of bricklaying. Prior to the formation of the VBBTF participating group training companies engaged very few apprentice bricklayers and there was minimal promotion of bricklaying.

2 Collection and administration of the levy

A brief procedure for the collection of the levy is attached.

The administration of the levy money is in line with the VBBTF business plan and includes expenditure on bricklayer promotion, taster programs for schools, group scheme wages support, incentives for pre-apprenticeship training, mature age apprentice support, bricklayer training centre and administration.

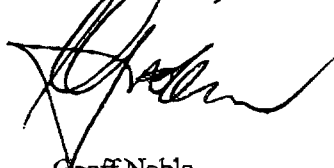
All expenditure is ratified at board meetings and a director is a required signatory to the general cheque account.

The VBBTF accounts are audited. I have attached the previous audit report for year to June 2003 and the audit proposal.

The wages support agreement (copy attached) with group training companies provides access to apprentice files to support subsidy claims as part of our internal control and audit program.

Please advise if further information is required.

Yours sincerely



Geoff Noble
General Manager
Phone: 03 9209 5948
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geoffn@holmesglen.vic.edu.au

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TRAINING FOUNDATION LIMITED

VICTORIAN BRICK AND BLOCKLAYING TRAINING FOUNDATION LIMITED

PROCEDURE FOR COLLECTION OF MONTHLY LEVY

- 1 The "Advice of Bricklayer Training Levy" is emailed to each brick and block manufacturer as a template for monthly returns.
- 2 Manufacturers complete the advice form using their Company Letterhead with the total levy amount for the month, this includes;
 - a. clay and concrete masonry products
 - b. matching contribution from the manufacturer

Total does not include GST collected from sales.
Advice form must be received but cut off date, the 10th of each month for the previous month claimed. Sent by Fax to VBBTF
- 3 VBBTF prepares tax invoices with GST added and sends to manufacturers
- 4 Manufacturer remits the levy amount (inc GST) to the VBBTF within 45 days of month claimed ie: July to be paid by 15th September
Payment Details;

Electronic transfer to Commonwealth Bank
Account "Victorian Brick and Blocklaying Training Foundation Ltd"
BSB number: 063 243
Account number 1017 5771
- 5 Levy collections are always reported in total with no disclosure of individual contributions.

Mr Geoff Noble
General Manager
Victorian Brick & Block Laying Training Foundation Limited
P O Box 42
Holmesglen 3148

Dear Geoff

**Re: Proposal for audit of the financial statements of the Victorian
Brick & Block Laying Training Foundation Limited**

I refer to your invitation to submit a proposal for the audit of the Foundation's financial statements for the year ended 30 June 2004 and provide the following information.

The Task

To provide external audit services to the Foundation for the year ended 30 June 2004.

The Auditor

Terry Lant CPA RCA will be conducting the audit. Terry is highly experienced in all areas of financial reporting and audit, particularly in the Victorian Public Sector and not-for-profit sectors. Terry's relevant details are set out in the attached Resume.

The Proposal

Following on our discussion this proposal has been prepared on the basis that there is minimal internal controls due to the non-segregation of duties involving the financial management functions. This not uncommon in similar size organisations.

In this situation an audit would consist of a relatively high level of substantive testing of transactions rather than being able to rely on an organisation's internal control system. As part of the audit, recommendations will be made to address any matters arising during the course of the audit.

It is estimated that approximately 4 days would be required to conduct the audit. As advised my daily fee for the audit would be _____ per day plus GST.

It is proposed that the audit be conducted in two stages with the first visit in early December 2003. The final visit would be shortly after the financial statements are ready for audit.

Thank you for the opportunity to make this proposal and I look forward to providing audit services to the Foundation.

Yours sincerely



T V Lant

Principal

19 September 2003

AUDITOR'S REPORT

VICTORIAN BRICK & BLOCKLAYING TRAINING FOUNDATION LTD

To the Members,
Victorian Brick & Blocklaying Training Foundation Ltd

Scope

I have audited the financial report of the Victorian Brick & Blocklaying Training Foundation Ltd for the year ended 30 June 2003. The report consists of the Profit and Loss Statement for the year ended 30 June 2003 and the Balance Sheet as at 30 June 2003.

My audit has been conducted to provide reasonable assurance whether the financial report is free of material misstatement. My procedures included examination of evidence supporting the amounts and other disclosures in the financial report presented in a format accepted by the Members for their purposes. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly to satisfy the requirements of the Members and present a view which is consistent with my understanding of the financial position and the results of operations of the Victorian Brick & Blocklaying Training Foundation Ltd.

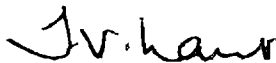
The special purpose financial report has been prepared for distribution to the Members of the Foundation. I disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates, to any person other than the Members.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion, the financial report presents fairly in accordance with the format accepted by the Members the financial position of Victorian Brick & Blocklaying Training Foundation Ltd as at 30 June 2003 and the results of its operations for the year then ended.

Dated at DONVALE this 16th day of November, 2003



T. V. LANT
REGISTERED COMPANY AUDITOR

21 Cerberus St.
Donvale 3111

WAGE SUPPORT AGREEMENT FOR EMPLOYMENT OF APPRENTICE BRICKLAYERS

This agreement between Group Training Company (herein after called the "GTC") and the Victorian Brick and Blocklaying Training Foundation Ltd (herein after called the "VBBTF") provides for a subsidy to reduce the cost of employing apprentice bricklayers on the following terms and conditions.

1. The VBBTF will pay a subsidy to the GTC at the rate of:
 - A. First year apprentice – up to a maximum of \$3,600 per annum
 - B. Second year apprentice – up to a maximum of \$2,520 per annum
 - C. Third year apprentice – up to a maximum of \$1,800 per annum
2. The subsidy will be provided through the GTC and will be applied to directly reduce the charge out rate to the host employer by the same amount as indicated in clause 1 above.
3. The subsidy paid to the GTC will be the amount in clause 1 above plus GST. It is the responsibility of the GTC to pass on the GST to the Australian Taxation Office.
4. The subsidy will only apply to apprentices who have not been directly employed by a bricklayer within the six months prior to commencement with a GTC.
5. The subsidy payable by the VBBTF under this agreement is for the time that the apprentice bricklayer spends with the Host Employer.
6. In the event the apprentice leaves before the end of the training agreement the subsidy terminates on the apprentices last working day on the job.
7. The VBBTF will reimburse the subsidy cost to the GTC on a monthly basis. This will be done within 7 business days after the receipt of the claim (on the form provided by the VBBTF) for the previous month.
8. The GTC will ensure that the apprentice is enrolled in an approved bricklayer training program at a TAFE college in Victoria in accordance with the VET Act and OTTE Regulations. Every effort must be made to ensure attendance at and completion of the off the job structured training.
9. Satisfactory attendance in the approved bricklayer training course referred to in the clause above will be considered as an attendance rate of not less than 80% in each year of the apprentice's apprenticeship.
10. The GTC will conduct a site visit in the first two weeks of employment and then at least every 6 weeks.
11. The GTC will employ the apprentice in accordance with the pay and conditions specified in the National Building and Construction Industry award 2000 and any other industrial agreements which may apply at a particular workplace.

- 12. The GTC will promote bricklaying as a career and actively seek people to start an apprenticeship in bricklaying.
- 13. The VBBTF in conjunction with GTA Victoria will conduct regular forums, which will review the progress of this program and develop projections for future training potential.
- 14. The GTC will make the relevant apprentice bricklayer files and records available to VBBTF at the request of VBBTF and from time to time to support subsidy claims as required.
- 15. The subsidy arrangements will apply from 1 July 2003 to all apprentice bricklayers employed through approved Group Training Companies, subject to the above conditions.
- 16. In the event that VBBTF decides in its absolute discretion to terminate this agreement it can do so by giving 30 days written notice to the GTC. If VBBTF exercises this right, the subsidies will be paid up to the date of termination.
- 17. The subsidy contribution by the VBBTF does not create or infer any obligation by VBBTF in relation to the employment and training of the apprentice.
- 18. Any breach of the above conditions of this subsidy agreement gives the VBBTF the right to immediately terminate the agreement and recover subsidies previously paid outside the terms of this agreement. The VBBTF reserves the right to develop guidelines to operate in support of this agreement and undertakes to do so in conjunction with GTA Victoria.
- 19. The GTC is liable for and indemnifies VBBTF against all actions, demands, loss or damage incurred or suffered directly or indirectly which results from a failure by the GTC to act in accordance with this agreement and with the intent of this agreement.

Signed for and on behalf of:

VICTORIAN BRICK AND BLOCKLAYING TRAINING FOUNDATION LTD

.....
DIRECTOR (Print)	SIGNATURE	DATE

.....GROUP TRAINING COMPANY

.....
DIRECTOR (Print)	SIGNATURE	DATE