

Location: **Narrabri Shire Council Chambers**

46-48 Maitland Street

Narrabri

AGENDA

Ordinary Council Meeting 18 October 2022

Rob Williams GENERAL MANAGER



PUBLIC FORUM (held outside formal Council Meeting)

The Council may hold a public forum prior to each Ordinary Meeting of the Council for the purpose of hearing oral submissions from members of the public on items of business to be considered at the meeting (listed on the Agenda).

Public forums may also be held prior to Extraordinary Council Meetings and meetings of committees of the Council.

Public forums are to be chaired by the mayor or their nominee.

Request to Speak in the Public Forum

To speak at a public forum, a person must first make an application to the Council in the approved form. Applications to speak at the public forum must be received by <u>5pm on the working day before the date on which the public forum is to be held</u> and must identify the item of business on the agenda of the Council meeting the person wishes to speak on, and whether they wish to speak 'for' or 'against' the item.

Approved speakers at the public forum are to register with the Council any written, visual or audio material to be presented in support of their address to the Council, and to identify any equipment needs at 5pm on the working day before the Public Forum.

The General Manager or their delegate may refuse to allow such material to be presented.

A person may apply to speak on no more than 2 items of business on the agenda of the Council Meeting.

Legal representatives acting on behalf of others are not to be permitted to speak at a public forum unless they identify their status as a legal representative when applying to speak at the public forum.

The General Manager or their delegate may refuse an application to speak at a public forum.

No more than three (3) speakers are to be permitted to speak 'for' or 'against' each item of business on the agenda for the Council Meeting.

If more than the permitted number of speakers apply to speak 'for' or 'against' any item of business, the general manager or their delegate may, in consultation with the mayor or the mayor's nominated chairperson, increase the number of speakers permitted to speak on an item of business, where they are satisfied that it is necessary to do so to allow the council to hear a fuller range of views on the relevant item of business.

Each speaker will be allowed three (3) minutes to address the Council. This time is to be strictly enforced by the Chairperson.

The Chairperson of the meeting can grant one extension of up to a maximum of two (2) minutes, should further information, be considered to be important to the Council. This is solely at the discretion of the Chair.

Speakers at public forums must not digress from their nominated item on the agenda. If a speaker digresses to irrelevant matters, the Chairperson is to direct the speaker not to do so. If a speaker fails to observe a direction from the chairperson, the speaker will not be further heard.

A councillor (including the chairperson) may, through the chairperson, ask questions of a speaker following their address at a Public Forum. Questions put to a speaker must be direct, succinct and without argument. Debate will not be permitted by the speaker, Councillors or staff.

Speakers are under no obligation to answer a question. Answers by the speaker, to each question are to be limited to three (3) minutes.

Speakers at public forums cannot ask questions of the Council, Councillors or Council staff.

The general manager or their nominee may, with the concurrence of the chairperson, address the council for up 5 minutes in response to an address to the council at a public forum after the address and any subsequent questions and answers have been finalised.

18 OCTOBER 2022

Where an address made at a public forum raises matters that require further consideration by council staff, the general manager may recommend that the council defer consideration of the matter pending the preparation of a further report on the matters.

The "Request to Speak in Public Forum", at an Ordinary Council Meeting, can be obtained, from Council's Administration Office, or by downloading it from Council's website at:

http://www.narrabri.nsw.gov.au/speaking-at-public-forum-1232.html



USE OF MOBILE PHONES AND UNAUTHORISED RECORDING OF MEETINGS

Councillors, council staff and members of the public must ensure that mobile phones are turned to silent during meetings of the council and committees of the council.

(As per Council's Code of Meeting Practice)

A person must not live stream or use an audio recorder, video camera, mobile phone or any other device to make a recording of the proceedings of a meeting of the council or a committee of the council without the prior authorisation of the Council.

(As per Council's Code of Meeting Practice)

AUDIO RECORDING NOTICE

Council advises that this Meeting will be recorded for the purpose of webcasting, and made available on the Internet. As such, all those present should refrain from making any defamatory statements. It is requested that Councillors within the duration of the Meeting, limit discussions to only the business on the agenda and what is permissible under our Code of Meeting Practice.

(As per Council's Code of Meeting Practice)



Mayor Cr Ron Campbell



Deputy Mayor Cr Cathy Redding



Cr Rohan Boehm



Cr Robert Browning



Cr John Clements



Cr Brett Dickinson



Cr Greg Lamont



Cr Lisa Richardson



Cr Darrell Tiemens



General Manager Mr Rob Williams



Director Infrastructure Delivery Mrs Eloise Chaplain



Director Corporate and Commercial Services Mr Andrew Brown



Director Planning and Sustainability Ms Donna Ausling

Corporate



Wellbeing

Recognising safety, health, and wellbeing as a priority for all, especially our staff.



Integrity

Ensuring transparency and honesty in all our activities.



Leadership

Providing guidance and direction to our community and our people.



Community Focus

Delivering prompt, courteous, collaborative, and helpful service, while empowering and responding to the community's changing needs.



Accountability

Accepting our responsibility for the provision of quality services and information to ensure transparency and honesty in all our activities.



Respect

Treating everyone with courtesy, dignity and fairness.



Excellence

Providing services, programs and information which consistently meet and exceed standards.



OUR VISION

"The Narrabri Shire will continue to be a strong and vibrant regional economic growth centre providing a quality living environment for the entire community."



Theme 1: SOCIETY

An empowered, inclusive, and connected community



Theme 2: ENVIRONMENT

A sustainable and compatible natural and built environment



Theme 3: ECONOMY

A strong, diverse, and sustainable economy



Theme 4: CIVIC LEADERSHIP

Council as strong leaders for the community

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1 OPENING PRAYER

Members and officers are asked to be upstanding for the opening prayer.

2 ACKNOWLEDGEMENT OF COUNTRY

I would like to acknowledge the Traditional Owners of Country throughout Australia, in particular the Gomeroi People of the Gamilaroi Nation, and recognise their continuing connection to land, waters and culture.

We pay our respects to their Elders past, present and emerging.

3 RECOGNITION OF SERVICE MEN & WOMEN

Council acknowledges the sacrifice made by Australian service men and women, in particular those who gave their lives in defence of the freedom we enjoy today.

4 APOLOGIES/GRANTING OF LEAVE OF ABSENCES

5 DECLARATION OF PECUNIARY AND NON- PECUNIARY INTERESTS

Councillors are reminded of their obligation to declare their interest in any matters listed before them.

In considering your interest, you are reminded to include pecuniary, non-pecuniary and conflicts of interest as well as any other interest you perceive or may be perceived of you.

Councillors may declare an interest at the commencement of the meeting, or alternatively at any time during the meeting should any issue progress or arise that would warrant a declaration.

Councillors must state their reasons in declaring any type of interest.

6 ITEMS TO BE CONSIDERED IN THE CONFIDENTIAL (PUBLIC EXCLUDED) MEETING

Extract from Council's Code of Meeting Practice:

- 14 CLOSURE OF COUNCIL MEETINGS TO THE PUBLIC
 - Grounds on which meetings can be closed to the public
- 14.1 The council or a committee of the council may close to the public so much of its meeting as comprises the discussion or the receipt of any of the following types of matters:
 - (a) personnel matters concerning particular individuals (other than councillors),
 - (b) the personal hardship of any resident or ratepayer,
 - (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business,

- (d) commercial information of a confidential nature that would, if disclosed:
 - (i) prejudice the commercial position of the person who supplied it, or
 - (ii) confer a commercial advantage on a competitor of the council, or
 - (iii) reveal a trade secret,
- (e) information that would, if disclosed, prejudice the maintenance of law,
- (f) matters affecting the security of the council, councillors, council staff or council property,
- (g) advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege,
- (h) information concerning the nature and location of a place or an item of Aboriginal significance on community land,
- (i) alleged contraventions of the council's code of conduct.

Note: Clause 14.1 reflects section 10A(1) and (2) of the Act.

14.2 The council or a committee of the council may also close to the public so much of its meeting as comprises a motion to close another part of the meeting to the public.

Note: Clause 14.2 reflects section 10A(3) of the Act.

The following matters will be considered in the Closed (Public Excluded) Meeting:

16.1 Business Paper and Minutes of the Audit, Risk and Improvement Committee

7 PRESENTATIONS

Presentation requests received to date:

1. NIL

8 CONFIRMATION OF MINUTES

RECOMMENDATION

That the minutes of the Ordinary Meeting of the Narrabri Shire Council held on 27 September 2022 as circularised be confirmed and signed as a correct record by the Mayor.

MINUTES OF NARRABRI SHIRE COUNCIL ORDINARY COUNCIL MEETING

HELD AT THE NARRABRI SHIRE COUNCIL CHAMBERS, 46-48 MAITLAND STREET, NARRABRI ON TUESDAY, 27 SEPTEMBER 2022 AT 1.00PM

PRESENT: Cr Ron Campbell, Cr Catherine Redding, Cr Rohan Boehm, Cr Robert Browning,

Cr John Clements, Cr Brett Dickinson, Cr Greg Lamont, Cr Lisa Richardson, Cr

Darrell Tiemens

IN ATTENDANCE: Rob Williams (General Manager), Donna Ausling (Director Planning and

Strategy), Eloise Chaplain (Director Infrastructure Delivery), Andrew Brown (Director Corporate and Community Services), Jason Townsend (Manager

Governance and Risk), Kira Goodhew (Minute Clerk)

PUBLIC FORUM

- 2. Drinda Luckensmeyer on Item 13.2; and
- 3. Elizabeth Panton on Item 13.2.

Proceedings of the meeting commenced at 1:11 pm.

1 OPENING PRAYER

Members and officers were upstanding for the opening prayer by Rev. Bernard Gabbott of Narrabri Anglican Church, in association with the Narrabri Ministers Fraternal.

2 ACKNOWLEDGEMENT OF COUNTRY

The Mayor acknowledged the Traditional Owners of the land on which the Council met, the Gamilaroi people, and the Council paid its respects to Elders past, present and emerging.

3 RECOGNITION OF SERVICE MEN & WOMEN

Council acknowledged the sacrifice made by Australian service men and women, in particular those who gave their lives in defence of the freedom we enjoy today.

4 APOLOGIES/GRANTING OF LEAVE OF ABSENCES

Nil.

5 DECLARATION OF PECUNIARY AND NON- PECUNIARY INTERESTS

COUNCILLOR	ITEM NUMBER	PECUNIARY/ NON- PECUNIARY	REASON
Cr Lamont	13.7	Pecuniary	Currently has an application for a Construction Certificate with Council that is listed in the report.
	13.17	Pecuniary	Executive Officer of Mining and Energy Related Councils Association NSW
Cr Tiemens	15.2	Non-Significant Non-Pecuniary	Past member of Narrabri Aero Club

6 MATTERS OF GREAT URGENCY

Nil reports.

7 ITEMS TO BE CONSIDERED IN THE CONFIDENTIAL (PUBLIC EXCLUDED) MEETING

The following matters will be considered in the Closed (Public Excluded) Meeting:

17.1 Writing off Debts to Council

8 PRESENTATIONS

Presentations made to Council:

1. Nil.

9 CONFIRMATION OF MINUTES

MINUTE 290/2022

Moved: Cr John Clements Seconded: Cr Darrell Tiemens

1. That the minutes of Ordinary Meeting of the Narrabri Shire Council held on 23 August 2022 as circularised be confirmed and signed as a correct record by the Mayor.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

MINUTE 291/2022

Moved: Cr John Clements Seconded: Cr Robert Browning

 That the minutes of Extraordinary Council Meeting of the Narrabri Shire Council held on 20 September 2022 as circularised be confirmed and signed as a correct record by Crs Catherine Redding and Greg Lamont.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

10 MATTERS OF GREAT URGENCY

Nil reports.

11 QUESTIONS WITH NOTICE

Nil reports.

12 MAYORAL MINUTE

12.1 MAYORAL MINUTE - MAYORAL APPOINTMENTS FOR AUGUST/SEPTEMBER 2022

MINUTE 292/2022

Moved: Cr Ron Campbell

1. That Council note the Mayoral appointments for the period 18 August 2022 to 19 September 2022.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

13 OUR CIVIC LEADERSHIP

13.1 NOTICE OF MOTION - ROADS

MINUTE 293/2022

Moved: Cr John Clements Seconded: Cr Lisa Richardson

- 1. That NSC investigate and report on the following;
 - a. Road repair and construction workforce adequacy.
 - b. Adequacy of current plant and equipment to the capacity to repair and maintain our roads.
 - c. Adequacy of current arrangements with external contractors as far a support for the repair and maintenance of NSC roads.
 - d. A full list of culverts in need of repair or upgrade to concrete base.
 - e. The current state of all negotiations with state disaster recovery funding processes.
 - f. Funds held currently for road repair.
- 2. That Council fully supports and recognises the efforts of staff in this area.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

13.2 NOTICE OF MOTION - SPECIAL ACTIVATION PRECINCT

MINUTE 294/2022

Moved: Cr Darrell Tiemens Seconded: Cr Lisa Richardson

- 1. That Council reaffirms its support for the Special Activation Precinct (SAP) project and undertakes to continue working closely with experts across federal, state and local government as well as the private sector, to ensure that Narrabri Shire residents are the beneficiaries of the planned future growth in our Shire.
- 2. That Council resolves to wholeheartedly thank both the federal and state governments, on behalf of the Narrabri Shire Community, for their commitment to our Shire during the early phases of the SAP development. That Council welcomes ongoing engagement and consultation in relation to the SAP.
- 3. That Council note the excellent group of work done to date, including the recent Enquiry by Design exercise, and looks forward to working with the experts to ensure that we achieve the best outcomes for our Shire.

In Favour: Crs Ron Campbell, Catherine Redding, Brett Dickinson, Lisa Richardson and Darrell

Tiemens

<u>Against:</u> Crs Rohan Boehm, Robert Browning, John Clements and Greg Lamont

CARRIED 5/4

13.3 CREATION OF THE OFFICE OF DEPUTY MAYOR

MINUTE 295/2022

Moved: Cr Catherine Redding Seconded: Cr Lisa Richardson

1. That Council create the Office of Deputy Mayor.

<u>In Favour:</u> Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

MINUTE 296/2022

Moved: Cr Catherine Redding Seconded: Cr Rohan Boehm

1. That Council set the term of the Office of Deputy Mayor as 12 months.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

MINUTE 297/2022

Moved: Cr Catherine Redding Seconded: Cr Brett Dickinson

1. That Council elect the Deputy Mayor by way of open voting, if more than one (1) nomination for Deputy Mayor is received.

<u>In Favour:</u> Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

Cr Campbell vacated the Chair, the time being 2:17pm.

The General Manager assumed the role of Returning Officer.

The Returning Officer received two (2) nominations for the Office of Deputy Mayor, that being for Cr Clements and Cr Tiemens.

The Returning Officer then conducted the election for Deputy Mayor via open voting. The results of the election were:

Cr Clements: 4 votes (Crs Rohan Boehm, Robert Browning, John Clements and Greg Lamont)

Cr Tiemens: 5 votes (Crs Ron Campbell, Brett Dickinson, Catherine Redding, Lisa Richardson, and Darrell Tiemens)

Cr Tiemens was declared Deputy Mayor for the period to September 2023.

Cr Campbell assumed chairpersonship of the Meeting.

13.4 ANNUAL APPOINTMENT OF COUNCIL DELEGATES

MINUTE 298/2022

Moved: Cr Rohan Boehm Seconded: Cr Ron Campbell

- 1. That Council reappoints current committee delegates for up until the Ordinary Council Meeting to be held in September 2023.
- 2. That Cr Darrell Tiemens be appointed delegate to the North West Weeds Committee and that Cr Rohan Boehm be appointed alternate delegate.

<u>In Favour:</u> Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

13.5 INVESTMENT REPORT - AUGUST 2022

MINUTE 299/2022

Moved: Cr Rohan Boehm Seconded: Cr John Clements

1. That Council note the Investment Report for August 2022.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

13.6 INFRASTRUCTURE DELIVERY STATUS REPORT - SEPTEMBER 2022

MINUTE 300/2022

Moved: Cr John Clements Seconded: Cr Darrell Tiemens

1. That Council receive and note the Infrastructure Delivery Status Report – September 2022.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

At 2:40pm, Cr Lamont left the meeting after declaring a pecuniary interest due to having an application for a Construction Certificate with Council in relation to Item 13.7, and was not present at or in sight of the meeting during the consideration of the item.

13.7 PLANNING AND DEVELOPMENT SERVICES REPORT - AUGUST 2022

MINUTE 301/2022

Moved: Cr Lisa Richardson Seconded: Cr Darrell Tiemens

1. That Council receive and note the Planning and Development Services report for the month of August 2022.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 8/0

At 2:47pm, Cr Greg Lamont returned to the meeting.

13.8 RESOLUTIONS REGISTER - AUGUST TO SEPTEMBER 2022

MINUTE 302/2022

Moved: Cr Rohan Boehm Seconded: Cr Lisa Richardson

- 1. That Council receive and note the outstanding Resolutions Register as at 19 September 2022.
- 2. That Council receive and note the completed Resolutions Register as at 19 September 2022.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

13.9 LOG OF AUTO-ARCHIVE ACCESS

MINUTE 303/2022

Moved: Cr John Clements Seconded: Cr Catherine Redding

1. That Council note the Log of Auto-Archive report.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

13.10 DELEGATIONS POLICY - FOR ADOPTION

MINUTE 304/2022

Moved: Cr John Clements Seconded: Cr Lisa Richardson

1. That Council adopt the Delegations Policy as attached to this report.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

13.11 RECOVERY OF COSTS ORDERS IN LITIGATION POLICY - FOR ADOPTION

MINUTE 305/2022

Moved: Cr Darrell Tiemens Seconded: Cr Rohan Boehm

1. That Council adopt the Recovery of Costs Orders in Litigation Policy as attached to this report.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

13.12 LEGISLATIVE COMPLIANCE POLICY - FOR ADOPTION

MINUTE 306/2022

Moved: Cr John Clements Seconded: Cr Catherine Redding

1. That Council adopt the Legislative Compliance Policy as attached to this report.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

13.13 PAYMENT OF EXPENSES AND PROVISION OF FACILITIES TO COUNCILLORS POLICY - FOR ADOPTION

MINUTE 307/2022

Moved: Cr Catherine Redding Seconded: Cr Robert Browning

1. That Council adopt the Payment of Expenses and Provision of Facilities to Councillors Policy as attached to this report.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

Item - 13.14 Determination of Organisational Structure – was deferred to be considered later in the meeting.

13.15 NARRABRI SHIRE COUNCIL CODE OF MEETING PRACTICE 2022

MINUTE 308/2022

Moved: Cr Greg Lamont Seconded: Cr Brett Dickinson

1. That Council adopt Narrabri Shire Council's Code of Meeting Practice 2022, as attached.

<u>In Favour:</u> Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

13.16 MEMBERSHIP REQUIREMENTS FOR AUDIT, RISK AND IMPROVEMENT COMMITTEES

MINUTE 309/2022

Moved: Cr Greg Lamont Seconded: Cr Rohan Boehm

1. That Council note the membership requirements for audit, risk and improvement committees as outlined by the Office of Local Government via Circular 22-21 and its attachment as attached to this report.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

At 3:19pm, Cr Greg Lamont left the meeting after declaring a pecuniary interest due to being the Executive Officer for the Mining and Energy Related Councils Association NSW in relation to Item 13.17, and was not present at or in sight of the meeting during the consideration of the item.

13.17 MEMBERSHIP - MINING AND ENERGY RELATED COUNCILS NSW ASSOCIATION

MINUTE 310/2022

Moved: Cr John Clements Seconded: Cr Rohan Boehm

1. That Council agrees to re-join the Mining and Energy Related Councils NSW Association.

In Favour: Crs Rohan Boehm, Robert Browning, John Clements and Brett Dickinson

Against: Crs Ron Campbell, Catherine Redding, Lisa Richardson and Darrell Tiemens

The voting being equal; the Mayor exercised a casting vote against the motion.

The motion was then lost.

EQUAL

At 3:38 pm, Cr Brett Dickinson left the meeting.

At 3:39pm, Cr Greg Lamont returned to the meeting.

At 3:40 pm, Cr Brett Dickinson returned to the meeting.

13.18 DONATION IN LIEU OF ORDINARY RATES 2022/2023 - SUPPLEMENTARY

MINUTE 311/2022

Moved: Cr John Clements Seconded: Cr Catherine Redding

 That Council authorise the amount totalling \$4,643.04 to be donated to Boggabri Home for the Aged Incorporated in this report in accordance with the Donations in Lieu of Ordinary Rates Policy and section 356 of the Local Government Act 1993.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

SUSPENSION OF STANDING ORDERS

MINUTE 312/2022

Moved: Cr Ron Campbell

1. That Council suspend standing orders for a break.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

The Council suspended standing orders, the time being 3:41pm.

RESUMPTION OF STANDING ORDERS

MINUTE 313/2022

Moved: Cr Ron Campbell

1. That Council resume standing orders.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

The Council resumed standing orders, the time being 3:55pm.

14 OUR SOCIETY

14.1 COUNCIL LIBRARY DELEGATE TO ATTEND NSW PUBLIC LIBRARY CONFERENCE

MINUTE 314/2022

Moved: Cr Catherine Redding Seconded: Cr Darrell Tiemens

- 1. That Council:
 - (a) Receive and note the Report.
 - (b) Authorise the attendance of Cr Catherine Redding at the NSW Public Libraries Association (NSWPLA) 2022 SWITCH Conference.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

15 OUR ENVIRONMENT

15.1 DRAFT NARRABRI FLOODPLAIN RISK MANAGEMENT STUDY AND PLAN

MINUTE 315/2022

Moved: Cr Brett Dickinson Seconded: Cr Catherine Redding

- 1. That Council endorse the Draft Narrabri Floodplain Risk Management Study and Plan for the purposes of public exhibition.
- 2. That Council place on public exhibition the Draft Narrabri Floodplain Risk Management Study and Plan for a period of at least 60 days and during the exhibition period call for and accept submissions from the public on the draft Plan.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

15.2 PROPOSED LEASES TO NAMOI AERO CLUB

MINUTE 316/2022

Moved: Cr John Clements Seconded: Cr Catherine Redding

- 1. That Council enter into a lease agreement with Namoi Aero Club for Three (3) x Five (5) year sequential leases for Lot 535 DP813537 and part Lot 2 DP1218270, as identified in Attachment 1.
- 2. That Council enter into a lease agreement with Namoi Aero Club for Three (3) x Five (5) year sequential leases for Lot 532 DP800635, as identified in Attachment 2.
- 3. That Council delegate authority to the General Manager to enter into the lease agreements and execute relevant documentation.

<u>In Favour:</u> Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

16 OUR ECONOMY

Nil reports.

17 CONFIDENTIAL (CLOSED COUNCIL) MEETING

MINUTE 317/2022

Moved: Cr Brett Dickinson Seconded: Cr Catherine Redding

That Council move into Closed (Public Excluded) Meeting of Council and that the press and members of the public be asked to leave the room whilst Council considers the following items:

17.1 Writing off Debts to Council

This matter is considered to be confidential under Section 10A(2) - (a) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with personnel matters concerning particular individuals (other than councillors).

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

Council moved into Closed Meeting, the time being 4:04pm.

17.1 WRITING OFF DEBTS TO COUNCIL

MINUTE 318/2022

Moved: Cr John Clements Seconded: Cr Rohan Boehm

1. That Council write off the following debtor accounts due to them being assessed as either uncollectable or uneconomical to pursue:

Account Reference	Amount
100233	\$6,807.00
100734	\$5,488.56
TOTAL	\$12,295.56

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

MOVE INTO COMMITTEE OF THE WHOLE

MINUTE 319/2022

Moved: Cr Rohan Boehm Seconded: Cr Brett Dickinson

1. That Council suspend standing orders and move into Closed Committee of the Whole.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

The Council moved into Closed Committee of the Whole, the time being 4:19.

MOVE OUT OF COMMITTEE OF THE WHOLE

MINUTE 320/2022

Moved: Cr John Clements Seconded: Cr Rohan Boehm

1. That Council resume standing orders and move out of Committee of the Whole.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

The Council moved out of Closed Committee of the Whole, the time being 4:40.

MINUTE 321/2022

Moved: Cr John Clements Seconded: Cr Rohan Boehm

 That Council move out of Closed (Public Excluded) Meeting and that the resolutions from the Closed (Public Excluded) Meeting be read out to those present by the Chair of the Meeting or their nominee.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

The Meeting resumed open Council, the time being 4:40pm.

13.14 DETERMINATION OF ORGANISATIONAL STRUCTURE

MINUTE 322/2022

Moved: Cr Lisa Richardson Seconded: Cr Greg Lamont

- 1. That Council determine the Organisation Structure to be as per the structure attached at Attachment 1; and
- 2. That Council determine the following positions to be senior staff positions in accordance with section 332 of the *Local Government Act 1993*:
 - (a) Director Infrastructure Delivery;
 - (b) Director Corporate and Commercial Services; and
 - (c) Director Planning and Sustainability.
- 3. That this resolution will take effect at 11:59pm on 11 October 2022.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

18 MEETING CLOSED

The Meeting closed at 4:41pm.

The minutes of this meeting are scheduled to be confirmed at the Ordinary Council Meeting to be held on 18 October 2022.

.....

CHAIRPERSON

9 MATTERS OF GREAT URGENCY

Nil reports.

10 QUESTIONS WITH NOTICE

Nil reports.

11 MAYORAL MINUTE

11.1 MAYORAL MINUTE - MAYORAL APPOINTMENTS FOR SEPTEMBER AND OCTOBER 2022

Responsible Officer: Ron Campbell, Mayor

Author: Ron Campbell, Mayor

Attachments: Nil

RECOMMENDATION

1. That Council note the Mayoral appointments for the period 20 September 2022 to 12 October 2022.

For the information of Councillors, I provide details of my Mayoral appointments and attendances between the following dates 20 September to 12 October 2022.

27 September 2022

Ordinary Council Meeting

29 September 2022

Police Remembrance Day Service Narrabri Anglican Church

5 October 2022

Bunnings Narrabri Official Opening

7 October 2022

Facebook Community Update Recording

11 October 2022

Meeting with Executive Manager, Primary Health Network, Alison Koschel

12 October 2022

Media Interview with Northern Daily Leader

12 OUR CIVIC LEADERSHIP



THEME 4: OUR CIVIC LEADERSHIP

STRATEGIC DIRECTION 4: COUNCIL AS STRONG LEADERS FOR THE COMMUNITY

Through extensive community engagement, the Narrabri Shire community identified several civic leadership priority areas to be actioned over the 2022/2026 period.

COMMUNITY SERVICES

Current services provided within the Narrabri Shire community include:

- Integrated strategic planning and reporting
- Community engagement and consultation
- Representation and governance
- Human resource management
- Customer services

- Information services
- Financial services
- Risk management
- Compliance and regulation

COMMUNITY OBJECTIVES

In partnership with the community, government and non-government agencies, the Operational Plan will work towards achieving the following civic leadership strategic objectives:

- A transparent and accountable Council
- A strong Council that advocates for the Community
- A resilient and sustainable Council

KEY STAKEHOLDERS

- Narrabri Shire Council
- Narrabri Shire Community
- NSW Office of Local Government
- New England Joint Organisation
- Department of Premier and Cabinet
- Department of Prime Minister and Cabinet
- State and Federal Government

12.1 DELEGATE REPORT - WHITEHAVEN COAL VICKERY EXTENSION PROJECT COMMUNITY CONSULTATIVE COMMITTEE MEETING - 7 SEPTEMBER 2022

Responsible Officer: Darrell Tiemens, Councillor

Author: Darrell Tiemens, Councillor

Attachments: 1. Vickery Extension Project Community Consultative Committee

Meeting Minutes- 7 September 2022 U

DELIVERY PROGRAM ALIGNMENT

4 Civic Leadership - Council as strong leaders for the Community

Objective 4.2 A strong Council that advocates for the Community

Strategy 4.2.2 Work cooperatively and appropriately with external parties to advocate for the

community's best interests

RECOMMENDATION

1. That Council note the Delegate Report on the Vickery Mine Extension Community Consultative Committee Meeting held on Wednesday 7 September 2022

DELEGATES REPORT

The Vickery Mine Extension Community Consultative Committee Meeting was held on Wednesday 7 September 2022.

The Minutes from the meeting are attached.

Vickery Extension Project CCC

Date: Wednesday, 7 September 2022, 12-2pm

Venue: Gunnedah Town Boardroom and zoom

Attendees	
Community members	Whitehaven Coal
Grant McIlveen	Mark Stevens – Executive General Manager –
Rob Hooke	Project Delivery
	Tony Rymer – Vickery Project Manager
Narrabri Shire Council	Marie Bergeron – Group Advisor Environment
Michelle Henry – Strategic Planner	Scott Mitchell - Group Superintendent
Darrell Tiemens – Narrabri Councillor	Environment
	Jacki Scott – Manager, Community Investments
Gunnedah Shire Council	and Partnerships
Wade Hudson – Senior Development Officer	
	Guest
	Jillian Ash – SMEC
	Independent Chair
	Professor Roberta Ryan
	Minute taker
	Georgia Peters
Apologies	
Cr Cathy Redding	
Darren Swain	
Keith Blanch	
Barry Thomson	
Donna Ausling	
Tony Dwyer	

Item	Description	Action
1	Welcome and introductions	
	RR welcomes everyone to the meeting and asks for introductions.	
	JA is a guest presenter this week who works for SMEC and conducted	
	the Social Impact Assessment (SIA) for the Vickery Extension Project.	
	RR asks for declarations of interest.	
	GMc informed RR via email that he is working for a contractor who works for Whitehaven Coal at Maules Creek and Tarrawonga.	
	No other interests were declared.	

2	Minutes and actions	
	1. Emails with SD about the bridge and certain approvals. RR received	
	a response about ongoing conversations happening with TD. This	
	item is to be carried over to the next meeting although RR is	
	seeking a response in the meanwhile.	
	Sooming a response in the meanthmen	
	SM said that TD sends his apologies. The information available to us	
	was shared by TD with the Committee at the last meeting. He	
	believes that is with the DPIE.	
	believes that is with the birth.	
	RR to arrange a process for sourcing additional community	
	members for the CCC once Whitehaven has made an investment	
	decision. This is an ongoing item.	
	decision. This is all origoning item.	
3	Update from Whitehaven	
3.1	Operations update and environmental monitoring – MS & SM	
	MS provides a presentation on the Design Status.	
	MS says regarding timing that they are looking to get the project	
	"shovel ready" by FY 24. There is a lot of work to be done in terms of	
	exploration drilling and detail design.	
	RR asks about the project status. She assumes that the investment	
	commitment has not yet occurred and would like clarification on this.	
	MS says that is correct. They have to complete detail design. They are	
	working with their consultants to get capital costing. The exploration	
	drilling will allow more accurate development of the life of mine	
	planning. This will happen sometime in the next financial year.	
	SM said that while there have been no complaints, a community	
	member has asked about the monitoring. It is a case where the	
	monitoring commences when they start construction.	
	,	
	RR asks for questions on the presentation. RR raises a question about	
	the frequency of the meetings and the capacity of the community to	
	provide input.	
	DD	
	RR remembers that they were going to wait until the investment	
	decision is made. RR flags the balance between wasting people's time	
	and risking that community input comes in too late with infrequent meetings.	
	MS says that there is a new team working on the project who are	
	more than happy to talk to people in the community about the	
	project.	
	' '	

RR suggests that the next meeting take place before Christmas. This will be followed up with DS when he is back at work.

MS says, as of a couple of months ago, Whitehaven have set up regular meetings with both Councils and that senior representatives from both Council and Whitehaven will attend. These meetings will cover all of Whitehaven activities in the area.

4 SMEC presentation – JA

JA provides a presentation that has been sent to members of the CCC. It will also be sent out with the minutes.

The presentation covers the Social Impact Management Plan (SIMP) – Construction Plan, which SMEC has been commissioned to do.

RR asks for questions. She imagines that the community will have particular concerns about the construction phase.

RH has heard a rumor that the actual outline of where the rail loop is going to be dramatically changed. Any comment on that?

MS stated that the rail loop located adjacent to the CHPP is in the same position. This rail loop is fixed as it is required to be located near the CHPP as this loop is where the trains get loaded with coal, and it remains broadly the same as detailed in the EIS.

RH echoes the rail loop question. He was talking to people living around the loop and they are interested in noise monitoring.

MS says they are in discussions about putting in noise monitoring measures. They are more than happy to do this once they start construction.

GMc asks why there were only 10 days between when they received the email and when submissions were required for the SIMP.

RR asks what the best process is for people who are interested in having noise monitoring on their property.

MS says to contact DS when he returns, and they can organise it. Work has been done on noise monitoring and the likelihood of their impact. If someone is 5km away, for example, there may be no point in installing noise monitoring there as they will probably not be affected.

RR confirms that people should be directed to DS on the noise monitoring questioning.

JA addresses the timeframe question. She says that they were unfortunately unable to get the timeframe to match up. The work was commissioned in April, and the previous CCC meeting was in May. At this point they had not developed the draft SIMP.

MS notes that commencement of development started in April, with one of the conditions of development being to submit SIMP within a six-month period. When they get closer to construction, they will have to update the SIMP as they will be engaging with contractors who might have ideas that need to be integrated that could improve the SIMP.

RR suggests reconsidering the frequency of the meetings.

MH enters and introduces herself as the Manager of Planning and Development at Narrabri Council.

DT thinks the interesting question about all of this is the temporary workers and permanent workers. How do they create a positive environment in these towns when you don't have people engaged? There is a lot of talk but no success in engaging locals other than heading down to the local pub.

RR asks about the ongoing engagement of JA?

JA says this is TBD.

Once they have had feedback from community and councils, the revised the SIMP will be submitted to DPE for review and feedback. The SIMP will be revised accordingly and then resubmitted to DPE for approval.

RR suggests adding social impact as a standing item on the agenda.

5 AOB

DT has heard that there was 12 million dollars' worth of housing approved. Where will this be?

MS says it has been announced that this allocation of money will be for housing. Available sites are being explored for the building of additional houses. He notes that currently, housing is in short supply.

DT asks who they have been contacting? Council does not know about it.

MS says that the person dealing with this is Huw Morgan (GM of Property) from Whitehaven. This housing allowance is managed by operations and is not a project matter. The two senior executives from Whitehaven have met with both councils, and it was on the agenda of the meetings. For Narrabri Council the meeting was set up

by Deb Woolfenden and she would know who attended from the Narrabri Council. This meeting with Narrabri occurred on the 31st of August from 10:30am to 11:30am. JS says that meetings were held with NSC to cover early discussions regarding housing. GMc relays a question from the community. There is a gas pipeline from Narrabri to Newcastle that some neighbors say will go through the Vickery Project. They want to know Whitehaven's views on this. Relatedly, what are the safety concerns of having this pipeline through where the coalmine will be? MS confirms that the pipeline does go through Vickery land, but it is quite a distance from coal mine itself. It will go under the rail line. This rail line will be developed keeping in mind that the pipeline is there. It will have to be discussed with Santos, when the pipeline will be built. RR thanks everyone for their attendance and input. 6 Next meeting TBD - to be discussed with DS.

12.2 RESOLUTIONS REGISTER - SEPTEMBER TO OCTOBER 2022

Responsible Officer: Andrew Brown, Director Corporate and Community Services

Author: Jason Townsend, Manager Governance and Risk

Attachments: 1. Outstanding Resolutions Register 12 October 2022 🗓 🖺

2. Completed Resolution Register 12 October 2022 U

DELIVERY PROGRAM ALIGNMENT

4 Leadership

Objective 4.4 Our strategic goals will be achieved through transparent and accountable planning

and reporting

Strategy 4.4.2 Ensure effective and sound local governance practice

EXECUTIVE SUMMARY

Good governance and transparency dictate that Council maintains a Resolutions Register, and for it to be brought before Ordinary Council Meetings. The Resolutions Register, as at 12 October 2022, is therefore presented to Council.

RECOMMENDATION

- 1. That Council receive and note the outstanding Resolutions Register as at 12 October 2022.
- 2. That Council receive and note the completed Resolutions Register as at 12 October 2022.

BACKGROUND

Council Resolutions are, insofar as they are lawful, binding upon the General Manager and executive arm of Council. It is important, and standard industry practice, that a register of resolutions and actions is maintained to ensure transparency and accountability in enacting those resolutions.

Bringing the register before Council at Ordinary Council Meetings will provide Council and the public with situational awareness of the implementation of its resolutions, ensuring transparency and promoting accountability.

CURRENT SITUATION

The register has been updated as at 12 October 2022 and is attached to this report. This register lists the outstanding resolutions and action items, as well as a comment on current status. Some of the resolutions and action items are historical and, where no action is possible, a report will be brought to Council seeking resolution.

The format for this report has been changed following feedback from Councillors.

This month also sees the addition of resolutions completed in the period since the last Ordinary Council Meeting, following feedback from Councillors.

Governance and Risk intends to present the Resolutions Register in a report to each month's Ordinary Council Meeting.

FINANCIAL IMPLICATIONS

Nil

STATUTORY AND POLICY IMPLICATIONS

Nil

CONSULTATION

Nil

External Consultation

Nil

Internal Consultation

- Executive Management.
- Senior Management.



Resolution Register

(Outstanding)

Criteria
Directorate(s):
Meeting(s):
Officer(s):
Date From:
Date To:

Council

Printed: 12 October 2022 11:54 AM

No.	Start Date	Minute	Report Title	Resolution	Responsible Officer	Original Target Date	Revised Target Date	Current Status
1	01/11/2017	464/2014	Heavy Vehicle Parking	That Council is presented with additional updates to the Narrabri Shire Cemetery Plan of Management by December 2015 to accommodate use of new sections at the Narrabri Lawn Cemetery, once design is completed and approved, and use of the Pilliga Columbarium Wall which is currently under construction.	Director Planning and Sustainability	15/11/2017	30/09/2022	17 Aug 2022 – 10:43 AM – Manager Governance and Risk Revised Target Date changed by: Manager Governance and Risk From: 23 Aug 2022 To: 30 Sep 2022 Reason: To be reviewed at Policy Review
2	01/11/2017	307/2015	Cemetery Management Plan	 MINUTE 464/2014 Council receive and note the report regarding heavy vehicle parking issues. Council's Director of Planning and Development submit a draft 'Parking Strategy and Enforcement Policy' to a future Meeting of Council for consideration. 	Manager Parks and Open Spaces	15/11/2017	31/12/2022	10 Aug 2022 - 2:58 PM - Director Infrastructure Delivery Revised Target Date changed by: Director Infrastructure Delivery From: 31 Jul 2022 To: 31 Dec 2022 Reason: Waiting on finalisation of Eulah Creek Cemetery Plan prior to reporting on the Cemetery Management Plan to Council as it would need to include the final plan for this cemetery.
3	25/09/2018	224/2018	Acquisition of Land for Expansion for Narrabri Landfill	 MINUTE 224/2018 Commence action by negotiation or compulsory acquisition to acquire a 15-metre wide strip of land having a total area of approximately one (1) hectare adjoining the Narrabri Landfill site, being part of Lot 153 in DP588798. Authorise the General Manager to negotiate a sale price in accordance with advice from an independent Certified Practising Valuer, and meet all reasonable survey and legal costs associated with this acquisition. Make all necessary arrangements to: Classify the land as operational land in accordance with section 31 of the Local Government Act 1993. Apply its Common Seal to any necessary documents relating to the acquisition. 	Manager Property Services	09/10/2018	01/06/2023	15 Aug 2022 - 11:04 AM - Manager Property Services Revised Target Date changed by: Manager Property Services From: 30 Sep 2022 To: 01 Jun 2023 Reason: Investigations are on going.
4	30/10/2018	240/2018	Road Network Condition Assessment	MINUTE 240/2018 That Council note the condition and assessment report with no changes to the existing proposed road services 2018/2019 budgets. That Council undertaken community consultation to determine the levels of services and risk that are acceptable to road users within Narrabri Shire.	Manager Road Services	13/11/2018	30/06/2023	17 May 2022 – 3:39 PM – Director Infrastructure Delivery Next condition Assessment budgeted for FY23 in line with the four year cycle. Community consultation to be completed in FY23 as part of further development of Roads Strategy.

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Resolution Register

(Outstanding)

Criteria
Directorate(s):
Meeting(s):
Officer(s):
Date From:
Date To:

Council

Printed: 12 October 2022 11:54 AM

No.	Start Date	Minute	Report Title	Resolution	Responsible Officer	Original Target Date	Revised Target Date	Current Status
5	26/02/2019	025/2019	Single Property – Amendment to Local Government Boundary	That Council: 1. Support the proposed boundary change. 2. Seek a Council resolution from Moree Plains Shire Council that also supports the boundary change. 3. Authorise making a joint proposal to the Minister for Local Government and His Excellency the Governor of New South Wales. 4. Request a provision for the payment of any outstanding rates and charges to be included in a proclamation to affect the boundary change.	Governance Coordinator	12/03/2019	30/09/2022	20 Jul 2022 – 7:45 AM – Governance Coordinator Revised Target Date changed by: Governance Coordinator From: 31 Jul 2022 To: 30 Sep 2022 Reason: Outcome awaiting decision from the NSW Office of Local Government and the Minister for Local Government. No further action required by Narrabri Shire Council or Moree Plains Shire Council at this stage.
6	23/02/2021	038/2021	Provision Of New Doctors Residence in Boggabri	 MINUTE 038/2021 That Council provide a suitable prefabricated home on vacant Council land at 37 Dalton Street Boggabri, at an estimated cost of \$274,800. That the provision of the home be funded from the Maules Creek Coal Voluntary Planning Agreement (VPA) for Boggabri Community projects. That Council upon the successful completion of the new residence, place 29 Laidlaw St, Boggabri for sale with an authorised real estate agent in its current condition; any profits from sale are to be placed into a reserve for Community Projects within Boggabri. That rental income received from 37 Dalton Street, Boggabri be placed into a reserve (restricted) for maintenance and upkeep of the 37 Dalton Street Boggabri. That Council approve the use of the Council Seal for all relevant documents to enact this resolution. 	Manager Property Services	09/03/2021	01/07/2023	15 Aug 2022 - 11:03 AM - Manager Property Services Revised Target Date changed by: Manager Property Services From: 28 Feb 2023 To: 01 Jul 2023 Reason: Quotes currently being sourced.
7	27/07/2021	120/2021	Notice of Motion – Doctors Creek land erosion issue	That Council seeks an urgent meeting of all appropriate NSW Government authorities regarding the significant erosion immediately downstream of the Doctors Creek bridge from the February 2020 rain event. With the intent that the outcome of the meeting map the way forward in dealing with the erosion issues.	Director Infrastructure Delivery	26/08/2021	31/08/2022	17 May 2022 – 3:46 PM – Director Infrastructure Delivery Report to be prepared for Council detailing Formal discussions with Crown

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Resolution Register

(Outstanding)

Criteria
Directorate(s):
Meeting(s):
Officer(s):
Date From:
Date To:

Council

Printed: 12 October 2022 11:54 AM

No.	Start Date	Minute	Report Title	Resolution	Responsible Officer	Original Target Date	Revised Target Date	Current Status
				 That Council requests that the previous report from Doctors Creek bank erosion be examined in conjunction with the proposed solution to the erosion issues. 				
8	27/07/2021	131/2021	Notice of Motion – Rural Banking Options (Wee Waa)	1. That Council notes that: a. Bank branch and ATM closures are leaving many communities without access to financial services, especially in regional Australia. b. Since 1975 the number of bank branches in regional Australia has fallen by more than 60 per cent, and there are more than 1,500 communities across Australia with no bank branches at all. c. A large proportion of the population, including the elderly, disabled, small businesses and local schools and charities, will always have a need for face-to-face financial services despite advances in technology. d. For hundreds of communities, their only access to ash and financial services is through Bank@Post at their community Post Office. e. Bank@Post is an essential service to all communities, but is vulnerable to commercial decision-making by the banks, which can choose to withdraw their participation. 2. That Council calls on the Commonwealth Parliament to pass the Commonwealth Postal Savings Bank Bill to establish a post office people's bank, fully guaranteed by the Commonwealth, as a dedicated postal savings bank, operating exclusively through Australia Post's corporate and licensed post offices, which will ensure basic banking services—including deposit-taking, business and personal lending, and access to cash—are available to all Australians, and will contribute to Australia's national economic development. 3. That Council write to the Local State and Federal Members of Parliament, to inform them of Councils desire to support the passage of the Commonwealth Postal Savings Bank Bill through Parliament.	Manager Governance and Risk	26/08/2021	18/10/2022	12 Oct 2022 – 10:22 AM – Manager Governance and Risk Revised Target Date changed by: Manager Governance and Risk From: 27 Sep 2022 To: 18 Oct 2022 Reason: Report to Oct Meeting for action

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Resolution Register

(Outstanding)

Criteria
Directorate(s):
Meeting(s):
Officer(s):
Date From:
Date To:

Council

Printed: 12 October 2022 11:54 AM

No.	Start Date	Minute	Report Title	Resolution	Responsible Officer	Original Target Date	Revised Target Date	Current Status
9	15/02/2022	014/2022	Notice of Motion – Use of iPad Technology by Councillors	THAT (i) That the General Manager provide a report to the 22 nd March 2022 Ordinary meeting detailing the following:- the details of how emails and other Council documents are auto-archived for the purposes of complying with any legal requirements and details of all relevant legislation and other responsibilities that are relevant to this. Also, that offsite backup and protection from tampering be detailed in the report. (ii) That the General Manager present a report outlining a new or existing Policy for approval or modification on proposed protocols that would need to be observed to allow access to auto-archived material. This should include penalties for access outside of the finalised policy. (iii) That the General Manager provide a report to each Ordinary Meeting of Council detailing the number of accesses to auto-archived material that have been undertaken, by whom and the reason for access, ensuring process that excludes any detail in reports that could identify an individual.	Manager Governance and Risk	17/03/2022		15 Aug 2022 - 12:12 PM - Manager Governance and Risk Revised Target Date changed by: Manager Governance and Risk From: 1 Sep 2022 To: 27 Sep 2022 Reason: Ongoing reporting of access.
10	22/03/2022	062/2022	Notice of Motion – Urgent Works on Melburra Road (Off Killarney Gap Road)	1. That the General Manager provide a report to the appropriate budget briefing of council on: (a) what work has been undertaken on Melburra Rd the last three (3) years and the cost; (b) the result of General Manager, or delegate, meeting on site with interested Councillors and the Melburra Road Users Group to discuss options such as concreting the culverts, fencing, regular grading etc., to ensure they have a reliable and safe road to use; (c) as a result of (b) what works are proposed to rectify the problems, the cost and source of funds.	Manager Road Services	21/04/2022	31/10/2022	10 Aug 2022 - 3:03 PM - Director Infrastructure Delivery Revised Target Date changed by: Director Infrastructure Delivery From: 26 Jul 2022 To: 31 Oct 2022 Reason: Information provided to Council further engagement to be completed with key stakeholders
11	22/03/2022	064/2022	Notice of Motion – Narrabri West Railway Museum	MINUTE 064/2022 1. That the General Manager submit a report to a future meeting of Council on the history of attempts to have the Narrabri West Railway Museum being established in the	Manager Tourism and Cultural Services	21/04/2022	01/10/2022	9 Sep 2022 - 10:41 AM - Manager Tourism and Cultural Services Revised Target Date changed by: Manager Tourism and Cultural Services From: 1 Jul 2022 To: 01 Oct 2022 Reason: Difficulty in researching project

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Resolution Register

(Outstanding)

Criteria
Directorate(s):
Meeting(s):
Officer(s):
Date From:
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Council

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•	No.	Start Date	Minute	Report Title	Resolution	Responsible Officer	Original Target Date	Revised Target Date	Current Status
					old Narrabri West Water Tower, information on any possible grant sources to complete the Museum, if any existing funding sources are in reserves or trust or any details on entities that may have been involved in the past.				
	12	22/03/2022	070/2022	Council Committees	MINUTE 070/2022 1. That Council hold a workshop to consider the formation of Council standing committees.	Manager Governance and Risk	21/04/2022	06/12/2022	12 Oct 2022 - 10:22 AM - Manager Governance and Risk Revised Target Date changed by: Manager Governance and Risk From: 25 Oct 2022 To: 06 Dec 2022 Reason: To be held at December Briefing. Unfortunately policy review and rescheduling Oct briefing necessitated move. GOVRISK is very keen to resolve this.
	13	26/04/2022	111/2022	Deferral of workshop on Council Standing Committees	MINUTE 111/2022 1. That Council defer the workshop to discuss Council Standing Committees within three (3) months.	Manager Governance and Risk	26/05/2022	06/12/2022	12 Oct 2022 - 10:22 AM - Manager Governance and Risk Revised Target Date changed by: Manager Governance and Risk From: 25 Oct 2022 To: 06 Dec 2022 Reason: To be held at December Briefing. Unfortunately policy review and rescheduling Oct briefing necessitated move. GOVRISK is very keen to resolve this.
	14	26/04/2022		Narrabri Underground Voluntary Planning Agreement (VPA) Update	MINUTE CO-001/2022 That Council accept the \$2.603 million Voluntary Planning Agreement offer from Whitehaven Coal dated 27 January 2022, as negotiated for the Narrabri Underground mine and this motion remain confidential until such time as the matter is concluded.	Manager Planning and Development	26/05/2022	30/11/2022	6 Oct 2022 - 11:58 AM - Manager Planning and Development Revised Target Date changed by: Manager Planning and Development From: 30 Sep 2022 To: 30 Nov 2022 Reason: waiting explanatory note and review from LTL
	15	28/06/2022	172/2022	Crown Lands – Boston Street Bridge Licence	1. That Council make representations to the Minister and to LGNSW as follows: a. Request the Minister to use the powers under section 12.15 of the Crown Land Management Act to waive the rent for the Boston Street bridge and to establish, as a principle, that where local government provides a non-commercial facility on Crown land for the sole purpose of a public benefit that rent be waived or alternatively a nominal rent be payable in perpetuity on demand; and b. Request LGNSW, on behalf of local government, to support Council's representations to the Minister.	Manager Property Services	28/07/2022	01/12/2022	15 Aug 2022 – 11:00 AM – Manager Property Services Revised Target Date changed by: Manager Property Services From: 31 Aug 2022 To: 01 Dec 2022 Reason: Still awaiting a response from Crown / Minister

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Resolution Register

(Outstanding)

Criteria
Directorate(s):
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Printed: 12 October 2022 11:54 AM

No.	Start Date	Minute	Report Title	Resolution	Responsible Officer	Original Target Date	Revised Target Date	Current Status
16	28/06/2022	CO- 200/2022	Shannon Estate – Sale of residential land	1. That Council adopt the Assessed Market Value as outlined in the attached confidential valuations as the minimum sale price for each remaining lot within Shannon Estate. 2. That Council delegate authority to the General Manager and Mayor to accept offers for the purchase of the land at a price at or above the minimum sale price for each remaining lot and execute relevant documentation to complete the sale with Council's seal to be attached if required.	Manager Property Services	28/07/2022	The second secon	15 Aug 2022 – 9:34 AM – Manager Property Services Revised Target Date changed by: Manager Property Services From: 28 Jul 2022 To: 01 Dec 2022 Reason: All remaining lots are under contract and are set to settle by Christmas
17	26/07/2022	222/2022	Economic Development Activities Update - June 2022	 That Council receive and note the Economic Development Section activities update highlighted in this report. That Council is the lead economic development entity in the Narrabri Shire and therefore should apply for a grant from the Regional NSW Business Case and Strategy Development Fund. That Council acknowledge that the Special Activation Precinct investigations and the Northern NSW Inland Port are once in lifetime opportunities for the Narrabri Shire and therefore incorporate the inclusion of a dedicated Council officer to assist with these projects into the grant application. That Council incorporate the development of a shopfront located in the Narrabri Central Business District into the grant application. 	Manager Economic Development	25/08/2022	25/09/2022	15 Aug 2022 - 9:27 AM - Manager Economic Development Revised Target Date changed by: Manager Economic Development From: 25 Aug 2022 To: 25 Sep 2022 Reason: Grant application preparation is in process in line with the terms of the Council resolution.
18	26/07/2022	226/2022	2022 Local Government NSW (LGNSW) Annual Conference	MINUTE 226/2022 1. That Council: (a) Receive and note the Report; (b) Authorise the Mayor and Deputy Mayor to nominate as Voting Delegates; (c) Authorise the attendance of the General Manager; (d) Nominate Cr Dickinson, Cr Lamont, Cr Richardson and Cr Tiemens to attend the Conference; and	Executive Assistant	25/08/2022	20/10/2022	16 Aug 2022 - 12:49 PM - Manager Governance and Risk Revised Target Date changed by: Manager Governance and Risk From: 25 Aug 2022 To: 20 Oct 2022 Reason: Delegates selected. Event to happen in Oct.

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				(e) Workshop any motions to be made to the Conference, at the Councillor Briefing in August 2022.				
19	26/07/2022	238/2022	Accounting Treatment of Rural Fire Service Assets (Red Fleet)	MINUTE 238/2022 1. That Council writes to the local State Member Roy Butler MP, the Treasurer the Hon Matt Kean MP, Minister for Emergency Services and Resilience the Hon Stephanie Cook MP and the Minister for Local Government Wendy Tuckerman MP: (a) Expressing Council's objection to the NSW Government's determination on ownership of Rural Fire Service assets; (b) Advising of the impact of the Government's position on Council finances of this accounting treatment; (c) Informing that Council will not record RFS assets in Narrabri Shire Council's financial statements; (d) Calling on the NSW Government to take immediate action to permanently clear up inequities and inconsistencies around the accounting treatment of Rural Fire Service (RFS) assets by acknowledging that rural firefighting equipment is vested in, under the control of and the property of the RFS; and (e) Amending s119 of the Rural Fires Act 1997 so that the effect is to make it clear that RFS assets are not the property of councils. 2. That Council writes to the Shadow Treasurer Daniel Mookhey MLC, the Shadow Minister for Emergency Services Jihad Dib MP, the Shadow Minister for Local Government Greg Warren MP, the Greens Spokesperson for Local Government Jamie Parker MP and the leaders of the Shooters, Fishers and Farmers, Animal Justice and One Nation parties Robert Borsak MLC, Emma Hurst MLC and Mark Latham MLC: (a) Advising Members of Narrabri Shire Council's position, including providing copies of correspondence to NSW Government Ministers; and (b) Seeking Members' commitments to support NSW Councils' call to amend the Rural Fires Act 1997 as set out in correspondence.	Director Corporate and Commercial Services	25/08/2022	25/08/2022	10 Aug 2022 – 3:40 PM – Acting Manager Finance Action reassigned to Director Corporate and Commercial Services by: Acting Manager Finance for the reason: Advocacy letter best to come from senior staff
				 That Narrabri Shire Council writes to the Auditor General advising that notwithstanding any overtures of future 				

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				qualified audits, it will not record RFS assets in Narrabri Shire Council's financial statements, noting that the State Government's own Local Government Accounting Code of Practice and Financial Reporting provides for councils to determine whether or not they record the RFS assets as council assets. 4. That Council promotes these messages via its digital and social media channels and via its networks. 5. That Council re-affirms its complete support of and commitment to local RFS brigades noting that Narrabri Shire Council's action is entirely directed towards the NSW Government's nonsensical position that rather than being owned and controlled by local brigades, RFS assets are somehow controlled by councils, which councils consider to be a cynical financial sleight of hand abdicating the NSW Government's responsibilities at the cost of local communities. 6. That Narrabri Shire Council affirms its support to Local Government NSW (LGNSW) and requests LGNSW continue advocating on Council's behalf to get clarification finally from the State Government about the accounting treatment of RFS assets.				
20	26/07/2022	<u>CO-</u> 242/2022	EOI - Boggabri Bowling Club	MINUTE CO-242/2022 1. That Council approve the transfer of goods as listed here within.	Manager Property Services	25/08/2022	31/10/2022	15 Aug 2022 - 9:27 AM - Manager Property Services Revised Target Date changed by: Manager Property Services From: 25 Aug 2022 To: 31 Oct 2022 Reason: Successful applicants have been notified. Removal items to take place in September.
21	26/07/2022		Narrabri and District Chamber of Commerce - 2022 Business Awards Sponsorship Proposal - Additional Supporting Information	1. That Council grants \$2,500 for the Narrabri and District Chamber of Commerce 2022 Business Awards Event, as a one off contribution in recognition of recent hardships in the community. 2. That Council develops and adopts a general Community Sponsorship Policy.	Manager Economic Development	25/08/2022	25/10/2022	21 Sep 2022 - 3:36 PM - Governance Coordinator Revised Target Date changed by: Governance Coordinator From: 30 Sep 2022 To: 25 Oct 2022 Reason: Policy to be brought to the October 2022 OCM.
22	26/07/2022	CO- 247/2022	Quarry Development Applications	MINUTE CO-247/2022 1. That Council receive and note Quarry Development Applications, further to that: (a) Endorse the staged submission of Quarry Development Applications; and	Director Infrastructure Delivery	25/08/2022	25/08/2022	17 Aug 2022 - 10:42 AM - Manager Governance and Risk Action reassigned to Director Infrastructure Delivery by: Manager Governance and Risk for the reason: Reassigned to correct Directorate for action.

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				(b) Endorse the development of a Stakeholder Engagement Strategy.				
23	23/08/2022	252/2022	Mayoral Minute – Resources for Region Grant Projects	1. That the General Manager prepare all documents required for the following projects to be funded from the Resources for Regions Round 9: a. Narrabri Sports Precinct feasibility study; b. Dripping Rock feasibility study; c. Wee Waa Arts Centre Program; d. Disability Inclusion and Accessibility Program; e. Wee Waa Community and Business Hub; f. Narrabri Intersection upgrade Kaputar and Old Gunnedah Road; g. Yarrie Lake Circuit Road upgrade and seal; h. Dangar Park embellishments; and i. Splash Parks for the Communities of Wee Waa, Boggabri and Narrabri.	Director Planning and Sustainability	22/09/2022	22/09/2022	31 Aug 2022 - 4:52 PM - Governance Coordinator Action reassigned to Director Planning and Strategy by Governance Coordinator for the reason: Action as required.
24	23/08/2022	261/2022	Sporting Wall of Fame- Assessment Panel	MINUTE 261/2022 1. That Council appoints Councillor Redding to the Sporting Wall of Fame Assessment Panel in accordance with Section 4(i) of the Sporting Wall of Fame Policy.	Director Planning and Sustainability	22/09/2022	22/09/2022	
25	23/08/2022	275/2022	Narrabri Sewerage Scheme and Sewerage Treatment Plant Improvements	MINUTE 275/2022 1. That Council: a. Receive and note Narrabri Sewerage Scheme and Sewerage Treatment Plant Improvements Planning report. b. Endorse the development of an Improvement Plan.	Manager Water Services	22/09/2022	22/09/2022	31 Aug 2022 - 6:32 PM - Governance Coordinator Action reassigned to Manager Water Services by: Governance Coordinator for the reason: Please action as required.
26	23/08/2022	278/2022	Reconciliation Action Plan	MINUTE 278/2022 1. That Council note the progress on the Innovate Reconciliation Action Plan 2023–2025. 2. That Council nominate Councillor Clements as delegate and Councillor Boehm as alternate delegate to the	Director Planning and Sustainability	22/09/2022	22/09/2022	

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				proposed Reconciliation Action Plan Advisory Committee. 3. That a further report be submitted on draft Terms of Reference and formal establishment of a Reconciliation Action Plan Advisory Committee.				
27	23/08/2022	CO- 282/2022	Road Opening and Closure at 3206 Killarney Gap Road Narrabri	1. That Council; a. approve the proposed land swap with the landowner noted within this report. b. completes the required Council Road Closure Process under Part 4 Division 3 of the Roads Act 1993 (NSW). c. completes the required Council Road Opening Process under Part 2 Division 1 of the Roads Act 1993 (NSW). d. prepares a Plan of First Title Creation and takes all steps required to complete registration by the Land Registry Services NSW. e. authorise the General Manager to sign all relevant documents required to effect the road opening and closure and land swap.	Manager Property Services	22/09/2022	22/09/2022	31 Aug 2022 – 6:34 PM – Governance Coordinator Action reassigned to Manager Property Services by: Governance Coordinator for the reason: Please action as required.
28	27/09/2022	293/2022	Notice of Motion – Roads	1. That NSC investigate and report on the following; a. Road repair and construction workforce adequacy. b. Adequacy of current plant and equipment to the capacity to repair and maintain our roads. c. Adequacy of current arrangements with external contractors as far a support for the repair and maintenance of NSC roads. d. A full list of culverts in need of repair or upgrade to concrete base. e. The current state of all negotiations with state disaster recovery funding processes. f. Funds held currently for road repair. 2. That Council fully supports and recognises the efforts of staff in this area.	Director Infrastructure Delivery	27/10/2022	27/10/2022	6 Oct 2022 - 11:50 AM - Governance Coordinator Action reassigned to Director Infrastructure Delivery by: Governance Coordinator for the reason: Please action as required.

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29	27/09/2022	294/2022	Notice of Motion – Special Activation Precinct	 That Council reaffirms its support for the Special Activation Precinct (SAP) project and undertakes to continue working closely with experts across federal, state and local government as well as the private sector, to ensure that Narrabri Shire residents are the beneficiaries of the planned future growth in our Shire. That Council resolves to wholeheartedly thank both the federal and state governments, on behalf of the Narrabri Shire Community, for their commitment to our Shire during the early phases of the SAP development. That Council welcomes ongoing engagement and consultation in relation to the SAP. That Council note the excellent group of work done to date, including the recent Enquiry by Design exercise, and looks forward to working with the experts to ensure that we achieve the best outcomes for our Shire. 	Director Planning and Sustainability	27/10/2022	27/10/2022	6 Oct 2022 - 11:50 AM - Governance Coordinator Action reassigned to Director Planning and Sustainability by: Governance Coordinator for the reason: Please action as required.
30	27/09/2022		Donations in Lieu of Ordinary Rates 2022/2023 – Supplementary	Minute 002/2022 1. That Council authorise the amount totalling \$4,643.04 to be donated to Boggabri Home for the Aged Incorporated in this report in accordance with the Donations in Lieu of Ordinary Rates Policy and section 356 of the Local Government Act 1993.	Acting Manager Finance	27/10/2022	27/10/2022	6 Oct 2022 - 11:52 AM - Governance Coordinator Action reassigned to Acting Manager Finance by: Governance Coordinator for the reason: Please action as required.
31	27/09/2022	299/2022	Investment Report - August 2022	MINUTE 299/2022 Moved: Cr Rohan Boehm Seconded: Cr John Clements 1. That Council note the Investment Report for August 2022.	Acting Manager Finance	27/10/2022	27/10/2022	6 Oct 2022 - 11:53 AM - Governance Coordinator Action reassigned to Acting Manager Finance by: Governance Coordinator for the reason: Please action as required.
32	27/09/2022	300/2022	Infrastructure Delivery Status Report – September 2022	MINUTE 300/2022 1. That Council receive and note the Infrastructure Delivery Status Report – September 2022.	Director Infrastructure Delivery	27/10/2022	27/10/2022	
33	27/09/2022	309/2022	Membership requirements for Audit, Risk and Improvement Committees	1. That Council note the membership requirements for audit, risk and improvement committees as outlined by the Office of Local Government via Circular 22–21 and its attachment as attached to this report.	Risk Coordinator	27/10/2022	27/10/2022	6 Oct 2022 - 11:57 AM - Governance Coordinator Action reassigned to Risk Coordinator by: Governance Coordinator for the reason: Please action as required.

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34	27/09/2022	314/2022	Council Library Delegate to attend NSW public library conference	MINUTE 314/2022 1. That Council: (a) Receive and note the Report. (b) Authorise the attendance of Cr Catherine Redding at the NSW Public Libraries Association (NSWPLA) 2022 SWITCH Conference.	Personal Assistant	27/10/2022	27/10/2022	6 Oct 2022 – 12:00 PM – Governance Coordinator Action reassigned to Personal Assistant by: Governance Coordinator for the reason: Please action as required (bookings for flights and accommodation if required).
35	27/09/2022	322/2022	Proposed Leases to Namoi Aero Club	 MINUTE 316/2022 That Council enter into a lease agreement with Namoi Aero Club for Three (3) x Five (5) year sequential leases for Lot 535 DP813537 and part Lot 2 DP1218270, as identified in Attachment 1. That Council enter into a lease agreement with Namoi Aero Club for Three (3) x Five (5) year sequential leases for Lot 532 DP800635, as identified in Attachment 2. That Council delegate authority to the General Manager to enter into the lease agreements and execute relevant documentation. 	Manager Property Services	27/10/2022	27/10/2022	6 Oct 2022 – 12:01 PM – Governance Coordinator Action reassigned to Manager Property Services by: Governance Coordinator for the reason: Please action as required.
36	27/09/2022	318/2022	Writing off Debts to Council	MINUTE 318/2022 1. That Council write off the following debtor accounts due to them being assessed as either uncollectable or uneconomical to pursue: Account Reference Amount 100233 \$6,807.00 100734 \$5,488.56 TOTAL \$12,295.56	Acting Manager Finance	11/10/2022	11/10/2022	6 Oct 2022 - 12:02 PM - Governance Coordinator Action reassigned to Acting Manager Finance by: Governance Coordinator for the reason: Please action as required.

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1	26/07/2022	217/2022	Delegate Report – Vickery Coal Mine Community Consultative Committee	MINUTE 217/2022 1. That Council note Councillor Redding's Delegate Report on the Vickery Coal Mine Community Consultative Committee meeting held on 11 May 2022.	Executive Assistant	25/08/2022	25/08/2022	21 Sep 2022 - 3:27 PM - Executive Assistant Action completed by: Governance Coordinator No action required.
2	26/07/2022	225/2022	Country Mayor's Association (CMA) - Regional and Rural Skills Forum - 4 August 2022	1. That Council receive and note the report. 2. That Council authorise the attendance of the Deputy Mayor to the Regional and Rural Skills Forum. 3. That the General Manger appoint a staff delegate(s) to attend the Regional and Rural Skills Forum and report back to Council on the Forum.	Executive Assistant	25/08/2022	23/08/2022	21 Sep 2022 - 3:28 PM - Executive Assistant Action completed by: Governance Coordinator Report tabled at August 2022 OCM.
10	23/08/2022	254/2022	Log of Auto- Archive Access	MINUTE 254/2022 1. That Council note the Log of Auto-Archive report.	Manager Governance and Risk	22/09/2022	22/09/2022	31 Aug 2022 - 4:52 PM - Governance Coordinator Action completed by: Governance Coordinator No action required.
4	23/08/2022	255/2022	Delegate Report – Central Northern Regional Library (CNRL) Minutes and Agenda for Annual General Meeting and Ordinary Meeting – 16 March 2022	MINUTE 255/2022 1. That Council note the Delegate Report on the Central Northern Regional Library (CNRL) Annual General Meeting and Ordinary Meeting held on 16 March 2022.	Director Planning and Sustainability	22/09/2022	22/09/2022	21 Sep 2022 - 3:39 PM - Director Planning and Sustainability Action completed by: Governance Coordinator No action required.
5	23/08/2022	256/2022	Delegate Report – NSW Public Libraries Association North East Full Zone Meeting – 12 May 2022	MINUTE 256/2022 1. That Council note the Delegate Report on the NSW Public Libraries Association North East Full Zone Meeting held on 12 May 2022.	Director Planning and Sustainability	22/09/2022	22/09/2022	21 Sep 2022 - 3:39 PM - Director Planning and Sustainability Action completed by: Governance Coordinator No action required.
6	23/08/2022	259/2022	Country Mayors Association of NSW Rural Skills Forum Minutes – Thursday 4 August 2022	MINUTE 259/2022 1. That Council note the Delegate Report on the Country Mayors Association of NSW Rural Skills Forum held on 4 August 2022.	Executive Assistant	22/09/2022	22/09/2022	21 Sep 2022 - 3:40 PM - Executive Assistant Action completed by: Governance Coordinator No action required.

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7	23/08/2022	262/2022	Resolutions Register – July to August 2022	MINUTE 262/2022 That Council receive and note the outstanding Resolutions Register as at 17 August 2022. That Council receive and note the completed Resolutions Register as at 17 August 2022.	Manager Governance and Risk		22/09/2022	21 Sep 2022 - 3:42 PM - Manager Governance and Risk Action completed by: Governance Coordinator No action required.
8	27/09/2022	292/2022	Mayoral Minute – Mayoral Appointments for August/September 2022	MINUTE 292/2022 1. That Council note the Mayoral appointments for the period 18 August 2022 to 19 September 2022.	Executive Assistant	27/10/2022	27/10/2022	6 Oct 2022 – 11:48 AM – Executive Assistant Action completed by: Governance Coordinator No further action required.
9	27/09/2022	297/2022	Creation of the Office of Deputy Mayor	MINUTE 297/2022 1. That Council elect the Deputy Mayor by way of open voting, if more than one (1) nomination for Deputy Mayor is received.	Director Corporate and Commercial Services	27/10/2022	27/10/2022	6 Oct 2022 – 11:51 AM – Director Corporate and Commercial Services Action completed by: Governance Coordinator Office of Deputy Mayor created. No further action required.
10	27/09/2022	298/2022	Annual Appointment of Council Delegates	 MINUTE 298/2022 That Council reappoints current committee delegates for up until the Ordinary Council Meeting to be held in September 2023. That Cr Darrell Tiemens be appointed delegate to the North West Weeds Committee and that Cr Rohan Boehm be appointed alternate delegate. 	Director Corporate and Commercial Services	27/10/2022	27/10/2022	6 Oct 2022 – 11:52 AM – Director Corporate and Commercial Services Action completed by: Governance Coordinator Delegates re–appointed. Delegate lists updated.
11	27/09/2022	301/2022	Planning and Development Services Report – August 2022	MINUTE 301/2022 1. That Council receive and note the Planning and Development Services report for the month of August 2022.	Manager Planning and Development	27/10/2022	27/10/2022	6 Oct 2022 - 11:57 AM - Manager Planning and Development Action completed by: Manager Planning and Development Report received and noted with no further requests for information. NFAR
12	27/09/2022	302/2022	Resolutions Register – August to September 2022	 MINUTE 302/2022 That Council receive and note the outstanding Resolutions Register as at 19 September 2022. That Council receive and note the completed Resolutions Register as at 19 September 2022. 	Director Corporate and Commercial Services	27/10/2022	27/10/2022	6 Oct 2022 – 11:54 AM – Director Corporate and Commercial Services Action completed by: Governance Coordinator No further action required.
13	27/09/2022	303/2022	Log of Auto- Archive access	MINUTE 303/2022 1. That Council note the Log of Auto-Archive report.	Director Corporate and Commercial Services	27/10/2022	27/10/2022	6 Oct 2022 – 11:54 AM – Director Corporate and Commercial Services Action completed by: Governance Coordinator No further action required.

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14	27/09/2022	304/2022	Delegations Policy - For Adoption	MINUTE 304/2022 1. That Council adopt the Delegations Policy as attached to this report.	Governance Coordinator	27/10/2022	27/10/2022	12 Oct 2022 – 11:51 AM – Governance Coordinator Action completed by: Governance Coordinator Policy updated in Council's records management system and on website.
15	27/09/2022	305/2022	Recovery of Costs Orders in Litigation Policy - For Adoption	MINUTE 305/2022 1. That Council adopt the Recovery of Costs Orders in Litigation Policy as attached to this report.	Governance Coordinator	27/10/2022	27/10/2022	12 Oct 2022 – 11:51 AM – Governance Coordinator Action completed by: Governance Coordinator Policy updated in Council's records management system and on website.
16	27/09/2022	306/2022	Legislative Compliance Policy - For Adoption	MINUTE 306/2022 1. That Council adopt the Legislative Compliance Policy as attached to this report.	Governance Coordinator	27/10/2022	27/10/2022	12 Oct 2022 – 11:51 AM – Governance Coordinator Action completed by: Governance Coordinator Policy updated in Council's records management system and on website.
17	27/09/2022	307/2022	Payment of Expenses and Provision of Facilities to Councillors Policy – For Adoption	MINUTE 307/2022 1. That Council adopt the Payment of Expenses and Provision of Facilities to Councillors Policy as attached to this report.	Governance Coordinator	27/10/2022	27/10/2022	12 Oct 2022 – 11:51 AM – Governance Coordinator Action completed by: Governance Coordinator Policy updated in Council's records management system and on website.
18	27/09/2022	308/2022	Narrabri Shire Council Code of Meeting Practice 2022	MINUTE 308/2022 1. That Council adopt Narrabri Shire Council's Code of Meeting Practice 2022, as attached.	Governance Coordinator	27/10/2022	27/10/2022	12 Oct 2022 – 11:51 AM – Governance Coordinator Action completed by: Governance Coordinator Policy updated in Council's records management system and on website.
19	27/09/2022	310/2022	Membership – Mining and Energy Related Councils NSW Association	MINUTE 310/2022 1. That Council agrees to re-join the Mining and Energy Related Councils NSW Association.	General Manager	27/10/2022	27/10/2022	6 Oct 2022 – 11:58 AM – General Manager Action completed by: Governance Coordinator No further action required.
20	27/09/2022	315/2022	Draft Narrabri Floodplain Risk Management Study and Plan	MINUTE 315/2022 1. That Council endorse the Draft Narrabri Floodplain Risk Management Study and Plan for the purposes of public exhibition. 2. That Council place on public exhibition the Draft Narrabri Floodplain Risk Management Study and Plan for a period of at least 60 days and during the exhibition period call for and accept submissions from the public on the draft Plan.	Manager Planning and Development	27/10/2022	27/10/2022	6 Oct 2022 – 12:03 PM – Manager Planning and Development Action completed by: Manager Planning and Development Draft plan has been placed on Public exhibition for a period of 60 days 28/9- 28/11/2022, extensive community consultation sessions and an interactive website have been organised to enable community members to make any submissions. A further report detailing any submissions will be presented to Council once the exhibition period closes.
21	27/09/2022		Determination of Organisational Structure	MINUTE 322/2022 1. That Council determine the Organisation Structure to be as per the structure attached at Attachment 1; and	General Manager	27/10/2022	27/10/2022	6 Oct 2022 - 12:03 PM - General Manager Action completed by: Governance Coordinator Organisational Structure determined and adopted.

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					 That Council determine the following positions to be senior staff positions in accordance with section 332 of the Local Government Act 1993: (a) Director Infrastructure Delivery; (b) Director Corporate and Commercial Services; and (c) Director Planning and Sustainability. That this resolution will take effect at 11:59pm on 11 October 2022. 				

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12.3 LOG OF AUTO-ARCHIVE ACCESS

Responsible Officer: Andrew Brown, Director Corporate and Community Services

Author: Jason Townsend, Manager Governance and Risk

Attachments: Nil

DELIVERY PROGRAM ALIGNMENT

4 Leadership

Objective 4.4 Our strategic goals will be achieved through transparent and accountable planning

and reporting

Strategy 4.4.2 Ensure effective and sound local governance practice

EXECUTIVE SUMMARY

At the 15 February 2022 Extraordinary Council Meeting a resolution was passed to receive a monthly report detailing the number of accesses to auto-archived material that have been undertaken, by whom and the reason for access, ensuring that the process excludes any detail in reports that could identify an individual.

RECOMMENDATION

1. That Council note the Log of Auto-Archive report.

BACKGROUND

Council requested at the 15 February 2022 Extraordinary Meeting that the following report be prepared for each Ordinary Meeting of Council.

9.2 Notice of Motion - Use of iPad Technology by Councillors

Minute 014/2022

Moved: Cr Rohan Boehm Seconded: Cr John Clements

That

(iii) That the General Manager provide a report to each Ordinary Meeting of Council detailing the number of accesses to auto-archived material that have been undertaken, by whom and the reason for access, ensuring process that excludes any detail in reports that could identify an individual.

CURRENT SITUATION

For the period 27 September to 12 October 2022 the auto archive email system was not accessed by staff.

The only person with access to the auto archives email system is the Acting IT Coordinator.

FINANCIAL IMPLICATIONS

Nil.

STATUTORY AND POLICY IMPLICATIONS

Nil.

CONSULTATION

External Consultation

Nil.

Internal Consultation

Nil.

12.4 APPOINTMENT OF COUNCILLOR DELEGATES TO THE RFS SERVICE LEVEL COMMITTEE

Responsible Officer: Andrew Brown, Director Corporate and Community Services

Author: Alice Gemmell-Smith, Governance Coordinator

Attachments: Nil

DELIVERY PROGRAM ALIGNMENT

4 Civic Leadership - Council as strong leaders for the Community

Objective 4.2 A strong Council that advocates for the Community

Strategy 4.2.2 Work cooperatively and appropriately with external parties to advocate for the

community's best interests

EXECUTIVE SUMMARY

In July 2010, Council and the NSW Rural Fire Service (RFS) entered into a Service Level Agreement (SLA) outlining the roles and responsibilities of both organisations.

As part of the agreement, Council must appoint two Councillor Delegates to participate in the RFS Service Level Agreement Liaison Committee.

RECOMMENDATION

1. That Council appoint two (2) Councillors to the RFS Service Level Agreement Liaison Committee.

BACKGROUND

In July 2010, Council and the NSW Rural Fire Service (RFS) entered into a Service Level Agreement outlining the roles and responsibilities of both organisations. As part of the agreement, the two organisations are required to meet as part of a SLA Committee.

The SLA Committee consists of senior members of the RFS, two councillors and a delegate of the General Manager.

The next SLA Committee meeting is scheduled for 10:30am 24 October 2022.

CURRENT SITUATION

Council has not formally appointed any delegates to the Committee and is required to do so.

FINANCIAL IMPLICATIONS

Travel expenses for Councillors, as per the adopted Payment of Expenses and Provision of Facilities for the Mayor and Councillors Policy

STATUTORY AND POLICY IMPLICATIONS

Local Government Act 1993 (NSW).

Rural Fires Act 1997 (NSW).

CONSULTATION

External Consultation

• NSW Rural Fire Service.

Internal Consultation

• Executive Leadership.

12.5 2022 STATECOVER WHS SELF-AUDIT REPORT

Responsible Officer: Andrew Brown, Director Corporate and Community Services

Author: Maree Bales, Risk Coordinator

Attachments: 2022 StateCover WHS Self-Audit Report (under separate cover) 1.



DELIVERY PROGRAM ALIGNMENT

4 Civic Leadership - Council as strong leaders for the Community

Objective 4.3 A resilient and sustainable Council

4.3.4 Provide a safe and healthy working environment Strategy

EXECUTIVE SUMMARY

StateCover facilitates an annual WHS self-audit to help Members reduce the number and severity of worker injuries and illnesses. The audit assists councils in the evaluation and monitoring of their WHS management system and management of key hazards and provides a comparison in performance to all councils, other councils in our region and our OLG group.

The 2022 StateCover WHS Self-Audit Report is attached for Council to note. This year has seen a notable improvement from 2021.

RECOMMENDATION

1. That Council note the '2022 StateCover WHS Self-Audit Report'.

BACKGROUND

StateCover facilitates an annual WHS self-audit to help Members reduce the number and severity of worker injuries and illnesses. The audit assists councils in the evaluation and monitoring of their WHS management system and management of key hazards and provides a comparison in performance to all councils, other councils in our region and our OLG group.

CURRENT SITUATION

The 2022 StateCover WHS Self-Audit Report is attached for Council to note. This year has seen a notable improvement from 2021.

The last 3 years of StateCover WHS Self-Audit results are provided below.

	2020	2021	2022
Overall WHS Performance	59.1%	59.6%	84.6%
Section 1 - WHS Management System	63.8%	63.8%	85.2%
Section 2 - Key Priority Areas	54.4%	55.4%	84.0%

The following graph compares Council's overall performance score to the previous year, all councils, our region, and our OLG group.

This shows that Council has performed better than the previous year, is above average when compared to other councils from our region, and above average when compared to other councils from our OLG group.

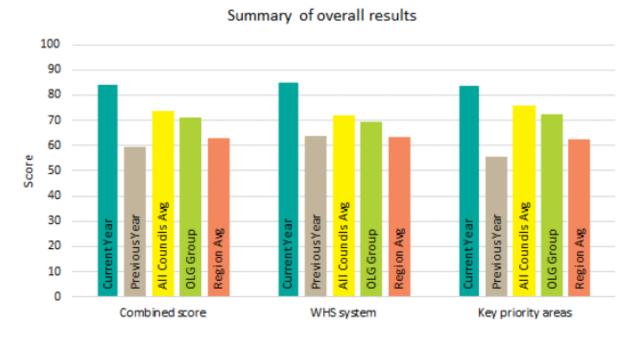


Image1 - Summary of overall results from the StateCover WHS Self-Audit Report 2022

These reports are one of many source reference documents that the WHS Strategy Group will use to assist with the development of Council's WHS Strategy.

The results from this audit are consistent with other metrics that Council uses to measure WHS performance, such as those contained in Council's 2021/2022 WHS report to Council.

FINANCIAL IMPLICATIONS

Council must now nominate three priority actions to complete in order to qualify for the Safety and Wellbeing Incentive payment that last year was 0.3% of Council's actual wages, these actions will be consulted with the WHS Strategy Group.

STATUTORY AND POLICY IMPLICATIONS

Work Health and Safety Act 2011 (NSW)

CONSULTATION

External Consultation

StateCover Mutual.

Internal Consultation

- Governance and Risk Section.
- Senior Management.

12.6 INFRASTRUCTURE DELIVERY STATUS REPORT - OCTOBER 2022

Responsible Officer: Rob Williams, General Manager

Author: Eloise Chaplain, Director Infrastructure Delivery

Attachments: 1. Infrastructure Delivery - Status Report October 2022 🗓 🖺

DELIVERY PROGRAM ALIGNMENT

4 Civic Leadership - Council as strong leaders for the Community

Objective 4.3 A resilient and sustainable Council

Strategy 4.3.3 Deliver reliable and quality services through innovation and continuous

improvement

EXECUTIVE SUMMARY

This report details the monthly work completed and next months planned work for teams within Infrastructure Delivery.

RECOMMENDATION

1. That Council receive and note the Infrastructure Delivery Status Report – October 2022

BACKGROUND

Council's Infrastructure Delivery teams operations have a major impact on the Narrabri Shire's community and therefore wish to report to Council an update on their work as of October 2022. This report will bring data and information from teams each month. Please note due to the date when compiling report information, some works may vary. Data captured as of 7 October 2022.

CURRENT SITUATION

Please see **Attachment 1** for detailed report.

FINANCIAL IMPLICATIONS

Capital costings noted in Attachment 1.

STATUTORY AND POLICY IMPLICATIONS

Nil, all works completed in accordance with Acts, Regulations and Policies relevant to the team.

CONSULTATION

External Consultation

Nil

Internal Consultation

- Infrastructure Delivery Managers
- Manager Financial Services

Infrastructure Delivery Status Report – October 2022

Please note this report is compiled mid-month to avoid delay in supplying the most current information. Hence completed works for the month refers to approximately mid the previous month to mid the current month.

Roads Maintenance

Please see below Maintenance activities completed in September and plan for October. Please note flood mitigation works are not included in the below list.

Grading						
Completed This Month	Plan Next Month					
SR015 Therribri Road	SR028 Binalong Road					
SR017 Old Narrabri Road	SR241 Aerodrome Road					
SR057 Mayfield Road	SR007 Couradda Road					
SR162 Yarranabee Road	SR131 Haystack Road					
SR163 Delwood Road	SR118 Byalla Lane					
SR261 Goodyears Lane	SR127 Tranters Road					
SR071 Gibbs Lane	SR016 Browns Lane					
SR135 Timor Mountain Road	SR009 Bald Hill Road					
SR018 Wave Hill Road	SR111 Appletrees Lane					
SR003 Mellburra Road	SR001 Millie Road					
SR006 Eulah Creek Road	SR039 Gwabegar Road					
SR005 Kaputar Road	SR004 Spring Plains Road					
SR239 Middle Creek Road	SR045 Nowley Road					
SR001 Millie Road	SR050 Stumpy Lane					
SR009 Bald Hill Road	SR033 Forest Way					
SR039 Gwabegar Road	SR037 Nuable Road					
SR047 Middle Route Road	SR038 Kiandool Lane					
SR048 Cubbaroo Lane						
MR329 Cypress Way						

Other maintenance works also completed, include signage works, line marking, tar patching, minor patching etc.

Other matters arising:

- Flooding
 - o There has been a large amount of damage that has occurred from both flowing water and from continual sustained saturation of road pavements. Staff have been covering the whole shire either closing roads and reopening when water recedes and roads are safe to do so. Western staff also have done a great work in maintaining the levee around Wee Waa, pumping water, opening and closing flood gates, as well as closing off the rail line and monitoring the situation. Narrabri Shire Local Government Area has been declared a Natural disaster, which opens up a funding stream for Council to access to repair,

however the process does take some time to complete. Crews have also been working on repairing the worst of the potholes and spot grading to try and somewhat improve access for residents. We will be working tirelessly over the next few months to repair what damage we can, with the resources available.

- A number of issues regarding floodways raised during the month. A report will be presented to Council next month on this.
- Recruiting A number of recruitment processes closing this month.

Parks and Open Space Maintenance

Slashing							
Completed This Month	Plan Next Month						
Two side fences and concrete hob installed Tennis	Clean up works along creek line after flooding						
courts							
Mowing of levee Wee Waa	Mowing and slashing towns						
Pools opened for summer season	Cemeteries mowing						
Community Kiosk Painted	Summer sports field preparations						
Commenced clean up from flooding on Pathways	O\sports field fertilizer and preemergent						
	program						

Other matters arising:

- Debris and mud covering creek pathway
- Fallen trees in and around towns
- Delays in Mowing maintenance due to rainfall
- Collins Park grandstand painting renewal commenced
- Vandalism to Rotary and Dangar Park Wee Waa by motor vehicle driving through parks over night

Water/ Sewer Maintenance

Completed This Month	Plan Next Month
Maintaining flushing programs for all schemes Found contractor to continue planning and scoping of ice pigging throughout Narrabri water scheme. Finalising warranty check for faulty smart meters Organise service for Elizabeth Street and Bellata chlorine dosing units Calibrating the chlorine sensors within the Narrabri water scheme	Organise for meeting with contractor to continue planning and scoping of ice pigging throughout Narrabri water scheme. Finish commissioning of Pilliga bore site new chlorine dosing system. Install chlorine sampling point at Namoi Street Reservoirs Continued zero-read meter repairs troubleshooting and replacing. Completing troubleshooting for Gwabegar smart meter receiver power outages. Maintaining flushing programs for all schemes

Completed This Month	Plan Next Month
Sewer	Sewer
Finalising defect works at the Wee Waa and Boggabri STP Sewer main emergency repairs and choke	Sewer main emergency repairs and choke clearing. Contractor coming to site to rectify defect works
clearing. Development of Sewer Assessment and Improvement Plan	at Boggabri and Wee Waa STPs. • Augmentation of sludge pump at Narrabri STP
Install replacement pump for Masons SPS Investigation of implementation of new condition for Narrabri STP Licence	PIRMPS tested and updated for annual review Continued development of Narrabri sewer
 Clearing of choked sewer rising main from Regent St Sewer Pump Station Maintaining cleaning of gravity sewer line 	 assessment and improvement plan. Calibrating operating regime for Masons SPS Maintaining cleaning of gravity sewer line
from Narrabri STP to Narrabri Creek.	from Narrabri STP to Narrabri Creek.

Other matters arising:

- Continued recruitment for Water Service Operators
- IWCM issues paper draft received
- Submitted Local Water Utility report to DPE
- Finalising draft DWMS 2021/2022 Financial Year annual report

Capital Works In Progress

Please note this is not an exhaustive list for more details refer to the quarterly Operational Service Plan Report. Costings are for reference only, committed costs not shown below. Cost reported 06.10.2022 shown for financial year 2022/23.

Roads	Roads							
Project	Budget	Actual Cost	This Month	Next Month				
Flood Event Feb 2020	\$3,700,000	\$153,471	SR018 Wave Hill (Awaiting the outcome of flooding)	SR018 Wave Hill (Awaiting the outcome of flooding)				
Flood Event March 2021	\$1,000,000	\$3,626	Waiting on REPA claim approval					
Flood Event Nov 2021	\$1,000,000	\$1,538	IRW Works MR127 Pilliga Road REPA claim submitted	Delay due to wet weather Waiting on REPA claim approval				
21/22 R CW Boggabri New Boston St Bridge	\$3,200,000	\$54,789	Bridge site has been inundated.	Delay due to wet weather and river heights. Continue with Headstocks and potential to land planks.				
21/22 R CW SR001 Millie Rd Reconstruction	\$3,605,340	\$271,542	Delays due to flooding and wet weather	Completion of Stage 1 Commencing Stage 2				
21/22 West Precinct Old Newell Hwy Rehab	\$3,000,000	\$0	Procurement of materials initiated with the engagement of rail procurement specialist Tender documentation preparation finalisation	Once approval given by UGL tender to be advertised				
21/22 R CW Tibbereena Ped Crossing	\$70,000	\$22,592	Works continued between weather events and is nearing completion	Completion				
22/23 Pilliga Road (two- year project)	\$2,980,000	\$0	Planning work for commencement	Commencement of project.				

Project	Budget	Actual Cost	This Month	Next Month
20/21 P&OS CW Narrabri Tennis Courts Upgrade	\$310,852	\$947	Fence completion delayed due to rain	Fence and hob completed
21/22 Collins Park Scoreboard	\$2,540	\$0	Electrical infrastructure to be installed roller door and frame ordered	
21/22 NOS CW Tourism Hub	\$2,400,000	\$0	Meeting with Aboriginal Lands Council, waiting on determination action from Crown Lands.	Install electrical and frame fabrication
21/22 OS Town Clock Toilets Refurb	\$50,000	\$7,000	Complete town clock painting completed	Signage and new cisterns to be installed
22/23 Wee Waa Cemetery Amenities	\$90,000	\$0	Procurement underway	Septic system installation
22/23 Pool Projects	\$130,000	\$6,117	Pool painting tiling completed Accessibility scope of works	Contractors quoting and procurement
Fleet				
Project	Budget	Actual Cost	This Month	Next Month
22/23 Fleet Plant Replacement	\$2,472,991	\$0	Plant Trailer quotations to be assessed - quotes	Mini Excavator for Water
Water/Sewer				
Project	Budget	Actual Cost	This Month	Next Month
21/22 S CW Boggabri Sew Treat Reuse Pond	\$550,000	\$0		Surveying completed and soil tests undertaken to inform dam design.

22/23 Water mains replacement	\$350,000	\$0	Quote obtained and seeking clarification on	Designer engaged and design underway.			
– Fitzroy St Narrabri			quote.				
22/23 Wat CW Bo Water Main	\$100,450	\$0	Design drafted.	Design completed and materials ordered.			
Renewal Wee Waa St Boggabri							
22/23 Watermains Renewal -	\$100,000	\$0	Quote obtained; Council design team engaged	Design completed.			
Boolcarrol Rd Wee Waa			for job.				
22/23 Sewer mains replacement	\$60,000	\$0	Scope reassessed in favour of the Sewer	Compile list of assets for camera works to			
– Narrabri Rising Mains			Assessment Program	be undertaken and develop RFQ.			
22/23 Environmental	\$260,000	\$0	Submissions for RFT received and initiated	Assessment of submissions and finalisation			
improvements at Narrabri STP			assessment process.	of procurement.			
Waste	Waste						
Project	Budget	Actual Cost	This Month	Next Month			
21/22 SW CW NLF New Cell 1	\$1,800,000	\$91,661	Completion of leachate system and construction	Completion of access ramp			
			of access ramp.				

12.7 PLANNING AND DEVELOPMENT SERVICES REPORT - SEPTEMBER 2022

Responsible Officer: Donna Ausling, Director Planning and Strategy

Author: Michelle Henry, Manager Planning and Development

Attachments: 1. Planning and Development Statistics Snapshot - September 2022 J.

POF

2. Planning, Development and Regulatory Compliance Service Area: Detailed Report - September 2022 U

3. Heritage Advisor Report - September 2022 🗓 🖺

DELIVERY PROGRAM ALIGNMENT

4 Civic Leadership - Council as strong leaders for the Community

Objective 4.1 A transparent and accountable Council

Strategy 4.1.3 Increase awareness of Council's role in the community including the services and

facilities provided

EXECUTIVE SUMMARY

This report provides an overview of the activities carried out by the Planning and Development Services unit for the month of September 2022.

RECOMMENDATION

1. That Council receive and note the Planning and Development Services report for the month of September 2022.

BACKGROUND

This report is divided in three sections, Building, Planning and Regulatory Services. An update is provided for the information of Council on Planning and Development Services allied activities for the preceding month.

CURRENT SITUATION

The major highlights of each section are outlined below.

Building:

- One (1) Construction Certificate was determined during the month. The average processing time for the month (once all relevant information was received) was 15 days.
- A total of four (4) new Construction Certificate applications were lodged during the month with a value of estimated work of \$577,000.00

Statutory Planning:

• Five (5) Development Applications totalling a capital investment value of \$167,000.00 were determined during the month.

The average processing time for Development Applications is 26.5 days.

- A total of eleven (11) new applications, with a total capital investment value of \$7,584,076.00 were lodged during the month of September.
- A notable application was for the construction of a new secondary school campus in Wee Waa.

Building Compliance and Investigations matters:

- Investigations into current railway corridor land use at a site in Mooloobar St, Narrabri is currently being investigated.
- An Emergency Cease Use Order issued on a commercial premises in Boggabri in regard to works undertaken without a Construction Certificate. Relevant information and documentation has since been received by Council and staff are working with the owners to achieve compliance.
- Notification received via the NSW Environment Protection Authority concerning a dust complaint and sediment pollution matter regarding a commercial premises on Wee Waa Road, Narrabri. Formal warning issued, followed up by regulatory orders after inspections revealed issues were continuing to occur. Mandatory measures have since been implemented and most recent inspections by Council staff have shown that issues are now being managed appropriately.
- Ongoing investigations into the manner in which heavy vehicles are being operated (in relation to an approved extractive industry) on Wave Hill Road, Tarriaro continue. At the time of writing of this report traffic monitoring activity had ceased due to safety concerns surrounding Council staff and the discharge of firearms within proximity to monitoring locations.
- Ongoing monitoring of commercial accommodation premises and fire safety compliance matters.

Regulatory Services:

Penalty Infringement Notices (PINs) issued for the month of September:

- Two (2) PINs issued for Companion Animal matters;
- One (1) PIN for an overgrown premises matter; and
- One (1) PIN for a Public Health related matter.

Heritage Advisory Services:

- Club House Hotel, Narrabri advice for proposed Change of Use for shop front.
- Faulkners Cottage discussions regarding approved demolition works.
- Imperial Hotel (former), Narrabri West Review and advice on Statement of Environmental Effects for demolition.
- Wee Waa Memory Grove presentation to Council, discussions regarding management of memorials and ongoing development.
- Heritage Assistance fund ongoing discussion and investigation into the implementation of Local heritage fund.

FINANCIAL IMPLICATIONS

Detailed in the body of the report.

STATUTORY AND POLICY IMPLICATIONS

Nil.

CONSULTATION

External Consultation

- Heritage Advisor, Mr Ray Christison.
- Investigations Coordination, Mr Nicholas Mamouzelos.

Internal Consultation

- Planning and Development Section.
- Regulatory Services Section.

* Year to Date = Financial Year

Development Applications (DAs)

Development Applications Lodged and Determined - Year to Date*									
	S	eptember	September	١	ear to date	Year to date			
		Value (\$)	(DAs)	Value (\$)		Total (DAs)			
Applications Lodged	\$	7,584,076	11	\$	16,017,968	31			
Applications Determined	\$	167,000	5	\$	1,979,934.00	17			
Yet to be Determined	\$	13,541,032	14	\$	13,541,032	14			
Avg days for determination		27							

Development Applications lodged and determined - Year to Date*								
	Se	eptember	September	Ye	ar to date	Year to date		
	١	/alue (\$)	(DAs)	,	Value (\$)	Total (DAs)		
Dwellings / Dual Occupancy	\$	3,025,628	4	\$	5,566,152	7		
Sheds	\$	73,090	3	\$	1,960,255	15		
Commercial	\$	-	0	\$	1,050,000	2		
Industrial	\$	-	0	\$	-	(
Subdivision	\$	20,000	1	\$	220,000	2		
Tourism development	\$	-	0	\$	2,956,204	1		
Modifications	\$	-	1	\$	-	3		
Others	\$	4,465,358	2	\$	4,465,358	3		
Infrastructure / Solar / Pond	\$	-	0	\$	-	C		
Total	\$	7,584,076	11	\$	16,217,969	33		

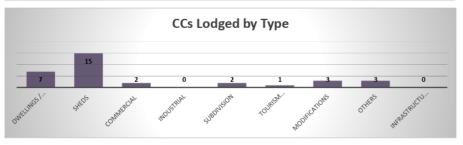
Construction Certificates (CCs)

construction certificates (ees)							
Construction Certificates Lodged and Determined - Year to Date*							
	September		September	Ye	ar to date	Year to date	
	١	/alue (\$)	(DAs)	Value (\$)		Total (DAs)	
Applications Lodged	\$	577,000	4	\$	1,090,608	15	
Council Determined	\$	36,000.00	1	\$	36,000	0	
Private Certifier Determined	\$	-	0	\$	-	0	
Yet to be Determined	\$	803,000.00	5	\$	1,157,000	10	
Avg days for determination		15					

	S	eptember	September	Year to date		Year to date	
		Value (\$)	(DAs)		Value (\$)	Total (DAs)	
Dwelling	\$	450,000	1	\$	2,346,258		5
Shed / Garage	\$	127,000	3	\$	182,500		5
Commercial	\$	-	0	\$	267,000		1
Industrial	\$	-	0	\$	155,000		1
Alteration	\$	-	0	\$	-		0
Swimming Pool	\$	-	0	\$	36,180		1
Total	\$	577,000	4	\$	2,986,938		13









Planning and Development – Status Report – September

Development and Planning

Development Applications (DA)						
Development Applications	lodged and de	termined				
Number YTD Value \$ September September Average days Applications Value \$ No. of determination Applications						
Applications lodged	29	15,938,610	7504718	9		
Applications determined	25	1,979,934	167000	4	26.5	
Applications awaiting determination			7337718	11		

Planning Applications Lodged and Decided						
Number of Applications Value (Estimated Cost)						
Applications Lodged	29	\$15,938,610.				
Applications Decided	20	\$1,979,934.				
Pending	11	\$13,958,676.				

Development Applications lodged by type								
	September Total	September Value \$	Year-to-date Total	Year-to-date Value \$				
Dwellings/Dual Occupancy	4	3,025,628	7	5,566,152				
Sheds	3	73,090	14	1,693,255				
Commercial	0	0	3	4,223,203				
Industrial	0	0	0	0				
Subdivision	1	20,000	0	20,000				
Tourism Development	0	0	0	0				
Modifications	2	0	2	0				
Others	1	4,386,000	2	4,436,000				
Infrastructure/Solar/Pond	0	0	0	0				
Total	9	7,504,718	20	15,938,610				

Year to Date Figures DA Determined by Council								
Month	Determined		Lodged	Processing Time				
	Number of DA	Value of DA \$	Number of DA	Value of DA	(work days)			
July	9	\$636,624	8	\$4,075,689	21			
August	12	\$1,176,310	12	\$4,358,203	8			
September	4	\$167,000	9	\$7,504,718	26.5			
Average Q1	8.33	548,756	9.6	5,312,870	18.5			
October								
November								
December								
Average Q2								
January								
February								
March								
Average Q3								
April								
May								
June								
Average Q4								
Total								

Average Employee Cost Per Application De	etermined – Development Applications
	YEAR TO DATE
Planning Budget	\$223,976.23
Number of employees	3
Total number of applications decided to date (Total applications determined to date)	25
Average employee cost per application determined	\$2986.35

Construction Certificates (CC)							
Construction Certificates lo	Construction Certificates lodged and determined						
Number YTD Value \$ September September Average days Certification YTD Value \$ No. of CC determination							
Council lodged	15	1,332,880	577,000	4			
Council determined	15	1,696,016	36,000	1	15		
Construction Certificates awaiting determination			577,000	4			

Construction Certificate lodged by type								
	Private Certifier	Council	September Total	September Value \$				
Dwelling	0	1	1	450,000				
Shed/Garage	0	3	3	127,000				
Commercial	0	0	0	0				
Industrial	0	0	0	0				
Alteration/additions	0	0	0	0				
to dwelling								
Others	0	0	0	0				
Total	0	4	4	577,000				

Year to Date Figures CC Determined by Council							
Month	Determined		Lodged	Lodged			
	Number of CC	Value of CC \$	Number of CC	Value of CC			
July	6	378,181	6	819,200	30		
August	8	1,317,835	5	513,680	23		
September	1	36,000	4	577,000	7		
Average Q1	5	577,338.66	5	636,626.66	20		
October							
November							
December							
Average Q2							
January							
February							
March							
Average Q3							
April							
May							
June							
Average Q4							
Total							

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Average Employee Cost Per Application Determined – Construction Certificate					
	YEAR TO DATE				
Building employee cost	\$99,101/year				
Number of employees	1				
Total number of applications decided to date (Total applications determined to date)	15				
Average employee cost per application determined	\$6606.73				

Inspections					
Type of Inspections Number					
Footing	9				
Framing	4				
Final	0				
Wet area	0				
Stormwater	0				
External Drainage	0				
Internal Drainage	0				
Site Inspections	15				
Swimming Pool	2				
Other	1				
Total	31				

Occupation Certificates						
	Lodged	Issued				
Council	1	0				
Private Certifiers	1	1				
Total	2	1				

Swimming Pool Compliance Inspections							
Application Number	Date Lodged	Inspected (including re- inspections) On	NOI/Direction Issued	Non- Compliance Issued	Certificate of Compliance Issued		
Nil for Month							

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	Planning Unit							
Application ID	Status	Primary Property	Full Details	Value \$	Date Lodged	Decision Date	RUID	Number of Days
DA2023/0002	Current	24 Williams Drive, NARRABRI NSW 2390	116 mini storage sheds & 27 caravan storage sheds	1,000,000.00	2/08/2022		PS	43
DA2023/0012	Current	28 Mooloobar Street, NARRABRI NSW 2390	23 Room New Motel - 28 Mooloobar Street NARRABRI	2,956,203.60	10/08/2022		GW	37
DA2023/0006	Current	14 Regent Street, NARRABRI NSW 2390	4 Separate Townhouses	1,250,000.00	28/07/2022		GW	45
ModDA2023/0002	Current	29 Millie Road, BELLATA NSW 2397	4.55(1A) - Minimal environmental impact	0.00	17/08/2022		GW	32
DA2023/0017	Current	163 Gibbons Street, NARRABRI NSW 2390	6x7m garage with open carport	16,000.00	25/08/2022		PS	26
DA2023/0018	Current	91 Maitland Street, NARRABRI NSW 2390	Change of use to from Retail to Aesthetics premise	50,000.00	25/08/2022	27-09-22	PS	23
DA2022/0061	Current	43 Cooma Road, NARRABRI NSW 2390	Change of use to Hydraulic and Mechanical Repair Business	0.00	16/02/2022		GW	164
DA2023/0015	Current	4 Old Newell Highway, NARRABRI NSW 2390	Extending existing shed by 2 additional bays	120,000.00	17/08/2022		PS	32
DA2023/0007	Current	543 Old Gunnedah Road, NARRABRI NSW 2390	Secondary Dwelling	880,000.00	28/07/2022		PS	45
DA2023/0001	Current	12169 Newell Highway, NARRABRI NSW 2390	Shed	1,137,200.00	5/07/2022		GW	62
DA2023/0019	Current	14 Thurlagoona Avenue, NARRABRI NSW 2390	Steel framed shed	13,000.00	30/08/2022	20-09-22	SR	16
DA2022/094	Past	164 Killara Road Jacks Creek 2390	Single Storey Dwelling	85,000	14-06-2022	1-09-22	GW	57
DA2023/0021	Past	14 Millicent Drive Narrabri 2390	Shed	19,000	9-9-2022	23-09-21	SR	10
DA2023/0011	Current	119 Wee Waa St Boggabri 2382	Demolish & Build new Dual Occupancy	564,000	6-9-2022		PS	18
DA2023/0016	Current	140 Riverside Drive Narrabri	Residential Shed	32,000	1-09-2022		SR	21
DA2023/0022	Current	32 Cowper Street Wee Waa	Demo & New Secondary School	4,386,000	16-09-2022		GW	10
DA2023/0023	Current	69 Coppleson Dr Narrabri NSW	Single Storey Dwelling & Shed	673,784.67	16-09-2022		PS	10
DA2023/0025	Current	143 Gibbons St Narrabri NSW	New Dwelling	1,250,000	19-09-2022		GW	9

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DA2023/0026	Current	148 Middle Route Road Merah North	Subdivide 1 lot into 2 lots	20,000	19-09-2022	PS	9
DA2023/0027	Current	880 Delwood Road Boggabri	Manufactured Dwelling	537,844	28-09-2022	SR	3

	Building Unit							
Application ID	Status	Primary Property	Full Details	Value \$	Date Lodged	Decision Date	RUID	Number of Days
CC067-2019	Current	233 Riverside Drive, NARRABRI NSW 2390	Ancillary Residential Shed (6 x 15) - Car garage & storage shed – RFI sent 9-9-2020	31,000.00	9/09/2020		AB	771
CC2022/0037	Current	15 Maitland Street, NARRABRI NSW 2390	Construction of Carport	12,000.00	6/04/2022		AB	122
CC2022/0036	Current	7-11 Maitland Street, NARRABRI NSW 2390	Renovate 3 existing bathrooms and addition of disabled toilet	120,000.00	6/04/2022		AB	122
CC2023/0014	Current	39 Wee Waa Street, BOGGABRI NSW 2382	Shed 14x7m	36,000.00	26/08/202 2	5-9-2022	AB	7
CC2023/0013	Current	3 Boston Street, BOGGABRI NSW 2382	Warehouse/Shed	155,000.00	30/08/202 2		AB	23
CC2023/0007	Current	162 Stoltenbergs Road, NARRABRI NSW 2390	Single Storey Dwelling	450,000.00	16/09/202		AB	10
CC2023/0019	Current	12 Droubalgie Street, NARRABRI NSW 2390	Construction of a 14x7m shed	35,000.00	16/09/202 2		AB	10

DABuilding Compliance Matters - September 2022					
Location	Issue	Status			
Mooloobar St	Complaints received from residents in Mooloobar St, Narrabri West concerning The use of land on the railway corridor for industrial purposes are being investigated in circumstances where inquiries reveal that there is no development approval in place for such activity on the identified land.	Pacific National has been identified as the owner of the subject land and a formal request for information has been submitted to Pacific National to identify any commercial agreements or arrangements in place, prior to appropriate regulatory action being initiated.			
Blairemore Road, Boggabri	Proactive investigations conducted have revealed the construction and completion of a significant sized cotton seed processing shed by Namoi Cotton in Blairemore Road, Boggabri. These investigations revealed that the shed had been constructed and completed without requisite in-stage certification being submitted to Council, including a failure to submit an application for Construction Certificate.	An "Emergency Cease Use" order was issued, requiring the cessation of any activity within the subject shed until Council officers reviewed the works conducted and were satisfied that all mandatory fire safety measures were in place. Council officers have since obtained relevant construction documentation from the Owners and are working with the Owners to achieve compliance with planning regulations.			
Wee Waa Road, Narrabri.	A complaint was referred to Council by the NSW Environment Protection Authority concerning significant airborne dust and sediment pollution emanating from premises operated by Specialised Civil at Wee Waa Road, Narrabri. Investigations were conducted by Council officers, indicating substance to the complaint from the EPA.	A formal warning was issued to Specialised Civil in relation to the issues complained of. Further information subsequently received revealed that the pollution issues were continuing. Regulatory Orders pursuant to the Environmental Planning & Assessment Act were accordingly issued to Specialised Civil requiring mandatory measures to prevent the pollution subject of the complaint. The required measures have been enacted and follow up inspections by Council officers reveal the pollution issues are now being managed appropriately.			

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DABuildi	DABuilding Compliance Matters - September 2022						
Location	Issue	Status					
Wave Hill Road, Tarriaro	Ongoing investigations are being conducted into complaints received from residents of Wave Hill Road, Tarriaro concerning the manner in which heavy vehicles are being operated along that road, generously described as being in an unsafe manner.	Council has sought the assistance of Police after a Council officer assisting with investigations and attending to a traffic monitoring device in the subject area reported the discharge of a firearm in close proximity to where traffic monitoring was being conducted. Investigations are ongoing and appropriate safety measures have been implemented in the interim for Council personnel.					
Narrabri Shire	Fire safety compliance awareness and education, particularly amongst operators of commercial accommodation premises continues to be conducted in a prevailing environment where the Shire is generally experiencing a constant ninety percent plus occupancy rate on a daily basis;	The importance of all essential fire safety measures being fully operational is being addressed; the absence of significantly increases the risk of a fire event.					

Heritage Matters - September 2022					
Matter	Description				
Club House Hotel, Narrabri	Provision of advice regarding change of use for shopfront				
Faulkner's Cottage, 54 Maitland Street, Narrabri	Discussions regarding approved demolition.				
Imperial Hotel (former), Narrabri West	Review of statement of environmental effects for demolition and provision of advice.				
Wee Waa Memory Grove	Presentation to Council, and discussions regarding management of the memorials and ongoing development of the place				
Local Heritage Fund (Heritage Assistance Fund)	Involved in ongoing discussion regarding the implementation of a Local Heritage Fund.				

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Regulatory Compliance

Environmental Reporting	September 22
Illegal Dumping Complaints Received	1
Illegal Dumping – Average Time to Respond	0
Illegal Dumping – Initial Inspection	1
Illegal Dumping – Clean Up Orders Issue	1
Construction Complaints	0
Construction Complaints – Initial Inspection	0
Construction Complaints – Stop Work Orders Issued	0
Illegal Camping Complaints	1
Illegal Camping Complaints – Move Alongs Issued	0
Abandoned Vehicles	1
Abandoned Vehicles – Initial Inspection/NOI	0
Abandoned Vehicles – Follow Up Inspection	0
Abandoned Vehicles – Vehicles Towed to Holding Yard	1
Abandoned Vehicles – Disposed/Tendered	0
Overgrown/Waste on Property Complaints Received	6
Overgrown/Waste on Property Complaints – Inspections Completed	6
Overgrown/Waste on Property Complaints – Average Time to Respond (Days)	0
Overgrown/Waste on Property Complaints – Initial Inspections	0
Overgrown/Waste on Property Complaints – Initial Courtesy Call/Letter	4
Overgrown/Waste on Property Complaints – Follow Up Inspection	1
Overgrown/Waste on Property Complaints – NOI Sent	0
Overgrown/Waste on Property Complaints – Order 21 Issued	0
Order 11 Issued	0
Order 22A Issued	0
Order 27 Issued	0
Burning Permits	0
Burning Permits – Requests Received	0
Burning Permits – Inspections	0
Burning Permits - Approvals Issued	0
Burning Complaints Received	1
Section 68 Applications	0
s 68 - Septic Inspections Completed	0
s 68 - Septic Approvals to Install Issued	0
Approval to Operate Issued	2
s 68 - Septic Quarterly Reports Registered	26
Commissioning Certificate	1
Parking Complaints	5
Noise Complaints	2
Food Inspections - Annual Inspections	17
Food Complaints - Complaints	0
Food Complaints - Inspections	0
Food Complaints - Average time to Respond (days)	0
Underground Petroleum Inspections Completed (6-monthly)	0

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Companion Animals Reporting	September 2022
Number of Companion Animals Impounded	12
Dogs	10
Cats	2
Number of Companion Animals Registered	38
Dogs	38
Cats	0
Number of Companion Animals Rehomed	4
Dogs	2
Cats	2
Number of Companion Animals Released to Owner	1
Dogs	1
Cats	0
Number of Companion Animals Euthanised	7
Dogs	7
Cats	0
Number of Feral Animals Euthanised	0
Dogs	0
Cats	0
Method of Canine Impoundment	10
Patrolling	0
Surrenders	0
Handed in to Council (Pre-caught prior to impoundment)	9
Seized	1
Method of Feline Impoundment	2
Council Trapping Operations	0
Handed in to Council (Stray - Privately caught/trapped)	2
Handed in to Council (Feral - Privately trapped)	6
Surrenders	0
Complaints Received by Council	39
Dogs	36
Cats	3
Average Time to Respond (in Days) - Companion Animal Complaints	0
Dogs	
Cats	
Number of Animals Microchipped by Council	2
Dogs	2
Cats	0
Animals Rehomed through Council	0

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Companion Animals Reporting	September 2022
Dogs	0
Cats	0
Cats Trapped by Council	0
Stray	0
Feral	0
Owned	0
Number of Dog Attacks Reported to Council	3
Orders Issued	0
Number of Nuisance Dog Orders Issued	0
Number of Menacing Dog Orders Issued	0
Number of Dangerous Dog Orders Issued	0

PIN Issued	September 22
Parking	0
Companion Animals	2
Impounded Vehicles	0
Impounded Livestock	0
Litter	0
Illegal Dumping	0
Land Contamination and Pollution	0
Overgrown Premises	1
Public Health Related	1
Food Safety	0
Swimming Pools	0
Development	0



ABN: 67 070 055 319 0419 438 609 raychristison@higround.com.au

The General Manager Narrabri Shire Council PO Box 261 NARRABRI NSW 2390

Attention: Donna Ausling

Dear Donna

Report on Narrabri Shire Council Heritage Advisory Service – September 2022

In September 2022 I dealt with a number of matters relating to heritage management within the LGA. Matters covered included:

Heritage Advice

I provided advice on a number of properties as follows:

- Club House Hotel, Narrabri Provision of advice regarding change of use for shopfront.
- Faulkner's Cottage, 54 Maitland Street, Narrabri Discussions regarding approved demolition.
- Imperial Hotel (former), Narrabri West Review of statement of environmental effects for demolition and provision of advice.

Wee Waa Memory Grove

Presentation to Council, and discussions regarding management of the memorials and ongoing development of the place

Recommendations

I recommend that Council be informed of the activities identified above. I am happy to discuss any of the above issues if required.

Yours faithfully

Ray Christison Heritage Advisor 21 September 2022

12.8 INVESTMENT REPORT - SEPTEMBER 2022

Responsible Officer: Andrew Brown, Director Corporate and Community Services

Author: Kathleen Wales, Finance Coordinator

Attachments: Nil

DELIVERY PROGRAM ALIGNMENT

4 Civic Leadership - Council as strong leaders for the Community

Objective 4.3 A resilient and sustainable Council

Strategy 4.3.2 Sustainably manage Council's finances, assets, and workforce

EXECUTIVE SUMMARY

Council is required to consider a report on its investments in accordance with clause 212 of the *Local Government (General) Regulation 2021* (NSW).

During the month:

- Three (3) investments matured, totalling \$6 million.
- Four (4) new investments were placed, totalling \$7 million.

Council's Responsible Accounting Officer has certified that Council's investments are in accordance with requirements.

RECOMMENDATION

1. That Council note the Investment Report for September 2022.

BACKGROUND

Council is required to consider a report on its investments in accordance with clause 212 of the *Local Government (General) Regulation 2021* (NSW).

CURRENT SITUATION

The following is a summary of investment movements for September 2022.

Investments maturing during the month:

•	07/09/22	BOQ	\$1,000,000	272 days @ 0.56%
•	14/09/22	AMP	\$1,000,000	329 days @ 0.80%
•	28/09/22	NAB	\$4,000,000	161 days @ 1.08%

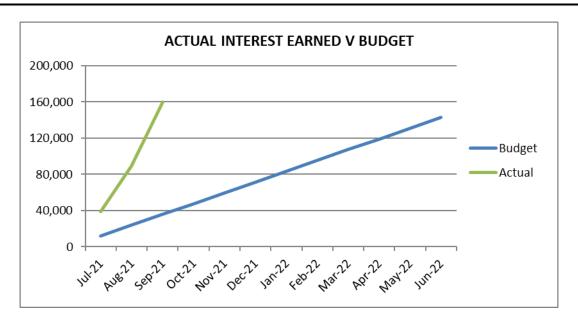
New Investment secured during the month:

•	07/09/22	MyStateBank	\$2,000,000	182 days @ 3.70%
•	14/09/22	AMP	\$1,000,000	182 days @ 4.00%
•	28/09/22	NAB	\$2,000,000	147 days @ 3.83%
•	28/09/22	MyStateBank	\$2,000,000	210 days @ 4.20%

	Market Value (\$)	Term (days)	Rate	Maturity Date	% of Portfolio
Short Term Deposits (<1 yr)	36,000,000.00				88.54%
NAB	1,000,000.00	273	0.62%	12/10/22	2.46%
NAB	2,000,000.00	300	0.63%	19/10/22	4.92%
AMP	3,000,000.00	126	2.40%	26/10/22	7.38%
AMP	2,000,000.00	364	1.00%	02/11/22	4.92%
BOQ	1,000,000.00	273	0.70%	16/11/22	2.46%
Judo Bank	1,000,000.00	182	2.25%	16/11/22	2.46%
NAB	2,000,000.00	273	0.72%	23/11/22	4.92%
MyStateBank	2,000,000.00	181	2.60%	30/11/22	4.92%
NAB	1,000,000.00	273	0.88%	07/12/22	2.46%
MyStateBank	1,000,000.00	189	2.80%	14/12/22	2.46%
NAB	2,000,000.00	147	3.20%	21/12/22	4.92%
NAB	1,000,000.00	273	1.43%	04/01/23	2.46%
ME Bank	3,000,000.00	273	1.48%	11/01/23	7.38%
NAB	1,000,000.00	154	3.18%	18/01/23	2.46%
BOQ	2,000,000.00	182	3.38%	01/02/23	4.92%
NAB	2,000,000.00	147	3.83%	22/02/23	4.92%
BOQ	2,000,000.00	182	3.58%	01/03/23	4.92%
MyStateBank	2,000,000.00	182	3.70%	08/03/23	4.92%
AMP	1,000,000.00	182	4.00%	15/03/23	2.46%
MyStateBank	2,000,000.00	210	4.20%	26/04/23	4.92%
AMP	2,000,000.00	273	3.90%	31/05/23	4.92%
Oral Dancette	4 000 400 70				44.400/
Cash Deposits	4,660,403.76	A+ O "	0.070/	,	11.46%
NAB At Call A/c	2,000,000.00	At Call	0.07%	n/a	4.92%
NAB Working A/c	2,660,403.76	At Call	0.01%	n/a	6.54%
Total Cash & Investments	40,660,403.76				100.00%

Movements within Bank account for the reporting period (\$)

Cash Book balance at 31 August 2022 Plus Receipts Plus Investments Matured Less Payments Less Investments Placed Cash Book balance at 30 September 2022	3,748,345.53 1,074,345.42 6,000,000.00 -1,124,753.17 -7,000,000.00 2,697,937.78
Unmatched statement items Unmatched ledger book items Reconciliation Balance as at 30 September 2022	-14,655.03 -22,878.99 2,660,403.76



Investment Rate Summary for September 2022

Average Interest Rate on Investments:	2.12%
Weighted Average Interest Rate on Investments	2.35%
Council's Benchmarks	
Bank Bill Swap Rate (BBSW) 90-day index (30/09/2022) ¹	3.06%
Average 11am Cash Rate	2.35%

FINANCIAL IMPLICATIONS

Interest income for the month was \$70,790.76. This is ahead of budget and is reflective of increasing interest rates. The budget will be adjusted at the September QBR to reflect the improving interest rates.

The net movement in the total value of deposits held each month is determined by the immediate cashflow requirement to service creditors. Council's larger creditor payments for the month were in relation to Council's purchase of Fleet Assets and Road projects.

STATUTORY AND POLICY IMPLICATIONS

Clause 212 of the *Local Government (General) Regulation 2021* (NSW) requires Council's Responsible Accounting Officer to provide a monthly report setting out the details of all money that the Council has invested under section 625 of the *Local Government Act 1993* (NSW).

It is certified that Council's investments have been made in accordance with:

- Local Government Act 1993 (NSW).
- Local Government (General) Regulation 2021 (NSW).
- Ministerial Investment Order dated 12 January 2011.
- Council's Investment Policy dated 15 August 2017.

¹ Source: www.asx.com.au

CONSULTATION

External Consultation

Nil.

Internal Consultation

• Responsible Accounting Officer.

12.9 NARRABRI WEST RAILWAY MUSEUM - RESPONSE TO NOTICE OF MOTION

Responsible Officer: Donna Ausling, Director Planning and Strategy

Scott Pollock, Manager Cultural Facilities Author:

Attachments: Historical Narrabri West Development Committee Inc. Minutes - 17

- July 2011 🎝 🚻 Correspondence to Narrabri West Development Committee - 9 2.
- November 2004 U
- Engineering Assessment for the Narrabri Water Tower 30 3. September 2004 🕹 🕍
- Correspondence from Mr Brian Leedham 🖟 🖼 4.

DELIVERY PROGRAM ALIGNMENT

1 Society - An empowered, inclusive and connected community

1.2 A vibrant and connected community Objective

1.2.4 Enhance access to arts and culture across the Shire Strategy

EXECUTIVE SUMMARY

A staff response is provided to Council's Notice of Motion in relation to the Narrabri West Railway Museum.

RECOMMENDATION

- 1. That Council receive and note the Report in response to the Notice of Motion for the Narrabri West Railway Museum.
- 2. That Council engage with the reinvigorated Narrabri West Development Group as a key stakeholder as part of programmed Master Planning and Plan of Management (PoM) preparation.

BACKGROUND

At its March Ordinary Council Meeting Council resolved as follows under Minute No. 064/2022:

12.4 NOTICE OF MOTION - NARRABRI WEST RAILWAY MUSEUM

MINUTE 064/2022

Moved: Cr Greg Lamont Seconded: Cr John Clements

That the General Manager submit a report to a future meeting of Council on the history of attempts to have the Narrabri West Railway Museum being established in the old Narrabri West Water Tower, information on any possible grant sources to complete it, if any existing funding sources are in reserves or trust or any details on entities that may have been involved in it in the past.

In Favour: Crs Ron Campbell, Catherine Redding, Rohan Boehm, Robert Browning, John

Clements, Brett Dickinson, Greg Lamont, Lisa Richardson and Darrell Tiemens

Against: Nil

CARRIED 9/0

CURRENT SITUATION

In accordance with the terms of the resolution, a review of Council's records management system was subsequently undertaken and discussions held with Cr Redding (in her capacity as a former Committee Member). The following information was ascertained:

- In the mid 2000's it is understood that the Narrabri West Development Committee Inc. was formed to investigate opportunities to develop a Railway-based Museum in the old Narrabri West Water Tower.
- Relevant information sourced from Council's records management system is enclosed at Attachments 1 – 3 respectively.
- It is understood that at this time the Incorporated Committee secured some sponsorship
 raising a small amount of funds to engage an Engineering firm to assess if the structure was
 suitable and fit for this purpose.
- As Council's records in respect to the incorporated (external) Committee's activities are not
 comprehensive, and a significant period of time has now elapsed, it is not clear as to the
 ultimate outcomes of these investigations. Notwithstanding, given the age of this
 engineering report, the recommendations could not be relied upon due to the significant
 period of time that has elapsed (over a decade).
- It is understood that the same location was later identified for the development of a skate park and at the time the allocated funds were redirected to transform the area into a children's pirate-themed playground.
- The Committee disbanded and has not operated for some years.
- No funds are currently held in Trust by Council in relation to the former Committee's activities.

Since the making of Council's resolution, Council has received a representation from community member Mr Brian Leedham regarding the reinvigoration/reactivation of the Narrabri West Development Group. A copy of this correspondence is enclosed at **Attachment 4**. Mr Leedham has

identified a range of potential improvement activities focusing on the West Lake Precinct, including the establishment of a railway museum.

It is evident that significant community energy and interest exists in relation to the Narrabri West Precinct area. On this basis, it is recommended that the new Committee be engaged with as a key stakeholder in the development of the Master Plan(s) proposed for the West Narrabri Precinct area in line with an overarching Stakeholder Engagement Strategy (SES). Plans of Management (PoMs) are also being prepared in relation to a range of Council -managed lands.

In relation to available grants, the recently released grants application platform 'Grants Guru' is available for use by community organisations. Furthermore, once Master Planning and Plan of Management (PoMs) processes are completed, both Council and the community will have a platform for the development and submission of grant applications with a robust strategic focus, which will ultimately improve likelihood of success.

FINANCIAL IMPLICATIONS

There are no financial implications to report at this time.

STATUTORY AND POLICY IMPLICATIONS

There are no statutory or policy implications at this time.

CONSULTATION

External Consultation

Nil

Internal Consultation

- Executive Management.
- Manager Finance.

Narrabri West Development Committee Inc

Minutes of Meeting held 17TH July 2011

Meeting opened: 2.30 pm. Chaired by John Clements

Present: John Clements, David Scilley, Kerry Ford, Damon Ledger, Frank Hill, Tom Scilley, Adam

Kramel, Richard Busby, Cathy Redding, Fred Browning

After adding Richard Busby to the list of those present, the minutes of the meeting held 22 May 2011 were moved (David Scilley), seconded (Kerry Ford) and approved.

General Business

It was decided that we pay the Tree Tenders account \$625. Moved (David Scilley) Seconded (Frank Hill). Approved

It was decided to pay the North-West Courier account \$39.60. Moved (Tom Scilley) Seconded (Adam Kramel). Approved

In addition to Fred Browning and Bevan O'Regan, it was decided to add Tom Scilley as a signatory on the bank account. Moved (John Clements) Seconded (Richard Busby) Approved

We are going to discuss with Narrabri Shire whether we can put sponsorship signs up around the tree plantings.

There was discussion over naming the basketball court area at West Lake "Nathan Kidd Park". It was decided that we would write to council to seek a meeting to discuss this request as well as requesting a memorial wall with a few details about Nathan to be built. Moved (Kerry Ford) Seconded (Adam Kramel) Approved

Danielle Perry reported on her discussions with North West Landcare who suggested that we apply for a grant from the "Caring for our Country" programme. It was agreed that Danielle and John would work together to apply for this grant.

An approach has been made from the Maules Creek Mine offering help in replacing the vandalised trees John to contact Chris Layton and discuss the offer.

The following correspondence was tabled:

New England North West Landcare from Sonia Williams – project manager. This was a letter to Narrabri West Development Committee, and we were also copied in on a letter to the Chairman of the Namoi CMA regarding replacing the trees that had been vandalised.

Letter from Elders Insurance letting us know that our insurance would not cover that Narrabri Bike Show. The cost of additional insurance to cover this would be \$3630.00. This was discussed. This is unaffordable for us unless we had sponsorship. John Clements is to discuss with insurance company and participants between meetings.

Meeting closed at 3:18pm

Our Reference: Your Reference: Contact Name: Telephone: RJB:EL; E30/28012 N/A Mr R J Booby (02) 6799 6855

9 November 2004

Mr F Browning
President
Narrabri West Hotel Social Club
Goobar Street
NARRABRI NSW 2390

Dear Sir

Re: Narrabri West Water Tower Project

At its October Meeting Council resolved not to consider the transfer of the land where the water tower is located until further information is received from your club.

Council requests the following information at your earliest convenience:

- An architectural assessment of the project, outlining the full extent of the project including an opinion as to the likely cost of completing the project.
- As assessment undertaken by a suitably qualified person, which considers the fire requirements of the proposal and provides an opinion as to how those requirements may be met.
- A statement from the Narrabri West Hotel Social Club which sets out the club's legal status and the legal status proposed in the event that the group was given ownership/control of the land and water tower in question.
- 4. A statement from the Narrabri West Hotel Social Club which sets out how the group would propose to address and deal with the public liability and management issues associated with the project as proposed.

Yours sincerely

R J Booby

DEPUTY GENERAL MANAGER
DIRECTOR ENVIRONMENTAL SERVICES

G:\Env\EnvAdmin\Libby\General\Russell\Nbri West Hotel Social Club, water tower.doc

ACTION REPORT

7.

OCTOBER 2004 NARRABRI SHIRE COUNCIL

GENERAL MANAGER'S REPORT

COMMUNITY & CULTURA	AL SERVICES
1 NARRABRI WEST WATER TOWER PRO	JECT (RJB:EL) [ENV] E30/28012
666/2004 RESOLVED on the motion of Cr O'Re, Council advise the West Hotel Social Club that the Council and until the Council is provided with the following	inell would not consider the transfer of
An architectural assessment of the project, cut an opinion as to the likely cost of completing to	lining the full extent of the project and se project.
2. An assessment, undertaken by a suitably ofta requirements of the proposal and provides an may be met.	lified person, which considers the fire opinion as to how those requirements
A statement from the Narrabri West Hotel So legal status and the legal status proposed if ownership/control of the land and water lower.	the event that the group was given
 A statement from the Narrabii West Hotel So, would propose to address and deal with the associated with the project as proposed. 	cial Chib which sets out how the group public liability and management issues
ACTION: Letter sent 9/11	104
NIE	IAL: 2 DATE:
INIT	IAL: DATE:
2 TOURISM MANAGER'S REPORT FOR S	EPTEMBER 2004
(MHM:KAB) [CORP]	O10/78003
667/2004 RESOLVED on the motion of Cr Bates a	and seconded by Cr Laird that Council
receive and note the report from the Tourism Manager	for September 2004.
3 THE CROSSING THEATRE (RJB:EL) [E	NV] C60/12001
668/2004 RESOLVED on the motion of Cr Meppem note the report on The Crossing Theatre Governor proposed.	and seconded by Cr Laird that Council s Licence and confirm the conditions
3.1 MINUTES OF THE INDOOR HEAT MEETING HELD ON WEDNESDAY, 12 SHIRE COUNCIL CHAMBERS (RJB:EL)	2 OCTOBER 2004 AT NARRABRI
669/2004 RESOLVED on the motion of Cr Etheridge note the Minutes and proceedings of the Heated Pool/Council's representatives on the Committee.	and seconded by Cr Bates that Council Sports Complex Meeting and determine
THIS IS PAGE 10 OF THE ACTION REPORT OF THE ORDIN COUNCIL HELD ON TUESDAY, 1	ARY MEETING OF THE NARRABRI SHIRE 9 OCTOBER 2004.
GENERAL MANAGER	MAYOR

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W.J.F. BRYAN B.E. (Syd.) M.I.E. (Aust.) C.P. Eng. R.E.P.Q. 5303. ABN No. 14 045 260 846. TELEPHONE: 02 - 67 608 127. FAX/TEL/ANS: 02 - 67 608 493. MOBILES: 0427 - 400 428. 0427 - 608 127.

W. J. Bryan

CONSULTING CIVIL AND STRUCTURAL ENGINEER
"LITTLE WOODSTOCK"

RMB 221 L, MANILLA ROAD. TAMWORTH, N.S.W., 2340.

Ref:

6-04-4407.

30th September 2004.

THE MANAGER
NARRABRI SHIRE COUNCIL.
46-48 MAITLAND STREET,
NARRABRI.
NSW. 2390.



INSPECTION AND REPORT ON THE OLD WEST NARRABRI SERVICE RESERVOIR, WALOWA ST, NARRABRI, FOR NARRABRI SHIRE COUNCIL.

Dear Sir:

An inspection of the above water tower was carried out by us on the 29th June 2004, and we report as follows:

On the above mentioned date we met with Mr. Bevan O'Regan at the site of the water tower and carried out an external examination of the tower. Mr. O'Regan also had available for us to examine, an original set of architectural and engineering details. The external examination didn't reveal any signs of concrete degeneration or any indication that the reinforcement is rusting. The engineering details indicate that the steel and concrete used are more than adequate to support the tower.

We discussed the need for a surveyor to take levels to see if the tower had settled or was leaning in any direction. Mr. O'Regan organized Gleeson Surveying to check this and their report indicates that the tower is 80 mm off vertical looking across the tower to Buri street and 55 mm off vertical looking across the tower to Walowa street, which is an extremely good result. The allowable safe limit for a structure of this type and height is 180 mm, so it is obvious that the tower was well built and has it's footings down to solid rock in this area.

We also asked Mr. O'Regan if he could get a section of the wall cut out so that we could examine the quality of the concrete and reinforcing and also be able to examine the internal wall of the tower. A section of the concrete wall showed the concrete and steel reinforcement to be in good order.

Photos of the internal walls were taken and examined by us and these showed no signs of concrete degeneration or rust coming through from the reinforcing.

/2

6-04-4407 page 2

After our examination of the tower and of all the information supplied by Mr. O'Regan we believe the tower to be structurally sound and satisfactory for the proposed development of converting the tower into office floors with a restaurant at the top.

If we can be of any further assistance in this matter please do not hesitate to contact us

Yours Faithfully;

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From: Brian Leedham

Sent: Monday, 12 September 2022 2:24 AM

To: council@narrabri.nsw.gov.com.au <council@narrabri.nsw.gov.com.au>

Cc: Brian Leedham 5 < leedham.brian@yahoo.com >

Subject: Ideas/Plans for the Water Tower opposite the Wilga Hotel and the Railway Precinct.

Good Afternoon,

About 5 to 10 years ago two local Narrabri West men formed a group called,

Narrabri West Development Group.

A Sign is still on the Water Tower.

At the beginning of this Year I was asked to help get something happening to Save the Tower.

Last Saturday, the 10th of September we had a meeting at the Wilga Hotel to get the ball rolling for this Proposal.

Our Plans/Ideas are the following,

Have a Path, or Paths at the Tower for Past Railway Men and women who worked at the Narribri West Railway Precinct

Have the Fettlers Trees upgraded with new Trees to replace the ones that have died, and put in a Concrete Path.

Have interpretive signs erected, with in the Railway Station Precinct for,

The Railway Station,

The Goods Shed,

The Loco Building,

And

The Railway Barracks.

Water Tower Remodelling.

Paint the Tower a Dark Cream colour Railway Museum,

Memorabilia Display,

Cafe/Restaurant on the top Floor

A Lift

and

Stairs

The Building may have 3 or 4 Floors altogether.

Our Group will be called,

"Narrabri West Development Group Number 2"

Which will incorporate the Facebook Page, named,

"Narrabri West Railway Station and Museum 2022"

https://facebook.com/groups/4572044662880037

Log in or sign up to view

See posts, photos and more on Facebook.

facebook.com

The Person who asked me to come on board is Kerry Ford, who I believe was part of the Development group.

Regards,

Brian Leedham.

Part of the Organising team.

12.10 APPOINTMENT OF GENERAL MANAGER'S PERFORMANCE REVIEW PANEL 2022-2024

Responsible Officer: Andrew Brown, Director Corporate and Community Services

Author: Andrew Brown, Director Corporate and Community Services

Andrew Brown, Birector corporate and community services

1. Guidelines for the Appointment and Oversight of General Managers (under separate cover)

2. LGNSW Performance Review facilitation Proposal (under separate cover)

DELIVERY PROGRAM ALIGNMENT

4 Civic Leadership - Council as strong leaders for the Community

Objective 4.1 A transparent and accountable Council

Strategy 4.1.2 Enforce good governance, risk management, and statutory compliance

EXECUTIVE SUMMARY

Attachments:

The Standard Contract of Employment of General Managers of Local Councils in New South Wales requires that the General Manager and Council enter into a performance agreement setting out agreed performance criteria.

The Office of Local Government's Guidelines for the Appointment and Oversight of General Managers (the Guidelines), shown at **Attachment 1**, provide guidance to Councillors on their obligations under the *Local Government Act 1993* (the Act) and *Local Government (General) Regulation 2021* ("the Regulation") when recruiting, appointing and overseeing the General Manager.

RECOMMENDATION

- 1. That Council determine the composition of the General Manager's Performance Review Panel from October 2022 to September 2024 to be the Mayor, the Deputy Mayor, a Councillor appointed by Council and a Councillor appointed by the General Manager.
- 2. That Council authorise the Mayor to engage Local Government NSW to undertake a workshop with all Councillors to develop the performance plan criteria for the period October 2022 to September 2024.
- 3. That Council authorise the Mayor to engage LGNSW to assist with the performance review process should the General Manager concur with such an appointment.
- 4. That Council delegate to the General Manager's Performance Review Panel:
 - The whole process of performance management, including discussions about performance and performance reviews for the October 2022 to September 2024 period;
 - b. The reporting to Council of findings and recommendations of reviews for the 2021-2022 period and any actions that should be taken.

BACKGROUND

On 20 July 2022 Council resolved to appoint Mr Robert Williams as General Manager on the terms set out in the *Standard Contract of Employment of General Managers of Local Councils in New South Wales* (the Contract). In accordance with the terms of the Contract, Council and the General Manager must develop a performance agreement outlining agreed performance criteria. Within 2 months of signing the performance agreement, the General Manager must prepare and submit to Council an action plan which sets out how the performance criteria are to be met.

CURRENT SITUATION

The Guidelines require Council to establish a Performance Review Panel ("the Panel") and delegate the task of undertaking performance reviews of the General Manager to this Panel. The Guidelines recommend that the whole process of performance management be delegated to the Panel, including determining performance criteria, conducting performance reviews, determining any actions that should be taken, and the determination of any performance agreement amendments.

Whilst the Guidelines state that the Panel should be delegated the function to determine the performance criteria, this is not recommended. Alternatively, it is recommended that a workshop of all Councillors be convened by the Mayor, with the assistance of a facilitator from Local Government NSW, to determine the agreed performance criteria in consultation with the General Manager.

The Guidelines recommend that the Panel comprise four (4) Councillors, being the Mayor, Deputy Mayor, one Councillor nominated by the Council, and one Councillor nominated by the General Manager. All Councillors not on the Panel must be given the opportunity to contribute to the process by providing feedback to the Mayor on the General Manager's performance prior to any formal review being undertaken.

Additionally, Council can involve an external facilitator to assist with the process of performance appraisal and the development of a new performance plan. The external facilitator may be selected by either the Council or the Panel. A proposal to undertake the role of external facilitator has been provided by Local Government NSW and is shown at **Attachment 2.**

FINANCIAL IMPLICATIONS

Historically, Council has utilised the services of an external facilitator to assist with the process of performance appraisal and the development of new performance plans. As noted above, this practice is permitted under the Guidelines. It is recommended that this practice will continue, and funding has been allocated in Council's current budget for this purpose.

STATUTORY AND POLICY IMPLICATIONS

The Guidelines are issued under section 23A of the Act and must be taken into consideration by Council when exercising its functions relating to the recruitment, oversight and performance

management of the General Manager. The appointment of the Panel is compliant with the Guidelines.

The General Manager's performance is required to be reviewed annually. The next annual review should take place during September 2023.

CONSULTATION

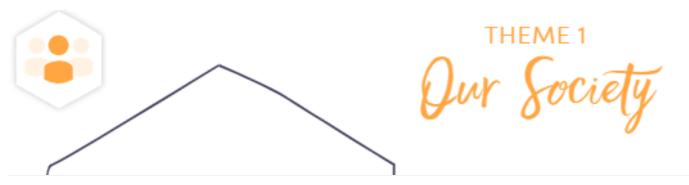
External Consultation

Nil.

Internal Consultation

Nil.

13 OUR SOCIETY



THEME 1: OUR SOCIETY

STRATEGIC DIRECTION 1: AN EMPOWERED, INCLUSIVE, AND CONNECTED COMMUNITY

COMMUNITY ENGAGEMENT

Through extensive community engagement, the Narrabri Shire community identified several social priority areas to be actioned over the 2022/2026 period.

COMMUNITY SERVICES

Current services provided within the Narrabri Shire community include:

- Community development
- Community health and safety
- Community arts, events, and entertainment
- Community care services and transport
- Parks, open spaces, and sporting facilities
- Children, youth, and aged care services
- Disability access services
- Library services

COMMUNITY OBJECTIVES

In partnership with the community, government and non-government agencies, the Operational Plan will work towards achieving the following social strategic objectives:

- A safe and healthy community
- A vibrant and connected community
- A resilient and strong community

KEY STAKEHOLDERS

- Narrabri Shire Council
- Narrabri Shire Community
- Not for Profit Organisations
- Narrabri Shire Sporting Clubs
- NSW Police Force
- NSW Communities and Justice
- Create NSW

- Local Health Care Providers
- Child Care Providers
- Aged Care Providers
- Regional Arts NSW
- NSW Office of Sport
- NSW Health

13.1 REQUEST FOR SPONSORSHIP - PINK UP NAMOI

Responsible Officer: Donna Ausling, Director Planning and Strategy

Author: Marie Labonte, Community Development Officer

Attachments: 1. Request for sponsorship from Pink Up Namoi 🗓 🖺

DELIVERY PROGRAM ALIGNMENT

1 Society - An empowered, inclusive and connected community

Objective 1.1 A safe and healthy community

Strategy 1.1.1 Support, encourage and enhance health and wellbeing services and programs across

the Shire

EXECUTIVE SUMMARY

On 13 September 2022, Council received a request for sponsorship of \$2,500 from Pink Up Namoi to support a fundraising event "Pink Night Under the Stars". Council's determination of this sponsorship request is therefore sought.

RECOMMENDATION

1. That Council supports/does not support the sponsorship request of \$2,500 to Pink Up Namoi for the fundraising evening event "Pink Night Under the Stars".

BACKGROUND

Pink Up Namoi commenced its first McGrath Foundation's Pink Up Your Town fundraising campaign in October 2021. The vision for the fundraising was to raise funding for the McGrath Foundation for specialist breast care nurses. At McGrath Foundation, money is raised to fund McGrath Breast Care Nurses who provide support and care to women and men experiencing breast cancer. From diagnosis to throughout treatment, McGrath Breast Care Nurses are available to help individuals and their families for free and with no referral.

CURRENT SITUATION

On 13 September 2022, Pink Up Namoi wrote to Council requesting for financial assistance of \$2,500 to support its fundraising evening event "Pink Night Under the Stars" which will be held at The Exchange on Saturday 22 October 2022. This event will help raise awareness of breast cancer in both men and women in our community. A copy of this request is enclosed at Attachment 1 for the information of Council.

FINANCIAL IMPLICATIONS

\$2,500. There is no current budgetary allocation for this purpose.

STATUTORY AND POLICY IMPLICATIONS

CONSULTATION

External Consultation

Nil.

Internal Consultation

- Executive Management
- Manager Tourism and Cultural Services

From: Karen Kirkby <aren.kirkby@dpi.nsw.gov.au>
Sent: Tuesday, 13 September 2022 8:55 AM

To: General Manager <aren.gov.au>
Cc: PinkUp Namoi fundraiserpinkupnamoi@gmail.com
Subject: Pink Up Namoi 2022



Dear Mr Rob Williams - General Manager Narrabri Shire Council,

Pink Up Namoi commenced its first McGrath Foundation's Pink Up Your Town fundraising campaign in October 2021. The vision for the fundraising was to raise crucial funding for the McGrath Foundation for specialist breast care nurses.

I am pleased to advise you that in its first year, Pink Up Namoi raised over \$106,000 and in September 2022, the McGrath Foundation appointed Sally Laurie as our regions Breast Care Nurse. Sally is now able to provide free support for breast cancer patients and their families through diagnosis, treatment and beyond. It is from personal experience that I can tell you this service is so crucial and so important to our community. It is through the generosity of individuals, small businesses and companies in our region that has made this possible.

I will continue supporting the McGrath Foundation to help raise vital funds for more specialist breast care nurses to those in need.

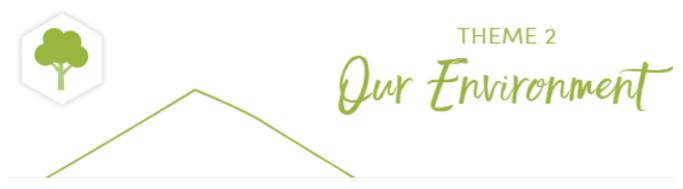
It is my pleasure to announce the McGrath Foundation CEO Tracy Bevan, Senior Fundraising Officer Bella Armstrong and the McGrath Foundation PR team will be visiting Narrabri on the weekend of the 22nd and 23rd October.

On Saturday 22nd October 2022 Pink Up Namoi will be holding a fundraising evening "Pink Night Under The Stars" at the Exchange. Tracy and Sally will be the special guest speakers on the night.

I am asking for the Narrabri Council to consider sponsorship of \$2,500 to go towards costs associated with putting this event on. Your support will help us raise awareness of breast cancer in both men and women in our community and help raise funds for the McGrath Foundation.

Kind regards, Dr Karen Kirkby Ph: 0428 944 500 fundraiserpinkupnamoi@gmail.com

14 OUR ENVIRONMENT



THEME 2: OUR ENVIRONMENT

STRATEGIC DIRECTION 2: A SUSTAINABLE AND COMPATIBLE NATURAL AND BUILT ENVIRONMENT

Through extensive community engagement, the Narrabri Shire community identified several environmental priority areas to be actioned over the 2022/2026 period.

COMMUNITY SERVICES

Current services provided within the Narrabri Shire community include:

- Waste management and recycling
- Environmental planning
- Planning and development
- Parks and open spaces

- Noxious weeds control
- Floodplain management
- Water and sewer management
- Stormwater management

COMMUNITY OBJECTIVES

In partnership with the community, government and non-government agencies, the Operational Plan will work towards achieving the following environmental strategic objectives:

- A protected and enhanced natural environment
- An integrated and strategic built environment
- A resilient and sustainable environment

KEY STAKEHOLDERS

- Narrabri Shire Council
- Narrabri Shire Community
- Not for Profit Organisations
- NSW Department of Planning and Environment
- NSW Department of Primary Industries
- Local Emergency Services
- Local Primary Producers
- Local Extractive Industries
- Water NSW
- Resilience NSW

- NSW Office of Environment and Heritage
- NSW Environment Protection Authority
- Community Consultative Committees
- Transport for NSW
- Passenger Transport Providers
- Freight and Logistics Companies
- Energy Providers
- Australian Rail Track Corporation
- Telecommunications Providers

14.1 COONABARABRAN TO MUNGINDI ROAD UPGRADE PROJECT

Responsible Officer: Eloise Chaplain, Director Infrastructure Delivery

Author: Anthony Smetanin, Manager Design Services

Attachments: 1. Letter of Request - 18 August 2022 (under separate cover)

2. PEECE Feasibility Assessment - June 2011 (under separate cover)

3. PEECE Business Case - June 2011 (under separate cover)

DELIVERY PROGRAM ALIGNMENT

2 Environment - A sustainable and compatible natural and built environment

Objective 2.2 An integrated and strategic built environment

Strategy 2.2.1 Maintain, enhance and support an integrated, diverse and safe transport network:

Pedestrian; Road; Rail; and Air

EXECUTIVE SUMMARY

The purpose of this report is to present to Council a request from Warrumbungle Shire Council, seeking the commitment of Narrabri Shire Council on partnering with both Warrumbungle Shire Council and Walgett Shire Council with the lodging of funding submissions to upgrade the route between Coonabarabran and Mungindi.

RECOMMENDATION

- That Council provide a letter of support for both Warrumbungle Shire Council and Walgett Shire Council for the completion of the "Coonabarabran to Mungindi Road Upgrade Project"
- That Council advise Warrumbungle Shire Council and Walgett Shire Council to reestablish the "Coonabarabran – Mungindi Road Upgrade Project Steering Committee" with Narrabri Shire Council representatives attending future meetings.

BACKGROUND

At the Ordinary Meeting of Council held on 15 December 2009, the following Notice of Motion was adopted (vide Minute No. 895/2009);

"...that Council support the proposal to upgrade the road between Coonabarabran and Mungindi as a road of significance, and pursue funding opportunities from Federal and State Governments for its upgrade in conjunction with Warrumbungle and Walgett Shires and engage a suitable consultant to provide joint supporting documentation."

On 28 January 2010, Narrabri Shire Council received a letter from Warrumbungle Shire Council requesting Narrabri Shire Council contribute to the development of a detailed analysis and report for the Coonabarabran to Mungindi road upgrade project.

At the Ordinary Meeting of Council held on 16 March 2010, Council resolved (*vide* Minute No. 104/2010);

"...that in relation to the sealing of the Coonabarabran to Mungindi Road (NSC Cypress Way MR 329) Council replies to the correspondence from Warrumbungle Shire, informing that;

- 1. Narrabri Shire Council is prepared to contribute an equal share of approximately a total of \$60,000 to assist in the development of a project proposal to determine the benefits and cost of sealing the road that connects Coonabarabran and Mungindi (via Gwabegar and Pilliga), which could then be presented to the State and Federal Government to secure funding for the completion of the construction and sealing of the road.
- 2. Narrabri Shire Council would be prepared to assist Walgett Shire Council project manage the preparation of a joint project proposal to determine the benefits and cost of sealing the road that connects Coonabarabran and Mungindi (via Gwabegar and Pilliga), equally funded by the Warrumbungle, Narrabri and Walgett Shires."

The consultants PEECE Pty Ltd were engaged in mid-2010 to undertake a Feasibility Assessment and a Business Case to support the upgrade of the route between Coonabarabran, Pilliga and Mungindi as a Regional priority. These documents were completed in June 2011 and have been included to this report.

In July 2011 the "Coonabarabran – Mungindi Road Upgrade Project Steering Committee" was created, and Minutes from these meetings identify that Narrabri Shire Council was represented by the Mayor and Director Engineering Services. Minutes from the August Steering Committee meeting state that Walgett Shire Council was unanimously nominated as the lead Council organisation for the development of proposed grant applications to secure funding for this project.

Council records indicate that since 2012, this project may have been reprioritised as there is minimal correspondence available between the three Councils. This may be partially due to the high turn over of staff in the position of Director Engineering Services (now Director Infrastructure Delivery) since 2012, and consequently Councils representation for this project may have been minimal.

However, it should be noted that Narrabri Shire Council was successful in obtaining grant funding for the replacement of the Baradine Creek Bridge at Gwabegar, which was completed in May 2016. The PEECE reports were used by Narrabri Shire Council as supporting documents for this project, with the new bridge forming a key component of the Coonabarabran to Mungindi Road Upgrade project.

CURRENT SITUATION

Council has since received a letter from Warrumbungle Shire Council dated 18 August 2022, requesting Narrabri Shire Council to commit to a joint arrangement for the completion of the construction and sealing of the road from Coonabarabran through Baradine, Gwabegar, Pilliga and on to Mungindi. A copy of this letter has been included with this report.

Warrumbungle Shire Council also provided copies of the PEECE reports (from June 2011), and three items of correspondence that were sent to Narrabri Shire Council between 2018 and 2020. In a response back to Warrumbungle Shire Council in 2018, it appears that the Narrabri Shire Council Director Infrastructure Delivery had requested some updated/additional information, stating;

"Going forward Council would like to seek some clarification in the report as to what the estimated "benefit to each of the Councils" will be after the completion of the works and whether the funding arrangements between the councils could be more aligned to the benefit obtained, rather than a percentage of the capital works required. We request this as Cypress Way (whilst a regional road) attracts very little traffic from Narrabri Shire Council rate payers and predominantly serves freight travelling north-south."

Traffic data for Cypress Way (between Gwabegar and Pilliga) in 2010 indicates an average daily traffic count of 110, with 16% of vehicles being heavy vehicles.

Traffic data for Cypress Way (between Gwabegar and Pilliga) in 2019 indicates an average daily traffic count of 45, with 14% of vehicles being heavy vehicles. Therefore, there has been a reduction in traffic volumes along this road since the 2011 PEECE report was issued.

The total length of the route between Coonabarabran and Mungindi (at the Queensland border) is 335km; comprising of 13km of State Highway, 282km of Regional Road and 40km of local Shire road. The approximate breakdown of the sections within the three Councils are;

- 85km (25%) of the route is within the Warrumbungle Shire;
- 34km (10%) of the route is within the Narrabri Shire; and
- 216km (65%) of the route is within the Walgett Shire.

Of the 34km section of this route within Narrabri Shire Council only 29km remains unsealed, from the intersection of Cypress Way and Bridges Street at Gwabegar to the intersection of Cypress Way and Pilliga Road at Pilliga.

Given that there appears to be no advancement in this project since the issuing of the PEECE reports in 2011 and given the large changes to the local (and global) economy and factors such as traffic volumes, periods of drought and floods; Council will need to consider the priority of this project for Narrabri Shire.

To assist with this consideration, it is recommended that the original PEECE report from 2011 is updated to reflect the current circumstances and include a complete financial analysis component, as the document indicates that some reliance has been allowed for "long-haul" vehicle usage along the route (once upgraded), to facilitate a viable economic return rate for the expenditure on the project.

It is questionable if inter-regional and inter-state transport usage should be encouraged along this route, over the use of the State and Federal Highway network. An expected increase in heavy vehicle traffic volumes along this route (once the project is completed), would accelerate the deterioration rate of the road asset, and therefore increase Councils expenditure on maintaining the road.

Council should be pursuing measures to achieve improvements to the local road network (ideally to a sealed state), particularly if the project can be fully funded by grants or external funds. However, pre-examination considerations of affordability and priority ranking are essential in determining the benefits at the local level for the wider Narrabri Shire community.

Councils Infrastructure Delivery Department are currently finalising a road hierarchy list which will assist Council in determining the priority of road upgrade projects. This list has been formulated using such data as, traffic volumes, number of affected properties, crash/accident data, school bus routes and tourist routes, to name a few. Once completed this data and road hierarchy list will be presented to a future Ordinary Council meeting.

The Feasibility Assessment completed by PEECE in 2011 indicates that this project will provide segment benefits to localities more so than a general overall benefit for the length entailed, with the exception being for long-haul purposes. This document also identifies that the lowest benefit cost ratio would be returned to the section of the route between Baradine and Pilliga (i.e. the section of Cypress Way within Narrabri Shire).

Although Cypress Way (MR329) has the local benefit of connecting the villages of Gwabegar and Pilliga, Council does recognise the additional advantages of the overall project. Some of these advantages are;

- Improved overall road network (wider, sealed, safer)
- Increased tourist traffic (connecting to Pilliga Bore bath)
- Alternate route for agricultural equipment (e.g. headers) decreasing the number of wide loads on the Newell Highway
- Shorter route for vehicles transporting livestock to saleyards
- Potential for developer investment into a Fuel Station (Roadhouse) at Gwabegar or Pilliga
- Potential to reopen the Gwabegar grain silo.

Therefore, as Narrabri Shire Council previously resolved (in 2011) to assist the neighbouring Councils with this project and was a member of the "Coonabarabran – Mungindi Road Upgrade Project Steering Committee", it is recommended that Narrabri Shire Council support both Warrumbungle Shire Council and Walgett Shire Council in securing external funding to complete this project.

FINANCIAL IMPLICATIONS

Nil to this report.

STATUTORY AND POLICY IMPLICATIONS

Cypress Way (MR329) is a Public Road owned and maintained by Narrabri Shire Council. Council has a 'Duty of Care' obligation to ensure the safety of pedestrians and motorists.

CONSULTATION

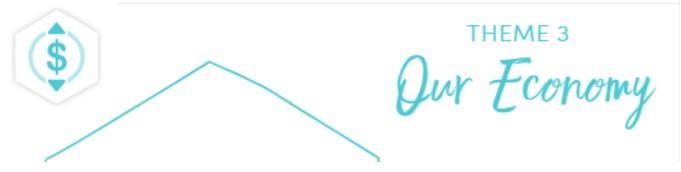
External Consultation

Nil

Internal Consultation

- Director Infrastructure Delivery
- Manager Road Services

15 OUR ECONOMY



THEME 3: OUR ECONOMY

STRATEGIC DIRECTION 3: A STRONG, DIVERSE, AND SUSTAINABLE ECONOMY

Through extensive community engagement, the Narrabri Shire community identified several economic priority areas to be actioned over the 2022/2026 period.

COMMUNITY SERVICES

Current services provided within the Narrabri Shire community include:

- Economic development
- Planning and development
- Entertainment and conferences
- Local and regional tourism and events
- Saleyards
- Airport

COMMUNITY OBJECTIVES

In partnership with the community, government and non-government agencies, the Operational Plan will work towards achieving the following economic strategic objectives:

- A diverse economy
- A regionally renowned economy
- A resilient and sustainable economy

KEY STAKEHOLDERS

- Narrabri Shire Council
- Narrabri Shire Community
- Destination NSW
- Visit NSW
- NSW Department of Education and Training
- Local Chambers of Commerce
- NSW Department of Planning and
 Environment
- Business NSW

- NSW Regional Growth and Development Corporation
- TAFE NSW
- Community College Northern Inland
- Local Businesses
- Regional Development Australia
- Regional Universities Network NSW members
- Country Universities Centre

15.1 RURAL BANKING OPTIONS- WEE WAA

Responsible Officer: Andrew Brown, Director Corporate and Community Services

Author: Jason Townsend, Manager Governance and Risk

Attachments: 1. Commonwealth Postal Savings Bank Bill 2021 🗓 🖺

DELIVERY PROGRAM ALIGNMENT

3 Economy - A strong, diverse and sustainable economy

Objective 3.3 A resilient and sustainable economy

Strategy 3.3.4 Advocate for and invest in infrastructure to support and future-proof the local and

broader economy.

EXECUTIVE SUMMARY

In July 2021, Council passed a resolution noting a number of factors relating to banking issues in Wee Waa, resolving to advocate for the passage of a proposed Bill. This report seeks Council's guidance in relation to this matter, in light of a number of factors.

RECOMMENDATION

1. That Council note that no party currently in Parliament has adopted the proposed Commonwealth Postal Savings Bank Bill and rescind all outstanding actions from minute 131/2021.

BACKGROUND

In July 2021, Council resolved the below:

That Council notes that:

- a. Bank branch and ATM closures are leaving many communities without access to financial services, especially in regional Australia.
- b. Since 1975 the number of bank branches in regional Australia has fallen by more than 60 per cent, and there are more than 1,500 communities across Australia with no bank branches at all.
- c. A large proportion of the population, including the elderly, disabled, small businesses and local schools and charities, will always have a need for face-to-face financial services despite advances in technology.
- d. For hundreds of communities, their only access to cash and financial services is through Bank@Post at their community Post Office.
- e. Bank@Post is an essential service to all communities, but is vulnerable to commercial decision-making by the banks, which can choose to withdraw their participation.
- 2. That Council calls on the Commonwealth Parliament to pass the Commonwealth Postal Savings Bank Bill to establish a post office people's bank, fully guaranteed by the

Commonwealth, as a dedicated postal savings bank, operating exclusively through Australia Post's corporate and licensed post offices, which will ensure basic banking services—including deposit-taking, business and personal lending, and access to cash—are available to all Australians, and will contribute to Australia's national economic development.

3. That Council write to the Local State and Federal Members of Parliament, to inform them of Councils desire to support the passage of the Commonwealth Postal Savings Bank Bill through Parliament.

CURRENT SITUATION

The Commonwealth Postal Savings Bank Bill is a proposed bill by the Citizens Party, which currently holds no seats in either NSW or Commonwealth Parliament. A copy of the proposed Bill is attached to this report.

To the best of Management's knowledge, no party in Parliament has adopted this proposed Bill within its policy position. As such, it is unlikely to be introduced to Parliament at this time in its current form.

In Q2 2022, letters were drafted to send to the relevant minister and local Members of parliament but placed on hold ahead of the 2022 Federal Election.

Given the result of the 2022 Federal Election, the makeup of Parliament, and the above, Council Staff seek guidance from Council as to whether it wises to maintain its position or modify it.

Management seeks the Council's guidance on whether it remains Council's intention to advocate for the proposed Bill, or whether Council wants to advocate for legislation or executive action analogous to it, so as to resolve the issues with banking options in Wee Waa.

Alternately, Council stands ready to send the letters as drafted to the relevant parties.

FINANCIAL IMPLICATIONS

Nil

STATUTORY AND POLICY IMPLICATIONS

This report seeks a policy position in relation to advocacy for other governments' policy positions.

CONSULTATION

Nil

External Consultation

Nil

Internal Consultation

Nil

COMMONWEALTH POSTAL SAVINGS BANK BILL 2021

No of 2021

A Bill for an Act to establish a new, government-owned savings bank for the deposit of savings and to make Post Office retail outlets, agencies and franchises available for that purpose and to give Commonwealth security to depositors for repayment of all moneys so deposited with the bank, and for related purposes.

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PART I - PRELIMINARY

The Parliament of Australia enacts:

1. Short title

This Act may be cited as the Commonwealth Postal Savings Bank Act 2021

2. Commencement

(1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this Act	The day after the day on which the Consolidated Revenue Fund is appropriated under an Act to the Department in which this Act is administered for payment for the purposes of this Act.	

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

(2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

3. Outline of the Purposes of the Act

The purposes of this Act are:

- (a) to establish a new, government-owned savings bank for the deposit of savings;
- (b) to support and encourage the expansion of access to affordable banking, including the provision of short- and long-term loans and better banking services to communities which have been deprived of private banking branches and facilities;
- (c) to provide access to a government-owned savings bank which is highly accessible, with a large nationwide footprint and extended daily opening hours;
- (d) to provide easily accessible service locations, especially at Australian Post Offices, to make it possible for all Australians to access physical banking locations;
- (e) to make the Post Office branches, agencies and franchises available for that purpose;
- (f) to provide Commonwealth security to depositors for repayment of all moneys so deposited with the Bank;
- (g) to provide affordable, transparent, trustworthy banking services, including bank accounts and real-time payment systems and easily accessible service locations, including Australia's Post Offices;
- (h) to create a government-owned savings bank to provide all financial products and services, ensuring that the customer's access to the products and the public interest is given significant consideration;
- (i) to encourage Australians to save money and have access to banking services;
- (j) to provide easily accessible savings products to all strata of the population;
- (k) to give small investors a ready means of saving;
- to provide funds to facilitate efficient, long-term financing of infrastructure projects, business and economic growth, vital aspects of the economy and new job creation in

Australia by the investment of the Bank's funds with Government-owned institutions which have access to or control of such projects;

 (m) to provide such other basic financial services as the Bank determines appropriate in the public interest;

4. Definitions

4.1 In this Act, unless the contrary intention appears:

Bank means the Commonwealth Postal Savings Bank established by this Act. Australia includes the Territories.

Australia Post means the Australian Postal Corporation.

bank means a corporation carrying on banking business.

banking business means:

- (a) a business that consists of banking within the meaning of paragraph 51(xiii) of the Constitution other than State banking but including State banking extending beyond the limits of the State concerned; and
- (b) a business that is carried on by a corporation to which paragraph 51(xx) of the Constitution applies other than State banking but including State banking extending beyond the limits of the State concerned, and that consists, to any extent, of both taking money on deposit (otherwise than as part-payment for identified goods or services) and making advances of money.

Board means the Commonwealth Postal Savings Bank Board.

chief executive officer and CEO mean the individual serving as the executive director of the Bank.

Commonwealth means the Federal Commonwealth of Australia.

officer or officer of the Bank means an officer of the Commonwealth Postal Savings Bank.

Parliament means the Parliament of the Commonwealth.

Savings Bank business means the receipt of Savings Bank deposits, re-payment of such deposits, investment of deposits and all business incidental thereto;

Savings Bank Branch and Branch mean an Office at which Savings Bank business is transacted, and at which ledger accounts of depositors are kept;

Savings Bank Agency and Agency mean an Office at which Savings Bank deposits are received and re-paid or received only, but at which ledger accounts of depositors are not kept;

5. Application to Crown

This Act binds the Crown in right of each of the States, of the Australian Capital Territory, and of the Northern Territory.

PART II - CREATION OF THE BANK

6. Commonwealth Postal Savings Bank

- 6.1 A Commonwealth bank, to be called the Commonwealth Postal Savings Bank, is hereby established.
- 6.2 The Bank shall be a body corporate with perpetual succession and a common seal, and may hold land, and may sue and be sued in its corporate name.
- 6.3 The Bank shall, in addition to any other powers conferred by this Act, have power:
 - (a) to carry on the general business of a savings bank;
 - (b) to acquire and hold land on any tenure;

- (c) to receive money on deposit, either for a fixed term or on current account:
- (d) to make advances by way of loan, overdraft, or otherwise;
- (e) to discount bills and drafts;
- (f) to issue bills and drafts, and grant letters of credit;
- (g) to borrow money;
- (h) to do anything incidental to any of its powers.
- 6.4 The Treasurer may, from time to time, out of moneys authorised by the Parliament, advance to the Bank, for the purposes of the Bank in exercising its powers and responsibilities pursuant to this Act, such amounts, and subject to such terms and conditions, as are agreed upon between the Treasurer and the Bank.
- 6.5 The Treasurer may from time to time cause advances to be made to the Bank as and when allocations may be made from Consolidated Revenue. Any such advances may be made on terms to be agreed upon between the Treasurer and the Bank.
- 6.6 The Treasurer may, out of the Consolidated Revenue Fund, which is hereby appropriated accordingly, make advances to the Bank for the purpose of enabling it to defray any of the expenses incidental to the establishment of the Bank, the opening of offices thereof for business, and the raising of sufficient capital for carrying on business.
- 6.11 Any moneys advanced in pursuance of this section shall be repaid to the Treasurer by the Bank, together with interest at the rate of two per centum per annum.
- 6.12 Any and all notes, debentures, bonds, or other such obligations issued by the Bank shall be exempt both as to principal and interest from all taxation now or hereafter imposed by the Commonwealth or by any State or Territory of the Commonwealth. The Bank, including its capital, reserves, and surplus, and its income shall be exempt from all taxation now or hereafter imposed by the Commonwealth or by any State or Territory of the Commonwealth; except that any real property of the Bank shall be subject to State, Territory, or local government taxation to the same extent according to its value as other real property is taxed.
- 6.13 The Bank is authorised to carry on a savings bank business in Australia in accordance with the provisions of this Act and shall not be the subject to regulation, authority, direction or control by the Australian Prudential Regulation Authority or the Australian Securities & Investments Commission other than as may be provided for in this Act.
- 6.14 The Bank shall not refuse to conduct banking business for any person, by reason only of the fact that to conduct that business would have the effect of taking away business from another bank.

7. General Function of the Commonwealth Postal Savings Bank

- 7.1 It shall be the function and duty of the Commonwealth Postal Savings Bank, within the limits of its powers, to:
 - 7.1.1 support and encourage the expansion of access to affordable banking, including the provision of short and long-term loans and better banking services to communities which have been deprived of private banking branches and facilities;

- 7.1.2 to provide a government-owned savings bank which is highly accessible to all Australians, with a large nationwide footprint and extended daily opening hours;
- 7.1.3 to provide easily accessible service locations, especially at Australian Post Offices to make it possible for all Australians to access physical banking locations:
- 7.1.4 to make the Post Office branches, agencies and franchises available for those purposes;
- 7.1.5 to provide affordable, transparent, trustworthy banking services, including bank accounts and real-time payment systems and easily accessible service locations, including Australia's Post Offices;
- 7.1.6 to provide all financial products and services appropriate to a savings bank business, ensuring that the customer's access to the products and the public interest is given significant consideration;
- 7.1.7 to encourage Australians to save money and have access to banking services;
- 7.1.8 to provide easily accessible savings products to all strata of the population;
- 7.1.9 to give small investors a ready means of saving;
- 7.1.10 to provide such other basic financial services as the Bank determines appropriate in the public interest;

8. Constitutional limits

The Bank may perform its functions:

- (a) for purposes relating to trade or commerce:
 - (i) between Australia and places outside Australia; or
 - (ii) among the States; or
 - (iii) within a Territory, between a State and a Territory or between two

Territories; or

- (b) for purposes relating to banking (other than State banking) to which paragraph 51(xiii) of the Constitution applies; or
- for purposes relating to a corporation to which paragraph 51(xx) of the Constitution applies; or
- (d) for purposes related to external affairs, including:
 - (i) giving effect to an international agreement to which Australia is a party; or
 - (ii) addressing matters of international concern; or
 - (iii) by way of the performance of its functions in a place outside Australia; or
- (e) by way of the use of a postal, telegraphic, telephonic or other like service within the meaning of paragraph 51(v) of the Constitution; or
- (f) by way of the provision of service, or financial assistance, to:
 - (i) the Commonwealth; or
 - (ii) an authority of the Commonwealth;
 - (iii) for a purpose of the Commonwealth; or
- $(g) \qquad \text{for purposes relating to a Territory; or} \\$
- (h) with respect to a Commonwealth place (within the meaning of the Commonwealth Places (Application of Laws) Act 1970); or
- for purposes relating to the relations of the Commonwealth with the islands of the Pacific; or

- for purposes relating to the implied power of the Parliament to make laws with respect to nationhood; or
- (k) for purposes relating to the executive power of the Commonwealth; or
- for purposes relating to matters incidental to the execution of any of the legislative powers of the Parliament or the executive power of the Commonwealth.

9. Bank's powers

- 9.1 The Bank has power to do all things necessary or convenient to be done for or in connection with the performance of its functions.
- 9.2 The powers of the Bank may be exercised within or outside Australia.
- 9.3 For the purpose of carrying out its functions under this Act, the Bank is empowered to carry on the business of a savings bank.
- 9.4 Without limiting the generality of the last preceding sub-section, the Bank has power, in addition to any other powers conferred on it by this Act-
 - 9.4.1 to receive money on deposit; 9.4.2 to borrow money; 9.4.3 to lend money; 9.4.4 to buy, sell, discount and re-discount bills of exchange, promissory notes and treasury bills; to buy and sell securities issued by the Commonwealth and other 9.4.5 securities: 9.4.6 to establish credits and give guarantees; 9.4.7 to issue bills and drafts and effect transfers of money; 9.4.8 to underwrite loans and issues of capital; and 9.4.9 to do anything incidental to any of its powers.

10. Establishment of Commonwealth Postal Savings Bank Board

10.1 There shall be a Commonwealth Postal Savings Bank Board, which shall be constituted as provided by Part III.

11. Functions of Commonwealth Postal Savings Bank Board

- 11.1 Subject to this Act, the Board has power to determine the policy of the Bank in relation to any matter, and to control the affairs of the Bank.
- 11.2 It is the duty of the Board, within the limits of its powers, to ensure that the policy of the Bank is directed to the greatest advantage of the people of Australia.

12. Establishment of Executive Committee

- 12.1 There shall be an Executive Committee of the Bank which shall be constituted as provided by Part III.
- 12.2 It is the duty of the Executive Committee for a bank to take such action as is necessary to ensure that effect is given by the Bank to the policy of the Bank as determined under this Part and to any directions given by the Board in relation to the affairs of the Bank.

13. Management of the Bank

- 13.1 There shall be a Managing Director and a Deputy Managing Director of the Bank, who shall be appointed and hold office as provided by Part III.
- 13.2 Subject to this Act, the Bank shall be managed by the Managing Director.
- 13.3 The Deputy Managing Director shall perform such duties as the Managing Director directs and, in the event of a vacancy in the office of Managing Director, the Deputy Managing Director shall perform the duties of the Managing Director and shall have and may exercise the powers and functions of the Managing Director.

14. Managing Director and Secretary to Treasury shall establish a close liaison

14.1 The Managing Director and the Secretary to the Treasury shall establish a close liaison with each other and shall keep each other fully informed on all matters which jointly concern the Bank and the Department of the Treasury.

15. Investment of funds

- 15.1 The Bank may invest any moneys held by it:
 - (a) in any Government security approved by the Treasurer;
 - (b) on loan on the security of land;
 - in advancing money for the purchase or erection of residential dwelling houses, and for the discharge of mortgages on dwelling houses;
 - (d) in advancing money for the erection of warehouses or storage facilities intended for the warehousing or storage of primary products, including the erection of plant for treatment to ensure their preservation and preparation for marketing;
 - (e) in debentures issued by any Commonwealth government-owned institution;
 - (f) on fixed deposit with any Commonwealth government-owned bank or financial institution;
 - (g) The Bank may also make loans to aid in the financing of any publicly owned infrastructure within the Commonwealth where the project for the creation or improvement of such infrastructure is being undertaken by an instrumentality of the Commonwealth or of a State or Territory or is supported or promoted by the Commonwealth or a State or Territory and the loan obligations to the Bank are guaranteed by the Treasurer on behalf of the Commonwealth or the Treasurer of a State or Territory on behalf of such State or Territory in which event such guarantee shall be sufficient security within the meaning of this Section.
 - (h) No loan or advance shall be approved under this Act, directly or indirectly, to any financial institution of which any director, office-holder or substantial shareholder is an officer of the Bank or has been such a member or officer within the twelve months preceding the approval of the loan or advance.
 - (i) in any other prescribed manner;

and may also, from time to time, vary any such investment.

15.2 For the purposes of paragraph (d) of the last preceding subsection 'primary products' means wool, grain, butter, cheese, meat, fish, fresh, preserved or dried fruits, hops, cotton, sugar, and such other produce as is prescribed.

16. Bank guaranteed by the Commonwealth

16.1 The Commonwealth shall be responsible for the payment of all moneys due by the Bank but nothing in this section shall authorize any creditor or other person claiming against the Bank to sue the Commonwealth in respect of his debt or claim.

PART III MANAGEMENT OF THE COMMONWEALTH POSTAL SAVINGS BANK

Division I. The Board

17. Membership of the Board

- 17.1 The Board shall be appointed by the Treasurer and shall consist of:
 - (a) the Managing Director;
 - (b) the Deputy Managing Director;
 - (c) the Secretary to the Department of the Treasury; and
 - (d) four other members, who shall be appointed by the Treasurer in accordance with this section.
- 17.2 A member of the Board appointed under paragraph (d) of the last preceding subsection:
 - (a) shall have at least 10 years of banking or commerce experience;
 - (b) shall, subject to this section, be appointed for a period of five years but is eligible for re-appointment; and
 - (c) holds office subject to good behaviour.
- 17.3 Of the members of the Board who are first appointed under paragraph (d) of subsection 17.1 of this section, two shall be appointed for a period of two years, one for a period of three years, and one for a period of five years.
- 17.4 In the event of a member of the Board appointed under paragraph (d) of sub-section 17.1 of this section ceasing to hold office before the termination of his period of office, the period of appointment of a person appointed in his place shall be the remainder of the period of office of the member so ceasing to hold office.
- 17.5 A member of the Board shall be paid by the Bank such remuneration as the Board determines.

18. Declaration by Members

- 18.1 A member of the Board shall, before entering upon his duties or exercising any power under this Act, make, before a Justice of the Peace or a Commissioner for taking Affidavits, an oath or affirmation of allegiance in accordance with the form in the Schedule to the Constitution and a declaration of secrecy in accordance with the prescribed form.
- 18.2 A member of the Board shall within 21 days of appointment to the Board provide to the Board a statement of the member's registrable interests.

- 18.3 The Bank shall maintain a Register of Interests in a form determined by the Bank from time to time. The Register shall be available for inspection by any person under conditions to be laid down by the Bank from time to time. The information to be provided in the member's statement shall be those registrable interests required by the Registration of Members' interests Requirements of the House of Representatives Resolution adopted by the House on 9 October 1984 as amended.
- 18.4 A member who has completed a disclosure statement for a Register of Interests as a member of a Commonwealth, State or Territory Parliament shall be sufficient compliance with the provisions of section 18.2.

19. Disqualification of membership

- 19.1 A person who is:
 - (a) a member of the Reserve Bank Board;
 - (b) the Governor, the Deputy Governor or an officer or employee of the Reserve Bank;
 - (c) an officer or employee of the Bank (other than the Managing Director or the Deputy Managing Director);
 - (d) an officer of the Public Service of the Commonwealth (other than the Secretary to the Department of the Treasury); or
 - (f) a director, officer or employee of a corporation the business of which is wholly or mainly that of banking, unless such corporation shall be solely owned by the Commonwealth;

is not capable of appointment, or of continuing to act, as a member of the Board.

20. Vacation of Office

- 20.1 If a member of the Board appointed under paragraph (d) of sub-section 17.1 of section seventeen of this Act:
 - (a) becomes permanently incapable of performing his duties;
 - (b) becomes bankrupt, applies to take the benefit of any law for the relief of bankrupt or insolvent debtors, compounds with his creditors or makes an assignment of his remuneration for their benefit;
 - (c) resigns his office by writing under his hand addressed to the Board;
 - (d) is absent, except on leave granted by the Treasurer, from all meetings of the Board held during two consecutive months or during any three months in any period of twelve months; or
 - (e) fails to comply with his obligations under this Act,

the Treasurer shall terminate his appointment.

21. Chairman and Deputy Chairman of the Board

21.1 The Treasurer shall appoint one of the members of the Board appointed under paragraph (d) of subsection 17.1 of section seventeen of this Act to be Chairman of the Board, and another such member to be Deputy Chairman of the Board, for such period as the Treasurer determines.

- 21.2 The Chairman or the Deputy Chairman of the Board holds office as Chairman or Deputy Chairman until the expiration of the period of his appointment or until he ceases to be a member of the Board, whichever first happens.
- 21.3 The Chairman or the Deputy Chairman of the Board may resign his office as Chairman or Deputy Chairman by writing under his hand addressed to the Treasurer.

22. Meetings of the Board

- 22.1 The Board shall meet at such times and places as Board determines or as the Chairman or the Deputy Chairman directs.
- 22.2 The Chairman shall preside at all meetings of the Board at which he is present and, in the absence of the Chairman, the Deputy Chairman shall preside.
- 22.3 Five members, of whom the Chairman or the Deputy Chairman shall be one, form a quorum at a meeting of the Board.
- 22.4 Questions arising at a meeting of the Board shall be decided by a majority of the votes of the members present and voting.
- 22.5 The member presiding at a meeting of the Board shall have a deliberative vote and, in the event of an equality of votes, shall also have a casting vote.
- 22.6 No member of the Board shall in any manner, directly or indirectly, participate in deliberation upon or the determination of any question affecting his personal interests, or the interests of any corporation, partnership, or association in which he is directly or indirectly interested.
- 22.7 The Board shall meet at least once in each month.

Division 2.- The Executive Committee

23. Establishment of Executive Committee

23.1 The Board shall establish an Executive Committee consisting of five members, headed by the chief executive officer of the Bank.

24. Chief Executive Officer

- 24.2 A majority of the Executive Committee shall have the authority to appoint and reappoint the chief executive officer with such executive functions, powers, and duties as may be prescribed by this Act, the by-laws of the Bank, or the Board.
- 24.3 The CEO shall have responsibility for the development and implementation of the strategy of Bank, including:
 - 24.3.1 the development and submission to the Executive Committee of the annual business plans and budget;
 - 24.3.2 the development and submission to the Executive Committee of a long-term strategic development plan that is consistent with the functions of the bank and its Divisions; and

24.3.3 the development, revision, and submission to the Executive Committee of the Bank's other internal policies.

25. Other Executive Officers

- 25.1 The Board shall appoint, remove, fix the compensation, and define duties of the other 4 executive officers to serve on the Executive Committee.
- 25.2 The CEO, and all other executive officers, and all loan origination officers, shall have extensive experience and expertise in retail banking, public finance or commerce.

26. Executive Committee Duties

- 26.1 In order to carry out the functions of the Bank as set forth in this Act, the Executive Committee shall:
 - 26.1.1 establish and submit to the Board disclosure and application procedures for entities nominating projects for assistance under this Act;
 - 26.1.2 establish and submit to the Board standardized terms and conditions, fee schedules, or legal requirements of a contract or program to carry out this Act;
 - 26.1.3 establish and submit to the Board guidelines for the selection and approval of agencies and establishment of branches, subject to the general criteria provided in this Act; and
 - 26.1.4 provide recommendations to the Board and place proposals accepted by the Executive Committee for arrangements with agencies and establishment of branches.

27. Vacancies

27.1 A vacancy in the position of CEO and other executive officers of the Executive Committee shall be filled in the manner in which the original appointment was made.

28. Remuneration

28.1 The remuneration compensation of the CEO and other executive officers of the Executive Committee shall be determined by the Board.

29. Removal

29.1 The CEO and other executive officers of the Executive Committee may be removed at the discretion of the Board.

30. Term

30.1 The CEO and other executive officers of the Executive Committee shall serve a 6-year term and may be reappointed in accordance with this Division.

31. Limitations

- 31.1 The CEO and other executive officers of the Executive Committee shall not:
 - 31.1.1 hold any other public office;
 - 31.1.2 have any interest in an infrastructure project considered by the Bank;

- 31.1.3 have any interest in an investment or financial institution or commercial bank; or
- 31.1.4 have any such interest during the 2-year period beginning on the date such officer ceases to serve in such capacity;

unless the Board is satisfied that special circumstances exist such that the appointment of such an Officer is in the best interests of the Bank and its customers.

PART IV - MISCELLANEOUS PROVISIONS RELATING TO THE COMMONWEALTH POSTAL SAVINGS BANK

32. Head Office

32.1 The head office of the Commonwealth Postal Savings Bank shall be at Sydney in the State of New South Wales.

33. Branches

33.1 The Bank may establish branches, agencies and sub-agencies at such places, whether within or beyond Australia, as the Bank thinks fit.

34. Agents

- 34.1 The Bank may arrange with any person to act as agent of the Bank in any place whether within or beyond Australia.
- 34.2 The Bank may act as the agent of any bank carrying on business within or beyond Australia.
- 34.3 The Bank may appoint Australia Post, its retail outlets, agencies, sub-agencies and Licensed Post Offices as its agents for carrying out any or all of its powers and duties under this Act and Australia Post, its retail outlets, agencies, sub-agencies and Licensed Post Offices shall act in accordance with any such appointment.
- 34.4 The Bank shall reimburse Australia Post, its retail outlets, agencies, sub-agencies and Licensed Post Offices such amount or amounts as the Bank and Australia Post shall agree on account of the cost of services rendered under arrangements made in accordance with this section, and the amount of such payment shall be subject to review at the end of each agreed period. Any such agreement as to an amount or amounts shall take into consideration the amounts and matters as referred to in Subsections 34.7.1, 34.7.2 and 34.7.3.
- 34.5 In the event of any difference of opinion between the Bank and Australia Post, its retail outlets, agencies, sub-agencies and Licensed Post Offices as to the payment to be made under this section, the issue shall be submitted for determination by the Treasurer of the Commonwealth, and his decision shall be binding on all parties.
- 34.6 In the event of a referral to the Treasurer as provided for in the preceding subsection, the Bank and Australia Post shall provide written submissions to the Treasurer as to their respective positions and proposals.
- 34.7 Any decision which may be made by the Treasurer pursuant to this section shall take into consideration:

- 34.7.1 the actual costs incurred by Australia Post, its retail outlets, agencies, subagencies and Licensed Post Offices in providing the services and facilities associated with the appointment including a reasonable return thereon; and
- 34.7.2 the effect on the business of Australia Post, its retail outlets, agencies, subagencies and Licensed Post Offices in providing the additional services and facilities associated with the appointment; and
- 34.7.3 any financial loss which Australia Post, its retail outlets, agencies, sub-agencies and Licensed Post Offices may incur as a consequence of their loss of any other agencies or arrangements which they may already have undertaken or have negotiated.
- 34.8 Australia Post shall pay to each of its retail outlets, agencies, sub-agencies and Licensed Post Offices from any amounts paid to Australia Post pursuant to this Section 34:
 - 34.8.1 such amounts as may be agreed pursuant to Section 34.4; or
 - 34.8.2 an amount or amounts not less than the retail costs of the retail outlets, agencies, sub-agencies and Licensed Post Offices of Australia Post as shall be determined in any determination made pursuant to Section 34.5.
 - 34.8.3 For the purpose of this clause 34.8, retail costs shall mean the amounts of the costs and losses incurred by the retail outlets, agencies, sub-agencies and Licensed Post Offices of Australia Post for the matters for consideration as itemised in Section 34.7.

35. Appointment of Attorneys

35.1 The Bank may, by instrument under its common seal, appoint any person (whether in Australia or in a place beyond Australia) to be an attorney of the Bank, and any person so appointed may, subject to the instrument, do any act or execute any power or function which he is authorized by the instrument to do or execute.

36. Provision of reports, records and information to the Bank

36.1 In order to enable the Bank to carry out the provisions of this Act all Commonwealth Departments and institutions are hereby authorized, under such conditions as such Departments and institutions may prescribe, to make available to the Bank, in confidence, such reports, records, or other information as they may have available relating to the condition of applicants with respect to whom the Bank has had or contemplates having transactions under this Act, or relating to individuals, associations, partnerships, corporations, or other obligors whose obligations are offered to or held by the Bank as security for loans pursuant to this Act, and to make, through their examiners, or other employees for the confidential use of the Bank, examinations of applicants for loans. Every applicant for a loan under this Act shall, as a condition precedent thereto, consent to such examination as the Bank may require for the purposes of this Act and that reports of examinations by constituted authorities may be furnished by such authorities to the Bank upon request therefor.

37. Commonwealth Postal Savings Bank Service

The Bank may appoint such officers as are necessary for the purposes of this Act.

- 37.2 The officers appointed under this section shall constitute the Commonwealth Postal Savings Bank Service.
- 37.3 Subject to this section and to the regulations, officers hold office on such terms and conditions as the Bank determines.

38. Temporary and casual employees

- 38.1 The Bank may appoint such temporary and casual employees as are necessary for the purposes of this Act.
- 38.2 Employees so appointed shall be employed on such terms and conditions as the Bank determines.

39. Requirements for appointment

- 39.1 A person shall not be appointed under this Act to the Commonwealth Postal Savings Bank Service unless:
 - 39.1.1 he is an Australian subject;
 - 39.1.2 he makes and subscribes, before a Justice of the Peace or a Commissioner for taking Affidavits, an oath or affirmation of allegiance in accordance with the form in the Schedule to the Constitution; and
 - 39.1.3 the Bank is satisfied as to his health and physical fitness.

40. Regulations as to Service

40.1 The Managing Director with the consent of Board and the Treasurer may make regulations, not inconsistent with this Act, in relation to the Commonwealth Postal Savings Bank Service and, in particular, may prescribe the terms and conditions of employment of officers.

41. Superannuation fund

- 41.1 There shall be a superannuation fund of the Bank.
- 41.2 The Managing Director with the consent of Board and the Treasurer, may make rules, not inconsistent with this Act or the regulations, for or in relation to the superannuation fund.

42. Borrowing by officers

- 42.1 Subject to this section, the Bank shall not lend money to an officer.
- 42.2 The Bank may lend money to an officer:
 - (a) for the purchase, erection, alteration, renovation or enlargement of a home in which he resides or intends to reside; or
 - (b) to discharge a mortgage, charge or encumbrance on such a home.
- 43.3 The Bank may, where the Board is satisfied that special circumstances exist, lend to an officer, upon such terms and conditions as the Board thinks fit, money not exceeding at any one time such amount as may from time to time be prescribed by regulation.

43. List of officers

- 43.1 The Bank shall, from time to time and whenever the Treasurer so directs, prepare a list of all officers, together with such particulars as the Treasurer requires, and shall circulate copies of the list among the officers.
- 43.2 The Bank shall forward a copy of the list to the Treasurer for presentation to the Parliament.

44. Requirements of non-disclosure

44.1 No officer, employee of agent of the Bank shall allow any person to have access to books or papers belonging to the Bank, nor shall he furnish extracts therefrom, nor give information of any kind relating to the business of the Bank (except to or on the order of a customer in respect of his own matters) unless by direction and authority of the Board or under compulsion or obligation of law.

45. Balance sheets

- 45.1 The Board shall, once in each year, prepare a balance-sheet of the Bank, and shall submit the balance-sheet to the Auditor-General for report as to its correctness or otherwise, and shall transmit it, together with the report of the Auditor-General, to the Treasurer.
- 45.2 The Board shall also transmit true copies of the balance-sheet and reports to the President of the Senate and to the Speaker of the House of Representatives to be laid before the Senate and the House of Representatives respectively.
- 45.3 Balance-sheets under this section shall be prepared in accordance with the forms prescribed by the regulations.

46. Returns

46.1 The Bank shall furnish to the Treasurer such periodical statements as may be prescribed by the regulations.

47. Audit

- 47.1 The affairs of the Bank shall be subject to inspection and audit by the Auditor-General.
- 47.2 The inspection and audit shall be conducted not less often than yearly and the Auditor-General shall report to the Treasurer the result of each inspection and audit.

48. Power to improve property and carry on business

48.1 Where the Bank holds any property (whether real or personal) or business as security for any loan or advance, and the property or business falls into the hands of the Bank, the Bank may maintain, repair or improve the property, or carry on the business, until the Bank can, in its discretion, dispose of the property or business in the best interests of the Bank.

49. Extension of contracts

49.1 Contracts on behalf of the Bank may be made, varied or discharged in accordance with the succeeding provisions of this section and all contracts so made shall be effectual in law, and shall be binding upon the Bank and on all other parties to the contract, their heirs, executors or administrators, as the case may be.

- 49.2 Any contract which, if made between private persons, would be by law required to be in writing under seal, may be made, varied or discharged, in the name and on behalf of the Bank, in writing under the common seal of the Bank.
- 49.3 Any contract which, if made between private persons, would be by law required to be in writing and signed by the parties to be charged therewith, may be made, varied or discharged, in the name and on behalf of the Bank, in writing signed by any person acting under the express or implied authority of the Bank.
- 49.4 Any contract which, if made between private persons, would by law be valid, although made by parol only and not reduced into writing, may be made, varied or discharged by parol, in the name and on behalf of the Bank, by any person acting under the express or implied authority of the Bank.
- 49.5 Nothing in this section shall invalidate any contract executed on behalf of the Bank by any duly appointed attorney of the Bank, if the contract would be valid if executed by the attorney on his own behalf.

50. Seals

50.1 The common seal of the Bank shall be kept in such custody as the Board determines and shall not be affixed to any document without the authority of the General Manager or Deputy Managing Director.

51. Priority of debts due to other banks

51.1 Notwithstanding anything contained in any law relating to the winding-up of companies, debts due to the Bank by any bank shall, in the winding-up, have priority over all other debts other than debts due to the Commonwealth.

52. Delivery of bonds etc. on death of customer

- 52.1 Where a person dies and any bonds or securities of a like nature of a face value not exceeding in the whole Ten thousand dollars are held on his behalf by the Bank, and probate of his will or letters of administration of his estate are not produced to the Bank, or notice in writing of the existence of a will and of intention to prove it or to take out letters of administration is not given to the Bank within one month after the death of that person, the Bank may, in its discretion, deliver the bonds or securities to the widower or widow or some relation of that person or to such other person as the Bank in the circumstances thinks fit.
- 52.2 A person shall not have any claim against the Bank in respect of anything done in pursuance of this section but nothing in this section shall relieve the person receiving the bonds or securities from any liability to account for or deal with the bonds or securities in accordance with law.

53. Investment of trust moneys

- 53.1 A trustee, executor or administrator may invest any trust moneys in his hands on deposit with the Bank.
- 53.2 Obligations of the Bank shall be lawful investments, and may be accepted as security, for all fiduciary, trust, and public funds the investment or deposit of which shall be under the authority or control of the Commonwealth or any officer or officers thereof.

54. Rules of the Bank

- 54.1 The Managing Director may, with the consent of the Board and the Treasurer, make rules, not inconsistent with this Act or the regulations made hereunder, for any of the following purposes:
 - 54.1.1 the good governance of the Bank,
 - 54.1.2 the classification of the officers of the Bank,
 - 54.1.3 to provide a superannuation fund, and
 - 54.1.4 any matter necessary or convenient to be provided for carrying on the business of the Bank.

55. Falsification of books etc.

- 55.1 Any officer of the Bank who fraudulently and in breach of his duty:
 - 55.1.1 makes any false entry in any book, record, or document, or
 - 55.1.2 omits to make any entry in any book, record, or document, or
 - 55.1.3 by act or omission falsifies any book, record, or document, or
 - 55.1.4 destroys or damages any book, record, or document, or
 - 55.1.5 furnishes any false return or statement of any money or property, or
 - 55.1.6 omits to furnish any return or statement of any money or property,

shall be guilty of an indictable offence. Penalty: Imprisonment for seven years.

56. Misappropriation of money or property of the Bank

56.1 Any officer of the Bank who steals, or fraudulently misappropriates, or fraudulently converts to his own use any money or property of the Bank shall be guilty of an indictable offence.

Penalty: Imprisonment for seven years.

57. Validity of acts and transactions of Bank

57.1 The validity of an act or transaction of the Bank shall not be called in question in any legal proceedings on the ground that any provision of this Act has not been complied with

PART V - ISSUE OF DEBENTURES BY THE BANK

58. Capitalization and Borrowed Capital

- 58.1 The Bank is authorised to raise medium- to long-term, borrowed capital for projects needs, and short-term capital to meet its cash flow needs, by issuing Bonds, with a fixed five- to 10-year maturity.
- Total loans contracted by the Bank shall not exceed \$50,000,000.

59. Issue of debentures

59.1 Subject to section 58, the Bank may from time to time issue debentures to such amount as it considers necessary.

60. Form of debentures

60.1 Debentures shall be in accordance with the form as determined by the Bank, and shall be under the common seal of the Bank, and shall be signed and countersigned on behalf of the Bank.

61. Interest and period of debentures

- 61.1 Debentures shall be for One thousand dollars or some multiple thereof, and shall bear interest at a rate to be fixed by the Bank before the issue thereof.
- 61.2 Debentures shall be redeemable at par at such time or times as are specified therein, being:
 - 61.1.1 on a fixed date; or
 - 61.1.2 after a fixed date on twelve months' notice given by the Bank in the prescribed manner; or
 - 61.2.3 between fixed dates on twelve months' notice given by the Bank in the prescribed manner.

62. Commonwealth guarantee of debentures

62.1 The Commonwealth by this Act guarantees the payment by the Bank of the principal and interest due in respect of any debenture issued by the Bank in pursuance of this Act, and the Consolidated Revenue Fund is hereby appropriated for the purpose of this section.

63. Negotiability of debentures

63.1 Every debenture issued in pursuance of this Act shall be inscribed in the name of the applicant therefor, and shall only pass by assignment or indorsement and delivery to such assignee or endorsee.

64. Sale of debentures

64.1 The Bank may sell debentures, or cause them to be sold, at such times and at such places and in such sums and on such conditions as the Treasurer approves.

65. Forgery of securities

- 65.1 Any person who, with intent to defraud:
 - 65.1.1 forges any security of the Bank, or
 - 65.1.2 utters any forged security of the Bank, or
 - 65.1.3 makes any instrument for forging any security of the Bank, or
 - 65.1.4 has in his possession any such instrument, or
 - 65.1.5 has in his possession any forged security of the Bank, shall be guilty of an indictable offence.

Penalty: Imprisonment for ten years.

- 65.2 Any person who, without authority:
 - 65.2.1 makes any form of security of the Bank,
 - 65.2.2 has in his possession any form of security of the Bank, or
 - 65.2.3 makes or has in his possession any instrument or thing by which any distinctive mark or signature on any security of the Bank may be made or imitated, shall be guilty of an offence.

Penalty: Imprisonment for two years.

65.3 In this Part of this Act, security of the Bank means any Bank debenture, Bank inscribed stock, or any coupon, warrant or document for the payment of interest thereon, and includes any transfer of any Bank inscribed stock, and any indorsement of any coupon, warrant or document for the payment of interest on any security of the Bank.

66. Forfeiture of forged securities etc.

66.1 All forged securities of the Bank, and all unauthorized forms of security of the Bank, and all unauthorized instruments and things by which any distinctive mark or signature on any security of the Bank, may be unlawfully made or imitated, shall be forfeited to the Crown and may be seized by any member of the police force of the Commonwealth or of a State.

2021

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

COMMONWEALTH POSTAL SAVINGS BANK BILL 2021

EXPLANATORY MEMORANDUM and STATEMENT OF COMPATIBILITY WITH HUMAN RIGHTS

Circulated by authority of

COMMONWEALTH POSTAL SAVINGS BANK ACT 2021

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1. GENERAL OUTLINE

This Bill will establish a new, government-owned savings bank for the deposit of savings and to make Post Office retail outlets, agencies and franchises available for that purpose and to give Commonwealth security to depositors for repayment of all moneys so deposited with the bank, and for that purpose to:-

- establish a new, government-owned savings bank for the deposit of savings;
- support and encourage the expansion of access to affordable banking, including the provision of short and long-term loans and better banking services to communities which have been deprived of private banking branches and facilities;
- provide access to a government-owned savings bank which is highly accessible, with a large nationwide footprint and extended daily opening hours;
- provide easily accessible service locations, especially at Australian Post Offices, to make it
 possible for all Australians to access physical banking locations;
- make the Post Office branches, agencies and franchises available for that purpose;
- provide Commonwealth security to depositors for repayment of all moneys so deposited with the Bank;
- provide affordable, transparent, trustworthy banking services, including bank accounts and realtime payment systems and easily accessible service locations, including Australia's Post Offices;
- create a government-owned savings bank to provide all financial products and services, ensuring
 that the customer's access to the products and the public interest is given significant
 consideration;
- · encourage Australians to save money and have access to banking services;
- provide easily accessible savings products to all strata of the population;
- give small investors a ready means of saving;
- provide funds to facilitate efficient, long-term financing of infrastructure projects, business and economic growth, vital aspects of the economy and new job creation in Australia by the

investment of the Bank's funds with Government-owned institutions which have access to or control of such projects;

 provide such other basic financial services as the Bank determines appropriate in the public interest.

The effect of the Commonwealth Postal Savings Bank Act 2021 will be:-

- to support and encourage the expansion of access to affordable banking, including the provision
 of short and long-term loans and better banking services to communities which have been
 deprived of private banking branches and facilities;
- to provide a government-owned savings bank which is highly accessible to all Australians, with a large nationwide footprint and extended daily opening hours;
- to provide easily accessible service locations, especially at Australian Post Offices, to make it possible for all Australians to access physical banking locations;
- to make the Post Office branches, agencies and franchises available for those purposes;
- to provide affordable, transparent, trustworthy banking services, including bank accounts and real-time payment systems and easily accessible service locations, including Australia's Post Offices:
- to provide all financial products and services appropriate to a savings bank business, ensuring
 that the customer's access to the products and the public interest is given significant
 consideration;
- to encourage Australians to save money and have access to banking services;
- to provide easily accessible savings products to all strata of the population;
- to give small investors a ready means of saving;
- to provide such other basic financial services as the Bank determines appropriate in the public interest.

2. Background to Bill's provisions

The 2018 Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry (Banking Royal Commission) revealed and confirmed many failings of Australia's banking system. The revelations fuelled an ongoing debate about the structure of the banking system, in particular the way just four large institutions dominate Australia's financial sector. The Commonwealth Postal Savings Bank (CPSB) would address many of the structural failings in the Australian banking system.

The Big Four banks—CBA, NAB, ANZ and Westpac—account for around 80 per cent of Australia's financial system. This level of concentration undermines genuine competition in financial services; indeed, the chairman of the Australian Competition and Consumer Commission (ACCC) Rod Sims told the 5 April 2018 AFR Banking and Wealth Summit that the behaviour of the major banks "more resembles synchronised swimming than it does vigorous competition".

Besides their sectoral dominance, the major banks are to varying degrees vertically integrated conglomerates of commercial banking, investment banking, stock broking, insurance, and superannuation. Consequently, customers who use those banks for basic financial services—deposits, payments and loans—are also exposed to the consequences of the other activities those banks engage in, including the profitable but high-risk investment banking trade in financial derivatives that the banks have expanded enormously in recent decades.

The Banking Royal Commission found that many Australians did not have access to financial services. In his final report Commissioner Hayne noted that about 28 per cent of the Australian

population, nearly 7 million people, lived in regional or remote areas, but only 4 per cent of all branches of ADIs and 2 per cent of ATMs were located in areas classified as remote or very remote. Furthermore, he noted: "The banks' branch networks have been shrinking for some years. The banks have fewer face-to-face points of presence." The 6 October 2018 *Daily Telegraph* reported figures from the banks showing that between September 2017 and September 2018, the Big Four banks shut down 196 branches and removed 734 ATMs, leaving many rural and regional communities, and low-income metropolitan communities, without access to financial services.

The closure of bank branches led to increased demand from customers banking at local post offices, which act as agents for the banks. In 2018 Australia Post negotiated a deal with the banks, to pay more to cover the actual cost of post offices serving the banks' customers. The three-year deal enabled Australia Post to expand its Bank@Post service, which made Australia Post profitable and ensured the viability of its 2,900 community licensed post offices (CLPOs) and financial services for the communities abandoned by the banks. Bank@Post demonstrates the clear benefits of Australia Post providing financial services, both to the business model of Australia Post and to the communities it serves.

Banks also withdraw financial services through de-banking individual businesses, which the banks claim is to reduce reputational risk and the risk of exposure to crimes such as money laundering. De-banking involves closing the accounts of the business, as well as the personal accounts of its principals, and sometime even their family members; moreover, de-banked businesses often find all banks, not just their own bank, will deny them financial services. As private businesses it is the banks' right to decide who to conduct business with, but businesses that are legal under Australian law should have the right to access financial services.

Likewise, the major banks are aggressively promoting cashless payments systems, and are pursuing targets to reduce cash use in the economy. The banks promote cashless payments in terms of ease, efficiency and security for their customers, but the reduction in the availability and use of cash disadvantages the elderly and disabled, and immigrant communities, who prefer the certainty and simplicity of cash transactions. It also exposes Australians to being stranded from transacting by failures of the electronic payments system when natural disasters and infrastructure problems cause power and/or telecommunications failures.

The Commonwealth Postal Savings Bank would:

- Be a public institution dedicated to the economic prosperity and welfare of the people of Australia;
- Promote genuine competition in the banking system, as the original Commonwealth Bank did for 85 years from 1911 to its privatisation completed in 1996, after which bank profits soared and service declined;
- Provide basic deposit and loan financial services to all Australians, separated from the risks of investment banking and guaranteed by the government;
- Ensure rural and regional communities and low-income metropolitan communities have access to financial services through the post office network;
- Not discriminate against lawful businesses;
- Support and maintain cash use and availability, which is especially important in rural and regional Australia.

Structure and operations of CPSB

The legislation provides that the CPSB would be a standalone national corporation, structured to operate wholly through post offices. This structure avoids the need for Australia Post to have its own banking licence, which has complex implications relating to whether Australia Post would

need one banking licence or many for each of its licensed post offices; this structure also allows the management of the two institutions to focus on their core specialty while cooperating closely. The CPSB's structural relationship to Australia Post would be similar to how the Commonwealth Bank started operations in 1912 using post offices as branches, except the CPSB would be a permanent postal banking service.

The arrangement between the CPSB and Australia Post would somewhat replicate the current Bank@Post arrangement between Australia Post and the private banks, in that the CPSB would compensate Australia Post for being the agent of its financial services. However, it would be different in crucial respects. First, as a permanent arrangement it would not require periodical renegotiation, whereas the Bank@Post deal is subject to renewal by banks, which banks could choose not to do if they cease to see it as in their commercial interest. Second, it would be genuinely mutually beneficial to Australia Post and its CLPOs, based on a fee structure agreed to by Australia Post that the legislation stipulates must reflect the actual cost of post offices serving bank customers, including a reasonable return to Australia Post and its CLPOs. This arrangement would secure Australia Post a permanent source of extra revenue that can subsidise postal delivery and guarantee its future as a public postal service, as well as the future of its unique licensed post office franchise network.

In its operations, the CPSB would generally meet demand that private financial institutions are unwilling to meet due to their business calculation of insufficient profitability. Because the CPSB's primary motivation is service, not profit, and because it is owned and backed by the Commonwealth government, it will have the financial flexibility and patience to serve marginal and neglected sectors and regions and in doing so, help to revive their economic prospects. The CPSB would not be restricted to areas not served by private banks however, as one of its benefits is increasing competition in the banking system, especially in retail banking services.

For many Australians, the CPSB would be an attractive alternative to the private banks. It would provide face-to-face retail banking services, easily accessible through post offices. Being owned by the Commonwealth, it would provide the security of a full Commonwealth government guarantee for deposits, not the more limited guarantee of the Financial Claims Scheme.

The CPSB's operational cost advantage—from using existing post offices instead of needing to invest in expensive new branch locations, and from enjoying a Commonwealth government guarantee—would enable it to subsidise banking services for Australians who are underbanked and unlikely to be served by existing banks.

It would provide credit to communities that have difficulty obtaining credit due to the commercial priorities of private banks; the CPSB would extend credit through competitive loans to individuals, to local businesses including farms, and to local governments for infrastructure. While CPSB customers would initiate loan applications through their local post office, the applications would be assessed and approved by qualified and specialised staff at the CPSB, to ensure high lending standards.

The legislation provides that the CPSB could invest surplus deposits in Commonwealth and State infrastructure projects, including by investing in Commonwealth government financial institutions. This envisions the possibility of a Commonwealth government-owned national infrastructure bank, through which the deposits of CPSB customers could be invested in the economic development of Australia.

As a postal bank, owned and guaranteed by the Commonwealth, and dedicated to increasing banking competition, providing financial services to all Australians and credit for neglected

communities, and promoting economic development, the CPSB would be a safe alternative to the private financial system that serves the Australian people and the real economy.

3. Regulatory Impact Statement

The Bill will have a moderate impact as the authority and powers already exist in respect of the existing regime of regulation of authorised deposit-taking institutions (ADIs).

4. Financial Impact Statement

The bill will have no impact on Commonwealth expenditure or revenue until determined in consultation with the Department in which this Act is administered for the purposes of the Act and once agreed will be included in a relevant appropriation Bill.

5. Summary of Key Provisions of the Bill

The Bill:

- 1. Establishes a new, government-owned savings bank for the deposit of savings;
- Supports and encourages the expansion of access to affordable banking, including the provision
 of short and long-term loans and better banking services to communities which have been
 deprived of private banking branches and facilities;
- 3. Provides access to a government-owned savings bank which is highly accessible, with a large nationwide footprint and extended daily opening hours;
- 4. Provides easily accessible service locations, especially at Australian Post Offices to make it possible for all Australians to access physical banking locations;
- 5. Makes the Post Office branches, agencies and franchises available for that purpose;
- Provides Commonwealth security to depositors for repayment of all moneys so deposited with the Bank:
- Provides affordable, transparent, trustworthy banking services, including bank accounts and real-time payment systems and easily accessible service locations, including Australia's Post Offices;
- 8. Creates a government-owned savings bank to provide all financial products and services, ensuring that the customer's access to the products and the public interest is given significant consideration;
- 9. Encourages Australians to save money and have access to banking services;
- 10. Provides easily accessible savings products to all strata of the population;
- 11. Gives small investors a ready means of saving;
- 12. Provides funds to facilitate efficient, long-term financing of infrastructure projects, business and economic growth, vital aspects of the economy and new job creation in Australia by the investment of the Bank's funds with Government-owned institutions which have access to or control of such projects;
- Provides such other basic financial services as the Bank determines appropriate in the public interest.

Explanation of Provisions of the Bill

Purposes

1.01 Section 3 of the Bill sets out the purposes of the Bill.

1.02 The intention of the Bill is to establish a new, government-owned savings bank for the deposit of savings and to make Post Office retail outlets, agencies and franchises available for that purpose and to give Commonwealth security to depositors for repayment of all moneys so deposited with the bank, and for related purposes.

Application to the Crown

1.03 The Bill is expressed in Section 5 to bind the Crown.

Commonwealth Postal Savings Bank

- 1.04 The Bill provides in Section 6.1 for the establishment of the Commonwealth Postal Savings Bank.
- 1.05 The Bill provides in Sections 6.2 and 6.3 that the bank shall be a body corporate with perpetual succession and a common seal and for powers to be exercised by the Bank.
- 1.06 The Bill provides in Sections 6.4 to 6.7 for advances to the Bank by the Treasurer and in 6.8 for the repayment of advances.
- 1.07 The Bill provides in Section 6.8 for exemptions of the Bank from taxation.
- 1.08 The Bill provides in Section 6.9 for authority for the Bank to carry on a savings bank business in Australia and to not be subject to regulation by the Australian Prudential Regulation Authority or the Australian Securities & Investments Commission other than as provided for in the Bill.
- 1.09 The Bill further provides in Section 6.10 that the Bank shall not refuse to conduct banking business for any person by reason only that doing so would take away business from another bank.

General Function of the Commonwealth Postal Savings Bank

- 1.10 The Bill provides in Section 7 for the function and duty of the Bank, being to:
 - (Section 7.1.1): support and encourage the expansion of access to affordable banking, including the provision of short- and long-term loans and better banking services to communities which have been deprived of private banking branches and facilities;
 - (Section 7.1.2): provide a government-owned savings bank which is highly accessible to all Australians, with a large nationwide footprint and extended daily opening hours;
 - (Section 7.1.3): provide easily accessible service locations, especially at Australian Post Offices to make it possible for all Australians to access physical banking locations;
 - (Section 7.1.4): make the Post Office branches, agencies and franchises available for those purposes;
 - (Section 7.1.5): provide affordable, transparent, trustworthy banking services, including bank accounts and real-time payment systems and easily accessible service locations, including Australia's Post Offices;
 - (Section 7.1.6): provide all financial products and services appropriate to a savings bank business, ensuring that the customer's access to the products and the public interest is given significant consideration;
 - (Section 7.1.7): encourage Australians to save money and have access to banking services;
 - (Section 7.1.8): provide easily accessible savings products to all strata of the population;
 - (Section 7.1.9): give small investors a ready means of saving;

(Section 7.1.10): provide such other basic financial services as the Bank determines appropriate in the public interest.

Constitutional limits

1.11 The Bill provides in Section 8 for the Bank's Constitutional authority.

Bank's powers

1.12 The Bill provides in Section 9 the powers which may be exercised by the Bank.

Establishment of Commonwealth Postal Savings Bank Board

1.13 The Bill provides in Sections 10.1 for the establishment of the Commonwealth Postal Savings Bank Board to be constituted as provided for in Part III (Sections 17 to 22).

Functions of Commonwealth Postal Savings Bank Board

- 1.14 The Bill provides in Section 11.1 that the Board has power to determine the policy of the Bank and to control the affairs of the Bank.
- 1.15 The Bill provides in Section 11.2 that it is the duty of the Board to direct Bank policy to the greatest advantage of the people of Australia.

Establishment of Executive Committee

- 1.16 The Bill provides in Section 12.1 for the establishment of an Executive Committee of the Bank.
- 1.17 The Bill provides in Section 12.2 that it is the duty of the Executive Committee to give effect to the policy of the Bank.

Management of the Bank

- 1.18 The Bill provides in Section 13.1 for the appointment of a Managing Director and Deputy Managing Director.
- 1.19 The Bill provides in Section 13.2 that the Bank shall be managed by the Managing Director.
- 1.20 The Bill provides in Section 13.3 that the Deputy Managing Director shall perform such duties as determined by the Managing Director and shall exercise the powers and functions of the Managing Director in the event of a vacancy in the office of Managing Director.

Managing Director and Secretary to Treasury shall establish a close liaison

1.21 The Bill provides in Section 14.1 that the Managing Director and the Secretary to the Treasury shall establish a close liaison and keep each other fully informed.

Investment of funds

- The Bill prescribes in Section 15.1 the investments which the Bank may make including: in any Government security approved by the Treasurer; on loan on the security of land; in advancing money for the purchase or erection of residential dwelling houses, and for the discharge of mortgages on dwelling houses; in advancing money for the erection of warehouses or storage facilities intended for the warehousing or storage of primary products, including the erection of plant for treatment to ensure their preservation and preparation for marketing; in debentures issued by any Commonwealth government-owned institution; on fixed deposit with any Commonwealth government-owned bank or financial institution; in loans to aid in the financing of any publicly owned infrastructure within the Commonwealth where the project for the creation or improvement of such infrastructure is being undertaken by an instrumentality of the Commonwealth or of a State or Territory or is supported or promoted by the Commonwealth or a State or Territory and the loan obligations to the Bank are guaranteed by the Treasurer on behalf of the Commonwealth or the Treasurer of a State or Territory on behalf of such State or Territory.
- 1.23 The Bill further provides in Section 15.1(h) that the Bank shall not make loans to any financial institution in which any director, office-holder or substantial shareholder is a member or officer of the Bank or has been within 12 months.

Bank guaranteed by the Commonwealth

1.24 The Bill provides in Section 16.1 that the Commonwealth shall be responsible for payment of all moneys due by the Bank.

Management of the Commonwealth Postal Savings Bank

- 1.25 The Bill provides in Part III (Sections 17 to 31) for the Management of the Bank.
- 1.26 The Bill provides in Division 1 of Part III (Sections 17 to 22) for the membership and meetings of the Board.

Membership of the Board

- 1.27 The Bill provides in Section 17 membership and qualifications of the members of the Board.
- 1.28 The Bill provides in Section 17.1 that the Board shall consist of the Managing Director, the Deputy Managing Director, the Secretary to the Department of the Treasury, and four other members appointed by the Treasurer.

Declaration by Members

1.29 The Bill provides in Section 18 for members of the Board to make an oath or affirmation of allegiance and to provide a statement of the member's registrable interests.

Disqualification of membership

1.30 The Bill provides in Section 19.1 those persons who are disqualified from membership of the Board.

Vacation of Office

1.31 The Bill provides in Section 20 of the consequence of a vacation of office by a member of the Board.

Chairman and Deputy Chairman of the Board

1.32 The Bill provides in Section 21 for the appointment by the Treasurer of a Chairman and Deputy Chairman of the Board.

Meetings of the Board

1.33 The Bill provides in Section 22 for meetings of the Board and the quorum for meetings.

The Executive Committee

1.34 The Bill provides in Division 2 of Part III (Sections 23 to 31) for the Executive Committee of the Board.

Establishment of Executive Committee

1.35 The Bill provides in Section 23.1 for the creation of an Executive Committee by the Board.

Chief Executive Officer

- 1.36 The Bill provides in Section 24 for the appointment of a Chief Executive Officer ("CEO") by the Executive Committee.
- 1.37 The Bill provides in Section 24.1 for the appointment of a CEO by the Executive Committee.
- 1.38 The Bill provides in Section 24.2 for the responsibilities of the CEO.

Other Executive Officers

1.39 The Bill provides in Section 25.1 that the Board shall fix the compensation and determine the duties of the officers of the Executive Committee.

Executive Committee Duties

1.40 The Bill provides in Section 26.1 for the responsibilities of the Executive Committee.

Vacancies

1.41 The Bill provides in Section 27 for the filling of vacancies on the Executive Committee.

Remuneration

1.42 The Bill provides in Section 28.1 that remuneration of the CEO and officers of the Executive Committee shall be determined by the Board.

Removal

1.43 The Bill provides in Section 29.1 for the removal of the CEO and officers of the Executive Committee at the discretion of the Board.

Term

1.44 The Bill provides in Section 30.1 that the CEO and officers of the Executive Committee shall serve a 6-year term and may be reappointed.

Limitations

1.45 The Bill provides in Section 31.1 for prohibitions on interests which may be held by the CEO and officers on the Executive Committee.

Miscellaneous provisions relating to the Commonwealth Postal Savings Bank

1.46 The Bill provides in Part IV (Sections 32 to 57) miscellaneous provisions relating to the Bank.

Head Office

1.47 The Bill provides in Section 32 that the Head Office of the Bank shall be in Sydney.

Branches

1.48 The Bill provides in Section 33 that the Bank may establish branches, agencies and sub-agencies.

Agents

- 1.49 The Bill provides in Section 34.1 that the bank may arrange with any person to act as an agent of the Bank.
- 1.50 The Bill provides in Section 34.2 that the Bank may act as agent for any other bank.
- 1.51 The Bill provides in Section 34.3 that the Bank may appoint Australia Post, its retail outlets, agencies, sub-agencies and Licensed Post Offices as its agents for carrying out any or all of its powers and duties under the Act and Australia Post, its retail outlets, agencies and sub-agencies shall act in accordance with any such appointment.
- 1.52 The Bill provides in Section 34.4 that the Bank shall reimburse Australia Post, its retail outlets, agencies, sub-agencies and Licensed Post Offices such amount or amounts as the Bank and Australia Post shall agree on account of the cost of services rendered under arrangements made in accordance with Section 34, and the amount of such payment shall be subject to review at the end of each agreed period. Section 34.4 further provides that any agreed amount shall take into consideration the amounts and matters as referred to in Section 34.7.
- 1.53 The Bill provides in Section 34.5 that in the event of any difference of opinion between the Bank and Australia Post, its retail outlets, agencies and sub-agencies as to the payment to be made under Section 34, the issue shall be submitted for determination by the Treasurer of the Commonwealth, and his decision shall be binding on all parties.

- 1.54 The Bill provides in Section 34.6 that in the event of a referral to the Treasurer, the Bank and Australia Post shall provide written submissions to the Treasurer as to their respective positions and proposals.
- 1.55 The Bill provides in Section 34.7 that any decision which may be made by the Treasurer shall take into consideration the actual costs incurred by Australia Post, its retail outlets, agencies, subagencies and Licensed Post Offices in providing the services and facilities associated with the appointment including a reasonable return thereon, and the effect on the business of Australia Post, its retail outlets, agencies and sub-agencies in providing the additional services and facilities associated with the appointment, and any financial loss which Australia Post, its retail outlets, agencies and sub-agencies may incur as a consequence of their loss of any other agencies or arrangements which they may have already have undertaken or have negotiated.
- 1.56 The Bill provides in Section 34.8 that Australia Post will account to its retail outlets, agencies, and sub-agencies and Licensed Post Offices from payments received from the Bank such amount as may be agreed pursuant to Section 34.4 or such retail costs as may be determined pursuant to Section 34.7.

Appointment of Attorneys

1.57 The Bill provides in Section 35 that the Board may appoint attorneys.

Provision of reports, records and information to the Bank

1.58 The Bill provides in Section 36 that all Commonwealth Departments and institutions may provide information to the Bank.

Commonwealth Postal Savings Bank Service

1.59 The Bill provides in Section 37 for the employment of staff for a Commonwealth Postal Savings Bank Service.

Temporary and casual employees

1.60 The Bill provides in Section 38 for the appointment of temporary and casual staff.

Requirements for appointment

1.61 The Bill provides in Section 39 the requirements for appointment to the Commonwealth Postal Savings Bank Service.

Regulations as to Service

1.62 The Bill provides in Section 40 that the Managing Director with the consent of Board and the Treasurer may make regulations in relation to the Commonwealth Postal Savings Bank Service.

Superannuation fund

1.63 The Bill provides in Section 41 for the creation of a superannuation fund for the Commonwealth Postal Savings Bank Service.

Borrowing by officers

1.64 The Bill provides in Section 42 for limitations on lending to officers of the Bank.

List of officers

1.65 The Bill provides in Section 43 for the provision by the Bank to the Treasurer of lists of Bank officers

Requirements of non-disclosure

1.66 The Bill provides in Section 44 for non-disclosure obligations of Bank officers.

Balance sheets

1.67 The Bill provides in Section 45 for preparation of annual balance sheets for auditing by the Auditor-General and lodgement with Parliament.

Returns

1.68 The Bill provides in Section 46 for the furnishing by the Bank to the Treasurer of such returns as may be required by Regulations.

Audit

1.69 The Bill provides in Section 47 for annual audits by the Auditor-General.

Power to improve property and carry on business

1.70 The Bill provides in Section 48 for the Bank to maintain, repair or improve property or carry on a business held by the Bank as security and which has fallen into the hands of the Bank.

Extension of contracts

1.71 The Bill provides in Section 49 the requirements for contracts entered into by the Bank.

Seals

1.72 The Bill provides in Section 50 for the retention and fixing of the Bank's common seal.

Priority of debts due to other banks

1.73 The Bill provides in Section 51 for the payment of debts due to the Bank by any bank shall be paid in priority on a winding-up.

Delivery of bonds etc. on death of customer

1.74 The Bill provides in Section 52 for the delivery of bonds or securities by the Bank on the death of a customer.

Investment of trust moneys

1.75 The Bill provides in Section 53 that deposits with the Bank and obligations of the Bank shall be lawful investments for trustees, executors or administrators.

Rules of the Bank

1.76 The Bill provides in Section 54 for the Managing Director with the consent of the Board and Treasurer to make rules for the good governance of the Bank, the classification of the officers of the Bank, to provide a superannuation fund, and any matter necessary or convenient to be provided for carrying on the business of the Bank.

Falsification of books etc.

1.77 The Bill provides in Section 55 for penalties for falsifying Bank books, records or documents.

Misappropriation of money or property of the Bank

1.78 The Bill provides in Section 56 for penalties for misappropriation of money or property of the Bank.

Validity of acts and transactions of Bank

1.79 The Bill provides in Section 57 for the validation of acts of the bank.

Issue of debentures by the Bank

1.80 The Bill provides in Part V (Sections 58 to 65) provisions for the issue of debentures by the Bank.

Capitalisation and Borrowed Capital

1.81 The Bill provides in Section 58 provides for the issue of debentures by the bank.

Issue of debentures

1.82 The Bill provides in Section 59 that the Bank may establish branches, agencies and sub-agencies.

Form of debentures

1.83 The Bill provides in Section 60.1 that the form of debentures shall be as determined by the Bank.

Interest and period of debentures

1.84 The Bill provides in Section 61 provides that debentures shall be for multiples of One Thousand Dollars and carry interest as determined by the Bank.

Commonwealth guarantee of debentures

1.85 The Bill provides in Section 62 that the Commonwealth guarantees payment of principal and interest on debentures issued by the Bank.

Negotiability of debentures

1.86 The Bill provides in Section 63 that debentures may be sold at such times and places and in such sums and on such conditions as the Treasurer approves.

Sale of debentures

1.87 The Bill provides in Section 64 that the Bank may sell debentures or cause them to be sold.

Forgery of securities

1.88 The Bill provides in Section 65 for penalties for the forgery of any security of the Bank.

Forfeiture of forged securities etc.

1.89 The Bill provides in Section 66 that all forged or unauthorised forms of securities of the Bank shall be forfeited and may be seized.

STATEMENT OF COMPATIBILITY WITH HUMAN RIGHTS

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Commonwealth Postal Savings Bank Act 2021

This bill is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act* 2011.

Overview of the bill

The Bill will:-

- establish a new, government-owned savings bank for the deposit of savings;
- support and encourage the expansion of access to affordable banking, including the
 provision of short and long-term loans and better banking services to communities which
 have been deprived of private banking branches and facilities;
- provide access to a government-owned savings bank which is highly accessible, with a large nationwide footprint and extended daily opening hours;
- provide easily accessible service locations, especially at Australian Post Offices to make it
 possible for all Australians to access physical banking locations;
- make the Post Office branches, agencies and franchises available for that purpose;
- provide Commonwealth security to depositors for repayment of all moneys so deposited with the Bank;
- provide affordable, transparent, trustworthy banking services, including bank accounts and real-time payment systems and easily accessible service locations, including Australia's Post Offices:
- create a government-owned savings bank to provide all financial products and services, ensuring that the customer's access to the products and the public interest is given significant consideration;
- encourage Australians to save money and have access to banking services;
- provide easily accessible savings products to all strata of the population;
- give small investors a ready means of saving;
- provide funds to facilitate efficient, long-term financing of infrastructure projects, business
 and economic growth, vital aspects of the economy and new job creation in Australia by the
 investment of the Bank's funds with Government-owned institutions which have access to
 or control of such projects;
- provide such other basic financial services as the Bank determines appropriate in the public interest.

Human rights implications

This bill does not engage any of the applicable rights or freedoms.

Conclusion

This bill does not raise any human rights issues.

***** MP

15.2 PROPOSED LEASE OF NARRABRI BIG SKY CARAVAN PARK TO SOUTHERN CROSS PARKS

Responsible Officer: Andrew Brown, Director Corporate and Community Services

Author: Jesse Dixon, Acting Manager Property Services

Attachments: 1. Capital Works Schedule 🗓 🖺

2. Master Plan 🖟 🛣

DELIVERY PROGRAM ALIGNMENT

3 Economy - A strong, diverse and sustainable economy

Objective 3.2 A regionally renowned economy

Strategy 3.2.2 Promote the Shire as an attractive environment to invest, visit and live

EXECUTIVE SUMMARY

Narrabri Big Sky Caravan Park comprises Crown Land, managed by Council through a Reserve Trust and is leased to an experienced industry Operator. The lessee has been in occupation since 2013, with the initial 10-year term of the lease scheduled to conclude in February 2023. A new lease has been negotiated between Council representatives and the current lessee as a consequence of necessary preconditions to exercise an option for an additional lease term not having been met.

RECOMMENDATION

- 1. That Council enter into a lease agreement with Southern Cross Parks for a period of two (2) years for Lot 17 DP1060622.
- 2. That the lease agreement include the option of a further thirteen (13) year term, subject to the satisfactory completion of the capital works schedule provided in Attachment 1, which subsequently forms part the updated Master Plan in Attachment 2.
- 3. That Council delegate authority to the General Manager to enter into the lease agreements and execute relevant documentation.

BACKGROUND

Council is the land manager of Crown Land Lot 17, DP1060622 known as 11-35 Tibbereena Street, Narrabri. The land it utilised for a Caravan Park, and is managed by Council through the *Tibbereena Street Recreation (R82261) Reserve Trust*.

Council entered into a lease agreement for the site which commenced on 1 March 2013. The lease was for a period of 10 years, with a subsequent termination date of 28 February 2023. The lease provided for an option to renew for a period of fifteen (15) years subject to the lessee notifying Council in writing at least six (6) months prior to the expiry of the lease and meeting the terms and outlined in schedule 5 of the lease.

Schedule 5 of the lease contains an agreed schedule of capital works, including:

Years one (1) to three (3) from the commencement of Lease:

(a) Installation of 6 two-bedroom villas.

- (b) Upgrade of residence and reception.
- (c) Replacement of power heads for 65 powered sites.
- (d) Camp Kitchen.
- (e) Development of an Emergency Flood Evacuation Plan
- (f) Installation of a disabled ablutions facility.
- (g) Implementation of stage 1 projects detailed in the Master Plan.

Years four (4) to ten (10) from commencement of Lease:

(h) Implementation of stage 2 and 3 projects detailed in the masterplan, and remaining projects listed in "Masterplan notes".

The lessee provided written notification of their intention to exercise the option in accordance with these terms. However, Council identified that not all of the above necessary preconditions for renewal had been completed, including:

- The installation of the twelfth cabin.
- 2. Construction of dormitory style accommodation.
- 3. Provision of a playground.
- 4. Provision of a new disabled ablution facility.

Council wrote to the lessee in April 2022 notifying of these outstanding works, and offering a new lease with proposed central lease terms of:

Term	2 years
Commencement date	1 March 2023
Termination date	28 February 2025
Option to Renew	13 years
Rent Reviews	Commencing at the rental amount assessed under the rent review method set out in the original lease.
Rent Review	Annual CPI increases

CURRENT SITUATION

Council staff have subsequently met with representatives of the lessee to discuss the lease and negotiate proposed terms.

The current lease provides for the market rate to be determined within the period of six months before and up to six months after the Market Rent Review Date. The Market Rent Review Date is 3 years from commencing date and every three (3) years thereafter.

Council engaged a suitably qualified and experienced independent valuer to undertake a rent review valuation. The valuation, dated 26 June 2022, was \$38,000 per annum plus GST and outgoings.

The current lease provided for annual rent adjustments to be determined in accordance with a Consumer Price Index calculation.

It is proposed that Council enter into a new lease with Southern Cross Parks for Lot 17, DP1060622 for the period of two (2) years. It is also proposed that the lease would contain the provision of an

option for renewal of thirteen (13) year, subject to the satisfactory completion of the Capital Works Schedule provided in **Attachment 1**.

Lessor	Tibbereena Street Recreation (R82261) Reserve Trust C/- Narrabri Shire Council as Corporate Managers	
Lessee	Southern Cross Parks	
Term	Two (2) years	
Rent	\$38,000 per annum exclusive of GST	
Rent Reviews	Annual CPI Increases	
Lease Commencement	1 March 2023	
Legal Costs	Each party responsible for their own legal fees.	
Lease Area	Lot 17 DP1060622	

FINANCIAL IMPLICATIONS

There are no significant financial implications as a result of this lease. The total term (including the option for renewal) for the same period as was already provided for in the term of the current renewal option.

STATUTORY AND POLICY IMPLICATIONS

- Local Government Act 1996 (NSW).
- Real Property Act 1900 (NSW).

CONSULTATION

External Consultation

- Lessee's representatives.
- Council's legal representatives.

Internal Consultation

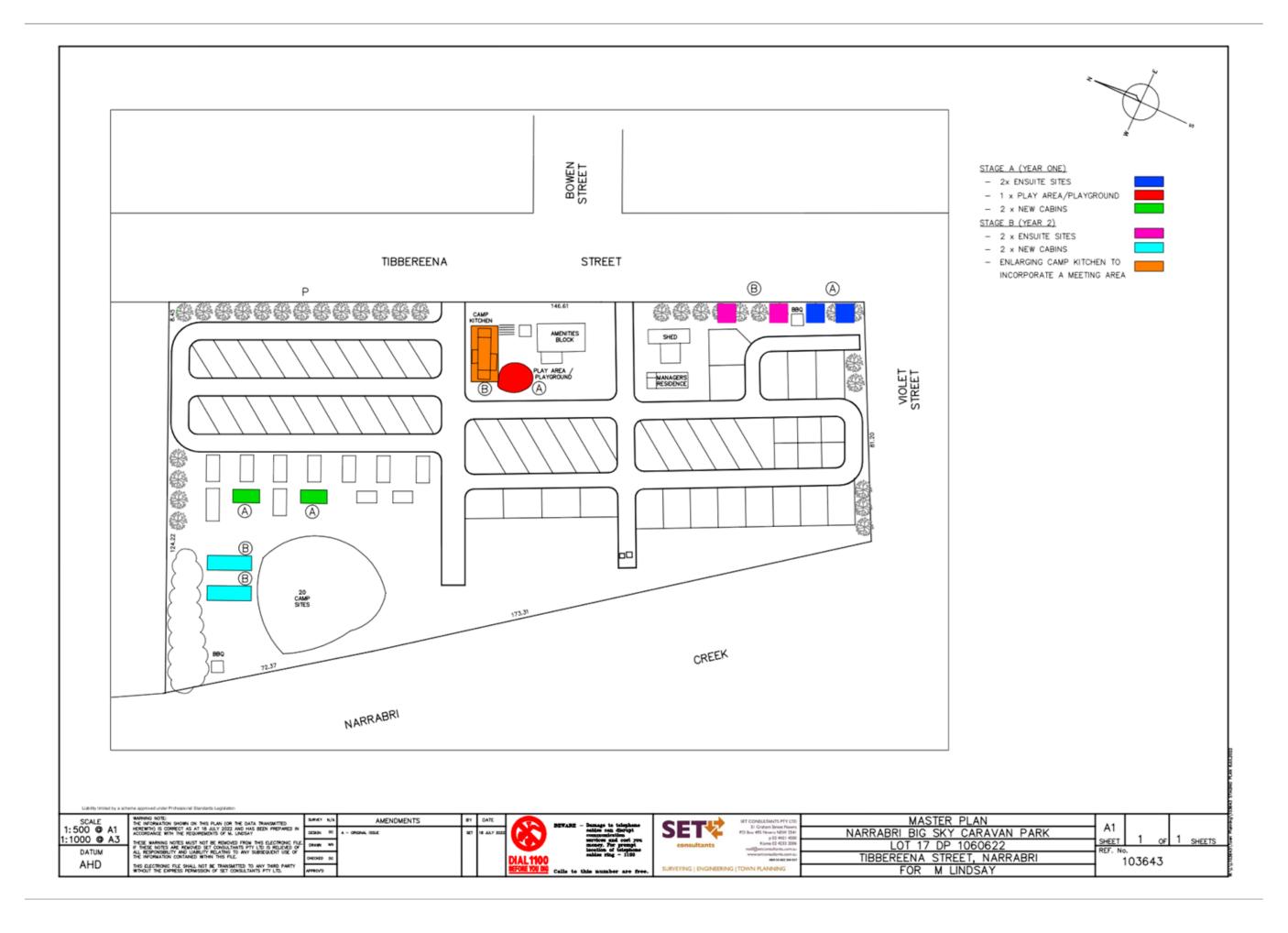
• Manager Governance and Risk.

		Year 1	Year 2
Stage	ltem	(2023)	(2024)
Α	Two (2) Caravan Ensuites	\$ 120,000.00	
Α	Play Area/ Playground	\$ 10,000.00	
Α	Two (2) New Cabins	\$ 230,000.00	
В	Two (2) Caravan Ensuites		\$ 120,000.00
В	Two (2) New Cabins		\$ 230,000.00
В	Enlarging Camp Kitchen with Meeting Room		\$ 20,000.00
	Total Yearly Amount	\$ 360,000.00	\$ 370,000.00

Total Investment

\$ 730,000.00

ORDINARY COUNCIL MEETING AGENDA 18 OCTOBER 2022



15.3 CONTAINER PRODUCTIVITY ADVOCACY

Responsible Officer: Rob Williams, General Manager

Author: Donna Ausling, Director Planning and Strategy

Attachments: 1. Correspondence from Newcastle Ports 🗓 🖺

2. Productivity Commission Draft Report Overview - Lifting Productivity at Australia's Container Ports: Between Water, Wharf and Warehouse U

3. Independent Review into Inland Rail Terms of Reference 🗓 🖺

4. Draft Submission into the Performance of Australia's Maritime Logistics System J

DELIVERY PROGRAM ALIGNMENT

3 Economy - A strong, diverse and sustainable economy

Objective 3.3 A resilient and sustainable economy

Strategy 3.3.3 Achieve economic sustainability through supporting local businesses

EXECUTIVE SUMMARY

This Report details the preliminary outcomes of the review by the Productivity Commission into the performance of Australia's maritime logistics system. A draft organisational submission has been prepared for Council's consideration.

RECOMMENDATION

- 1. That Council receive and note the Report on container productivity advocacy.
- 2. That Council authorise the General Manager and Mayor to conduct advocacy activities in respect to the preliminary findings of the Productivity Commission's Draft Report 'Lifting productivity at Australia's container reports: between water, wharf and warehouse'.
- 3. That Council endorse the draft submission to the Productivity Commission in response to the exhibition of the Draft Report 'Lifting productivity at Australia's container reports: between water, wharf and warehouse' as shown as Attachment 4 to this Report.

BACKGROUND

At its October 2021 Ordinary Council Meeting, Council made the following resolution:

14.1 MEMORANDUM OF UNDERSTANDING - PORT OF NEWCASTLE

MINUTE 187/2021

Moved: Cr Cameron Staines Seconded: Cr Catherine Redding

- 1. That Council enter into the attached Memorandum of Understanding between the Port of Newcastle and Narrabri Shire Council.
- 2. That Council maintain confidentiality on this matter until appropriate arrangements are made regarding the signing of the Memorandum of Understanding.

In Favour: Crs Ron Campbell, Catherine Redding, Maxine Booby, Ron Campey, Lloyd Finlay,

Robert Kneale, Annie McMahon and Cameron Staines

Against: Nil

CARRIED 8/0

In the spirit of this collaborative arrangement, Newcastle Ports has recently communicated with Council identifying opportunities to advocate for greater rail and container access to the Port of Newcastle. A copy of the relevant background material is enclosed at **Attachment 1** for the information of Council.

Commensurate with the above, in December 2021 the Australian Government requested the Productivity Commission to undertake an inquiry into structural issues affecting the productivity of Australia's maritime logistics system. This inquiry is focussing on long-term trends, broad economic impact and operational cost drivers, including industrial relations, infrastructure constraints and technology uptake in Australian Ports and related transport networks. The inquiry aims to assess the overall competitiveness of Australia's ports. The Commission has advised that it will also consider market power and economic regulation.

Following the initial call for submissions in 2021, the Productivity Commission released a draft report 'Lifting productivity at Australia's container ports: between water, wharf and warehouse'. An overview report is enclosed at **Attachment 2** and copies of the document in its entirety in addition to supporting technical reports can be downloaded from the Productivity Commission's website https://www.pc.gov.au/inquiries/current/maritime-logistics/make-submission#lodge.

The draft report is open from community comment until 14 October 2022. Council has received an extension to lodge an organisational submission until 28 October 2022.

CURRENT SITUATION

The Inquiry into Australia's maritime logistics system is considered of particular interest and relevance to Council given its investment in the N2IP initiative and current integrated planning and reporting (IP&R) commitments. The key points arising from the draft container productivity report are summarised as follows:

- 1. Higher productivity at Australia's container ports is achievable and would deliver significant benefits.
 - Considerable variation in performance both within and across Australia's container terminal operators points to potential productivity gains from more consistent (high) performance. Ports also have large indirect impacts on Australian businesses and

- consumers, so that any sustained disruptions to imports or exports magnify these costs across the economy.
- Inefficiencies at Australia's major container ports directly cost the Australian economy an estimated \$605 million per year. Ports also have large indirect impacts on Australian businesses and consumers, so that any sustained disruptions to imports or exports magnify these costs across the economy.
- Australia's major container ports rank poorly in international work that looks at ship turnaround times. Slower turnaround times in Australia mainly reflect the use of fewer cranes to handle containers. Using more cranes would raise costs with unclear effects on efficiency. Faster turnaround times are good, but not at any cost.

2. Lack of competition in some parts of the maritime logistics system means consumers pay too much.

- Transport operators have no choice about which terminal they use when picking up or dropping off a container, so must pay whatever price a terminal operator sets. Rapid increases in terminal access charges (TACs) have flowed through to cargo owners (and consumers). Terminal operators should only be able to levy fixed charges, like TACs, on shipping lines, who can choose which terminal to use.
- Transport operators and cargo owners are paying fees to shipping lines for the late return
 of containers even where delay is because empty container parks are full. The exemption
 for shipping contracts, which means that these fees fall outside the scope of the
 Australian consumer law, should be removed.

3. Workplace arrangements lower productivity – incremental changes to the Fair Work Act are needed.

- Disruptions during recent enterprise bargaining imposed large costs on businesses dependent on maritime freight. More effective remedies are needed to limit unreasonably protracted bargaining and industrial action.
- Limits should be placed on clauses in container terminal operators' enterprise agreements that are highly restrictive and constrain the ways that workers and equipment can be deployed.

4. Infrastructure needs in the maritime logistics system are being addressed.

- Container port operators and other parts of the maritime logistics system are investing to accommodate bigger ships. There is no need for government intervention to encourage the use of bigger ships.
- Plans are in place to increase the share of freight moving to and from most major container ports by rail over the coming decades. Any further investment needs clear costbenefit analysis.
- All state governments have freight and transport strategies that cover future port infrastructure needs. Evidence does not suggest that more plans are required or existing plans will not be implemented.

- 5. The adoption of technology at Australia's container ports is broadly in line with international practice.
- 6. Concerns about domestic shipping capacity and training may be better resolved by means other than a strategic fleet.
 - Capacity could be acquired as needed from the international market without the costs involved in supporting a national strategic fleet.
 - Australian-flagged vessels are not a prerequisite to meeting maritime skill requirements.
 Cadetships and skilled migration appear to be working well in meeting needs for bluewater experience.

Page 15 of the enclosed draft Container Productivity Report highlights that port privatisation processes have entrenched power in Sydney by combining ownership of Port Botany and Port Kembla. This privatisation has penalised development of container capacity at the Port of Newcastle. Such restrictions are having a flow on effect to businesses, particularly those within the agricultural sector, within the Shire. Specifically, the Report's draft finding no. 5.2 (p.38) states that privatisation in New South Wales has impeded efficient outcomes: 'privatisation processes in New South Wales have conferred protection on port lessees that are impeding economically efficient outcomes in the development of the state's port system'.

Finding No. 7.2 of the draft Report (p.42) also makes reference to the fact that most container ports are planning substantial investments in rail infrastructure. Container port operators in a number of metropolitan centres plan to increase the share of freight travelling to and from those ports by rail over the coming decades. The draft recommends that any further government investment in rail to service container ports needs to be accompanied by a clear cost-benefit analysis, including an assessment of the relevant externalities and including alternative scenarios for the development of truck technology, over the full economic life of the project. This particular finding has a direct relationship to the current independent review into the delivery of Inland Rail, which was recently announced by the Australian Government. A copy of the corresponding Terms of Reference is enclosed at **Attachment 3** for the information of Council. There have been no calls for public submissions in relation to the Independent Review process at this time. Staff are continuing to monitor this particular matter and will progressively liaise with Council in relation to this important community and industry issue.

A draft submission has been prepared to the Productivity Commission for the consideration of Council at **Attachment 4**. The endorsement of Council to the lodgement of this organisational submission is requested.

FINANCIAL IMPLICATIONS

There are no financial implications to report at this time.

STATUTORY AND POLICY IMPLICATIONS

Nil to report.

CONSULTATION

External Consultation

Newcastle Ports.

Internal Consultation

- Executive Management.
- Manager Economic Development.

From: "Craig Carmody" <Craig.Carmody@portofnewcastle.com.au>

Sent: Wed, 5 Oct 2022 11:46:30 +1100

To: "Council" <Council@narrabri.nsw.gov.au>

Subject:Greg Piper MP to introduce Extinguishment of Liability Bill to NSW ParliamentAttachments:Notice_of_Motion.mp4, GetItDone_Herald.pdf, NorthernDailyLeader.pdf

Importance: High

Dear Donna,

Since my last email thanking you for your time and hospitality while visiting the New England region, there has been a significant development in our shared desire for Port of Newcastle to operate as a container terminal without restriction.

You may already be aware, however on Wednesday 21 September, the Member for Lake Macquarie, Greg Piper MP, introduced a Notice of Motion in NSW Parliament to introduce legislation – the Port of Newcastle Extinguishment of Liability Bill.

I have attached for you the announcement, along with some recent media on it.

The next steps are for the Bill to be introduced to NSW Parliament, then debated and voted on. This could be as early as the next sitting period on the week of 10 October.

Your local state member will be required to vote on this legislation and needs to know this issue is important to their constituents. In whatever form you are able, I ask that you and any of your industry colleagues who feel as passionately about this topic, contact your state member tell them that voting in favour of this Bill is important for your region.

As per my previous email, should you require any further information on this or to discuss options raising this issue, please contact my Executive General Manager of Corporate Affairs, Tanya McDonald on 0429 174 039 or Tanya.McDonald@portofnewcastle.com.au.

Regards,

Craig

Craig Carmody

Chief Executive Officer



Mobile: 0434 186 754

Address: Level 4, 251 Wharf Road Newcastle NSW 2300

Email: Craig.Carmody@portofnewcastle.com.au

Website: www.portofnewcastle.com.au

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GET IT DONE

By BY MATTHEW KELLY

Newcastle Herald

Friday 23rd September 2022 790 words Page 1,2 | Section: NEWS 1164cm on the page





BY MATTHEW KELLY

UPPER Hunter MP Dave Layzell admits a private members bill designed to dismantle port commitment deeds constraining the de-velopment of a Newcastle container terminal will test

the Coalition's unity.

But the Nationals MP said
he hoped the project's benefits to the state's regional
economies would persuade
Sydney-based Liberals to

support the bill. Independ-ent Lake Macquarie MP Greg Piper signalled his intention on Wednesday to introduce the 'Port of Newcastle Extin-

guishment of Liability Bill 2022' next month. If passed, the bill would effectively remove the deeds which the state government entered into as part of the privatisation of Port Botany and Port Kembla in 2013. The deeds require the government to compensate

NSW Ports if container traf-

NSW Ports it container traf-fic at the Port of Newcastle exceeds annual indexed cap. It is not not known how much the compensation bill would be but estimates

range from \$300 million to \$1 billion. Mr Piper hopes to meet with the leadership of the Coalition and Labor before

introducing the bill.

Mr Layzell said Mr Piper's proposed legislation would bring a long-running debate

within the Coalition about a pros and cons of developing

within the Coalition about a Newcastle container terminal to a head.

He is among a number of Nationals MPs with constituents who will directly benefit from the terminal.

However, Sydney-based Liberals with links to with former premiers Mike Baird and Gladys Berejiklian, are likely to oppose the removal of the deeds.

"There is a lot internal debate on our side about the

Hunter Labor MPs have also previously spoken in favour of establishing a con-tainer terminal.

A spokeswoman for Labor leader Chris Minns said the

leader Chris Minns said the party was awaiting to see the proposed legislation. "NSW Labor continues our long standing support of a container terminal at the Port of Newcastle," a spokes-woman said. © CONTINUED: P2

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Coalition split on port

■ FROM: P1 NSW Ports wrote to the region's state MPs in August

region's state MPS in August to argue that the project was flawed and unnecessary. "If landed in Newcastle, these containers would need to be trucked or railed to their final destination, notably the population centres of Sydney and West Sydney some 200km away," the letter said in part.

Ports invited the MPs to individual briefings to discuss its arguments in more detail.

Mr Layzell said he attend-

ed the briefing, but remained convinced of the benefits of a Newcastle container termi-nal to the Hunter.

nal to the Hunter.

"I listened to their point of view, but at the end of the day I'm still a believer in competitive economies. Despite the economies of scale that may exist by focusing on one or two ports, it will still be cheaper overall to have a competitive industry. If I put my parochial hat on, I want that economic benefit in the Hunter," he said.

Nationals Northern Ta-blelands MP Adam Marshall was expected to announce his intention to table a bill

similar to Mr Piper's on Tuesday, but failed to do so. The Herald has been un-able to contact Mr Marshall to discuss why he pulled

Mr Piper said on Wednes-

day that he had been working on his private members bill for some time and only became aware of Mr Marshall's

intentions on Tuesday.

Mr Layzell said the intriguing sequence of events was
*a crazy coincidence, but no

a crazy coincidence, but no coincidence". Greg Cameron, a Can-berra-based public affairs analyst with a long-standing interest in the Port of Newcastle, said Mr Piper's bill would enable the parliament to consider whether the previous parliament authorised the treasurer under the "Ports Assets (Authorised Transactions) Act 2012" to penalise the government for changing container terminal policy in the future.

"The long title of the "Port of Newcastle (Extinguish-ment of Liability) Bill 2022" states: 'an Act to extinguish certain liabilities of the operator of the Port of Newcastle relating to an agreement between the state and the operator of Port Botany and Port Kembla; and for related

"The bill recognises that the government's lease con-tracts with NSW Ports are separate from its lease contract with Port of Newcastle. Consequently, the Port of Newcastle container penalty can be extinguished without affecting the contracts with NSW Ports for Botany and Kembla," Mr Cameron said.



Upper Hunter MP Dave Layzell admits a private members bill regarding the development of a Newcastle container terminal will test the Coalition's unity. File picture

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MP slams port 'embargo'

The Northern Daily Leader

Friday 23rd September 2022 374 words Page 6 | Section: NEWS 234cm on the page



MP slams port 'embargo'

BY ANDREW MESSENGER

AN "UNFAIR and outdated capacity - imposed by the state government of NSW - The legislation comes in the state government of t "drains the back pockets" of the region's industry. That's according to North-ern Tablelands MP Adam

response to growing agitation against a deed binding the the region's industry.

That's according to Northem Tablelands MP Adam
Marshall, who used a speech
in parliament this week to
throw his support behind
a campaign to loosen the
shackles restricting the Port
of Newcastle.

Independent MP for Lake

land, boasts the very best
against a deed binding the
land, boasts the very best
least and beautifunction of vert despite a long-established rail network from the
land, boasts the very best
land, boasts the very beautifunction of vert despite a long-established rail network from the said.
leading provide a land, boasts the very beauti

Macquarie Greg Piper gave Mr Marshall told NSv notice on Wednesday that he parliament the cap could easily be breached in a

tion of the Northern Table-lands, boasts the very best



Adam Marshall

the special activation precinct at Moree - it is cheaper to put that harvested grain onto the back of trucks and drive it across our strained road networks and into Syd- the price."

shipping and sucks profits Mr Marshall estimated right out of our rural and regional areas."

Mr Marshall estimated a new container terminal in Newcastle would slash

"We are the ones who pay Piper for his effort.

road networks and into Syuney for shipping through the congested Port Botany.

"As would be guessed, that adds a substantial cost to shipping.

"Mr Marshall estimated surviving containing terminal."

right out of our rural and regional areas."

The MP said the caps create an "artificial monopoly"
by making expansion of the
Newcastle port "financial
purjablo".

Port of Newcastle chief
expective Cript Carmody en-

unviable".

"Our grain growers and regional manufacturers cop it in the neck," he said.

"We gray he gravity."

"We gray he gravity."

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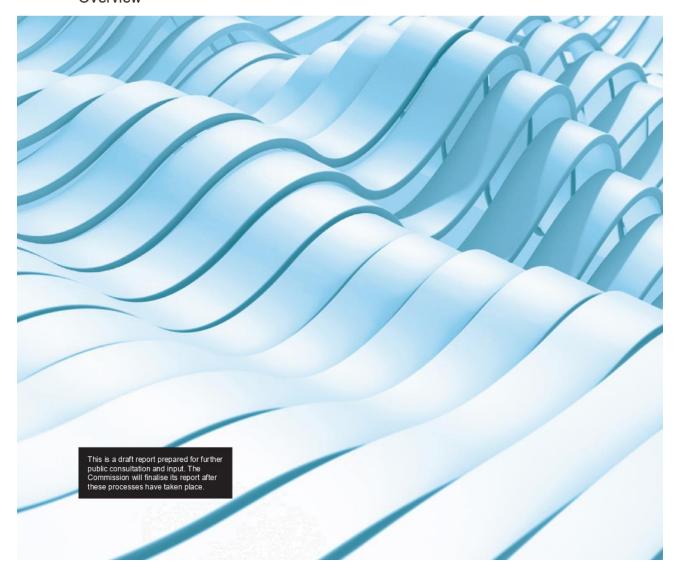


September 2022

Lifting productivity at Australia's container ports: between water, wharf and warehouse

Draft report

Overview



Lifting productivity at Australia's container ports Draft report

The Productivity Commission acknowledges the Traditional Owners of Country throughout Australia and their continuing connection to land, waters and community. We pay our respects to their Cultures, Country and Elders past and present.

The Productivity Commission

The Productivity Commission is the Australian Government's independent research and advisory body on a range of economic, social and environmental issues affecting the welfare of Australians. Its role, expressed most simply, is to help governments make better policies, in the long term interest of the Australian community.

The Commission's independence is underpinned by an Act of Parliament. Its processes and outputs are open to public scrutiny and are driven by concern for the wellbeing of the community as a whole.

Further information on the Productivity Commission can be obtained from the Commission's website (www.pc.gov.au).

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Opportunity for comment

Opportunity for comment

The Commission thanks all participants for their contribution to the inquiry and now seeks additional input for the final report.

You are invited to examine this draft report and comment on it by written submission to the Productivity Commission, preferably in electronic format, by mid-October.

Further information on how to provide a submission is included on the inquiry website: www.pc.gov.au/inquiries/current/maritime-logistics.

The Commission will prepare the final report after further submissions have been received and it will hold further discussions with participants. Public hearings will be held in early November. Further details on registering for hearings and making submissions can be found on the inquiry website

Commissioners

For the purposes of this inquiry and draft report, in accordance with section 40 of the *Productivity Commission Act 1998* the powers of the Productivity Commission have been exercised by:

Dr Stephen King Presiding Commissioner

Ms Julie Abramson Commissioner

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An accopmanying technical paper to this report, *Container port productivity*, is available online at: www.pc.gov.au/inquiries/current/maritime-logistics/draft.

V

Overview



1

Lifting productivity at Australia's container ports Draft report

Key points

- Higher productivity at Australia's container ports is achievable and would deliver significant benefits.
 - Considerable variation in performance both within and across Australia's container terminal operators points to potential productivity gains from more consistent (high) performance.
 - Inefficiencies at Australia's major container ports directly cost the Australian economy an estimated \$605 million a year. Ports also have large indirect impacts on Australian businesses and consumers, so that any sustained disruptions to imports or exports magnify these costs across the economy.
 - Australia's major container ports rank poorly in international work that looks at ship turnaround times. Slower
 turnaround times in Australia mainly reflect the use of fewer cranes to handle containers. Using more cranes
 would raise costs with unclear effects on efficiency. Faster turnaround times are good, but not at any cost.
- ★ Lack of competition in some parts of the maritime logistics system means consumers pay too much.
 - Transport operators have no choice about which terminal they use when picking up or dropping off a
 container, so must pay whatever price a terminal operator sets. Recent rapid increases in terminal access
 charges (TACs) have flowed through to cargo owners (and consumers). Terminal operators should only be
 able to levy fixed charges, like TACs, on shipping lines, who can choose which terminal to use.
 - Transport operators and cargo owners are paying fees to shipping lines for the late return of containers even where the delay is because empty container parks are full. The exemption for shipping contracts, which means that these fees fall outside the scope of the Australian consumer law, should be removed.
- **⊗** Workplace arrangements lower productivity incremental changes to the Fair Work Act are needed.
 - Disruptions during recent enterprise bargaining imposed large costs on businesses dependent on maritime freight. More effective remedies are needed to limit unreasonably protracted bargaining and industrial action.
 - Limits should be placed on clauses in container terminal operators' enterprise agreements that are highly
 restrictive and constrain the ways that workers and equipment can be deployed.
- Infrastructure needs in the maritime logistics system are being addressed.
 - Container port operators and other parts of the maritime logistics system are investing to accommodate bigger ships. There is no need for government intervention to encourage the use of bigger ships.
 - Plans are in place to increase the share of freight moving to and from most major container ports by rail over the coming decades. Any further government investment needs clear cost-benefit analysis.
 - All state governments have freight and transport strategies that cover future port infrastructure needs.
 Evidence does not suggest that more plans are required or existing plans will not be implemented.
- The adoption of technology at Australia's container ports is broadly in line with international practice.
- Soncerns about domestic shipping capacity and training may be better resolved by means other than a strategic fleet.
 - Capacity could be acquired as needed from the international market without the costs involved in supporting
 a national strategic fleet.
 - Australian-flagged vessels are not a prerequisite to meeting maritime skill requirements. Cadetships and skilled migration appear to be working well in meeting needs for blue-water experience.

Overview

International trade underpins Australia's economy (box 1), and most goods move by sea. This translates into significant maritime freight activity, and steady growth in total freight volumes over the past decade is forecast to continue

Any issues in the maritime logistics system — the many services involved in getting goods off ships and into the domestic distribution chain (and vice versa) — have the potential to echo through the economy.

Box 1 - Some key maritime trade facts

Some key facts about Australia's international goods trade.

- Imported goods account for about 16 per cent of GDP; exports make up about 20 per cent.
- · Shipping accounts for 95 per cent of Australian international goods trade by volume.
- · In 2018-19:
 - just over 6000 cargo ships made about 34 000 calls to Australia
 - ports handled 1.7 billion tonnes of freight including 5.1 million containers
 - cargo moved was worth close to \$573 billion.
- By 2050 the containerised freight task is forecast to more than triple at the Port of Brisbane, nearly triple at the Port of Melbourne and increase by two and a half times at Port Botany.

Recent events have put pressure on the maritime logistics system

The COVID-19 pandemic had different impacts on different types of cargo. Some Australian bulk commodities, such as iron ore, gas and grain faced port and shipping disruptions during initial lockdowns. However, these supply chains quickly recovered, in some cases moving record export volumes.

In contrast, cargo owners who were reliant on containerised shipping services faced major problems.

On the demand side, an increase in consumer spending on household goods (for example, desks and computing equipment), and online shopping, along with the loss of air freight capacity on passenger flights, pushed up demand for in-bound services. On the supply side, COVID induced port shutdowns around the world and congestion at ports significantly disrupted global container shipping services.

The combination of increased demand and disrupted supply led to a substantial increase in the price of container shipping services, disrupted shipping schedules and extended shipping times. At some Australian ports, these broader disruptions were reinforced by protected industrial action during enterprise bargaining that impeded container terminal operations and, in some cases, led to ships by-passing ports.

These pandemic-induced disruptions highlighted a range of long-term performance issues in the Australian maritime logistics system, particularly for the movement of containerised freight.

For example: a May 2021 release of a World Bank report ranked the efficiency of most of Australia's container ports in the bottom 20 per cent of 351 international ports; a November 2021 report from the Australian Competition and Consumer Commission (ACCC) described significant performance issues at Australia's container ports; and a report by Victoria's Essential Services Commission raised issues of market power at the Port of Melbourne.

Lifting productivity at Australia's container ports Draft report

In December 2021, the Government asked the Productivity Commission to examine long-term factors affecting the productivity, efficiency and dependability of the Australian maritime logistics system and to identify mechanisms to address any issues found. This report summarises the Commission's draft advice against its terms of reference.

Where is the inquiry focusing?

Cargos fall into three broad types — containerised, bulk and break bulk (figure 1).

Typical commodities Shipment type Sub-type General General Refrigerated Produce / frozen goods Food grade Milk powder / grains Containerised CWO (B grade) Scrap / timber / hides Hazardous Chemicals Tank Wine Out of gauge Earthmoving tyres Iron ore Coal Dry bulk Grains and legumes Cement Bulk Refined petroleum Liquid bulk Crude oil Chemicals Non-containerised Roll On Roll Off Cars / machinery (RORO) Project cargo Wind turbines Break bulk Any non bulk or non General containerised cargo Break bulk and containers Multi purpose (Islander trades)

Figure 1 – Cargo types handled within the maritime logistics system

Each cargo type involves different commodities, types of vessel and port infrastructure, and stevedoring and transport services. Containerised shipping, for example, mostly carries cargos that can be boxed up. Vessels

Overview

are purpose built with holds divided into 'cells' to keep containers fast. In port, quay cranes move containers between ships and shore; straddle carriers or stacking cranes move them between the dock and trucks and trains. In contrast, dry bulk cargos are loaded directly into bulk carriers' holds using conveyors connected to silos or stockpiles, while liquid bulk cargos are shipped in tankers, pumped out of holds into storage tanks and piped or trucked via tanker out of ports.

The biggest problems overwhelmingly relate to containerised shipping. Consequently, that is where the inquiry has focused, and maritime logistics chains incorporating the five largest container ports — Brisbane, Sydney (Botany), Melbourne, Adelaide and Fremantle — have received most attention. Ports that handle very small container volumes including Townsville, Darwin and Bell Bay are not a focus. Broader issues associated with the domestic distribution of freight are outside scope and have not been considered.

An overview of the maritime logistics system

The system is bounded by the point where a vessel enters or departs Australian territorial waters and the point where its cargo is transferred to or from the domestic logistics system.

Cargo progresses through three principal fields of activity (figure 2) — marineside, quayside and landside operations. Import and export cargo flows mirror each other, except for border control practices.

A range of parties provides services (figure 3). Some are engaged to handle cargo. Focusing on containerised imports for brevity, shipping lines carry containers and stevedores at container terminals unload vessels. Australian Government border protection and biosecurity officers monitor cargos. Containers are transferred to landside transport operators (road or rail) who move them to their final destinations or to warehouses for unpacking and cargo distribution.

A number of other parties do not directly handle cargo but are also integral to service provision. For example, port operators provide infrastructure like channels and wharfs, and pilots board vessels when they arrive in port waters and steer them through local shipping channels towards berths. Tugs move vessels into position and linesmen secure them to wharves. Unpacked containers are stored in empty container parks (ECPs).

Underpinning these services is a range of industry and government institutions and frameworks which govern how the parties interact and the industry is regulated. For example, state governments own the major container ports and, apart from Fremantle, lease them to private operators. And the Australian Government is responsible, for example, for workplace relations regulation.

Demand for container logistics is driven by the decisions of an estimated 200 000 Australian cargo owners. These decisions are enacted through a chain of contracts agreements and international conventions that lay out commitments between cargo buyers and sellers and transportation providers.

Negotiating and documenting these commitments requires specialist expertise. Many cargo owners employ forwarding and customs agents to act on their behalf. These agents also deliver economies of scale by consolidating the requirements of multiple cargo owners.

IMPORT CARGO EXPORT CARGO Vessel transports cargo from origin port Vessel transports cargo to destination port (blue-water transit) (blue-water transit) Border clearances obtained Vessel arrives in Australian for vessel and cargo territorial waters details transmitted Vessel inbound transit of Vessel transit scheduled with Vessel outbound transit of port waters port Harbourmaster port waters Marineside Supply of pilots, tugs, and Vessel berthing Vessel unberthing mooring services Vessel operations Cargo made ready for Vessel load Cargo secured for sailing discharge unloading (unlashing) (export) (lashing) (import) Port quayline (port land/marineside interface) Transfer cargo to Transfer cargo from terminal Crane unload Crane load terminal storage storage Cargo border control Cargo cleared and availability inspection and clearance confirmed Quayside Import cargo terminal Export cargo terminal storage Port and storage (awaiting landside (awaiting vessel sailing) terminal collection) Load Unload operations outbound inbound cargo Transfer cargo to Transfer cargo from cargo transport terminal storage terminal storage transport Port landside boundary and gate (port/landside interface) Landside Cargo transported to Cargo transported from transport transport importer/inbound exporter/outbound dispatch receival IIII Cargo pick-up/ delivery Export cargo biosecurity scheduled through landside and pre-receival advice Landside booking system clearance Cargo delivered to importer (empty Cargo collected Transport Unloaded container moved container returned) from exporter (empty operations to empty container park container delivered) containers for exporters 'upgraded' · surplus empty containers 'evacuated' Containerised Containerised cargo unpacked cargo packed Domestic Goods transferred to owner / consumer Goods transferred from owner / producer chain

Figure 2 – Cargos move through three fields of operations

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Trade and supply chain parties e.g: Cargo owners Customs brokers Freight forwarders Trade aggregators (e.g. Farmer co-operatives) Logistics service providers **Overseas Importers** exporters 1-2 Vehicle booking Container terminal More than 50 systems per operators per port landside container Vessel operators Port carriers per port (16-20 container 4-10 Empty container shipping lines) parks per Port ABF and Bio-security 1-4 Rail terminal 1-5 Rail service Maritime operators per port operators per port Logistics Support service providers System 1-2 Tug Ship's Local and state road operators agents regulators per port (national) Port manager/ landlord Harbourmaster 1-4 Rail access / network Ship channel providers per port manager Industry and institutional inputs MUA/ AMOU/ AIMPE® TWU/AWU/RTBUb Labour supply and Fair Work Commission training Australian Maritime Vocational education and training (VET) College Australian Maritime HS&E State based workplace health and safety regulators Safety Agency Conventions ICC, IMO, ISO, National Heavy Vehicle and WCO° Regulator standards APSA/FTA^e State economic regulators Regulators. competition, markets and **ACCC** planning Australian, state and local government transport, infrastructure and planning departments Policy Local, State and Federal Government

Figure 3 - Many parties make up Australia's maritime logistics system

- a. Maritime unions: MUA (Maritime Union of Australia), AMOU (Australian Maritime Officers Union), AIMPE (Australian Institute of Marine and Power Engineers)
 b. Domestic logistics industry unions: TWU (Transport Workers Union), AWU (Australian Workers Union), RTBU (Rail, Tram and Bus Union)
 c. International standards and policy organisations: IMO (International Maritime Organisation), ISO (International Standards Organisation), WCO (World Customs Organisation)
- d. Road vehicle regulation encompassing licencing, compliance and performance based standards for heavy vehicles.
- e. Peak cargo industry bodies: APSA (Australian Peak Shippers Association), FTA (Freight Trade Alliance).

Why productivity, efficiency and dependability?

Productivity growth has been one of the primary drivers of increasing living standards for Australians. Put simply, the more goods and services a society can produce with a given set of inputs, the greater will be its material standard of living.

But just producing more with a given set of inputs will not make Australians as well off as they could be if the outputs could be either produced with a less costly input mix or are not the things that the community values most highly or if innovation is unnecessarily impeded. For example, restrictions on how workers are deployed by a business might mean that the costs of producing a service are higher than needs be. Constraints on competition might mean that businesses produce products that could be better supplied by rivals. And limitations on automation might mean that a company settles on an input mix that is higher cost than needs be. In other words, overall economic efficiency also matters.

Moreover, when businesses enter contracts and plan production accordingly, they do so based on expectations about the future availability and prices of the inputs they will need. If unanticipated disruptions or shocks within input markets mean those expectations are not met (that is, markets are not dependable or reliable), businesses will likely face higher costs and lower profitability than expected. Ultimately the broader community bears these costs — through price rises or temporary shortages of supply. A resilient and dependable system can plan for and minimise the costs of disruptions, benefiting both producers and consumers.

What drives productivity, efficiency and dependability?

Many factors contribute to productivity growth including:

- change at a business level for example, the creation or adoption of new technologies or improvements in management practices and work arrangements
- economic factors that condition business decisions for example, competition within a market can spur businesses to innovate
- policy and institutional settings for example, government policies that influence investments in skills and infrastructure

Efficiency gains are driven by initiatives that enable resources to flow to their highest value (or highest net benefit) uses. Examples include the: sharing of data to enable participants in a supply chain to better plan their operations; removal of practices that create 'closed shops' for workers or cartels for businesses; and development of single window portals that remove duplication in business reporting to government.

Clearly, the decisions of private businesses are central to productivity and efficiency performance. They are key agents in what is produced with an economy's resources and how. Innovation on their part spurs productivity growth and efficiency improvements.

But governments can also foster productivity growth and efficiency in a host of ways, for example, via: working to ensure government services are provided as efficiently as possible; regulating to promote competitive outcomes (or limit harm where parties hold market power); implementing labour relations laws that balance employer and employee interests; investing in essential infrastructure; and using taxpayer funds only on projects that deliver the highest net benefits to the community.

Dependability or resilience can be enhanced by actions like:

 requiring suppliers to give advance warning of price changes, to enable customer businesses to factor them into their planning and future contracts

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- limiting disruptions to service provision where possible
- · planning and provisioning to cope with shocks.

Again, the actions of private parties are integral to service dependability, but governments can also play important roles.

Consistent with these drivers of productivity, efficiency and dependability, this report examines:

- · what is happening at a business level (focusing on use of new technologies and workplace arrangements)
- · the state of competition across the system
- · skills and infrastructure needs and constraints.

Discussion of ways in which governments might support improvements in productivity, efficiency and dependability cuts across the report. Before heading into that analysis though, the report looks at how well Australia's container ports are performing.

How well are Australia's container ports performing?

Well-functioning container ports enable goods to enter Australia faster than otherwise and reduce the cost of these imports. Similarly, they enable Australian exporters to compete more effectively on global markets.

Efficient ports minimise the time taken for containers to pass through the port and the time that ships and land transport spend within the port, while ensuring that inputs are used as effectively as possible. Ports that move containers more quickly, reliably and in a cost-effective manner are better performers than those that do not.

Data gaps limit assessment

A comprehensive framework for measuring port performance would include data on the time taken to move containers through each of the steps involved in marineside, quayside and landside operations (figure 2). Comparison of these time-based metrics across ports would then reveal where operations in a port are relatively inefficient. Other performance measures could then be used to understand *why* these relative inefficiencies exist. For example, analysis of the rates at which cranes move containers can shed light on quayside operation times: more productive cranes should result in faster container movement times.

Current Australian data collections do not support comprehensive analysis of this type. Data are missing for a number of areas of port performance, including, for example, labour inputs (the number and type of workers and the hours they work), cargo operation times (the time spent loading and unloading a ship while it is at berth), and container dwell times (the time containers spend in port after being discharged from a ship until loading onto land transport, in the case of imports).

While performance information could be improved by linking existing data collections and, potentially, augmenting them, collecting, cleaning and maintaining data is not costless. Richer data would support richer insights into port performance, but it is unclear if the associated benefits would outweigh the potential costs inherent in extending existing collections. The Commission is seeking feedback on this question.

The Commission has used Australian collections and IHS Markit's Port Performance Program to benchmark Australia ports' operations and to unpack the determinants of relative performance as far as the data permit. Lengthy time series are scant. Most of the analysis, therefore, focuses on recent performance. Given the disruptions to international and Australian container shipping markets wrought by the COVID-19 pandemic, data from the 2019 calendar year are the primary source — this was a more representative year. Moreover, given data gaps, performance is assessed using a range of metrics.

Data suggests productivity has risen over the long term

Measured by net crane rates (container movements per crane per hour of operation), productivity at Australia's container ports rose strongly in the 1990s following significant waterfront reforms, and continued to grow at a slow pace over the following two decades prior to onset of the COVID-19 pandemic (figure 4). Growth measured in 20-foot equivalent units (TEUs) was stronger than for containers per se, because of the increasing share of 40-foot containers used in trade (which equate to two 20-foot equivalent units). The fact that ports are handling larger containers and the crane rate has not declined also points to productivity improvements in terms of the quantity of goods being moved.

TEUs

30

Containers

20

10

1989Q4 1993Q4 1997Q4 2001Q4 2005Q4 2009Q4 2013Q4 2017Q4

Quarter

Figure 4 – Long-term productivity has risen in Australia's ports

Australian ports do not compare well against international peers

A recent World Bank study benchmarked performance of 351 ports. Australia's major container ports with the exception of Brisbane ranked among the worst performing 20 per cent of ports, and Brisbane ranked in the bottom 30 per cent. The Commission used the data underlying this work to look at why Australian ports apparently perform so poorly.

The World Bank analysis focused on time taken to turn ships around. Australia's major container ports tend to be considerably slower on this metric than the average international port, particularly for medium and larger-sized vessels (those with a capacity of more than 5000 TEUs) (figure 5).

Most of the difference reflects longer operating times — Australian ports take longer to load and unload ships. Two factors are key to this outcome:

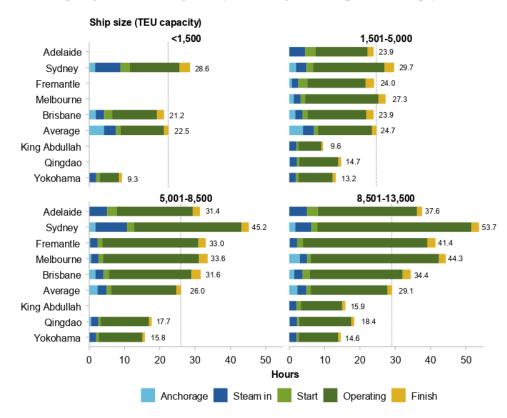
- · the number of cranes deployed (crane intensity)
- · the productivity of those cranes (gross crane rates).

On average, Australian cranes were just as productive as the international average (figure 6). A key explanation for Australian ports' underperformance is that they used fewer cranes to service ships than the average international port (figure 7).

At first glance, faster tumaround times look like a good thing. Longer times in port can lead to delays to shipments and disruption to supply chains, higher sailing speeds, meaning increased fuel consumption, emissions and costs, or the omission of a port or ports from a trip. So longer port times imply higher costs (for shippers, shipping liners, container terminal operators and other participants in maritime supply chains).

But the World Bank's analysis did not account for the fact that some ports can turn ships around faster because they use more inputs. And higher turnaround times will not be a good thing if they rely on inefficient use of inputs.

Figure 5 – Turnaround times at Australian ports are above international averages^{a,b} Port hours by ship size and component, selected ports and global average, 2019-20



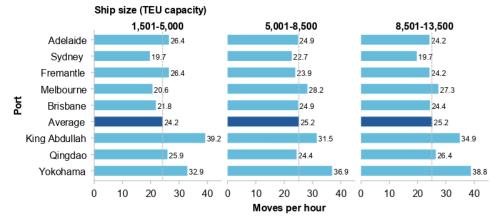
a. Gaps indicate that a port did not receive at least ten visits in the period. **b.** King Abdullah, Qingdao and Yokohama were the top performers in the World Bank's 2021 study of 351 ports.

The Commission also used IHS data on port characteristics to analyse port efficiency. A subset of ports with broadly similar characteristics (throughput levels and origin—destination cargo patterns) to Australia's major container ports was selected. Unfortunately, data constraints confined the analysis to capital inputs, for example, terminals, berths and cranes. Many of these variables are effectively fixed in the short to medium term, meaning the analysis can primarily only provide guidance on the potential to improve efficiency in the long term.

This work identified a 'best practice' set of ports — those that were using their inputs most efficiently. Apart from Adelaide, Australian ports were not operating at this 'efficient frontier'; they could handle an increase in throughput by using their capital inputs more efficiently.

Figure 6 – Australian crane productivity is roughly similar to the global average^{a,b}

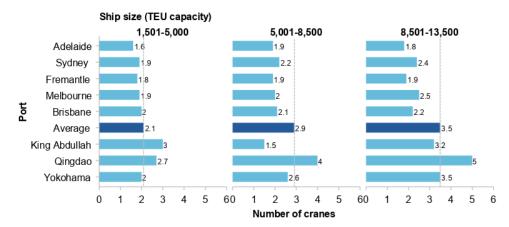
Gross crane rates by ship size, selected ports and global average, 2019-20



- a. Ships with capacity less than 1500 TEUs are excluded because of missing gross crane hours data for Australian ports.
- b. King Abdullah, Qingdao and Yokohama were the top performers in the World Bank's 2021 study of 351 ports.

Figure 7 – Australian ports typically use fewer cranes to handle ships a,b

Crane intensity by ship size, selected ports and global average, 2019-20



a. Crane intensity is calculated as gross crane hours divided by operating hours. Ships with capacity less than 1500 TEUs are excluded because of missing gross crane hours data for Australian ports. b. King Abdullah, Qingdao and Yokohama were the top performers in the World Bank's 2021 study of 351 ports.

But the analysis also revealed the importance of considering port inputs. The port of Yokohama, for example, topped the World Bank rankings. Yokohama had similar throughput to Melbourne and Sydney, but had more inputs. Yokohama had five container terminals, about 5.5 km of berths and about 40 quay cranes. In contrast, Melbourne and Sydney each had three terminals, about 2.5 to 3.6 km of berths and about 20 quay cranes. Yokohama did have higher gross crane rates than the Australian ports, but its capital utilisation rates were much lower (and its capital costs per lift presumably much higher). Yokohama turned vessels around more quickly, but was less efficient than all five of Australia's major container ports in its use of inputs.

Faster turnaround times are a good thing, but not at any cost.

Performance variations point to significant scope to lift productivity

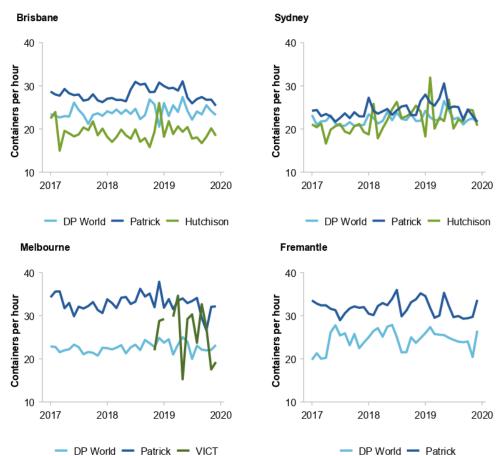
Evidence of considerable variations in gross crane rates for each terminal operator over time, and between terminal operators requires further consideration. The data suggest that Australian terminal operators have significant scope to improve ship turnaround times without making any changes to crane intensity.

Between 2017 and 2019, for example, the average number of containers moved per crane at Patrick's terminal in Melbourne, ranged between a high of 38 per operating hour and a low of 27 (figure 8). And Patrick's cranes averaged 10 more moves in an hour than cranes at DP World's terminal (figure 9) (with similar levels of automation at the two terminals).

Reasons for these variations in performance are not clear, but restrictive work practices (discussed below) that make it less likely that each job in a container terminal is filled by the most appropriate person, are a clear candidate.

Figure 8 - Variation in performance points to scope for improvement

Average monthly gross crane rates, 2017–2019



Hutchison - Brisbane Hutchison - Sydney 21.9 DP World - Sydney DP World - Melbourne DP World - Brisbane Patrick - Sydney DP World - Fremantle VICT - Melbourne Flinders - Adelaide Patrick - Brisbane Patrick - Fremantle 31.9 Patrick - Melbourne 0.0 5.0 10.0 15.0 20.0 25.0 30.0 35.0 Moves per hour Level of automation: Medium

Figure 9 — Average monthly gross crane rate by terminal operator, 2017–2019

Potential gains from improving container port productivity

If all five of Australia's major container ports achieved tumaround times in line with the global average, and passed the resulting cost savings through, Australia's importers and exporters combined could save an estimated \$605 million a year. Although these estimated direct benefits are small relative to the size of the entire Australian economy, they are significant.

Aside from the costs that port inefficiency imposes on importers and exporters, ports also play an essential role in the maritime supply chain and have large indirect impacts on Australian businesses, consumers and the economy. Any sustained disruption to imports or exports has the potential to cause substantially larger economic impacts than the direct cost estimates suggest. For example, disruptions to imports of goods that are critical to local production (such as the chemicals used in water treatment and personal protective equipment used in health care) or to exports that provide a significant share of national income and employment, could jeopardise the economy and the wellbeing of all Australians.

Well-functioning, efficient container ports help to ensure the reliability of the maritime supply chain and logistics systems more broadly.

Is market power impeding system performance?

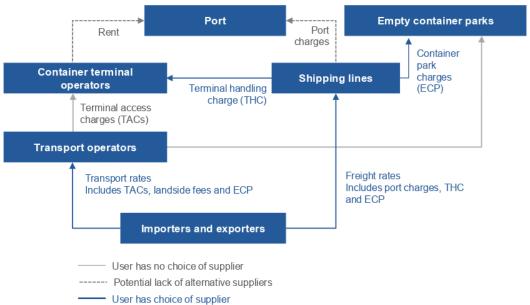
The maritime logistics chain involves a wide range of services (figure 10). For example, ports supply anchorage and berth services to shipping lines; container terminal operators supply terminal services to transport operators.

Customers for some of these services have little or no choice of supplier, raising the possibility that some suppliers in the maritime supply system are not constrained by competition and are potentially exercising

market power. This could lead to higher prices for customers, cost complacency by operators and lower levels of innovation in port services.

Figure 10 - Port decisions affect the entire system

A simplified depiction of the maritime logistics value chain



Ports have some market power but further regulation is not needed

While demand for a port's end product (movement of freight) is driven by importers and exporters, port operators' main interface with the system is via contracts with shipping lines and container terminal operators.

Each of the five large container ports has (but are not necessarily exercising) market power in their relationships with shipping lines. If a shipping line wants to engage with cargo owners in a particular part of Australia, then it must operate through the 'local' port and there is little if any scope for shipping lines to substitute between container ports. Import cargo destinations are overwhelmingly local to each port and landside transport costs mean that moving cargo between cities to access an alternative port would be uneconomic. Shipping lines cannot credibly threaten to move their business elsewhere.

Port privatisation processes have entrenched this power in Sydney by combining the ownership of Port Botany and Port Kembla and penalising any development of container capacity at the Port of Newcastle.

In contrast, container ports enter long-term contracts with container terminal operators and both parties bring considerable heft to the negotiating table. That said, there remain some risks that ports can exercise market power in their relationships with terminal operators. Container terminals operate significant infrastructure as tenants of the ports, have large setup costs and large sunk assets that can be held captive by a port in the event of expiry or renegotiation of a lease. And all long-term lease contracts are incomplete — it is impossible for them to cover every possible future contingency. Where material changes in market conditions, such as changes in port ownership, are not reflected in a contract, they may enable a port to

behave opportunistically towards a terminal operator tenant. Moreover, post-privatisation rents have increased significantly for container terminal operators at Melbourne, Sydney and Brisbane.

However, the Commission has not seen evidence consistent with the ports exercising significant and sustained market power over individual container terminal operators.

Regulatory settings appear to be adequate

The major container ports face regulation for both their interactions with shipping lines and with tenants, such as terminal operators.

In the case of shipping lines, prices for services provided by ports are typically monitored (or face the threat of further regulation). The Commission received few complaints about port pricing to shipping lines, consistent with this regulation acting as a constraint on the ability of each port to exercise market power over the shipping lines.

For landside tenants, container ports in Brisbane, Sydney, Adelaide and Fremantle operate under light-touch regulatory regimes and these jurisdictions have reserved the right to impose more comprehensive economic regulation. The Commission discovered little by way of complaint from tenants about the conduct of these ports. This does not mean issues do not exist, however, as aggrieved parties may simply lack an avenue for complaints to be aired.

In contrast, the Port of Melbourne is both the most heavily regulated and most commonly complained about container port. Investigation by the Victorian Essential Services Commission found that the port has been exercising its market power over tenants in the setting of rents and in breach of its pricing order.

Given that only the Port of Melbourne has been found to be exercising market power over tenants there is no case for tighter regulation on all ports. The threat of further regulation appears to be constraining the conduct of ports in Brisbane, Sydney, Adelaide and Fremantle. For the Port of Melbourne, the current arrangement for a 2025 review of the Port's adherence to a voluntary Tenancy Customer Charter (implemented in response to the Essential Services Commission investigation and providing additional dispute rights to current and prospective tenants), appears to be a next logical step in addressing issues around the Port's exercise of market power over tenants.

Issues in other markets need attention

Excluding ports, the maritime logistics system for containers has three main markets: shipping lines' provision of shipping services to cargo owners; container terminal operators' provision of loading/unloading services to shipping lines; and landside transport operators' provision of services to cargo owners via container movements.

Repeal of Part X of the Competition and Consumer Act is recommended

Competition is robust in the market for shipping lines' services. While lines have been consolidating over the past three decades, multiple providers service Australia and cargo owners can easily switch between them. Before the COVID-19 pandemic, competition between lines resulted in declining prices. Recent steep increases in blue-water charges reflect market responses to pandemic-related pressures and evidence on trade volumes (steady growth) and orders for new ships suggest that rates will fall as markets normalise.

That said, lines are permitted to cooperate on ship use, schedules (timetables), containers, use of terminals and freight rates through agreements registered with the Registrar of Liner Shipping. For example, three lines might agree to run one service a week between Australia and Singapore. At a 42-day round trip, the service requires six vessels. The lines will agree on how many vessels each will contribute and on how much

capacity each gets per vessel. Unused capacity can be sold to competitors that are not party to the agreement. (The Commission understands that none of the current agreements include price cooperation.)

While agreements enable shipping lines to achieve economies of scale, the law permitting them (Part X of the Competition and Consumer Act) does not require shipping lines to show that their arrangements provide a net public benefit to Australia — a requirement faced by similar industries. Putting shipping lines onto the same footing as other industries would ensure that any anticompetitive avenues for price cooperation are only available to shipping lines when the cost of reduced competition is outweighed by other public benefits.

More active regulation of terminal access charges is recommended

Container terminal operators compete vigorously to provide services to shipping lines. Together with an increase in lines' bargaining power via consolidations and increasing port rents and labour costs, this has contributed to declines in operators' profits over the past decade.

On the other hand, container terminal operators have market power over landside transport operators who have no choice about where they pick up a container because shipping lines choose which terminal to use for a shipment.

Over recent years, container terminal operators have increased existing fees or levied new fees on transport operators.

Some of these charges are incentive based and, if set at an appropriate level, could improve efficiency. For example, no-show fees are charged when a landside operator fails to collect or drop off a container on time. Containers must be prepared prior to the landside operator arriving, and a truck missing its time slot costs the terminal operator. These fees are avoidable as long as the truck arrives on time, and they ensure that containers are picked up and dropped off efficiently.

Other fees, most notably terminal access charges (TACs), are not based on incentives but simply represent a fixed charge levied by a container terminal operator to receive a container from, or deliver a container to, transport operators. Inquiry participants have raised concerns about what they see as the lack of justification for increases in TACs and transport operators' inability to push back on them.

TACs have increased markedly at all capital city ports over the last five years. For example, between January 2017 and January 2021, the three operators in Melbourne increased their TACs from close to zero to over \$120 per container. These steep increases may reflect terminal operators 'rebalancing' their revenue streams as payments from shipping lines have declined, and are consistent with terminal operators exercising their market power.

In the short term, transport operators bear the brunt of any fee increases or new fees. In the longer term, they pass those costs to cargo owners.

Container terminal operators are subject to a range of fees regulation. The ACCC monitors their prices, costs and profits. New South Wales requires notification of fee increases to their transport department. And Victoria has acted to make fees more transparent through a voluntary protocol that sees complying operators provide advance notice of fee increases to transport operators and restrict fee increases to once a year. The National Transport Commission is developing similar voluntary national guidelines. There are, however, limitations to these approaches. New South Wales does not require notifications to industry. And uptake of a voluntary approach is neither guaranteed nor will container terminal operators that do take part necessarily strictly adhere to a protocol.

Rapid increases in TACs, coupled with transport operators' lack of countervailing power in their relationships with terminal operators, suggest these regulatory settings are inadequate.

One response would see governments regulate fees, but this has costs: the direct costs of any scheme for terminal operators and regulators, plus the risk of distortions — for example, fees that incentivise efficient behaviour might be set too low.

The Commission's preferred option would prevent container terminal operators from charging fixed fees, such as terminal access charges, to transport operators. All fixed charges associated with container collection should be shifted to shipping lines, precluding terminal operators from exercising their market power over transport operators. Incentive fees could be charged to transport operators subject to monitoring.

Unfair contract terms should be addressed, particularly detention fees

Under Australian Consumer Law (ACL), in certain circumstances, application can be made to a court or tribunal to render void contract terms that are deemed to be unfair. The law only applies to 'standard form' contracts (contracts which are typically prepared by a single party to the transaction and offered on a 'take it or leave it' basis), involving at least one small business (one with fewer than 20 employees) and where the upfront price is no more than \$300 000, or \$1 million if the contract is for more than 12 months.

A term in a qualifying contract is unfair if it:

- · causes a significant imbalance in the parties' rights and obligations
- · is not reasonably necessary to protect the legitimate interests of the party advantaged by the term
- · causes detriment (financial or otherwise) to a small business if it were to be applied or relied upon.

There is evidence of unfair contract terms being used in the maritime logistics system. In 2019, DP World, Hutchison and Victoria International Container Terminal (VICT) agreed to remove or amend terms in their standard form contracts for land transport operators which the ACCC concluded were likely to be considered unfair. The ACCC also entered into a court enforceable undertaking with Hutchison. As part of this process, Hutchison acknowledged that two clauses contained within its Terminal Carrier Access Agreement may contravene the small business unfair contract terms provision of the ACL. And in 2021, GrainCorp (a company that provides export, storage and port terminal services) agreed to amend 19 terms in the grain warehousing agreement it used for small business grain growers.

Concerns raised by inquiry participants suggest detention fees might be a further example of unfair terms.

Part of the contract between shipping lines and cargo owners covers container hiring. Shipping lines usually own containers and hire them to cargo owners. That hire usually includes 7–10 'free' days (sometimes less, sometimes more) for cargo owners to unpack a container once it has been unloaded from the ship (discharged) and return it either to the specified port terminal or an ECP for de-hire. Shipping lines charge detention fees when containers are returned outside their free days window.

Transport operators play a key role in this process. Cargo owners pay transport operators to pick up their containers from the ship and to drop them off at an ECP once unpacked. Transport operators typically take responsibility for the container only after it has been unloaded and gone through customs / biosecurity checks. Therefore, cargo owners pay detention fees stemming from a delay in customs clearing a container. Once the container has been picked up, however, the contract for service between the transport operator and the cargo owner comes into play. Transport operators may bear responsibility for getting a container de-hired on time, depending on what they have agreed to in their contracts. As a result, if detention fees accrue because a transport operator cannot deliver a container at the agreed time, the operator may have to compensate the cargo owner for those fees.

Issues raised in this inquiry about detention fees include:

· full ECPs turning empty containers away, leading to detention fees for cargo owners

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- customs / biosecurity delaying when the container can be picked up
- free day allocations including weekend days and public holidays, but ECPs not being open on those days
- · shipping lines providing fewer de-hire days.

The potential remedies for these issues would be costly for a small transport operator or cargo owner to pursue.

Shipping contracts are exempt from the ACL's unfair contract provisions, meaning detention fees fall outside the scope of Australian law. International law covers contractual terms in a maritime context, but accessing justice via this avenue could be prohibitively expensive.

An alternative option would see remedy sought on the grounds that detention fees constitute unconscionable conduct. However, for conduct to be judged unconscionable, it must be more than simply unfair. It has to be against conscience as judged against the norms of society — a high threshold to meet.

Detention fees exist to incentivise the timely return of containers. But if fees are levied, for example, when empty containers cannot be returned because parks are full, the incentive regime becomes moot.

Faced with similar issues, the US Federal Maritime Commission issued a rule noting that they will consider the reasonableness of the conditions attached to fees in interpreting the relevant law.

The Commission considers that shipping contracts should not be exempt from the unfair terms provisions in the ACL and that this exemption should be removed. Moreover, the Commission is seeking feedback on whether unfair contract terms are an issue in any other part of the maritime logistics system.

Infrastructure needs are being addressed

Larger vessels will be accommodated

Container ships calling at Australian ports are small by global standards, prompting some to worry that Australian shippers may be missing out on the potential benefits of larger ships.

- The biggest ships that visit Australia can carry 10 500 TEU, which is the median ship size in the global fleet. While operators at the world's largest ports are contemplating the investments needed to accommodate 24 000 TEU ultra large vessels, Australian port operators are planning to accommodate 14 000 TEU ships.
- Bigger ships promise lower blue-water rates and fewer emissions, but they increase costs in the rest of
 the maritime logistics system. They may need deeper and wider channels, higher bridges and bigger and
 more cranes. And they make the landside freight task 'lumpier', with peaks requiring more flexible labour
 and potentially adding to urban congestion.

Australian container port operators and other parts of the maritime logistics system have invested to accommodate bigger ships and continue to prepare for further investment. There is no clear need for government intervention to fund or otherwise coordinate investment to encourage the use of bigger ships.

More rail will require significant (possibly uneconomic) investment

Rail's share in container movements at Australia's ports is low (ranging from below 2 per cent at the Port of Brisbane to about 18 per cent at the Port of Fremantle).

This is not surprising. With some exceptions, transporting containers to and from Australian ports by train is more expensive than using trucks, and rail services are inherently limited in where they can deliver or pick up goods. For rail to be cost competitive, services need to run at a high frequency or cover large distances, but most

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imported containers are delivered within about 50 kilometres of ports. And freight typically competes with passengers for access to rail corridors, with passengers prioritised and slots for freight limited. Costs encountered when changing mode at intermodal terminals further influence whether and when rail is competitive.

Within and outside the maritime logistics system, the case is frequently made for increasing the rail mode share. Rail brings a range of nonmarket benefits — reduced road congestion, carbon emissions and other pollutants, noise and accidents. And forecasts of substantial growth in Australia's freight task over the coming decades have contributed to most port authorities planning to substantially increase their rail mode share to slow the growth in road congestion. However, mode share targets have been set by state governments and not met in the past.

Increased use of rail is only likely to be achieved with significant (and possibly uneconomic) investment in dedicated rail lines and intermodal terminals. Taxpayer contributions to those projects is potentially justified by the nonmarket benefits associated with rail, but any contribution has to be considered on its merits. Careful business case development will be needed, including consideration of the likely demand for passenger rail services and the potential for developments like electric vehicles and new road investments to reduce the nonmarket costs of road transport. Changing current road transport regulations (for example, curfews) would retain flexibility around future transport options and lead to a more efficient land transport system for containers without the cost and inflexibility of rail investment.

Empty container management will improve as pressures recede

Australia imports more containers than it exports, by a wide margin. And differences in the types of containers used for exports (primarily agricultural goods and raw materials) and imports (primarily manufactured goods) exacerbate this surplus. ECPs store containers before they are exported. Exports of containers occur on both regular container vessel services and on purpose specific 'sweeper' services.

The surge in global demand for consumer products during the COVID-19 pandemic, and a consequent repurposing of sweeper vessels to carry full containers, led to ECP congestion, particularly in Sydney (which had less capacity than other cities). With some ECPs at or near capacity, transport operators trying to return empty containers were sometimes turned away, contributing to the detention fees discussed above.

Temporary responses to congestion in Sydney have included an easing of restrictions on the height to which containers can be stacked in some ECPs and a subsidy scheme that encourages ships to collect more empty containers. While the scheme appears to have increased collection of empties, there is a risk it will reduce exporters' access to relatively scarce 20-foot food grade containers because the incentive structure does not distinguish between empty container types.

Overall, it is expected that many of the ECP pressures are transitory and will reduce as pandemic pressures recede. Not least, pressures on berth access are likely to lift as disruptions ease, making both loading empty containers onto regular services and chartering sweeper vessel services more feasible. Reduced traffic and greater availability of ships has already meant that sweeper vessels were able to be scheduled in 2021.

Longer term, increasing use of 40-foot containers for imports could mean that exporters who need 20-foot containers struggle to access capacity. Many agricultural products are dense and too heavy to ship in full 40-foot containers, and partially filling a 40-foot container would create safety risks if the contents moved. Potential remedies include technological solutions to contain loose cargos inside 40-foot containers and exporters acquiring their own containers so that they no longer rely on shipping company container pools. But finding solutions for this issue is a task for industry, not government.

Long-term planning appears to be adequate

Urban encroachment affects all major Australian container ports except Brisbane. Industrial land around some ports is gradually being redeveloped for higher value commercial and residential uses and this can create conflict with some port users. Planning decisions should support the highest value land use (which factors in nonmarket costs and benefits of alternative uses) — and this may involve rezoning and moving future terminal developments to sites where land use is less contested. Existing planning tools can be used to balance competing community demands.

Accommodating the expected growth in container freight in the coming decade requires effective long-term planning. While ports plan and invest in infrastructure to move goods between ports and the landside logistics system, governments have the primary responsibility for planning and investment in infrastructure beyond the port gate. And, given maritime logistics systems are often spread across multiple local government areas, they are subject to both state and local government planning controls and decision making. State governments have the lead planning role; local government planning needs to align with higher-level schemes and coordination between different levels of government is central to efficient outcomes.

All state governments have released freight and transport strategies that include consideration of port infrastructure needs into the future. Compelling evidence has not been presented that more plans are required or that these plans will not be implemented.

Workplace arrangements lower productivity

Workplace arrangements are critical to the operation of a business and are fundamental to employees' livelihoods and wellbeing.

These arrangements are shaped by Australia's workplace relations system — a complex array of laws, regulations and institutions, with the Fair Work Act 2009 (Cth) (FW Act) and the institutions that administer it at the centre. The Fair Work Commission (FWC) plays a key role. Among other things, its functions include approving enterprise agreements (EAs), dealing with matters about bargaining and industrial action, and issuing orders to stop unprotected industrial action. The FWC can deal with disputes between employers and employees through conciliation, mediation and (where permitted under the FW Act) arbitration.

Key elements of workplace arrangements on Australia's container ports (for example, hiring and promotion protocols, remuneration and rostering rules) are set out in EAs negotiated between employers and employees who are usually represented by one or more of the three unions that operate in the sector: the Maritime Union of Australia (MUA), the Australian Maritime Officers Union and the Australian Institute of Marine and Power Engineers.

Workplace arrangements are a significant concern for many inquiry participants

There are compelling arguments that workplace arrangements in Australian ports have adversely affected productivity. This has been recognised by many parties (box 2). Notably, the ACCC remarked that:

... systemic industrial relations issues across the entire container freight supply chain have played a pivotal role in inhibiting productivity and efficiency gains at Australian ports. While this has been a challenging area for some time, restrictive work practices and industrial actions have escalated in recent years.

The broader economic ramifications of disruptions to port operations during EA negotiations are also a major concern (box 3). In contrast, the MUA argued strongly that container terminal workers and the EAs under which they are employed are not responsible for supply chain issues or poor productivity of container terminal operations.

Box 2 - Many inquiry participants think workplace arrangements lower productivity

Many inquiry participants stated that workplace arrangements are having significant negative effects on the performance of Australia's container ports.

DP World (sub. 49, p. 51) submitted that 'flaws in DP World's industrial framework impose the most urgent and significant drag on competition and productivity within Australian ports.

QUBE (sub. 64, p. 7) observed that:

The strong bargaining position of the union and its ability to cause significant damage to customers in particular makes the achievement of improved productivity and efficiency extremely difficult.

Ai Group (sub. 60, p. 12) stated that:

... industrial relations practices in the maritime and ports sector are hampering productivity and increasing costs for both operators and users of ports and shipping. There is a clear case for further Government intervention

Several submissions (HIA, sub. 40, pp. 3–4; IFCBAA, sub. 34, p. 9; NatRoad, sub. 8, pp. 8–9) agreed with the ACCC's 2021 findings that:

Restrictive work practices and industrial actions have escalated over the past decade. This has contributed to the relatively poor performance of Australian [container] ports and has caused ongoing disruptions to the entire supply chain. (ACCC 2021, p. viii)

Employee representatives, on the other hand, argued that workplace relations at container terminal operators are not driving poor productivity on the ports.

The MUA (sub. 59, pp. 6, 30, 40–43) MUA stated that 'the significant improvement in labour productivity has been the main contributor to overall container terminal productivity improvement over the last 22 years. In fact, the overall improvement in container terminal productivity appears to be almost entirely due to the increase in labour productivity'. The MUA also pointed out that workers in terminal operations have no role in many of the tasks which drive some measures of performance like berth hours. These are driven by other workers including pilots, mooring line workers, towage workers and regulators like harbourmasters.

Both the process of bargaining to reach new agreements and the content of EAs have the potential to affect port performance. These are considered in turn.

The Commission investigated Australia's *Workplace Relations Framework* in 2015. Where relevant the Commission has repeated recommendations from that inquiry in this report — primarily in the area of the conduct and regulation of protected industrial action. The Commission's view remains that these recommendations should be applied across the economy, as was recommended in 2015. For draft recommendations being made for the first time in this inquiry (in the areas of length of bargaining, content of EAs and role of the FWC), the Commission has only considered evidence from the operation of workplace

relations on the ports and, therefore, is not in a position to recommend economy-wide changes. It will be for future work to evaluate whether these draft recommendations should be applied more broadly.

Box 3 – Industrial action can have significant effects on third parties — particularly industries dependent on maritime freight

Submissions detailed the impact of protected industrial action on participants in the supply chain. For example:

Industrial strike action at shipping ports has led to significant anxiety and stress for business operators in the food and grocery sector. Industrial dispute action has led to a delay in container movement and warehousing backlogs impacting local businesses and the consumer. This has significant implications for the [fast moving consumer goods] sector where inputs, ingredients and finished goods have limited shelf-life and are prone to infestation ... The [Australian Food and Grocery Council] has received consistent feedback of missed shipping windows and significant cost implications leading to a loss of business and product wastage. (AFGC, sub. 21, pp. 8–9).

... farm machinery destined for the Port of Fremantle was instead diverted to Port Melbourne, creating millions of dollars in additional costs to freight the machinery back to Fremantle via land, and weeks of delay, (NFF, sub. 14, p. 10)

At least five iron ore and gold mining companies in Western Australia were impacted by industrial disruption at the Port of Fremantle resulting in delays to the receipt of mining equipment, including spare components, haul ruck, wheel loaders and dozers. (MCA, sub. 25, p. 5)

During the last bargaining period (2018 to 2020) DP World conservatively estimates that the value of goods disrupted in each day of industrial action was over \$200 million across DP World's four terminals. (DP World, pers. comm., 27 May 2022)

Protracted bargaining and protected industrial action merit reform Container terminal employees have significant leverage in EA negotiations

The workplace relations system is designed to balance outcomes for employers and employees. Allowing employees to bargain collectively and to take industrial action while negotiating EAs are mechanisms designed to achieve this. Government also sets some minimum standards by regulating floors for wages and conditions.

However, a challenge for governments is to create a regulatory system where neither party has significantly more bargaining power than the other, so that outcomes are likely to represent a reasonably balanced compromise between employer and employee preferences. The system is not static and has been through a number of phases, influenced by political processes, and this in turn affects where this balance lies.

Conditions in container terminal operations confer significant — and unbalanced — bargaining power on employees. Terminal operators have strong incentives to maintain operations; disruptions are very costly to them. Terminals involve significant investments in plant and equipment that have little value in alternative uses and competition between operators is high. Shipping lines can easily shift their business between operators, and parties within vessel sharing arrangements negotiate as a collective, potentially giving them

leverage in contract discussions. Operating profit margins for container terminal operators at the ports in Brisbane, Sydney and Melbourne fell markedly over the decade or so before the onset of the COVID-19 pandemic. This gives greater leverage to unions to the extent that they can threaten actions that affect asset utilisation. This bargaining capacity is strengthened by the dominance of one union, the MUA, and its high membership density in the workforce. The risk of conflict also has an historical dimension, with long-standing adversarial relationships between employers and employees.

Recent negotiations were protracted and industrial action hit productivity

Bargaining periods across container terminal operators extended substantially in the most recent round of EA negotiations (figure 11). The average time to reach agreement was about 525 days (compared with about 295 days for negotiations before 2018). And there was significant overlap in bargaining activity. For at least 900 days, two or more operators were bargaining at the same time, and for about 130 of those days, negotiations overlapped for four of the five operators.

The MUA noted that the COVID-19 pandemic was particularly disruptive for EA negotiations with the three largest container terminal operators — DP World, Hutchison and Patrick Terminals. Other inquiry participants contended that bargaining is not conducted efficiently and consumed significant resources.

One consequence of protracted bargaining is that it translates into an extended period during which employees can take protected industrial action and, once authorised, a wide range of actions can be pursued. Working with a non-dominant hand, for example, is permitted. Disruption can be created at little, if any, cost to employees by the MUA notifying a work stoppage then cancelling the action just before it is due to commence. As a result, workflows are disrupted and contingencies may have been planned, but union members are paid because the shift goes ahead. Employer response options to protected industrial action are limited to lockouts of the workforce.

Evidence suggests that protected industrial action negatively affected container terminal performance during the recent round of EA negotiations:

In late 2020, during the most recent round of enterprise bargaining, a detailed assessment undertaken by DP World showed that productivity was being impacted between 22–34% in any given 24-hour period and that DP World lost between 16 hours and 50 hours of productive work each day. Collectively ... over 60,000 individual working hours was lost to protected and unprotected industrial action during the last DP World bargaining round. (DP World, pers. comm., 27 May 2022)

Close to 35,000 productive hours were lost [between] commencement of bargaining in September 2020 and November 2021, causing significant business interruption across the supply chain. Patrick concluded negotiations in March 2022. (Patrick Terminals, pers. comm., 9 June 2022)

Impacts on productivity were evident in crane rates (figure 12). And there were significant effects on industries dependent on maritime freight (box 3).

Figure 11 – Reaching agreement was particularly time consuming in the recent round

Length of lines represent time spent bargaining for a new EA

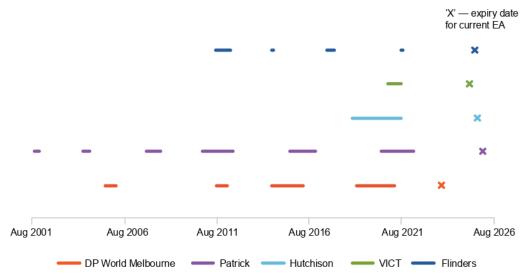
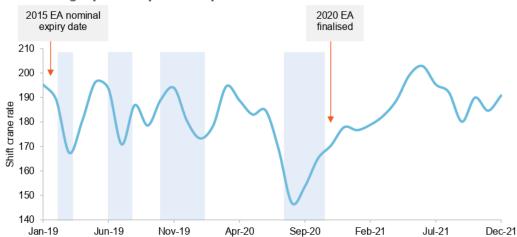


Figure 12 – Periods of protected industrial action correlated with a lower crane rate at DP World's Port Botany terminal

Blue shading represents periods of protected industrial action



Another consequence of the lengthy recent round is that four of the five container terminal operators' EAs expire between March and December 2025. Overlap in bargaining activity is likely to be more common in the next round, bringing with it a number of risks:

- · container terminal operators may be subject to simultaneous protected industrial action:
 - this would confer substantial leverage to the MUA, even if chooses not to exercise it, through the ability to shut down or heavily limit operations across an entire port

- it may also prevent container terminal operators from subcontracting work to other operators a common practice to manage disruptions
- a higher load on union resources, which may lead to longer negotiating periods.

Effective remedies for protracted bargaining and industrial action with economy-wide costs appear limited

Under the FW Act, bargaining parties can apply to have the FWC deal with a dispute during the bargaining process, and an applicant can specify the level of intervention sought, from help in resolving a single issue to more extensive involvement. The FWC can deal with the dispute through conciliation or mediation, making a recommendation or, if the parties agree, arbitration. However, uncertainty about the outcomes of any intervention (in some instances linked to perceived variability in the approach taken by individual FWC members), and concerns about having conditions imposed upon them, may mean bargaining parties are reluctant to approach the FWC.

While parties initiated FWC intervention during recent negotiations, protracted bargaining suggests that additional mechanisms to support parties in reaching agreement would have value.

Parties can also apply to the FWC to terminate an agreement once it has nominally expired, and there are no restrictions on when or why they might do so. In practice, however, the factors that the FWC has to take into account in considering such applications (including the public interest and circumstances of the employer, employees and union covered by the agreement) mean terminations are rarely granted.

If a termination is granted, it results in workplace arrangements reverting to the underlying modern award. This is a potentially costly outcome for employees if EA terms and conditions are substantially more attractive than award provisions and for employers if, for example, EAs deliver work arrangements that better reflect their operational requirements.

Three employers in the ports (Patrick Terminals, Smit Lamnalco and Svitzer) applied to terminate their agreements in late 2021/early 2022. Termination is a serious step, and the fact it was pursued three times in recent negotiations is further evidence in support of the need for additional mechanisms to help parties reach agreement.

The FWC has the option of suspending or terminating protected industrial action on the grounds that it is causing significant economic harm to the employer and employees engaged in bargaining or to the national economy (or an important part of it). But the FW Act does not define 'significant' and FWC decisions have set a high bar.¹ The Australian Government Minister for Employment and Workplace Relations also has discretion to intervene on the basis of significant economic harm. Again, this sort of intervention is rare, but the threat of intervention may contribute to the resolution of industrial disputes. For example, in October 2021, the MUA's decision to suspend an 11-week period of rolling strikes coincided with a threat by the Minister to apply to the FWC to terminate the industrial action on the basis that it was damaging the Western Australian economy.

On balance, the Commission considers that incremental reforms to the FW Act would support effective bargaining and reduce overly harmful industrial action.

¹ Significant' has been interpreted as 'exceptional in its character or magnitude when viewed against the sort of harm that might ordinarily be expected to flow from industrial action in a similar context'.

FW Act amendments and improved operation of the FWC are recommended

In line with its 2015 report *Workplace Relations Framework*, the Commission recommends that the FW Act is amended to:

- · clarify that 'significant' should be interpreted as 'important or of consequence'
- allow the FWC to suspend or terminate protected industrial action when it is causing, or threatening to cause, significant economic harm to one party under the EA rather than both (as is currently the case)
- · include options other than lockouts for employer protected industrial action
- enable employers who have implemented a contingency plan for protected industrial action that does not
 go ahead to stand down the relevant employees without pay for the duration of the contingency response
 if they choose to do so.
- enable employers to choose either to deduct wages or continue to pay employees for protected industrial
 action which lasts for less than 15 minutes.

Further, port-specific amendments are recommended to:

- widen the range of third parties who can make applications to terminate protected industrial action, for
 example, to include entities with an interest but who may find it difficult to show they are directly affected,
 such as employer or employee associations, or third parties like importers/exporters
- include a mandatory requirement for FWC intervention when certain thresholds in bargaining activity are reached (these could include time limits and/or thresholds linked to the number or scale of protected industrial actions).
- enable employers to better prepare for industrial action by lowering the threshold for applications to extend
 the mandatory three-day notice period for protected industrial action to up to seven days.

The Commission is seeking feedback on whether additional penalties for unlawful industrial action should be recommended

With the aim of ensuring that approaching the FWC is attractive to bargaining parties, the Commission recommends that the FWC (supported by amendments to the FW Act where necessary):

- establishes a fast-track process for dealing with applications involving port employers and employees and their representatives
- · enables more decision making by full benches to assist consistency of decision making
- makes arrangements to ensure FWC commissioners with industry knowledge and familiarity with parties are available.

Amendment of the FW Act to allow input from employers and employee representatives in the selection of FWC members dealing with port matters, with the objective of identifying nominees who have the confidence of both employers and employees, is also recommended.

Prohibition of some agreement content is recommended

Some clauses in terminal operators' EAs constrain productivity and efficiency

A number of the clauses found in container terminal operators' EAs are highly restrictive and constrain the ways that workers and equipment can be deployed.² For example, there are clauses that limit:

- merit based hiring, promotion and training (recruitment is limited to entry level roles in some operators and movement up the career ladder is strongly linked to tenure with that operator)
- ² Clauses vary from agreement to agreement, but many terms have a similar effect.

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- · who can fill a role or backfill a position when another worker is not available
- automation

Agreements also create a strong hierarchy of employment type by tenure. New hires begin as casuals (generally called supplementary employees on the ports) before moving to permanent guaranteed wage and then permanent full-time employment.³ This limits the flexibility (and diversity) of the workforce.

While is it not uncommon for agreements in the rest of the economy to include clauses dealing with at least some of the content listed above, container terminal EAs appear to put much stricter conditions in place than EAs in many other sectors.

Clauses that limit recruitment, promotion and training decisions combine to make it less likely that the most appropriate person for a job is the person in the role. As a result, terminal productivity may not be as high as it could be. These clauses also disadvantage both existing and potential container terminal workers. Existing workers may not be in roles most suited to their skill sets or preferences. And competent outsiders cannot get in — existing employees are shielded from merit-based competition.

Strict rules that dictate who is picked for a shift or cover an absence also limit terminal operators' ability to choose the most appropriate person for a job and can make it difficult to backfill a role. Combined with minimum staffing requirements for some types of equipment, challenges in filling a role can mean that a whole team is unable to work a shift — with clear implications for productivity and efficiency.

Under the FW Act, all EAs must include clauses requiring an employer to consult with their employees about major workplace change, like automation. But requirements in container terminal EAs set up lengthy and/or complex consultation processes and can require employee agreement to any change. These act as a brake on investment and mean that potential benefits, such as improvements in the safety and reliability of terminal operations, may be missed.

Ships arrive in port at all hours of the day and night and container terminal operators are under considerable pressure to have workers and equipment available when a ship berths. Delays in arrival times, for example, from bad weather, can mean workers are rostered on but not working. The extent to which rosters accommodate fluctuations in demand is contested. While operators called for more flexibility; the MUA argued that workers are very flexible and further flexibility is untenable. The Commission would appreciate evidence on how rostering rules in EAs enable or restrict the flexible allocation of workers to tasks.

Limits could be placed on agreement content

To lift productivity and efficiency, the FW Act could include a short list of content that cannot be included in EAs in the ports. The list should aim to prohibit *excessive* constraints on:

- · merit-based hiring, promotion and training
- · the number of casual workers and other workers with flexible rosters
- who employers can choose to backfill positions
- innovation and workplace change.

Some inquiry participants have argued for a ports code akin to the building code. If adopted, this could involve a longer and more prescriptive list of unlawful agreement content than proposed above. The

³ Permanent full-time employees have relatively fixed rosters. Guaranteed wage employees are permanent employees who usually have a much more flexible work arrangements than permanent full-time employees. They may be entitled to a minimum or average number of weekly shifts, or an equivalent payment.

Commission is seeking feedback to help it in reaching a conclusion about the merits or detriment of a ports code in the final report

The Commission's recommended approach to workplace relations reform in ports involves a wide suite of measures that give the FWC an expanded role, impose limits on agreement content and address imbalances in bargaining power. Whether, if implemented, they strike the right balance or involve unforeseen complexities and inefficiencies could be the subject of independent evaluation once these interventions have been in force for five years.

Skills and training raise few productivity concerns

A variety of skills are required to move freight in or out of ports. The journey of a container though a port relies on many workers, from those that the National Skills Commission refers to as lower-skilled, who are usually employed in entry-level jobs such as lashing, to medium-skilled workers such as electricians, through to higher-skilled professionals such as marine pilots (figure 13). Local variations in conditions and technologies can mean that the exact skills needed for specific roles may vary between ports and even between different firms conducting the same task at the same port.

While container terminals rely more on onsite, unaccredited training (reflecting workplace relations arrangements and site-specific needs), professional on-water occupations like marine pilots, tug masters and engineers usually combine vocational education and training or higher education qualifications with extensive blue-water experience.

Figure 13 – Workers in many different roles are needed on Australia's ports



Inquiry participants have raised very few concerns about the system that delivers skills and training for port workers — the system largely appears to be functioning well. There is scope for improvement in some areas, but extensive redesign is not necessary.

- A lack of formal qualifications could be a barrier to labour mobility between container terminal operators if
 prior experience is not recognised at another company or port. However, workplace arrangements seem
 to be creating a larger barrier to labour mobility than either the absence of formal vocational education and
 training qualifications or any gaps in the mutual recognition of occupational licensing. Adoption of the
 workplace relations recommendations discussed above would help address this.
- Some participants have raised concerns about the potential for shortages of marine pilots. Access to the
 blue-water experience needed to qualify for marine pilot roles has become more difficult as Australia's coastal
 fleet has reduced, but it appears that this is being addressed through immigration and cadetship programs.
 Subsidising a strategic fleet (discussed further below) for training purposes would be costly and unnecessary.

Skills needs in parts of the industry are likely to change as automation and other technology is introduced. However, it is likely this adjustment will be gradual, as it has been in the past. Adjustments are already being made to vocational education and training courses to include future-focused content.

Australian ports are adopting technology where desirable

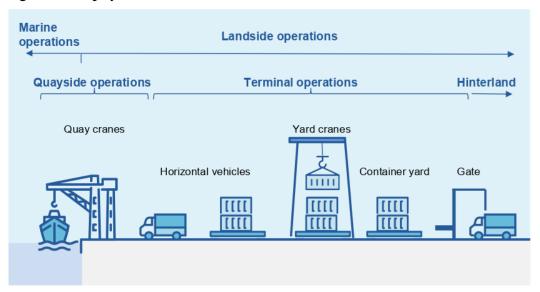
The adoption of technology at Australia's container ports is broadly in line with international practice.

In exploring current practice, the inquiry focused on three topics raised by inquiry participants — automation at container terminals, the availability and exchange of information and cargo clearance systems.

Automation may not increase crane rates but has other benefits

Increased automation can be used at all stages of the maritime logistics chain, and particularly in container terminal operations. All the key operations and hardware used in container terminals (figure 14) can be automated. Extensively automated systems are becoming standard for major greenfield developments. In contrast, existing container terminals typically choose to automate discrete parts of their operations over time, in order to minimise the cost and disruption of converting to fully automated systems.

Figure 14 – Key operations and hardware in container terminals



The level of automation differs substantially across Australia's container terminals. Fremantle is the least automated port — its terminal operators rely on manual yard operations and quay cranes. The Port of Brisbane has the highest overall level of automation, with all its terminal operators utilising automation in their terminal yards, but manual quay cranes. And VICT is Australia's most automated terminal, with automated yard operations and gates and remotely controlled quay cranes.

Despite this variation, Australia's major container ports appear to be well advanced in adopting automation relative to high performing global terminals.

Further, there are mixed views about how great an impact automation has had, or can bring about, on performance in Australia's maritime logistics chain. While terminal operators claim automation can lead to higher rates of cargo handling, the MUA claims it is neither as reliable nor productive as human labour.

Overall, it is not clear from examining gross crane rates at the major container terminals that there is any correlation with levels of automation (as illustrated by the data presented in figure 9). There is no simple argument that more automation moves more containers in an hour.

However, there are some clear benefits from automation that appear to be driving its steady adoption by Australia's container terminals. The use of technology has the potential to improve the safety, reliability and consistency of terminal operations and reduce labour costs. In particular:

- reducing the number of workers required in container yards by automating equipment can reduce or alleviate instances where humans would otherwise be put at physical risk
- the potential for automated equipment to run around the clock without interruption makes it reliable, predictable and easier for operators to plan around.

Data sharing technology and trends

Data is produced and used at all stages of Australia's maritime logistics system. For example, data is generated through interactions between stakeholders and contained in documents. Performance-based data is generated by business activities. Sensors on physical objects create shared electronic data (commonly referred to as the 'Internet of Things').

Data analysis has many potential benefits, such as: optimised freight routes and schedules (ensuring that more cargo can flow uninterrupted); key performance indicators (highlighting opportunities to improve efficiency); and visibility of cargo origins and destinations (supporting infrastructure planning).

Australian ports are implementing new data-based technologies. For example, Flinders Port Holdings has used analytics to optimise the allocation of straddles and positioning of containers, so that containers move through the port as efficiently as possible. And analysis of detailed data on channel conditions has enabled larger vessels to safely access the Port of Brisbane, reducing the need for channel deepening.

While data sharing has enabled innovation, it could provide additional value. The public sector has the potential to aid maritime data sharing by opening access to data held by government agencies, for example statistics on port and terminal performance (held by port authorities), the flow of goods into and out of Australia (Australian Bureau of Statistics and Australian Border Force) or freight and use of transport infrastructure (State and Commonwealth transport Departments). Benefit could also be provided through the creation and maintenance of systems through which stakeholders interact with government and access data insights. Improving national digital infrastructure could also indirectly assist in improving stakeholder digitalisation and data generation practices. However, each of these initiatives would involve significant costs, and would have to provide public benefit that outweigh these costs.

Federal and State Governments have commenced initiatives to increase access to private and public sector data while improving the processes by which this data is collected — the National Freight Data Hub being developed by the Australian Government is one example. Though nascent, these initiatives will complement existing sources of data and could drive future innovation.

Document exchange systems are well established

Document exchanges underpin the flow of cargo from sellers to buyers, certifying that cargo complies with regulations or has been received by a party within the logistics chain. Digitisation and digitalisation⁴ mean

⁴ Digitisation refers to the conversion of physically recorded information to electronically readable and transmittable formats. This is contained within digitalisation, which refers to the adoption of digital technologies which change how a business operates.

documents are now typically provided in electronic data interchange (EDI) formats and ICT systems can facilitate document exchanges — improving system efficiency.

Port community systems (PCS) enable public and private stakeholders to upload documents to a single online platform and share access with other supply chain participants (figure 15). A PCS can also host other ICT systems, such as a single window system (which allows a cargo owner or their customs agent to submit their documents for government agency approval to a web portal) and a vehicle booking system (which allows terminal operators to allocate slots for landside operators to book for un/loading cargo).

Vehicle Booking System **Terminal Operating System** Importers/Exporters Customs Brokers Shipping Lines Harbour Master Freight Port Authority Forwarders **Port Community System** Shipping Agent ABF Road/Rail DAFF Transport Terminal (formerly DAWE) **ECPs** Operators Operators **ECP IT Interface** Integrated Cargo System

Figure 15 - Port community systems facilitate document sharing

a. ABF: Australian Border Force; DAFF: Department of Agriculture, Fisheries and Forests (formerly DAWE: Department of Agriculture, Water and the Environment); ECP: Empty Container Park.

Use of digitalisation in Australia's major ports appears to be broadly in line with other countries' initiatives.

While some inquiry participants suggested that government should coordinate a national PCS, a number of commercial document and information sharing options are offered around the world and used in Australia. These systems continue to be developed through the adoption of new technologies. Implementing a government-run PCS would risk simply adding further administrative costs for users in the maritime ICT landscape.

Cargo and vessel clearance systems are a work in progress

A range of regulatory requirements must be cleared before goods can enter or leave Australia to ensure vessels and cargo are compliant with Australia's biosecurity laws and customs regime.

While reviews over the years have led to some investments improving clearance systems, inquiry participants expressed frustration with some biosecurity and customs procedures. Issues raised included: extensive delays in inspection appointments and approvals; the paper-based process for booking biosecurity inspections and the administrative complexity; and duplication of information required by government departments.

Cargo and vessel clearance systems are convoluted and challenging for stakeholders to use, with repetition in data entry and outdated ICT systems. A taskforce established by the Australian Government is working to address these issues through a suite of reforms. To be successful, these reforms will require the elimination of duplicative application processes, adequate resourcing for the department's performing clearances and a stable 'single window' ICT platform that can integrate with port community systems.

National shipping concerns

Amendment of coastal shipping regulation is recommended

Carriage of domestic cargo between interstate ports by foreign flagged vessels (or cabotage) is regulated by the Australian Government with the aim of shielding Australian flagged (or registered) ships from competition from foreign vessels.

All vessels providing interstate cargo services are required to hold a licence. General licences (issued to Australian registered and crewed vessels) are issued for up to five years with no restrictions on coastal trading. In contrast, temporary licence holders (foreign-owned vessels or Australian-owned vessels operating with a mix of Australian and international crew) must undertake at least five voyages during the 12-month licence period and specify the details of each voyage when applying. General licence holders providing competing services can challenge approval of a temporary licence and the Minister for Infrastructure and Transport (or their delegate) must consider that challenge when deciding whether to grant the licence.

In 2018-19, over 75 per cent of interstate coastal freight (by weight) was carried under temporary licences.

Submissions to this inquiry suggest that the regulatory regime remains an issue. Most maintained that the inflexibility and cost imposed mean coastal shipping is uncompetitive with road, rail and international shipping. There was support for simplification of regulation to ease the administrative burden, remove impediments and increase options for supply chain resilience, with some suggesting that the uncompetitive position of domestic shipping has driven increased substitution of international products for Australian domestic production to the detriment of the Australian economy.

However, other submissions argued for a broadening of the regulatory regime to strengthen crewing and workplace relations compliance on vessels and to reduce the reliance on global suppliers for shipping services. While the proposals had a strong focus on safety and resilience, there was little discussion of how proposed measures would contribute to the global competitiveness of Australia's maritime logistics system or what economic costs and benefits regulatory protections provide to the broader Australian public.

In the Commission's view, there is a strong case for reform to allow greater competition from foreign vessels. This would provide more cost-effective shipping services for Australian users. The temporary licence system should be streamlined and general licence holders' ability to contest approval of temporary licences should be limited. Requirements that Australian labour laws apply for licence holders should be retained.

Concerns about capacity and training may be better resolved by means other than a strategic fleet

Recent pressures on global shipping capacity and transport challenges associated with natural disasters have highlighted the importance of international service suppliers to Australia and the limited number of Australian registered trading vessels. In response, there have been calls for greater government support for

Australian-flagged shipping capacity. Some have also called for this support to provide training berths as a remedy for potential blue-water skills shortages.

Both the Australian Government and now opposition have announced policy positions that include development of 'strategic' or 'sovereign' shipping capacity to secure ongoing access to essential imports and to provide vessels for use in times of national crisis or conflict (referred to as a 'strategic fleet').

These proposals involve increasing the number of privately-owned, commercially operated Australian-registered trading vessels, however, locally-registered ships would face significant disadvantages in international shipping markets. They would have to comply with Australian crewing requirements and labour law — giving them higher labour costs than many other vessels. And they would face the risk of having to break contracts if requisitioned by the Australian Defence Force to help in times of natural disaster or conflict. As a result, it is unlikely that they would be profitable in normal circumstances. Owners would need subsidies in order to compete globally on commercial terms and as compensation for the costs and risks associated with having to make their vessels available if requisitioned in times of need.

Further, a strategic fleet may not significantly mitigate any issues of shipping capacity that might arise in the future. First, disruptions can occur to different types of shipping at different times. A strategic fleet would be unlikely to cover all of these disruptions with sufficient capacity. Second, the strategic fleet would likely face the same disruptions as other commercial shipping operations. For example, an Australian strategic fleet would have faced the same congestion issues at international ports stemming from the COVID-19 pandemic as other commercial shipping. In this sense, an Australian strategic fleet would have provided little if any benefit during the recent disruptions to shipping.

Concerns raised about domestic shipping capacity and training may be better resolved by means other than a strategic fleet.

Capacity could be acquired as needed from the international market without the costs involved in supporting a strategic fleet. The shipping charter market provides access to a wide variety of vessels that could be used to address specialist case-by-case needs. And the Australian Government could access international resources — including the charter market — in response to natural disasters and emergencies. Exemptions to licencing requirements for international vessels that allowed carriage of domestic cargo in response to the flooding of the East–West rail line in 2022 illustrate one way in which international capacity can be accessed.

Alternatively, the Australian Government could use financial instruments to underpin capacity that could be drawn down in times of crisis. For example, the government could write options contracts with large cargo owners or with shipping lines to 'buy out' their capacity in times of great need.

Recent experience has also shown that the international shipping sector is responsive to changes in Australian demand. Since the COVID-19 pandemic began, the level of international containerised trade has grown to record levels, and container shipping lines have introduced new services to Australia despite ongoing high global demand for capacity. More generally, in a global market such as shipping, domestic resilience would be facilitated by removing unnecessary barriers to entry for international operators.

In the case of training, as noted above, cadetships and skilled migration (notwithstanding disruptions caused by the COVID-19 pandemic) appear to be working well in meeting needs for blue-water experience.

A strategic fleet requires further evaluation as on present evidence it is not the best remedy for concerns about domestic shipping capacity and training. The complex matters involved might be further evaluated and examined by the Taskforce proposed by the government in its policy position prior to the election.

Finally, issues of access to national shipping capacity to address national security and defence needs are clearly matters for the Australian Government rather than industry and should be considered independently of economic needs through appropriate national security policy settings.

Recommendations and findings

Recommendations and findings

The performance of Australia's container ports



Draft finding 3.1

The elapsed labour rate is not a measure of labour productivity

The elapsed labour rate, which measures the number of containers handled per hour that stevedoring workers are on a ship, is often interpreted as a measure of labour productivity (output per worker or hour worked). However, the rate does not reflect either the number of workers or hours worked and is therefore not a measure of labour productivity.



Draft finding 3.2

Data gaps limit assessment of port performance

Publicly available data relating to port performance is fragmented, incomplete and inadequate. This constrains analysis. Data on labour inputs, for example, are not available, precluding analysis of labour productivity. Other data gaps mean that productivity during some key steps of a container's journey through a port is not visible.



Information request 3.1

The Commission is seeking data on the productivity of labour within ports. Measures could include the average number of 20-foot equivalent units handled per person-shift, per employee or per hour worked. Ideally, the data would enable benchmarking across Australian ports or assessment of productivity trends over time.



Information request 3.2

The Commission would appreciate data on container dwell times in Australian and international terminals or ports.



Draft finding 3.3

The framework for measuring Australian container port performance could be enhanced

A comprehensive framework for measuring port performance would include data on the time taken to move containers through each of the key steps between ship and port gate. Comparison of these time-based metrics across ports would reveal where operations in a port are relatively inefficient. Other performance measures could then be used to understand *why* these relative inefficiencies exist.



Information request 3.3

The Commission is seeking feedback on the costs and benefits of collecting and processing the richer data required to implement a comprehensive performance management framework. Insights into whether there would be any significant downsides to increased information availability, such as the possible facilitation of anticompetitive behaviour, would also be appreciated.



Draft finding 3.4

There is scope to improve crane rates

Crane rates can vary significantly across terminal operators within the same port and over time within the same terminal operator. More consistent attainment of high crane rates would lift productivity.



Draft finding 3.5

Container port productivity has increased in the last 30 years

Measured by crane rates (container movements per hour that cranes are operating), productivity at Australia's major container ports (Brisbane, Sydney, Melbourne, Adelaide and Fremantle) rose strongly in the late 1990s following significant waterfront reforms, and continued to grow at a slow pace over the following two decades.

Recommendations and findings



Draft finding 3.6

Each Australian container port has different strengths

How well Australia's major container ports compare to their local peers depends on the performance metric considered. For example, in 2019 Melbourne moved more containers per hour than the other ports because it used more cranes per ship. Adelaide and Fremantle had the highest net crane rates — while they used fewer cranes on average, they worked them harder. Sydney, Brisbane and Adelaide recorded longer anchorage and steam-in times — potentially indicating port congestion and/or port inefficiency. And Sydney underperformed on truck utilisation rates and turnaround times.



Draft finding 3.7

Australian container ports take longer to turn ships around than many international ports

Australian ports do not compare well against international ports on measures of ship turnaround times. Their poor rankings in the World Bank's Container Port Performance Index reflect the fact that they take longer than many international ports to process ships (particularly medium to larger vessels — that is, those with a capacity of more than 5000 twenty-foot equivalent units). Slower turnaround times in Australia mainly reflect the use of fewer cranes to handle containers — Australian cranes are just as productive as those in the average international port.



Draft finding 3.8

International evidence also suggests that Australian ports could lift their productivity

Benchmarking analysis by the Commission identified a 'best practice' set of ports — those that were using their inputs most efficiently. Apart from Adelaide, Australian ports were not operating at this 'efficient frontier'; they could handle an increase in throughput by using their capital inputs more efficiently.

The Commission's work also revealed the importance of considering port inputs in performance analyses. Recent work by the World Bank did not account for the fact that some ports use relatively more inputs and can, therefore, turn ships around faster. Some ports have an excessive level of investment for their current level of throughput. This over investment in costly capital is inefficient even if it means that they can turn ships around quickly.

On balance, the empirical evidence from international comparisons of port performance suggests that there is scope for Australian container ports to improve their productivity.



Draft finding 3.9

Improving container port productivity would deliver significant benefits

Inefficiencies at Australia's major container ports are estimated to directly cost the Australian economy around \$605 million a year. While this impost is small relative to the value of imports and exports, it is significant. And it is rising with growth in container trade.

Ports also have large indirect impacts on Australian businesses, consumers and the economy. Any sustained disruption to imports or exports has the potential to cause substantially larger economic impacts than the direct cost estimates suggest.

Well-functioning, efficient container ports help to ensure the reliability of the maritime supply chain and logistics systems more broadly.



Information request 3.4

The Commission is seeking feedback on its proposed methodology for benchmarking Australia's ports. Would it be feasible and useful? Would alternative approaches have greater merit? If benchmarking is considered useful, who should undertake it? And how often should it be undertaken?

Australia's container ports have market power



Draft finding 5.1

Major container ports are currently regional monopolies

Major Australian container ports in the short to medium run may involve a natural monopoly technology, where a single port can best serve the relevant market. However, this situation may not hold over time as demand is increasing and space for expansion is constrained. Indeed, it is far from clear that it is economically efficient to have a single container port in some Australian cities including Melbourne and Sydney either today or in the near future.



Draft finding 5.2

Privatisation in New South Wales has impeded efficient outcomes

Privatisation processes in New South Wales have conferred protection on port lessees that are impeding economically efficient outcomes in the development of the state's ports system.

Recommendations and findings



Draft finding 5.3
Ports face little countervailing power

There is little countervailing power from either shipping lines or container terminal operators constraining the use of market power by port operators at Australian container ports.



Draft finding 5.4

No case has been found for further regulation

In the case of shipping lines, prices for services provided by ports are typically monitored (or face the threat of further regulation). The Commission received few complaints about port pricing to shipping lines, consistent with this regulation acting as a constraint on the ability of each port to exercise market power over the shipping lines.

In the case of tenants, given only one container port has been found to be exercising market power there is no case for tighter regulation at this time on all ports. The threat of further regulation appears to be constraining the conduct of ports operating under 'light touch' regulatory regimes (Brisbane, Sydney and Adelaide). The mechanisms that exist in Queensland, New South Wales and South Australia that enable closer regulatory oversight if concerns arise about ports' use of their market power appear to be adequate. For the Port of Melbourne, the current arrangement of reviewing the Port's adherence to the Tenancy Customer Charter alongside land rents in 2025 appears to be a next logical step in addressing issues around the Port exercising its market power over tenants.



Information request 5.1

The Commission invites container terminal operators and other port tenants to respond (with evidence) if they think there is a market power issue with a port operator.

Competition issues in other markets need attention



Draft finding 6.1

Shipping lines compete in regional markets

There is not strong substitution between regions for cargo owners, and shipping lines will only transfer vessels between regions if there is a significant economic incentive.

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Draft finding 6.2

Competition is a constraint in the shipping line market

There appears to be robust competition in the shipping line market. Multiple shipping lines service Australia and cargo owners can easily switch between them. Prior to the COVID-19 pandemic, terminal handling charges charged to cargo owners by shipping lines were not declining despite these charges to shipping lines from container terminal operators declining. But blue-water charges fell markedly, and these are a greater component of shipping costs than terminal handling charges.



Draft recommendation 6.1 Repeal Part X

The Australian Government should repeal Part X of the Competition and Consumer Act 2010 (Cth) (CCA).

- No other industry has an exemption like Part X, even though there are industries with similar characteristics to the shipping industry.
- · Shipping lines should show that their agreements provide a net public benefit.
- Either a class exemption or the existing provisions under Part VII of the CCA could deal with shipping line agreements under a net public benefit test once Part X is repealed.



Draft finding 6.3

Shipping lines have increasing bargaining power

Greater competition between container terminal operators and consolidation of shipping lines over the past decade have increased shipping lines' bargaining power relative to container terminal operators. This has contributed to declining quayside revenue for container terminal operators.



Information request 6.1

The Commission seeks information on why container terminal operators do not charge shipping lines fees for arriving outside their windows.

Recommendations and findings



Information request 6.2

The Commission is seeking information on why landside fees charged by container terminal operators have increased substantially since 2017 and not earlier. Is the increase in fees:

- a competitive response to declining profitability and container terminal operators responding by increasing fees where they can?
- because declining profitability has reduced the regulatory threat and allowed container terminal operators to increase their fees?
- · a combination of the factors above?
- · because of another factor not included here?



Draft recommendation 6.2

Terminal access charges and other fixed fees for delivering or collecting a container from a terminal should be regulated so that they can only be charged to shipping lines and not to transport operators

Regulations should be established that prevent container terminal operators from charging transport operators any fixed fees associated with delivering or collecting a container. Container terminal operators would not be prevented from charging these fees to shipping lines. This reform should be complemented by state and territory government regulators being empowered to monitor flexible fees charged to transport operators by container terminal operators to ensure that these fees are being used to create efficient incentives for transport operators and are not being used to offset any lost revenue from fixed fees.



Information request 6.3

The Commission seeks further information on potentially unfair contracts within the maritime logistics system. Are there other terms to be concerned about that are not mentioned in this draft report? Are there other contracts that should be brought to the Commission's attention?



Draft recommendation 6.3 Remove exemption for shipping contracts

Shipping contracts should not be exempt from the unfair terms provisions in Australian Consumer Law. The Australian Government should remove this exemption.



Information request 6.4

The Commission invites feedback on draft recommendation 6.3, including any issues that might arise in relation to international treaty arrangements

Infrastructure needs are being addressed



Draft finding 7.1

Port expansions to accommodate bigger container ships do not need taxpayer funding

Australian container port operators and other parts of the maritime logistics system continue to prepare for bigger ships as needed and there is no need for government intervention to fund or otherwise coordinate investment or encourage the use of bigger ships.



Draft finding 7.2

Most container ports are planning substantial investments in rail infrastructure

Container port operators in Brisbane, Sydney, Melbourne and Fremantle plan to increase the share of freight travelling to and from those ports by rail over the coming decades. Any further government investment in rail to service container ports needs to be accompanied by a clear cost—benefit analysis, including analysis of the relevant externalities and including alternative scenarios for the development of truck technology, over the full economic life of the project.



Draft finding 7.3

Planning systems should allocate land around ports to highest value uses

Urban encroachment is an issue at all of Australia's major container ports except Brisbane. Industrial land around some ports is gradually being redeveloped for higher value commercial and residential uses and this can create conflict with some port users. Planning decisions should support the use of land in its highest value.



Draft finding 7.4

Long term planning appears to be adequate

All state governments have freight and transport strategies that include consideration of future port infrastructure needs. Compelling evidence has not been presented that more plans are required or that existing plans will not be implemented.

Workforce arrangements: framework



Information request 8.1

In addition to container ports and towage services, are there other sectors in Australian ports where workplace relations issues affect the efficiency or productivity of operations? For example, bulk ports, empty container park operations or pilot services.



Draft finding 8.1

Unions hold substantial bargaining power

Conditions in container terminal operations, together with the workplace relations framework, confer significant — and unbalanced — bargaining power on unions.

Workforce arrangements: issues



Information request 9.1

What role are modern awards playing in the ports? Given the prevalence of enterprise agreements in the sector, could changes to modern awards contribute to improved workplace relations or productivity? If so, in what way, and would there be benefit in the Fair Work Commission undertaking a review of the Stevedoring Award?



Information request 9.2

Is tenure the deciding factor on who receives training in container terminals because so much training happens within the workplace? That is, it makes sense to train someone who has the required points for promotion because they are better placed to use that training.



Draft finding 9.1

Restrictions on merit-based hiring and promotion harm workers and productivity

There are substantial restrictions on merit-based hiring, promotion and training within container terminal operations. These restrict fair and reasonable access for workers who are qualified, but not currently employed by the specific container terminal operator. They also harm existing terminal workers by precluding them from jobs that best fit their skills and preferences, and create undue hurdles for potential container terminal workers. Overall, the clauses act to constrain productivity.



Information request 9.3

The Commission is interested in further evidence on how container terminal enterprise agreements enable or restrict the flexible allocation of labour. To what extent do existing arrangements provide sufficient flexibility to employers to manage the allocation of labour given variable peaks and troughs in demand?



Draft finding 9.2

Limits to the number of workers with flexible rosters is inefficient

Limits on the number of casual workers and other workers with flexible rosters (permanent guaranteed wage employees) who can be employed in container terminals create barriers to the efficient allocation of labour, which will flow through to the productivity of container terminals.



Draft finding 9.3

'Order of pick' rules limit backfilling and restrict productivity

Strict rules determining the 'order of pick' which specify which workers can be engaged first for a task are limiting terminal operators' capacity to backfill positions. This impedes operators' ability to allocate labour to its most productive use and can mean one absence has an outsized effect on the productivity of a terminal.



Draft finding 9.4

Container terminal enterprise agreements distort operators' ability to automate

Container terminal enterprise agreements contain terms which substantially restrict or disincentivise operators from introducing further automation. These clauses, reflected in mandated consultation lengths and, for some operators, the requirement for employee or third party (such as an independent panel or Fair Work Commission) consent, appear to go beyond equivalent clauses in other industries or the model consultation term in the *Fair Work Act 2009* (Cth).



Information request 9.4

Do restrictions on subcontracting of labour in enterprise agreements in the ports limit competition in the labour market? And if so, what is the effect of this?



Information request 9.5

What might be the benefits and drawbacks of introducing a ports code (modelled on the previous Building Code)? If there is a code who should be responsible for its enforcement?



Information request 9.6

What would be the benefits and drawbacks of classifying the ports as an 'essential service' under the Fair Work Act 2009 (Cth)? What rights and obligations should follow if the ports were classified in that way?



Information request 9.7

To what extent are side deals being used in the ports and how influential is their content? What would be the consequences if side deals were used more?



Draft recommendation 9.1

Prohibit enterprise agreement content that imposes excessive constraints on productivity in the ports and costs on the supply chain

The Australian Government should amend the *Fair Work Act 2009* (Cth) to introduce a short list of unlawful terms in enterprise agreements in the ports. The list should aim to prohibit *excessive* constraints on:

- · merit-based hiring, promotion and training
- · the number of casual workers and other workers with flexible rosters
- · strict rules determining the 'order of pick'
- innovation and workplace change.



Information request 9.8

What content should be made unlawful in enterprise agreements in the ports?

How could the most restrictive content in enterprise agreements be curtailed without limiting the rights of workers to be consulted on issues including major workplace change?

How might draft recommendation 9.1 be practically implemented? What are the technical or legal issues which should be addressed and how should they be addressed?



Draft finding 9.5

Existing Fair Work Act mechanisms have not prevented lengthy bargaining in container terminals

Negotiations over recent agreements for container terminal operators involved lengthy and overlapping bargaining periods.

Mechanisms in the *Fair Work Act 2009* (Cth) do not appear to have offered a solution to protracted bargaining in Australia's ports. Recent applications to terminate agreements suggests other remedies to support the bargaining parties in resolving disputes were either lacking or not sufficiently effective.



Draft finding 9.6

Additional or improved mechanisms are needed to help address excessively lengthy bargaining and its costs in container terminals

Bargaining in container terminals is excessively lengthy, creating costs for participants and third parties.

Arrangements that explicitly target protracted bargaining, with appropriate weight given to duration, would more clearly signal the intent to address this issue and give parties and the Fair Work Commission greater flexibility to do so.



Draft recommendation 9.2 Improving bargaining practices in the ports

The Australian Government should amend the *Fair Work Act 2009* (Cth) to create a mandatory requirement for Fair Work Commission (FWC) intervention when certain thresholds in bargaining activity in the ports are reached (these could include time limits and/or thresholds linked to the number or scale of protected industrial actions).

The interventions should scale from FWC conciliation as a first step, to termination of bargaining and arbitration by the FWC for lengthy and intractable disputes.



Information request 9.9

The Commission invites feedback on draft recommendation 9.2, including options to supplement or enhance the effectiveness of the proposed reforms in addressing protracted bargaining. Feedback is also sought on the best approach to implementation, in particular:

- whether mechanisms to address protracted bargaining should apply only to some subsectors within the ports, such as container terminal operations
- · the design of the thresholds
- · any technical or legal issues.



Draft finding 9.7

Extensive protected industrial action in the ports during recent bargaining caused disruption and impacted productivity in container terminals

Disruption and, to some extent, reduced productivity are an expected consequence for bargaining parties of protected industrial action. But high levels of protected industrial action in the ports over an extended period during the recent bargaining round translated into markedly lower productivity at affected container terminal operators.



Draft finding 9.8

Protected industrial action in the ports caused substantial disruption and economic costs to third parties in the supply chain

The integration of container terminal operators in the supply chain means that protected industrial action in the ports has an outsized impact on importers, exporters and other third parties. The extent and seriousness of protected industrial action seen during recent bargaining in the ports resulted in substantial economic harm to these third parties.



Information request 9.10

Is the current level of penalties providing effective deterrence of unlawful or unprotected industrial action in the ports? If not, what level of penalties would achieve this outcome?



Information request 9.11

Part IV, division 2 of the Competition and Consumer Act 2010 (Cth) prohibits secondary boycotts, other than in prescribed circumstances. Are changes needed to these provisions, or supporting compliance and enforcement activities, to ensure secondary boycott conduct is appropriately regulated in the ports?



Draft recommendation 9.3

Add options for protected industrial action by employers to the Fair Work Act

The Australian Government should amend the Fair Work Act 2009 (Cth) to allow employers to engage in more graduated forms of protected industrial action in response to employee industrial action. Forms of employer response action that should be permitted could include:

- instituting limits or bans on overtime (analogous to employee overtime bans)
- directing employees to only perform a particular subset of their normal work functions and adjusting their wages accordingly (analogous to employee partial work bans)
- · reducing hours of work (analogous to employee work stoppages).

Employers should also be able to choose to either deduct wages or continue to pay employees for protected industrial action which lasts for less than 15 minutes.

Where an employer restricts employees' work duties or hours of work, employees should be permitted in response to refuse to perform any work (as is currently the case for employers with respect to employee partial work bans).

Graduated forms of protected industrial action by an employer would still count as employer response action and be subject to employee response action and potential suspension or termination by the Fair Work Commission.



Information request 9.12

Would the broader range of employer industrial action in draft recommendation 9.3 be practical for employers to use? Are there other approaches, including forms of employer response action other than those cited in draft recommendation 9.3 that should be considered?



Draft recommendation 9.4

Increase disincentives for employees to notify and then abort protected industrial action

The Australian Government should amend the *Fair Work Act 2009* (Cth) so that where a group of employees have withdrawn notice of industrial action, employers that have implemented a reasonable contingency plan in response to the notice of industrial action may stand down the relevant employees, without pay, for the duration of the employer's contingency response.



Information request 9.13

The Commission invites feedback on draft recommendation 9.4, including on the best approach to implementation and any technical or legal issues and how a reasonable contingency plan should be defined.



Draft recommendation 9.5

Make it easier for employers in the ports to extend the notice period for protected industrial action

The Australian Government should amend the *Fair Work Act 2009* (Cth) to lower the threshold for applications to extend the mandatory three-day notice period for protected industrial action to seven days for operators in the ports to enable employers to better prepare for industrial action.



Information request 9.14

The Commission invites feedback on draft recommendation 9.5, including on the best approach to implementation and any technical or legal issues and how any lower threshold should be defined.



Draft recommendation 9.6

Make it possible to suspend or terminate industrial action that could cause 'important or consequential' economic harm

The Australian Government should amend the *Fair Work Act 2009* (Cth) to clarify that when determining whether to suspend or terminate industrial action under s. 423, s. 424 or s. 426, the Fair Work Commission should interpret the word 'significant' as 'important or of consequence'.

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Draft recommendation 9.7

Allow a broader range of third parties to apply to terminate protected industrial action occurring in the ports

The Australian Government should amend the *Fair Work Act 2009* (Cth) to widen the range of third parties who can make applications to suspend or terminate protected industrial action under the Act for operators in the ports, to include entities, for example, with an interest but who may find it difficult to show they are directly affected (such as employer associations, employee organisations or third parties like importers/exporters).



Information request 9.15

The Commission invites feedback on draft recommendation 9.7, including on the best approach to implementation and any technical or legal issues.



Draft recommendation 9.8

Enable protected industrial action to be suspended or terminated when it is causing harm to either party, rather than both

The Australian Government should amend s. 423(2) of the Fair Work Act 2009 (Cth) such that the Fair Work Commission may suspend or terminate protected industrial action where it is causing, or threatening to cause, significant economic harm to the employer or the employees who will be covered by the agreement, rather than harm to both parties (as is currently the case).



Draft recommendation 9.9

Equip the Fair Work Commission for an extended role in the ports

To enable the Fair Work Commission to perform an enhanced role in supervising bargaining on the ports, it should (supported by amendments to the Fair Work Act 2009 (Cth) where necessary):

- establish a fast-track process for dealing with applications involving port employers and employees and their representatives
- ensure members with requisite skills, experience and standing are available to deal with cases in the ports fast-track stream
- · enable more decision-making by full benches to assist consistency of decision making
- · be resourced appropriately to give effect to these draft recommendations.

The Fair Work Act should also be amended to allow input from employers and employee representatives in the selection of Fair Work Commission members dealing with port matters, with the objective of identifying nominees who have the confidence of employers and employees.



Draft recommendation 9.10

Independent evaluation of changes to improve workplace relations in the ports

If the draft recommendations in this chapter are introduced, the Australian Government should commission an independent evaluation of the state of workplace relations in Australian ports after five years of operation. The purpose of the evaluation would be to make an evidence-based assessment of productivity and efficiency outcomes following the introduction of the changes proposed to the workplace relations system.

Skills and training raise few productivity concerns



Draft finding 10.1

Port workers appear to acquire the skills they need

Inquiry participants have raised very few concerns about the system that delivers skills and training for port workers — the system largely appears to be functioning well.



Draft finding 10.2

If they arise, skills shortages for seafarers can be solved through immigration and industry-led solutions such as cadetships

There is no strong evidence of skills shortages in the maritime logistics system.

Skills shortages can, and have been, solved through targeted immigration and industry-led initiatives such as cadetships, without the need for a strategic fleet.



Information request 10.1

Are there any skills or labour supply issues in Australia's ports that are not identified in this chapter, and which should be addressed?



Information request 10.2

Do employers and employees in the ports receive the outcomes they are seeking from the VET system?



Information request 10.3

What are the costs and benefits of formalising qualifications and licensing for heavy equipment that is unique to ports? Are there health and safety grounds for doing so?



Information request 10.4

What is the mix of accredited, unaccredited and informal training at container terminals?

What are the costs and benefits of that mix?

What costs and benefits would be created by a greater reliance on formal training?

Does credit for recognised prior learning occur and, if so, in what context?



Information request 10.5

How does workplace relations influence training, including the content of training, who provides the training, who is trained and when they are trained in the maritime logistics system?



Information request 10.6

Would greater use of merit-based hiring and promotion in container terminal operations result in greater labour mobility?

Would recognition of prior learning, mutual recognition of occupational licencing and/or use of accredited training need to be expanded if there was a greater reliance on merit-based promotion systems?

Which occupational licences used in the ports are not mutually recognised across all states and territories? What are the costs to businesses and firms from these arrangements?

Is there more labour mobility in bulk and general stevedoring compared to container stevedoring?

Are there more standard qualifications for bulk equipment operators that foster mobility?



Information request 10.7

How has automation changed the skill profile of the workforce to date?

How well equipped is the skills system to deliver the skills which will be required in the future?

How well equipped is the licensing system to support the transition to automation?

What are the costs and benefits of using old licensing regimes to govern automated operations?

Australian ports are adopting technology where desirable



Draft finding 11.1

Technology use at Australia's major container ports is in line with international practice

There is no 'best' level of automation and ICT adoption for container terminal productivity and Australia's major container terminals have implemented varying degrees of both automation and ICT adoption, in line with internationally comparable ports.

However, automation can lead to a range of benefits including improved safety, reliability and consistency of terminal operations.



Information request 11.1

The Commission would appreciate data demonstrating the impact that automation has had on productivity (ideally, in terms of the total time taken for containers to move through each of the key steps from the ship to the hinterland), efficiency, safety and reliability where it has been implemented in Australian container terminals.



Draft finding 11.2

There is no case for a government-run port community system

Australia's maritime sector relies on a combination of private ICT systems that facilitate the sharing of documents and allow cargo to flow efficiently through the maritime logistics chain. These systems continue to be developed through the adoption of new technologies that increase their safety and usability. Implementing a government-run port community system would risk simply adding further administrative costs for users in the maritime ICT landscape without corresponding benefits.

The Australian Government should continue to work towards ensuring that its customs and biosecurity systems can seamlessly interface with private port community systems.



Draft finding 11.3

Government should continue to overhaul cargo clearance systems

The Australian Government's cargo and vessel clearance systems are currently convoluted and challenging for stakeholders to use, with repetition in data entry and outdated ICT systems. A government taskforce is working to address these issues. Successful reform will require the elimination of duplicative application processes, adequate resourcing for the departments performing clearances and a stable 'single window' ICT platform that can integrate with privately operated port community systems

Two national shipping concerns



Draft finding 12.1

Coastal shipping regulation impedes competition

There is a strong case for reform to coastal shipping regulation to allow greater competition from foreign vessels on domestic sea routes. This would result in more cost effective shipping services for Australian users. The temporary licence system should be streamlined and general licence holders' ability to contest approval of temporary licences should be limited. Requirements that Australian labour laws apply for licence holders should be retained.



Draft recommendation 12.1

Amend coastal shipping laws to increase competition

The Australian Government should amend coastal shipping laws to:

- streamline the temporary licence system to increase operational flexibility and reduce the administrative burden on licence applicants
- retain, but limit, the ability for Australian vessel operators to contest the granting of licences to foreign vessels
- · maintain the current application of the Fair Work Act 2009 (Cth) in coastal shipping
- · review conditions for Australian registration of vessels to encourage increased international competition.



Draft finding 12.2

A strategic fleet requires further evaluation as on present evidence it is not the best remedy for concerns about domestic shipping capacity and training

A privately owned, Australian-registered strategic fleet would have limited ability to mitigate the types of issues that have recently affected Australia's international freight task. As commercial operations, vessels would not be immune to global market pressures. Moreover, owners would need subsidies in order to compete globally on commercial terms and as compensation for the costs and risks associated with having to make their vessels available if requisitioned in times of need.



Draft finding 12.2

A strategic fleet requires further evaluation as on present evidence it is not the best remedy for concerns about domestic shipping capacity and training

Capacity could be acquired as needed from the international market without the costs involved in supporting a strategic fleet. The shipping charter market provides access to a wide variety of vessels that could be used to address specialist case-by-case needs. And the Australian Government could access international resources — including the charter market — in times of natural disaster and emergencies.

Furthermore, Australian-flagged vessels are not a prerequisite to meeting maritime skill requirements. Cadetships and skilled migration appear to be working well in meeting needs for blue-water experience.

Independent Review into the delivery of Inland Rail Terms of Reference

The review will:

- a) assess Australian Rail Track Corporation's governance and program delivery approaches, including:
 - the effectiveness of current governance arrangements for Inland Rail, including monitoring and reporting;
 - ii. project management arrangements;
 - iii. risk management practices; and
 - iv. implementation of strategy;
- consult with stakeholders across the freight sector to test the Inland Rail service offering and the importance of this to achieving the overall benefits of Inland Rail, including how it provides new capacity and resilience to support Australia's national supply chain network, having regard to:
 - i. urban congestion and future freight demand;
 - ii. potential end points for the Inland Rail Service Offering in Melbourne;
 - iii. potential end points for Inland Rail Service Offering in Brisbane, including Ebenezer, Kagaru, Bromelton, and/or Acacia Ridge; and
 - iv. efficient linkages with freight infrastructure such as other freight rail networks, ports and intermodal hubs:
- review the processes for selecting the Inland Rail route to confirm it is fit for purpose and has considered both impacts and potential broader economic benefits to regional economies and communities;
- having regard to current market constraints and regulatory environment, assess Program scope, schedule and cost, including;
 - i. a broader review of the infrastructure market;
 - ii. review Program costs, contingencies and escalation;
 - review schedule assumptions, including timing for planning and environmental approvals, land acquisitions and contingencies;
 - iv. options to optimise Program delivery to realise benefits earlier;
 - v. the PPP for the Gowrie to Kagaru projects;
 - vi. any related port connections;
 - vii. potential intermodal terminals in Brisbane and Melbourne;
- e) assess opportunities for enhancing community benefits along the route;
- f) review ARTC's engagement and consultation approach, including options to improve engagement with communities and other stakeholders along the route; and develop a pathway to consider community concerns with the alignment.

The review will have regard to existing studies, including but not limited to:

- a) dedicated rail freight connections to ports in Brisbane and Melbourne;
- b) the development of new intermodal terminals in Brisbane and Melbourne;
- c) the extension of Inland Rail from Toowoomba to the Port of Gladstone; and
- d) the South East Queensland Freight Demand Analysis and Modelling Study.

ORDINARY COUNCIL MEETING AGENDA

18 OCTOBER 2022

Our Reference: XXXXXXX DA:da
Your Reference: XXX
Contact Name: Donna Ausling

Ms Julie Abramson Commissioner Australia's Maritime Logistics System Productivity Commission Locked Bag 2, Collins St East Melbourne VIC 8003

Via email: maritime@pc.gov.au

Wednesday, 19 October 2022

Re: Productivity Commission's Draft Report into the Performance of Australia's Maritime Logistics System – Narrabri Shire Council Submission

Dear Commissioner,

Thank you for the opportunity to provide an organisational submission on the Productivity Commission's Draft Report into the performance of Australia's Maritime Logistics System. An extension to accommodate Council's programmed meeting cycle and in recognition of Council's current Natural Disaster declaration is appreciated.

Narrabri Shire Council is recognised for its cotton, wheat, beef cattle, sheep and pulse crops and is a highly productive region in New South Wales. In the interests of the agricultural and broader industries, Narrabri Shire Council is committed to improving the capacity, the resilience and dependability of supply chain logistics to benefit both industry and the wider community.

The agriculture industry is a major contributor to both the New South Wales and Australian economy, creating jobs and delivering a range of significant broader benefits for the nation. Narrabri Shire Council is generally supportive of the Draft Report, and we look forward to ongoing consultation with the Commission on the Draft Report.

I note the Draft Report acknowledges that the Port privatisation processes have entrenched power in Sydney by combining the ownership of Port Botany and Port Kembla and penalising any development of container capacity at the Port of Newcastle. This effectively limits the possibility of the most likely competitor (Newcastle) entering the container market in New South Wales. As a result, the port commitment deeds are proving to contain limitations on container movements for our region, which has impaired productivity growth and competition for both industry and the wider community. The container port limitations are contributing to additional costs, inefficiency and uncertainty for industries in our region and it is the broader community that is bearing these costs.

Economic analysis has identified that freight from our region is travelling a further 191km from the Port of Newcastle, increasing our freight costs by \$567 per container. It is acknowledged that draft Finding 5.1 states it is far from clear that it is economically efficient to have a single container port in some Australian cities and Council concurs with this finding. Regional NSW communities are being disadvantaged economically by having a single container port in Sydney, due to it placing significant limitations on options for container movements and industry growth.

The economic disadvantages that have been placed on regional NSW by government, will be removed upon the lifting of the port commitment deeds. It is understood that this removal will ultimately result in the delivery of the Newcastle Deepwater Container Terminal, a timely development and an enabler to the businesses and communities within Narrabri Shire and allowing them to be more competitive in the national and global markets. The streamlined supply chain opportunities and efficiencies it will create will promote regional economic and population growth.

Draft finding 7.2 states that most container ports are planning substantial investments in rail infrastructure. Container port operators in Brisbane, Sydney, Melbourne and Fremantle plan to increase the share of freight travelling to and from those ports by rail over the coming decades. Any further government investment in rail to service container ports will need to be accompanied by a clear cost–benefit analysis, including analysis of the relevant externalities and including alternative scenarios for the development of truck technology, over the full economic life of the project.

Successive state and federal governments have committed significant funds to infrastructure aimed at increasing rail share of freight volumes into Port Botany. Narrabri Shire Council understands that this investment so far has not resulted in forecast increases in rail freight and in fact the percentage of total volumes carried by rail has fallen over the last five years. Narrabri Shire Council therefore supports the Commissions finding and would further recommend that any benefit cost analysis include wider externalities on the drivers for rail freight, in particular regional freight movements.

The Commission is also encouraged to consider the outcomes of the recently announced independent Review into the Inland Rail project given the interconnectivity of issues and current freight investment commitments and opportunities.

Thank you for the opportunity to provide comment in relation to this important matter. Should you require any additional information or clarification in relation to this submission you are invited to contact Council's Director of Planning and Sustainability Ms Donna Ausling on (02) 6799 6866 or by emailing council@narrabri.nsw.gov.au.

Yours faithfully,

Rob Williams

General Manager

16 CONFIDENTIAL (CLOSED COUNCIL) MEETING

RECOMMENDATION

That Council move into Closed (Public Excluded) Meeting of Council and that the press and members of the public be asked to leave the room whilst Council considers the following items:

16.1 Business Paper and Minutes of the Audit, Risk and Improvement Committee

This matter is considered to be confidential under Section 10A(2) - (f) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with details of systems and/or arrangements that have been implemented to protect council, councillors, staff and Council property.

RECOMMENDATION

That Council move out of Closed (Public Excluded) Meeting and that the resolutions from the Closed (Public Excluded) Meeting be read out to those present by the General Manager or their nominee.

17 MEETING CLOSED