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**4** From the Editor

**5** Business News

**18** Need a Break?

20 Let's Talk With

**21** #HunterInnovate

**25** New Appointments

**28** Business Advice

**30** Property

**33** Reaching the Global Marketplace

**49** Business Services Directory

**50** Funny Business





HBR from the editor



Newcastle businesses and residents were relieved with the reopening of the remainder of Hunter and Scott Streets at the end of September.

The light rail construction, which commenced in September 2017, has been difficult for the City and particularly the businesses who had their customer access greatly restricted. Sadly, the impact has been too

much for some businesses to bear.

On the positive note, the light rail is only months away from being fully operational and will provide a significant boost to the Newcastle City economy. The light rail works have also included much improved public spaces which will help to activate the CBD.

The reopening of the streets also happened just in time for the launch on The Station – the restored former Newcastle Rail Station – on 29 September.

It also comes at a time when the CBD is experiencing massive private investment, including a number of major residential projects which will lead to more people being in the City.

It all adds up to a major rejuvenation for the Newcastle CBD which was suffering from severe neglect and decay only a few short years ago.

This issue includes a feature entitled Reaching the Global Marketplace.

We all know that the world is a much smaller place and for many businesses going global is not just an option but an imperative. For these businesses, their major competitors may just as likely be based in Asia, Europe, USA or somewhere else in the world as being in the next suburb or somewhere in Australia.

International trade is a major component of the Australian economy, with nearly \$400 billion a year (exports plus imports).

With this in mind, the growing trade war between our two largest trading partners, China and the USA, is worrying and has the potential to introduce a new era of trade protectionism and have a major impact on the domestic and global economies.

It will also be a fine line for Australia to walk. We will obviously try to stay neutral but it will be a very difficult situation if push comes to shove and we are pressured to take sides.

Garry Hardie Editor & Publisher

#### ON THE COVER

Scot MacDonald MLC, Parliamentary
Secretary for Planning, the Central Coast
and the Hunter, The Honourable John
Barilaro MP, Deputy Premier of New South
Wales, Leader of the National Party NSW,
Minister for Regional NSW, Minister for
Skills and Minister for Small Business; and
Peter Cock, CEO, Newcastle Airport at the
announcement of the development of
Astra Aerolab, a world-leading aerospace
commercial precinct adjacent to
Newcastle Airport



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#### \$8 million plant set to build on Lake Mac's road to recycling

Lake Macquarie City Council's approval of an \$8 million asphalt plant in Teralba has paved the way for soft plastics and other recycled material to be used in local road construction.

Assets and infrastructure giant Downer Group is expected to begin work this month to replace its Rhondda Road facility with a new plant capable of incorporating recycled materials into the asphalt it produces.

Once operational, the plant will create new avenues to recycle and repurpose waste materials such as soft plastics from plastic bags and packaging, glass and toner from used print cartridges.

Annual production is expected to be up to 160,000 tonnes, depending on market demand.

Lake Macquarie City Council Manager Sustainability, Alice Howe, said due to the "hot-mix" nature of asphalt all of the material produced at the plant would be used in Lake Macquarie and neighbouring local government areas.

"It's exciting to know we will be one of the first places in NSW to produce this new, sustainable asphalt, using materials that would once have been considered waste," Dr Howe said.

Asphalt made partly of recycled plastic bags has already been trialled successfully in Victoria and Sydney but it is yet to be widely used.

Downer General Manager Pavements Stuart Billing said the new plant would have the capability to use "significant quantities" of recycled materials.

"The new facility will be able to manufacture innovative and sustainable asphalt products released through our extensive research and development program," Mr Billing said.

"This includes a better-performing asphalt product that repurposes soft plastics and toner from used print cartridges.

"This product has improved fatigue life and a superior resistance to deformation, making the road last longer and allowing it to better handle heavy vehicles." Commissioning of the new Teralba plant early next year will bolster Lake Macquarie's reputation as a hotspot for pioneering new and innovative ways to avoid, reduce, reuse and recycle waste.

"Earlier this year, Council started using recycled glass "sand" in civil works projects, potentially closing the loop on thousands of tonnes glass waste placed in household recycling bins each year," Dr Howe said.

"And our adoption in July of a revamped three-bin service, where all food waste is placed in the green bin and converted into compost, has already diverted more than 1000 tonnes of organics from landfill."

Mayor of Lake Macquarie Cr Kay Fraser said the plant would support local jobs and strengthen the city's economy through advanced manufacturing.

"The site for this plant is within our North West Catalyst Area – the geographic heart of the Hunter and a focal point for growth over the next 30 years," Cr Fraser said.





OCTOBER 2018 | 5

#### Hunter truck driver wins Professional Driver of the Year

Woodberry man, Josh Carter, was honoured at a gala awards ceremony in Sydney on 13 September where he took out the 2018 NSW Professional Driver of the Year award, presented by Road Freight NSW.

Josh is a second-generation truck driver and the owner of Carter Heavy Haulage and Transport – a family owned business run with his wife Leonnie.

Honoured for his enviable driving record and the unprecedented growth he is experiencing year after year in his business, Josh drives a staggering 200,000 kilometres (on average) per year on the road and has never lost a driving demerit point or caused any incident, either on the road or during the transportation process.

In receiving the award, Josh said he was extremely humbled and grateful to be recognised for his years of hard work.

#### "To say that I was surprised would be an understatement."

"The transport industry at times doesn't get the greatest attention in the media due to a small minority of careless drivers.

"I'm proud to represent the thousands of drivers who genuinely care about our industry and help break down the barriers to share all the positive benefits the industry brings to the local and national economy," Josh said.

Carter Heavy Haulage and Transport employs six people and has a fleet of six prime movers and a series of trailers including dropdecks, floats, and a soon to be delivered extendable trailer. The business has clients predominantly from the Hunter region, who they service deliveries for along the Eastern-seaboard.



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#### Newcastle's first light rail vehicle in testing

Newcastle's first light rail vehicle arrived in September and began testing in the same month.

The CAF 'Urbos 100' vehicle is the first of a fleet of six and in August was transported on two semi-trailers to the Port of Santander, Spain, where it was loaded onto a special roll-on-rolloff ship bound for the Port of Newcastle.

Revitalising Newcastle Program Director Michael Cassel said the arrival of the Newcastle Light Rail vehicle is an exciting milestone for the project.

"Our light rail fleet is being produced by a world leader in transit systems with a presence across Europe, the Americas and Australia, and the 'Urbos 100' model on the way to Newcastle is a sleek and modern vehicle which will look fantastic running

"Newcastle will soon be to be home to Australia's first completely wire-free light rail system, with each of the trams carrying an on board energy source which is charged by an overhead bar at each stop.

"This is a major improvement to the original light rail design which both the community and Newcastle City Council told us they wanted, and the result will be a more attractive transport system than you'll see anywhere in the country, costing just \$2.20 to ride or 20 cents if you're interchanging," he said.



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Commercial and Retail Leasing Opportunities now available in Hunter Street Mall

**HBR** business news **HBR** business news



A proposed 3.5 km shared pathway linking the end of the Fernleigh Track at Belmont with Blacksmiths Beach will create a 27 km continuous walking and cycling route from Murrays Beach to

Lake Macquarie City Council has submitted a proposal to the NSW Government to jointly fund the \$9.64 million Fernleigh Awabakal Shared Pathway, filling in a missing link between existing, highly popular pathways in Lake Macquarie and Newcastle.

The pathway will start at the end of the Fernleigh Track at Belmont, winding along a fully accessible elevated boardwalk through the Belmont Wetlands and ending at Blacksmiths Beach.

The route will take walkers and cyclists past Belmont Lagoon, an important habitat for native flora and fauna and a potential focal point for environmental tourism.

Eight specially commissioned sculptures by Aboriginal artists will be installed along the pathway, featuring stories and themes depicting the local Awabakal people and their relationship with the environment.

Mayor of Lake Macquarie, Cr Kay Fraser, said the pathway would attract visitors locally and from interstate.

"Construction of the Fernleigh Awabakal Shared Pathway will create one of the State's great coastal walks and rides," Cr Fraser said.

"Combined with the Fernleigh Track and existing pathways to the south, this 27 km route has the potential to become an internationally recognised tourist attraction and a venue for major outdoor fitness events."

Swansea MP Yasmin Catley, Charlestown MP Jodie Harrison, Lake Macquarie MP Greg Piper and Wallsend MP Sonia Hornery have all offered their support for the project, joining the push for NSW Government funding from the Regional Growth – Environment and Tourism Fund.

Newcastle Cycleways Movement President Sam Reich said his organisation had been pushing for an extension of the Fernleigh Track since it opened.

#### Esca Bimbadgen receives restaurant industry award

Esca Bimbadgen in Pokolbin has been awarded NSW Regional Restaurant in a Winery & NSW Regional Tourism Restaurant at the Savour Australia Restaurant and Catering Awards.

Adam Morris, General Manager of Bimbadgen says "This is wonderful recognition for Executive Chef, Nick Samaras and his team who have been pioneers fine dining in the Hunter Valley, showcasing Bimbadgen wines and the very best local produce."

More than 335 local restaurants, cafes and catering businesses gathered to celebrate the achievements of their peers who were judged over 67 categories, with the winners announced at the Awards for Excellence ceremony held at Luna Park, Sydney.

The Awards for Excellence is a nationally recognised, independently judged awards program that celebrates exceptional service and culinary talent across the state. The Awards for Excellence is the only program in Australia where the judging criteria is determined by consumers who rank what is important to them in the dining experience.

The Awards are judged by an independent team of trained judges who anonymously visit the venues to determine the restaurant/café winners. The scores are based on the entire dining experience from food to the customer service experienced when the judges anonymously dine.

Bimbadgen is now a finalist in the National Awards for Excellence, to be announced on Monday 29 October 2018.



#### High honour bestowed on Alumni

Twenty-seven outstanding leaders across the fields of science, engineering, business, medicine and creative arts have had their career achievements recognised at the 2018 University of Newcastle Alumni Awards.

This year's finalists and recipients – including Dr Jessica Allen (Doctor of Philosophy (Chemistry) 2011), Mr Bernard Collins (Bachelor of Architecture 1981), Dr Bernard Curran AM (Doctor of Philosophy 1974), Dr John Doyle AM (Bachelor of Arts 1982), Mr Kyle Loades (Master of Business Administration 2015), Mr Peter McArdle (Bachelor of Engineering (Civil) 2009), Mr Gary Quinlan (Bachelor of Arts 1973), Dr Kristopher Rallah-Baker (Bachelor of Medicine 2002) and Professor Richard Wortley AM (Bachelor of Arts 1978) - were announced at a breakfast gala held in the Great Hall.



Recipients of the 2018 University of Newcastle Alumni Awards

Australia's first Indigenous ophthalmologist, Dr Kristopher Rallah-Baker, received the Indigenous Alumni Award for delivering quality eye care to Indigenous communities. Dr Rallah-Baker has undertaken work in Alice Springs and Fiji through the Fred Hollows Foundation, and was one of the founding members of the Australian Indigenous Doctors Association.

Emerging young researcher, Dr Jessica Allen won the Beryl Nashar Award for her advancements in the field of clean energy. Graduating with a Bachelor of Engineering (Chemical) in 2008 followed by a Doctor of Philosophy (Chemistry) in 2011, Dr Allen's research is already being recognised in the field of energy storage, having secured \$1.6 million in funding to develop the direct carbon fuel cell (DCFC).

Now in its 43rd year, the Alumni Awards are an annual celebration of the exceptional talent and contributions of finalists across nine categories, drawn from a network of 142,000 alumni working throughout the world.

#### Cessnock City Council secures over \$1.7 million from Stronger Country **Communities Fund**

Cessnock City Council has secured over \$1.7 million under Round Two of the NSW Government's Stronger Country Communities Fund.

Five important community infrastructure projects have attracted funding including the Bridges Hill Park Regional Themed Playground with \$936,315 to be injected into the project.

Branxton did extremely well under Round Two receiving \$400,616 for public domain works including pavement upgrades and tree planting along Maitland Street and for the development of the Branxton town centre.

A grant of \$242,355 has also been offered for the installation of a splash pad at Cessnock Pool and \$126,700 will be invested into upgrading toilets at community halls.

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HBR business news



On 4 September Downer EDI Limited officially opened its \$38 million upgraded Cardiff Service Delivery Centre. The facility has undergone a refurbishment with Downer's investment in:

- A purpose built eight-car train lift and bogie exchange workshop (the only one of its kind in the southern hemisphere)
- Wheel presses
- Axle and wheel lathes
- Automated bogie rotators
- Paint booths, bearing wash and other specialist overhaul technology and equipment.

Downer has operated the Cardiff facility for over 20 years, manufacturing and maintaining rolling stock for its New South Wales customers. This investment is a critical enabler to deliver improved availability and reliability to Sydney Trains' fleets. The upgrade will enable a 50% reduction to the time taken

to overhaul critical assets. It will also support significantly improved performance and extend the life of train assets such as bogies and wheels. The Centre will provide enhanced asset management services on all of the Sydney Trains' fleets managed by Downer, including the Waratah, Millennium and Waratah Series 2.

During construction, over 100 jobs were created and 30 ongoing heavy rail maintenance jobs have been established in the facility, creating new employment opportunities for the local community.

Michael Miller, Executive General Manager of Rolling Stock Services, said that the upgrade represented a significant uplift to Downer's capacity to deliver improved asset management solutions to its customers.

The facility at Cardiff has the capacity to refurbish 2,340 Bogies and 24,030 wheelsets per year.





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# Law firm recognised as leaders in workplace law

Australian Business Lawyers & Advisors (ABLA) has again been recognised, having taken out the award for Workplace Relations and Employment Team of the Year at the 2018 Australian Law Awards. This follows ABLA's recent win of Employment Law Specialist Firm of the Year at the Australasian Law Awards earlier this year.

Kyle Scott, Associate Director and head of the Workplace team in Newcastle, said "It's an honour to once again be recognised by our peers as leaders in our field. Every member of our team has a genuine passion for what we do, and this passion comes through in the high quality service we provide for clients".

ABLA was also a finalist in two additional categories for the Australian Law Awards: Commercial Team of the Year; and Regional/Suburban Lawyer of the Year - Suzie Leask (Associate Director, Newcastle)

ABLA specialises in workplace, property, and corporate and commercial law with offices in Sydney, Newcastle and Brisbane. As a part of the Business Chamber network, ABLA has a strong sense of purpose to help businesses in the region grow and maximise their potential.

After opening its Newcastle office in 2015, ABLA has formed close ties to the local business community and offers a strong focus on workplace relations and commercial law for businesses based in the region.

The Newcastle team is bolstered by Dr Rod Harrison, a well-known Novocastrian and former Deputy President of both the Industrial Relations Commission of NSW and the Fair Work Commission, who joined the team in 2017 as a Principal Associate.



10 | OCTOBER 2018 | 11



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In 2011, NCP became part of The Bright Print Group, however, continues to employ over 30 locals and support many Newcastle businesses, charities and community events. BPG is a fourth generation, family owned company. With over 55 years of continually evolving experience, we appreciate the value of ethical and sustainable principles. We attribute our longevity to a culture of excellence in service, communication and results. We utilise the latest technology and adapt our practice to the changing market place. Exceptionally high standards are pursued and maintained in regard to quality assurance, technical expertise and upholding an environmentally conscious operation. We believe our success is forged as much by the value placed in ethical behaviour towards employees, clients, suppliers and the environment as it is by good business acumen.

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HBR business news

#### NSW Government and Newcastle Airport to kick start Astra Aerolab commercial precinct

On 12 September NSW Deputy Premier, John Barilaro MP, announced \$11.7 million in funding to create a world-leading aerospace commercial precinct adjacent to Newcastle Airport.

Through the Growing Local Economies Program, the grant will provide the foundation for Newcastle Airport to kick off the development of Astra Aerolab, a nationally significant precinct for defence, aerospace and advanced manufacturing related research, manufacturing and businesses set to generate over 5,500 jobs in the Hunter region.

Making the announcement at Newcastle Airport, Mr Barilaro said this is an exciting announcement in one of the state's most exciting industries and regions.

"This investment will capitalise on the existing economic strengths of the region, securing 76 hectares of special land committed to defence and aviation-related industry and employment. The new Astra Aerolab will house maintenance and support services for Australian fighter jets and drive \$246 million into the NSW economy," Mr Barilaro added.

Located adjacent to the Airport, Astra Aerolab has direct airside access from some lots. It will provide a world-leading innovation hub for defence and aerospace, as well as non-aviation related industries such as advanced manufacturing, technology, education, mining and operations.

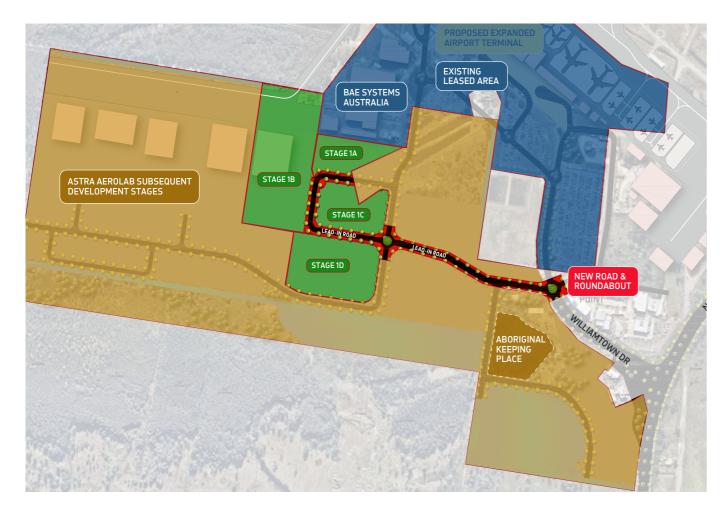
Port Stephens Council and Newcastle City Council, joint

shareholders of Newcastle Airport, will contribute \$7.86 million to co-fund the \$19.66 million project to activate the lead-in road from Williamtown Drive and site preparation for four development areas comprising 7.4 hectares.

Newcastle Airport CEO, Dr Peter Cock said, "We appreciate the on-going support of the NSW Government and applaud its vision to ensure that NSW has the vital infrastructure to support and accelerate economic growth. The funding allows us to kick start the development that will grow the region's profile, create jobs, drive trade and business, and enhance education and community outcomes."

The Airport is already home to tenants including BAE Systems and Jetstar. Astra Aerolab provides further opportunities for businesses supporting the sustainment of the new F35 Joint Strike Fighter jets as well as other aviation and aerospace activities, and will provide the ability locally to sustain other platforms.

"We are very proud to be working with the NSW Government on Astra Aerolab. As a community-owned asset, Newcastle Airport takes its role in generating economic and social outcomes seriously. We want to create a precinct that fuels pride as well as growth – a place where people and businesses want to work. In the Hunter, Astra Aerolab, adjacent to Newcastle Airport, RAAF Base Williamtown, and coupled with our unbeatable lifestyle will do just that."



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# 2018 STEMship success: participants gain employment

More young people are now employed in apprenticeships and technical traineeships across the Hunter region following the completion of the 2018 STEMship program.

An initiative of Regional Development Australia (RDA) Hunter and supported by the State Government through Defence NSW, Training Services and TAFE NSW, STEMship is a vocational education and training (VET) pre-employment program that offers senior school students the opportunity to study with TAFE NSW and learn skills on-the-job as a pathway to employment and/or further study.

6 September marked the graduation of the 14 strong 2018 cohort who, as part of the program, completed 14 weeks of training in a Certificate III Engineering course at TAFE NSW Newcastle that included the design, creation and manufacture of a product utilising advanced technologies and 4 weeks work placement with Hunter industry. The graduation event was held at TAFE NSW Newcastle.

STEMship Participants were matched to Hunter industry based on their skills and interests and undertook work-experience in STEM and defence sectors in roles as diverse as shipwright, electrician, diesel mechanic and systems engineer.

Two of the 14 participants gained employment with their host companies prior to the completion of the program: Caleb Newitt in a Mechanical Automotive Apprenticeship with Kloster Ford (Newcastle), Mason Mangovski at Obelisk Systems (Maitland) while Samuel Pickles is being considered for a traineeship with EDC Consulting (Newcastle), Zane Folpp is in the final stages of the employment process with Bloomfield Collieries and Liam Symes has enrolled in CIV Engineering at Newcastle TAFE.

"2018 is another great result for our STEMship program which has, since its commencement in 2016, seen 65% of participants gain employment with participating industry partners. The program's success is based on its industry-led format whereby industry communicates its skills needs to us and we respond by facilitating a tailored TAFE NSW course and on-the-job work placement. This leads to skilled and job-ready employees," said RDA Hunter's STEM Workforce Manager, Mr Rick Evans.



RDA Hunter's Director of Regional Development, Mr Trevor John said, "We're very pleased that the NSW Government via Defence NSW has recognised the value of STEMship and is providing financial support to see it grow in the Hunter and expand into other locations."

"The STEMship program has resulted in great outcomes for the students, who have gained skills and knowledge to help them move into the world of work. The strength of the STEMship program lies in its innovative partnerships and strong industry connections which have produced such great results over the past three years, and TAFE NSW is very proud to be an ongoing partner of this program." TAFE NSW Regional General Manager, Susie George.

2018 Industry Partners included Varley Group, AmpControl, EDC, Hummingbird Electronics, UAV Air, Obelisk Systems, Cummins South Pacific, Hedweld Group, AV Living Port Stephens, Bluewater Cruising Yachts, Tomago Aluminium, PBE Rutherford, Advantage Electrical, Coastal Shipwright Services, Inovin Industries, Mat Brown Building.

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14 | OCTOBER 2018 | 15

#### Port Stephens Council takes first place at Statewide Risk Management awards

Port Stephens Council's innovative approach to risk management has been recognised at the prestigious Statewide Risk Management Excellence Awards. Port Stephens Council was named the overall winner in the Large Regional Councils/ Metropolitan Councils division for best strategic/enterprise risk management initiative for its Integrated Risk Management

Michelle Gilliver-Smith, Council's Organisation Development Section Manager, says the award cements Port Stephens as a leader in the risk management field.

"Port Stephens Council truly is leading the way when it comes to risk management, and this award reaffirms all that we are trying

"Over the past year, we have developed an Integrated Risk Management System which combines all of our processes, methodology, appetite and reporting into one easy and efficient tool. This system is a 'one stop shop' for managing risk to our employees, our environment and our organisation.

"Best of all, our entire community is reaping the benefits. As a result of Council's innovative approach to risk, we've been able to reduce our premiums and save our ratepayers thousands of dollars each year.

"Risk management isn't set and forget – it's everyone's responsibility. This award is testament to the great work that Council staff continue to do in the improvement of risk management across our entire organisation," she said.

The Statewide Risk Management Excellence Awards were held in Sydney on 30 August 2018.

#### New investment package to attract skilled workers and businesses to regional NSW

The Investment Attraction Package for Regional NSW will create new jobs and investment in regional NSW by offering relocation assistance and financial incentives.

The new package includes:

- Skills Relocation Assistance \$10 million in grants of up to \$10,000 per eligible skilled worker to help meet the cost of moving from the city to the country, such as furniture removal and temporary accommodation for up to three months.
- Regional Investment Attraction Fund \$20 million in grants and interest-free loans targeted at offsetting government levies and duties, such as payroll tax, to eligible businesses that want to invest and grow in regional NSW, which will lead to new jobs.
- Investment concierge supporting businesses investing in or moving to regional NSW, working with an appointed Regional Investment Coordinator to provide easy access to incentives, smooth the planning process, help lodge applications and liaise with government departments.

As part of the package, Special Activation Precincts' or business hubs will be created. They will offer infrastructure and streamlined planning processes for the industries and sectors responsible for driving growth in the regions.

Deputy Premier and Minister for Regional NSW John Barilaro said the package is a massive boost for businesses and job seekers in regional NSW.

"Securing investment in regional NSW is about bringing more businesses to the regions, supporting businesses already in regions and helping them all to be successful, because success means more jobs and a better future for those towns," Mr Barilaro said.

"With the entire state in drought it is more important than ever to keep money flowing through regional economies and bring new businesses and skilled workers to towns means more customers for local suppliers, retailers, restaurants and cafes as well as opportunities to welcome new friends and enjoy diverse cultures."

#### New image for the Hunter Valley

A new advertising campaign funded by the NSW Government in partnership with the Hunter Valley Group has been launched to increase visitor numbers to the Hunter Valley.

Minister for Tourism and Major Events Adam Marshall said the Hunter Valley's Here's to the Good Life campaign, celebrates the region through fresh eyes and encourages visitors to unplug, kick back and take in the beauty of the Hunter Valley.

"We've delivered something that's like nothing the region has ever done before," Mr Marshall said.

"It's a campaign to allow the Hunter Valley to stand out from the crowd and aim to increase mid-week visitation to the region.

"We've worked in close collaboration with key local representatives of the Hunter Valley Group to ensure that Here's to the Good Life is an edgy, compelling campaign that's authentic to the area.

"The initiative is part of our focus to ensure our rural and regional destinations remain front and centre in the minds of potential visitors and that they are inspired to book their next trip

To view one of the new videos which will run across TV, cinema, outdoor and digital platforms visit https://www.youtube.com/ watch?v=pdeX7AptWew&feature=youtu.be. The campaign also includes a partnership with Expedia.

#### Gasweld turns 40

Gasweld Tools recently reached a significant milestone with the specialist tool supplier celebrating the 40th anniversary of its first store opening in Newcastle.

First established in 1978, owners Neil and Marilyn Dunning set out to fill the void of specialist gas and welding suppliers in the Newcastle and Greater Hunter Region. After opening their first store in a small building in Carrington, Gasweld shifted its premises to Lambton in 1979 and they haven't looked back.

"As the manufacturing diminished in Australia and companies needed to become more competitive, we started to provide solutions to reduce their overall costs," Neil Dunning, Gasweld Managing Director, said.

"We focussed on selling modern equipment to speed the job up & provided customers with more affordable options."

From knowledge gained as a mechanical engineer at BHP, Neil established his own brand of tools in the mid-1980s known as Toolex which has developed into a hugely successful portion of the company.

A family owned and operated business, Neil and Marilyn remain the company's Managing Directors and are still actively involved in the day-to-day operations.

Their son, Brent, took over as General Manager in 2011 and has overseen Gasweld's significant development and expansion in recent years. The company has now grown to 17 stores across NSW, South Australia, Victoria and the ACT – with plans for further expansion.



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# NEED A

#### Making the most of annual leave

#### Jason Duncan **Hunter Business Review**

Most people are under the assumption that taking long bouts of annual leave is the best option when it comes to taking time off work. This isn't always the case.

If you want to travel overseas, sure the longer the better as you can fit more in and travel time is less of a hassle.

When it comes to getting the most out of your annual leave, shorter trips based around public holidays work best. This way you can turn one day of annual leave into a four day weekend.

This idea is especially going to work well in 2019 because of where the public holidays land next year.

#### **End of year break**

The first lot of holidays to take advantage of is the end of year Christmas holidays this year. Some businesses may already have this as forced holiday leave, but for those who don't here's how to make it work for you:

In the Christmas break if you take off from the 22 December till 1 January you only need to use four days annual leave for an 11 day break. This is because Christmas, Boxing Day and New Years are all public holidays.

#### **Australia Day**

In 2019 Australia Day lands on a Saturday which means the public holiday will be moved to the Monday. So if you take off Friday 25 January you can turn a three day weekend into a four day break.

#### Easter/Anzac Dav

Now here's the big one. In 2019 Easter is only a week before Anzac Day. This means that if you take off 23, 24, and 26 of April, you have gained a 10 day holiday and only using up three days of annual leave.



If you are planning a longer trip next year this would also be the time to do it as you can also take off the week before Easter and only use up seven annual leave days.

These are just a few public holidays you can take an advantage of next year. There is an art to working out the best time to take annual leave. It all depends on how much time you have and how busy you are.

#### For more information contact Jason on (02) 4925 7760 or email

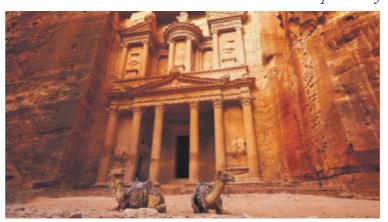


Jason Duncan is the Content Manager at the Hunter Business Review and an avid traveller.





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# RICHARD ANICICH

Travel is often an inspiration when you see and experience what happens elsewhere and how that could be translated into what we could achieve here. I remember being excited on a visit to Newcastle upon Tyne by the vibrancy in the city centre from having 2 university campuses in the city, tweeting photos from Milan of their light rail operating on shared rather than separated running when that debate was playing out in Newcastle, or wandering through the restored Treasury building in Perth and trying to envisage how our Post Office could be transformed.

#### 1. In a few words tell us about your current role.

There are several. Having transitioned from a full time role 12 months ago I am now more focused on non-executive director roles in addition to continuing as a consultant with Sparke Helmore. I am currently the Deputy Chair on the Board of Hunter Primary Care and also a Director of Rural and Remote Medical Services, a company which provides infrastructure and practice management support to a number of medical practices in remote rural towns.

I have been on the Board of Hunter Business Chamber for almost 10 years, including 3 years as president, but that appointment is about to come to an end. However, I have taken on another challenge as Chair of the newly formed Committee for the Hunter so I will still have plenty of opportunity to play a role as a passionate advocate for sustainable growth and investment in the Hunter region.

#### 2. How have you reached this point in your professional life?

It's a long story. I have been fortunate to have been a partner of Sparke Helmore for 30 plus years and been part of a business which was founded in Newcastle in 1882 which had its only other office in Sydney when I joined the firm. Today it is a business with about 800 people in nine offices around the country so that has been quite a ride. In looking for new challenges after a full time career as a partner in a busy law firm, the opportunity to use the skills and experience I had gained as a commercial lawyer and in business made the decision to transition to non-executive director roles a logical choice for me.

I was also fortunate to have been President of Hunter Business Chamber

I was also fortunate to have been President of Hunter Business Chamber in the period 2011-2014 at a time when there was so much change and opportunity for the revitalisation of Newcastle CBD and the broader Hunter region. With all that happening it was easy to get excited for the future of the Region and to be a vocal advocate for change. Starting out as a fresh faced university graduate with qualifications in law and accounting I had no idea what the future might hold but I have been open to new ideas and opportunities and been bold enough at times, particularly with a bit more experience under my belt, to challenge myself and avoid having to ask myself the "if only" question at times.

#### 3. When you're not at work, where can we find you?

At times commitments with full time work and my various community roles have not left a lot of time but I do enjoy time in the outdoors, whether it be a regular swim at Merewether Baths, snow skiing whenever the opportunity presents, bush walks or some more adventurous treks. I do try to keep fit and get to the gym on a regular basis. Travel is always exciting. My wife and I had about 6 weeks in Norway and Finland earlier this year chasing the northern lights and other wonderful experiences and we have just had 10 days in the Top End, our first time in that part of Australia.

#### 4. Where do you find inspiration:

My family is a great sounding board and keeps me grounded. Their own achievements are also inspiring, particularly considering some of the personal challenges they have faced.

### 5. What advice would you give to someone just starting ou in your field?

My advice to anyone, regardless of what they do, is to back themselves and have a go. You do not want to be left wondering what might have been.

#### 6. What's something most people don't know about you?

A few years ago I made it to the summit of Mount Kilimanjaro at 5,895m on a trek with my son. That was probably the hardest physical and mental challenge I have ever undertaken but extremely rewarding having made it. Last year I participated in a 5 day trek over about 85km on the Larapinta Trail in the West MacDonell Range and next years challenge is a 6 day trek over about 100kms on the Heysen Trail in the Flinders Ranges.

#### 7. How would you like to see the Hunter evolve over the next

I think the Hunter is on the cusp of an exciting new era. The Newcastle CBD revitalisation works are nearing completion and this sets the city up as a more vibrant and liveable regional capital which will benefit the entire Region. The recently released Greater Newcastle Metropolitan Plan and the broader Hunter Regional Plan 2036 provide a blue print for how the region can grow and evolve into the future.

One key challenge will be to create employment opportunities in the region which will retain the younger generation, attract others to work here and to create career paths which retain this talent in the Hunter. We can do this by supporting the growing start up ecosystem in the region, creating an environment which attracts larger businesses, both in advanced manufacturing and the services sector, and supports existing businesses to grow their operations in the region. This will involve attracting investment capital to the region and also creating an environment that will make the region a truly attractive place to live, work and play.

#### 8. What's your favourite Hunter restaurant/café/bar?

There are many but I enjoy a coffee at Bank in Beresford St and a few spots at The Junction. For a pizza it's hard to go past Napoli on King St. For something different I enjoy a visit to Coal & Cedar on Hunter St.

#### 9. Are you reading anything at the moment?

A book by Roland Perry on the efforts of Monash and Chauvel in WW1. The western world is fortunate to have had John Monash do what he did at that time.

#### 10. Do you have a favourite sport or team?

I'm a bit of a rugby tragic and even travelled to Eden Park to see the Wallabies outclassed by the All Blacks yet again in a recent Bledisloe test.

#### 11. What's the best line from a film you've ever heard?

There are probably a few if I thought about it but a couple that come to mind are "Just keep swimming" from Finding Nemo and "Keep your friends close, but your enemies closer" from The Godfather.

#### **OCTOBER 2018 EDITION**

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Hunter Water www.hunterwater.com.au



Ampcontrol www.ampcontrol.com.au

#### THE MIND OF INNOVATION

Michelle Crawford Being More Human

If I had \$10 for every client that I have worked with who has the word "Innovation" in their values proudly displayed on their walls, I would be richer than I am now. Don't get me wrong, I love the focus on it and that companies have great intent. But I wonder about the level of understanding that innovation proponents have about where the behaviour of innovation comes from

Particularly, if you are looking at the increase of innovation within your business. Yes, it's great to deliver an outcome or product from an innovative process, but how did you deliver that? What was the cause? What kind of conditions were needed? Most importantly of all, what mindsets are required within individuals to foster it to happen more?

Mindset is the secret. Any process, system, tool, technology can all be replicated, literally the only thing that cannot is your humans and their mindsets. As a HR practitioner, remembering this is a wise thing!

Let's take one simple example of Perfectionistic Thinking. If you are in an industry or an organisation that has attracted a lot of Perfectionistic Thinking and Innovation is a core value, I hate to break the news, but under no circumstance will you live up to it without extensive shifting of the organisation's mindset. Under no amazing process, system or bright new idea will individuals or teams who are highly perfectionistic be highly innovative.

An interesting piece of research talks about organisations that have been through extensive Mindset Training and it shows a significant increase in their innovative behaviour. They introduced more new products especially their own ideas.

The thing worth spending most of your time, money, effort and energy on is either recruiting individuals who have an innovative mindset in the first instance and/or developing an Innovation Mindset within the teams as a key priority.



Then watch your organisations value of innovation being lived, breathed and embedded.

For further information contact Being More Human on 1300 959 512 or email michellec@beingmorehuman.com.au



Michelle Crawford is the founder of Being More Human, a business and consulting company that combines unique skills, business model and approach to organisations, focusing on building human potential.



20 | october 2018

#### **ENTREPRENEURS**

Each month we focus on some of the issues faced by entrepreneurs. This month is about blocks and flow. Kim-Cherie Davidson is the founder of Live Your Bucketlist and adventure coach. Live Your Bucket list helps women to step out of their comfort zones and live their adventure dreams. This helps them feel empowered, grow from their experience and be role models for their families, friends and community.

#### Play helps blocks and flow

When I first started, workshops on starting a bucket list, especially defining adventure dreams, I found there were many blank faces. What do you mean my adventure dreams, after career and family goals, I don't know what I want?

As a communications consultant, that is my day job while I work on my entrepreneurial gig, I use all sorts of methods to dissolve writer's block and start the flow again. They include go for a walk, sing to an upbeat song, bust some moves, or a power stance.

If I do one of these, usually the creative juices start flowing. When I thought about it they all came under one loose heading "play".

I decided to delve into play and see if it could also help my clients.



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So what is play? By definition it is a verb, a doing word that means to engage in activity for enjoyment and recreation.

Why is it important? The main thing is it brings joy. So it helps dissolve the fear that is at the root of all blocks – writer's, creativity or moving forward.

It is also vital for problem solving, creativity, relationships and productivity.

When you think about it play is all around us. It is art, books, movies, music, comedy, flirting and daydreaming.

Then there is outdoors play and research shows that spending time in nature decreases negative thoughts by a significant margin, enhances creative thinking and complex problem solving.

You don't need to play every second of the day to enjoy its penefits.

A little bit of play can go a long way toward boosting your productivity and happiness.

It is an interesting concept as it is recognised as important for children, however, as grown ups it is something we quite frequently forget to do.

The easiest way to reconnect to play is to ask yourself: "as a child what did I do when I was happy?" Sing, dance, clap? Try one of these activities and see if you crack a smile, giggle and shake off that serious adult.

Then as a fun-loving adult: "how do I play"?

I still like singing, dancing, swings, slides and photography – all activities I did as a child. I adapted some activities for my workshops to start the creative juices flowing. They include music, songs, dance, active fun images, playing with balloons and bubbles.

While doing these activities blank faces break into smiles and laughter fills the room. Then when the question is asked what holidays, adventures, sports, hobbies and fun activities make you happy? There are plenty of answers. Then when I ask, what is one or more of your dreams related to these activities? The ideas flow and keep being generating as they are bounced off one another.

So to be prepared for those days when a block raises its ugly heads, I would suggest that everyone, though in particular entrepreneurs, have in their back pocket, top draw or tool kit several "play" moves. Then when that block happens – go and play for five minutes, you will be surprised the difference it can make – and it beats staring at a blank screen, page or face.

# AMPCONTROL'S ROCKSTARTER IS GOING GLOBAL

In March this year, Ampcontrol launched a new product for their customers in the hard rock market called the Rockstarter.

The Rockstarter, developed, designed and manufactured in the Hunter, is a completely new, fully integrated, multifunction, multi-voltage outlet starter that enables quick and seamless application changes, from powering a pump one day to a drill rig the next.

Two years in the making, Rockstarter is the direct result of Ampcontrol's significant and continued investment in research and development to design, develop and deliver products specifically for our hard rock mining customers.

The process for developing the Rockstarter product was also a highly collaborative one.

# Since its launch, Rockstarter has undergone rigorous underground field-testing with customers in NSW between April and August this year.

"We went underground many times at our customers' sites and collaborated with them on the Rockstarter product specifications and functional design.

"We asked them about issues with their existing equipment, how they used it and what their pain points were and took on this feedback to create a completely new product specifically for the hard rock mining sector," said Scott Dallen, Ampcontrol's Global Product Manager.

Since its launch, Rockstarter has undergone rigorous underground field-testing with customers in NSW between April and August this year.

"We received very positive feedback from our field trials. The units performed extremely reliably and to specification, resulting in us receiving multiple pre-orders during this process, which just supports our expected demand for this product in the hard rock mining sector," said Scott.

Recently exhibited as part of the Northern Territory Resources Week, the Rockstarter will soon commence an overseas tour where it will be on display in India at the International Mining & Machinery Exhibition (IMME) in October and then on to Europe for a customer roadshow.



# MEDICAL RESOURCE RECOGNISED FOR INNOVATIVE EDUCATION DELIVERY

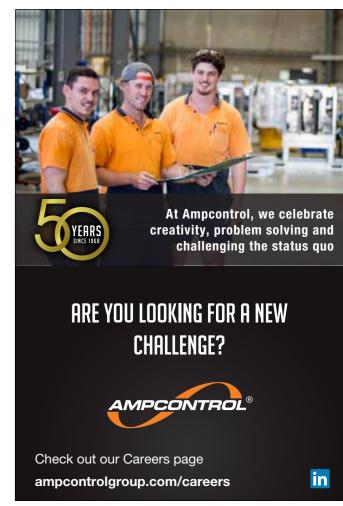
The University of Newcastle's Laureate Professor Nick Talley and Conjoint Senior Lecturer Dr Simon O'Connor have been recognised for their key work in medical education at the prestigious British Medical Association (BMA) Medical Book Awards 2018.

Taking out first prize in the Medicine category for their title Talley & O'Connor's Clinical Examination 8th edition, the text has continued to be a highly acclaimed resource for medical students over many years.

Professor Talley and Dr O'Connor were part of 12 impressive finalists spanning the fields of general medicine, alternative medicine, diagnosis, nutrition, palliative care, rehabilitation and health care of the elderly.

The BMA Medical Book Awards promote excellence in medical publishing and seek to demonstrate its importance to medical education and training.

The accolade continues an impressive trajectory for Professor Talley, a global authority on functional gut disorders, who was named Australia's most cited academic according to Google Scholar in December 2017, and awarded Companion of the Order of Australia earlier in 2018.



22 | OCTOBER 2018 | 23

# #HunterInnovate

#### **INSPIRING WOMEN LEADERS AND** FOUNDERS IN THE DIGITAL ERA

**Christina Gerakiteys** UtopiaX

In September I made a 3.5-day visit to Madrid. It was a long 24-hour flight there and a seemingly longer 24-hour flight back. I spent 8 hours in total sight-seeing and the rest of the time working with an amazing group of women who want to even up the gender imbalance on boards and in start-ups. Globally. There is a vast career chasm between female board members and female start-up founders. But the inequality is screamingly obvious in both

Collaboration was abundant. It is also essential in The Age of Innovation. Many countries, cities, businesses, corporations and start-ups spruik innovation. The organisers of this conference lived and breathed it. The absence of ego and a common purpose was the drive behind the success of the event.

There were speakers from ten countries, representing major corporations including Repsol, Fujitsu, Deloitte, Santander and L'Oreal. The conference was sold out. Twice over.

I was a facilitator at the Inspiring Women Leadership in the Digital Era conference in Madrid, doubling as a female speaker with an Australian perspective on gender equality/inequality. What became clear, listening and facilitating the discussions, was that that support for female leaders and start-ups with female founders is top dependent! And the problems are

Margaret Chen, President of China Club, said there are more female CEO's in China than in the USA and the UK combined. The Chinese government is committed to supporting female founders. According to an article in Fortune written by Nina Easton, "in China, some 550 publicly-traded companies, or about 21%, have women on their boards. And Shenzhen-based Ceetop Inc. and China Teletech Holding Inc. are two of the four companies in the world with all-female boards".

Isobelle Hoyer is Founder and CEO of PANDA, the Women Leadership Network, in Berlin. PANDA connects female leaders with female leaders for mutual support and connects female leaders with companies seeking to engage leaders.

Isobelle believes the 30% target set for women on advisory boards in Germany by 2020 is not good enough. "We are 50% of the population, we are aiming for 50% female board membership".

Emilia Sanchez from Spain confirmed the stereotypes embedded in many cultures are affecting the roles women play and the support they receive.

What is slightly disturbing is that Cristina Magdalena, Head of Digital Transformation, Fujitsu Global said the company is ahead of the rest of the world in attitude. Women taking up 10% of board positions, is seen as a major cultural shift in Japan. At 10%3

And in Australia? According to the Australian Institute of Company Directors, the percentage of women on ASX 200 boards was just 8.3% in 2009. In August 2018 they reported that women on ASX 200 boards was now 28.5%. Outside of the ASX, women represent about 25.2% of all board positions in Australia.



Comparatively, globally, it would seem we are faring quite well. Yet women are 50% of the population. I am not an advocate of hiring on gender. I advocate hiring on merit and suitability. I do not believe that women are 25% less suitable or capable for board and leadership positions than men. The law of averages states that 50:50 is where the male: female ratio

And the figures on start-ups? Forbes reported that "Startup companies with female founders almost universally outperformed their male-only counterparts" and that the "fastest growing companies at 200%+ growth, are 75% more likely to have a female founder".

In a study conducted in 2017 by the Boston Consulting Group, it was reported that although investment in female-led start-ups was significantly lower than in male founded start-ups (by more than 50%), female led start-ups generated \$US0.78 of revenues while male-founded start-ups generated \$USO.31.

Does this mean we need to forget about male-led start-ups and focus in on ones that are female-led? I don't think so. What is highlighted is that diversity is, was and always has been, the key to success. And that diversity should include race, age and

The question now is what can we do to be 10x better and 10x more supportive of women in digital industries, women entering leadership positions, and in supporting women onto board positions?

And as for the conference? Unleash collaboration for a global cause and anything is possible. Bring like minds together to highlight issues and change follows. Open hearts and minds to what is possible, and impossible disintegrates.

For further information contact Christina on 0425 236 156, email christina@utopiax.global or visit www.utopiax.global



Christina Gerakiteys is founder of UtopiaX, assisting people and organisations to think differently about creating fearless change. UtopiaX delivers innovative and creative programs, inspiring key-note speaking, and



#### MyCRA LAWYERS

Eric Allgood has joined MyCRA Lawyers as General Manager as part of plans to reach and help more Australians remove unlawful black marks on their credit reports and secure their financial futures. Eric is tasked with not just developing the team, reinforcing employee-focused culture, and creating new business prospects, but also in pushing the fight for consumers beyond the individual legal lifelines MyCRA Lawyers provide.



#### PURSER CORPORATE COMM.

Purser Corporate Communication has welcomed former NBN News reporter and producer Emma Murphy to its team. The appointment follows a decade of experience at the news provider, where she worked across all aspects of television production generating and approving both national and regional content. As a result, Emma has a highly trained news sense and eye for detail. She specialises in creating, digital, print and media content.



#### **HUNTER BUSINESS CHAMBER**

Former NBN Television Sales Director, **Brad Rogers** has been appointed to the Commercial Manager role with the Hunter Business Chamber. This key role is responsible for membership, sales,  $services, marketing \, and \, related \, financial \,$ reporting matters as well as working across the Chamber's extensive events program. With 15 years of experience in the media industry in management. sales and marketing, Brad brings a strong knowledge across the sectors and bands of business in the region and well developed contacts.



#### **MORAY & AGNEW**

Fiona Hancock has joined Moray & Agnew Lawyers' Newcastle office as special counsel. Fiona's expertise is in employment, industrial relations, work health & safety and anti-discriminations. She has represented clients in all relevant NSW and Australian courts and industrial tribunals. Fiona has a Bachelor of Arts (Industrial Relations and Philosophy), a Certificate in Industrial Law and Advanced Industrial Law, a Graduate Diploma in Legal Practice. a Diploma in Law and a Practitioner's Certificate in Mediation.

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# WHAT'S YOUR BUSINESS REALLY WORTH? THE RIGHT QUESTIONS AND CONNECTIONS

Every year tens of thousands of business owners look to sell their business and inevitably ask some very important questions; What's my business really worth? Will the price I get for my business be enough? How do I get top dollar for my business? Who will buy my business? How will I maintain confidentiality around the sale, so my staff, customers, suppliers and competitors don't find out?

"With more and more businesses coming on the market every week, it's important that your business is priced according to the current market. A tailored, confidential selling strategy and marketing plan that reaches more buyers will provide sellers with the best chance of achieving the best sale outcome".

#### WHAT'S MY BUSINESS REALLY WORTH?

While every business is different, none are exempt from the many factors that impact and influence the value of a business and its saleability. Some influencing factors include market trends and demand, competition, legislation, barriers to entry, profitability and return on investment, technology, staff culture and owner reliance, location, lease and rent expenses. It's important to speak with your specialist business broker to understand current industry benchmarks, changes to capitalisation rates, buyer expectations and possible changes to financial institutions lending ratios.

#### HOW DO I GET TOP DOLLAR FOR MY BUSINESS?

In our experience, business owners who plan the sale of their business usually achieve better sale outcomes. Many business owners work hard to grow their business but fail to plan the all-important exit. We often advise people to start with the end in mind, and plan how and when they exit their business. It is crucial that business owners begin their planning with the assistance of a professional business broker ahead of time, so they have the best chance of selling their business quickly and achieving the highest price.

#### WHO WILL BUY MY BUSINESS?

Merchant Business Broker's tailored selling approach and extensive marketing reach generate more interest from more qualified buyers, from varying locations. Some of our team's recent sales have seen businesses of varying values purchased by local, interstate and international investors. Merchant's large database and significant network of local and international buyers, coupled with their affiliated broker network provides sellers access to a larger network of qualified and motivated buyers.

#### HOW WILL I MAINTAIN CONFIDENTIALITY AROUND THE SALE?

Sharing the right information with honesty and transparency is crucial in order to provide the buyer with clarity and confidence. Merchant's process for providing sensitive and confidential information is essential in protecting the best interest of the seller and the business. Merchant carefully manages business confidentiality with a market-leading confidentiality process, which puts the seller in control of which qualified buyers receive confidential and commercially sensitive business information.

Our purpose is to achieve successful business sales and provide sellers and buyers with great outcomes. Planning is the key to this success!





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# **HBR** business advice Aussie SMBs in hot water as house prices continue to fall

#### **Trent Devine Jirsch Sutherland**

Australian small business owners have continued to use their homes as a guarantee in recent years, but with property values declining across the country and bank interest rates on the rise, SMBs should be wary of the dangers that may lay ahead.

Recent reports[1] reveal that house prices have fallen at their fastest rate in more than six years, with analysts declaring that the

While huge boom-fueled increases in home equity has allowed many businesses to remain afloat in the past, the current drop in property values may now spell disaster for small business owners.

Any business that has used personal finances for business borrowings is at risk. As property prices continue to fall, there is reduced levels of equity with which to finance or prop up a

Borrowing from home equity to start a business is extremely common in Australia, especially among husband and wife businesses.

In the past, when times were tough, struggling businesses have been able to lean on the equity of their home. Now, with falling house prices and other factors, this can have a disastrous knock on effect for businesses.

The potential for business insolvency often stems from an ill-advised link between business and household finances - a situation that is nonetheless unavoidable for many new

SMBs often use the same bank for the business that they use for personal banking, therefore they're likely cross-collateralised. They may have their mortgage and business loan with the same bank. They don't separate one from the other.

Rises in interest rates and resulting mortgage stress can certainly flow onto businesses as we've witnessed over the past 12 months. If a business is struggling, banks might now note

that there's now no property to support that business because the mortgage is under stress. Clearly, this means that business insolvency becomes a strong possibility.

It is strongly advised for business owners to treat home and business finances as separate entities to reduce risk.

It is advisable to use different banks for business and personal uses so that cross-collateralisation is not an issue. If you are utilising personal funds, perhaps a secured loan to the business rather than opting for a capital injection might also be an option.

Also, business owners who are looking to refinance to help fund their business's cash flow might find this difficult because of falling house prices.

When first setting up a business money can be incredibly tight, but it's important for business owners to take the time and speak to their accountant or adviser to get the most appropriate advice. Options do exist and it's important to explore them or risk losing

[1] Domain Group's March Quarter House Price Report 2018

For more information contact Trent via TrentD@jirschsutherland.com.au



Trent Devine has more than 20 years insolvency industry experience and excels at forming strong relationships with clients to ensure the best outcomes that fit with their overall aims. Always honestly appraising each situation based on its merits and advising

# Construction is still the most dangerous industry for Australian workers. Can we improve it?

**James Prout Zokal Safety Australia** 

Workers are more likely to be killed or injured while working in a construction job than any other in Australia, according to National Safe Work Australia figures released in September. Safe Work Australia's industry snapshot for construction revealed that fatalities are still relatively high in that industry, with three deaths per 100,000 workers, and 8.1, serious claims per million hours worked.

The construction services sub-sector still accounts for 63.7% of serious claims and 62% of worker fatalities, with falls from height being the category responsible for the highest number of fatalities.

So should we just accept that construction is a dangerous game and get over it, or can we do something about it?

Certainly there is adequate training and safety equipment mandated by law to prevent most of these deaths and injuries, so why are they still so high? At least part of the answer could be found in the implementation of height safety training.

You see, height safety training isn't always adequate. Why? Because some training organisations are cutting courses to the bare bones and reducing prices to increase their market share... And they're getting away with it, because the governing body ASQA currently provides no timeframe guidance for units of competence or courses.

But what do they keep and what do they throw out? Imagine cutting an apprenticeship in half, just cutting some units down to bare outlines. Would you be happy to hire new tradesmen from those courses? Would you put them at the same level as tradies who'd completed full apprenticeships?

The same applies to safety training. Imagine your workforce having just a bare-bones command of the safety knowledge they require for their jobs. That's exactly what is happening to some

Invariably management is unaware that their staff do not have the training necessary to apply in an emergency, they only have a piece of paper or a card outlining what they should know. That missing knowledge could well be what the worker needed to prevent a fall in a certain situation they find themselves in.

In the event of a death resulting from that inadequate training, management would probably escape penalties as they technically fulfilled their obligations under the WHS act - but there's no escaping the disruption and loss of income resulting from the effect on the morale of other workers.

It's only a matter of time before there is a test case resulting from inadequate training and somebody will be held liable for a death or serious injury. We would hope it is the RTO who has cut corners to increase profits - but responsibility could be shared by the employer. After all, ignorance has never been a defense in any

If you're not sure how good the training that you're currently receiving is, you might like to benchmark it against training that is credible and effective.

To allow you to do that, Zokal have an offer for October and November allowing you to send two management staff members to any height safety or confined space course they run for free.

For further information contact Zokal Safety Australia on (02) 4960 9611, email admin@zokal.com.au or visit www.zokal.com.au



James Prout is founder and CEO of Zokal Safety Australia, a position he has held for over 40 years. Starting in 1976, as Chief industrial chemist for Australian Fluorine Chemicals, he created what were possibly the first real safety procedures in the industry. He commenced Zokal in 1978 and has built it to a leading Australian WHS specialist, providing training, equipment servicing, stand-by personal, consultation and hire for workplaces with high risk situations, such as confined space and working



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#### Councils – DAs and small Business

#### Steve Dick Raine & Horne Commercial Newcastle

There are almost 16,300[1] small businesses in the Lower Hunter region, and it's clear the majority are crying out for help

At the last count, 97% of the region's businesses employ less than 20 people with 23% of these operations earning less than \$50,000 p.a. Moreover, just a tick under 60% of local SMEs have a turnover of less than \$200,000 annually, which suggests our small businesses need every bit of help they can get.

#### Removing the red tape for starters

The facts are that SMEs in our region are owned and operated by people who spend and employ locally. So, it's difficult to comprehend the impediments placed on small local business by councils. Take the recent case of a little ballet studio in Cardiff. In the guise of implementing policy, Lake Macquarie Council's bureaucrats wanted to charge \$47,500 for the studio to move 200 metres for traffic management. In comparison, the mighty Wesfarmers Bunnings store at Boolaroo was charged nothing under the same policy.

This example also demonstrates why many small businesses are being forced to ignore their obligations under their leases to obtain council approvals. Commercial leases generally have a clause that reads something like this: "The Lessee shall at its cost obtain, maintain and comply with any development consent or approval of whatever kind from any Local Government Council or any statutory or other body for the use of the Premises for the purpose for which it is leased."

This level of red tape can place the owner's insurance in jeopardy through non-compliance with the approval of the local council.





#### Both landlord and tenant share in the problems

There are two commercial interests at stake: those of the landlord and the tenant. Both can be considered small businesses however only the tenants are considered in the ABS stats. Both have differing interests in the same problem. Both share in the problems such as:

- 1. Where do you find an owner willing to wait the time taken to obtain approvals? Experience suggests this wait can take 2 - 6 months and sometimes even longer.
- 2. Who pays the rent for the time it takes to obtain the approvals?
- 3. What happens when the council officer says 'NO' which will scare the tenant away? Then council is taken to task by the owner and proved wrong. Who pays for the lost opportunity?
- 4. Who pays for compliance when the council wants the building to have disability access, disability toilets and the like just because a DA is lodged even though the building exists?
- 5. Who pays the council section 94 contributions for car parking?
- 6. Who pays for the traffic studies, noise studies, environmental and heritage assessments?

It's little wonder that the small business sector that represents 97% of all businesses in this region and their landlords are avoiding the councils and taking the attitude that it is better to seek forgiveness than obtaining approvals for usage.

#### What's the solution?

Councillors need to be proactive and reinforce to their officers that small business is an essential cog in the economic engine of our region. So rather than hiding behind poor, cumbersome and inhibiting policies, local bureaucrats should be encouraged to look at everything they do from the perspective of a small business. In simple terms, this means asking themselves some simple questions:

- 1. How will this decision/outcome assist small business?
- 2. What policies can we change to free up small business?

At the same time, it might also help if our local council officials are encouraged to focus more on the needs of the SMEs and less on placating vocal non-commercial minorities.

[1] Australian Bureau of Statistics

For further information contact Steve Dick on 0425 302 771, email steve@rhplus.com.au or visit www.rhplus.com.au



Steven Dick has had a varied background with experiences in geotechnical engineering to hospitality and catering. He also represented at NBL Level Basketball. His expertise, experience and analytical skills have seen him involved with a number of companies at board level. He has also attained the highest level of recognition in the LJ Hooker and Raine & Horne Commercial Organisations.

#### New guide on energy costs and emissions for property industry

Australian property owners – from residential to large-scale commercial – can immediately cut their energy costs and reduce their emissions thanks to a new guide from the Clean Energy Finance Corporation and the Property Council of Australia.

The comprehensive guide, Distributed energy in the property sector – today's opportunities, analyses the nine most common distributed energy options for houses, apartments, commercial, retail and industrial property.

It looks at a broad range of proven technologies - from solar PV and batteries to heat pumps, off-site renewables and demand management systems – and indicates which are best suited for different property types. Importantly, it also looks at the business case for investment, giving owners and managers helpful insights into the likely benefits and payback periods.

Examples include a \$3 million drop in annual electricity charges for Townsville's James Cook University following the installation of thermal storage, and an 11 per cent drop in power consumption at Sydney Markets, which boasts Australia's largest private sector rooftop solar array. An aged care facility is meeting up to half its hot water needs thanks to a solar hot water system and Monash University in Melbourne is on track to substantially cut its gas consumption thanks to new energy efficient heat pumps.

CEFC CEO Ian Learmonth said: "This guide is about taking the hard work out of switching to clean energy solutions right across the property sector. Whether it's individual homes, apartment developments or commercial, industrial and office buildings, with the right approach it's possible to immediately cut energy consumption, cut energy costs and cut energy emissions.

"Together with the Property Council, we want to make smarter, cleaner energy the standard when it comes to Australia's built

environment. We're confident that with more renewable energy and better energy efficiency measures, the property sector can achieve net zero emissions by 2050, with the potential to capture very significant energy savings in the process."

Property Council of Australia Chief Executive Ken Morrison said: "Rising wholesale energy costs and uncertainty regarding policy and market settings has resulted in unprecedented cost pressures for households and businesses.

"Our industry leaders have shown they can deliver rapid improvements in the quality and performance of buildings and have taken action to mitigate against rising electricity prices and reduce emissions by investing in clean energy technology.

"This guide is designed to drive an industry-wide understanding of the opportunity as well as provide practical advice on business case preparation and implementation of clean energy technology for property."

Highlights from the guide include:

- For homes, all the technologies are in the lowest investment range, up to a maximum \$25,000, with upfront costs expected to be recovered in under nine years.
- While investment costs for large-scale commercial and retail properties can exceed \$100,000, in the case of solar PV the payback period is four years.
- The highest upfront investment costs, potentially of more than \$500,000, included thermal storage installations for commercial, retail and industrial buildings, which can substantially reduce exposure to peak electricity prices. However, the payback period of 15 years or less complements the relatively long lives of these large-scale scale and complex structures.



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#### Mount View Grange Estate launched

Continuing its commitment to the Hunter Region, Johnson Property Group has opened an onsite sales office for its new Mount View Grange Estate.

Overlooking the stunning Brokenback Ranges in the heart of Wine Country, the 240 ha Mount View Grange site, situated north of Bellbird, will be transformed into a master-planned rural community. An eight-year project, on completion, Mount View Grange will be home to around 1650 families and include a 3.11 ha town centre.

Commenting on the plans, Cessnock City Mayor, Councillor Bob Pynsent, said it is fantastic to welcome good quality development into the Cessnock local government area.

"Continued investment in our community is vital as we experience population growth," said Cr Pynsent.

"Our LGA offers a wonderful lifestyle and affordable living that is attracting people to make the move. Council looks forward to meeting our newest residents."

Johnson Property Group Managing Director, Keith Johnson, said Mount View Grange will cater to a wide range of tastes and needs, with sites ranging from 450 sqm to more than 1800 sqm.

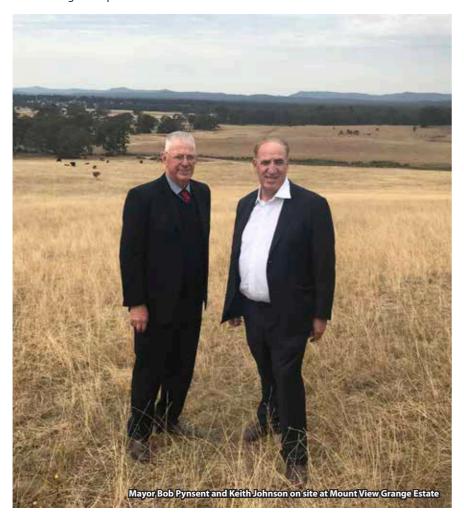
"Every block will be fully-serviced with connections to natural gas, water, sewer, power and NBN all pre-installed close to the perimeter of every block – significantly reducing site costs," said Keith.

"The NBN connectivity also means setting up home offices and/or telecommuting for work will be achievable from this perfect rural location.

"Stage One is tailored to the needs of first home buyers and young families and offers unrivalled value for money. It comprises 60 lots ranging from 611 sqm to 850m2, with prices starting from \$138,888.

"Most sites in Precinct One are near-flat, making building the dream family home even more affordable. With their proximity to Cessnock town centre and connectivity to the Hunter Expressway, demand for the sites is already strong. Pre-launch sales have been very healthy, proving there's strong market demand for well-priced, generoussized, easily-accessible land in the Lower Hunter," said Keith.

Johnson Property Group has teamed up with some of the state's leading builders to tailor a range of house and land packages at exceptionally good value, perfect for first home buyers. The packages meet the Mount View Grange design guidelines and are customised to complement the beautiful natural surrounds, with the tailored designs maximising the aspect of each individual lot.



#### Tips for first time exporters

#### Ashanthi Kruger **Hunter Cargo & Customs**

There are many things that you will need to consider as a firsttime exporter or when building a sustainable export business. We have compiled a list of important tips to help you get

Before you do anything, get advice! Get advice from your accountant, banker, Freight Forwarder and other successful exporters. Government and industry agencies such as NSW Trade & Investment, AUSTRADE are agencies helping Exporters become a global brand.

International contracts for the sale of goods can be very complex. Get advice on legal issues pertaining to exporting.

Research your target market: Plan a visit to your target market to learn about demand, competitors and entry requirements. You should consider: Demographics, Economic conditions, Market conditions, Legal and regulatory environment, Business culture and practices & Competitor businesses. Identify the people who will buy your product & what makes you stand out from the crowd! Then you can create a marketing plan on how you will reach the global market by ensuring your website and social media is ready for international business. First impressions are important.

**Develop an export plan:** Exporters need to consider different requirements such as labelling, product regulations, export permits, treatment certificate & certificate of origins are issued. Plan ahead and develop an export plan so your chances of success are increased and the risk of loss is reduced.

Methods of payment and managing payment risk: Learn how to develop a simple risk management plan to better protect your company's investment. Methods of payment will need to be negotiated based on customer for example Pre-Payment or Upfront payment, Letters of Credit, Credit terms. Part of the due diligence you undertake before doing business with a new customer should include credit checks, especially if you are considering offering credit terms.

How will you ship goods overseas: Transporting your product to an overseas market efficiently and competitively is crucial. Hunter Cargo & Customs have proven to be an International Freight Forwarder that assists national based customers with best logistical solutions to effectively manage all export and customs requirements.

For further information contact Hunter Cargo & Customs on (02) 4922 0900, email ashanthi.k@hccnewcastle.com or visit www.hccnewcastle.com



Ashanthi Kruger is the Managing Director of Hunter Cargo & Customs. An Australian owned international logistics company with over 33 years' experience, HCC assists national based customers with best logistical solutions to effectively manage all import, export and customs brokerage requirements.





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32 | OCTOBER 2018

#### **HBR** reaching the global marketplace

#### Connecting globally with Newcastle Airport

Over the past three months, Newcastle Airport has made some significant announcements that continue to open up new global connections to the region.

In September, Newcastle Airport and the NSW Government announced \$11.7 million in state funding to create a worldleading aerospace commercial precinct.

Located adjacent to the Airport, Astra Aerolab will be a global innovation hub for defence, aerospace, advanced manufacturing, research, technology, education, mining and business. Set to capitalise on the existing economic strengths of the region, the Astra Aerolab development will generate over 5,500 jobs and drive \$246 million into the NSW economy.

In addition to unveiling the Astra Aerolab commercial precinct, Newcastle Airport made the historic announcement in July of direct international flights to and from Auckland, New Zealand. The seasonal service now makes Newcastle Airport the second global gateway into New South Wales.

Virgin Australia will operate three return services per week during the peak holiday period from 22 November 2018 to 17 February 2019, unlocking a range of travel, business and tourism opportunities.

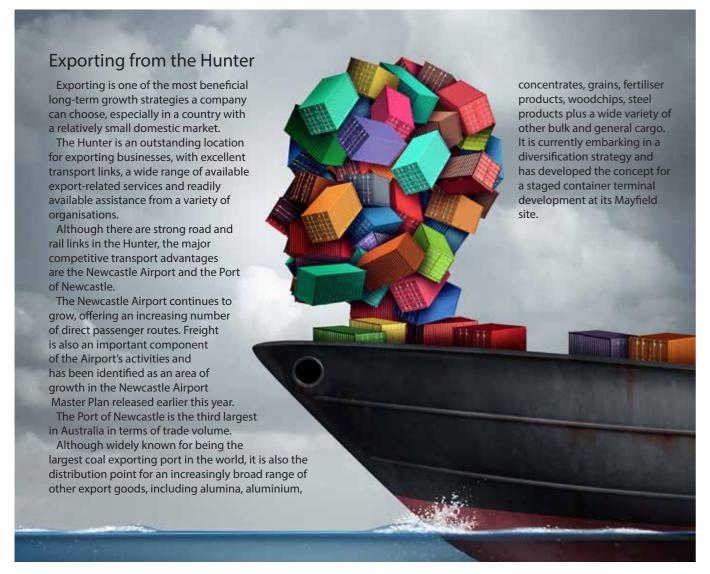
Connectivity to global business destinations – Newcastle Airport's route network already allows access to more than 65 global destinations and markets with just one stop, including Asia, Europe, and North America. With direct flights to Auckland, travellers will be able to connect onwards with New Zealand's domestic network, increasing business and tourism travel reach.

Increasing your exposure to a global audience – With international flights starting just before the Newcastle 500 and continuing through the peak holiday period, the direct Newcastle-Auckland service will greatly boost international visitation. This means more brand exposure to New Zealand and international customers for your business.

Stimulating economic activity – The new international route is set to drive significant community benefit, including \$6.1 million to the local economy, 60 additional jobs and over 9,000 visitors to the region over the 13-week seasonal service.

With the announcement of international flights and a worldleading innovation hub, Newcastle Airport is the smarter way to







#### Connect to the world and do business the smarter way.

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www.newcastleairport.com.au









HBR reaching the global marketplace

HBR building & construction



#### Isaac Court Australian Trade and Investment Commission (Austrade)

Exporting can be a profitable way of expanding your business, spreading your risks and reducing your dependence on the local market. However, not taking the time to adequately plan for the challenges and opportunities the global marketplace provides could land you in trouble.

Austrade, the Australian Government's agency for promoting trade and investment, has created a step-by-step guide to exporting (www.austrade.gov.au/Australian/Export/guide-to-exporting). The online guide provides an overview for those new to exporting. We've summarised the steps below.

#### 1. Are you ready to export?

Check out Austrade's International Readiness Indicator (www.austrade.gov.au/Australian/Export/Guide-to-exporting/International-Readiness-Indicator/International-Readiness-Indicator) and talk to an Austrade or TradeStart adviser to ensure you have the commitment, resources and skills to support exporting activities over the long term.

#### 2. Develop an export strategy

An export strategy is an essential component of your business plan. Make sure everyone in the company involved in exporting is aware of the business plan. If you're selling online, check out Austrade's guide to exporting online (www.austrade.gov.au/ecommerce-guide).

#### 3. Do your market research

Gather basic market information ranging from import regulations to exchange rates – check out Austrade's online market profiles (www.austrade.gov.au/Australian/Export/Exportmarkets/Countries) as a start. Then, narrow the focus to your specific product or service.

#### 4. Prepare a marketing plan

Learn the cultural factors at work in your target market – business etiquette, communication technique and social media practices can differ and will impact your marketing strategy.

#### 5. Set the right pricing structure

We recommend seeking professional advice on export pricing for products or services, and the issues to consider (www. austrade.gov.au/Australian/Export/Guide-to-exporting/Export-pricing) when quoting, including using foreign currencies, freight and logistics, and insurance.

#### 6. Visit your overseas market

We can help you plan your trip and make the right connections in market. Austrade and the NSW Government have international offices and can help arrange meetings.

#### 7. Implement a risk management plan

We recommend seeking professional advice on mitigating risks for export (https://www.austrade.gov.au/Australian/Export/Guide-to-exporting/Risk-management), such as political; bribery and corruption; legal; quarantine compliance; exchange rate and non-payment risks.

#### 8. Research financial assistance

A wide range of public- and private-sector funding and assistance is available for Australian exporters, including the Export Market Development Grants scheme (www. austrade. gov.au/Australian/Export/Export-Grants) administered by Austrade.

#### 9. Establish freight and logistics

Using a reputable customs broker and freight forwarder can be an efficient way to ship your goods. The International Chamber of Commerce (https://iccwbo.org) has detailed information on international commercial terms.

#### 10. Research agents and distributors

Most companies rely on an agent or distributor (www.austrade. gov.au/Australian/Export/Guide-to-exporting/Agents-and-distributors) to represent their business in global markets. We recommend seeking legal advice before signing any contracts.

#### **Next steps**

Through Austrade and TradeStart, the Australian and NSW governments provide export advice to Central Coast and Hunter businesses free of charge. We also offer a range of tailored trade services for a fee to help connect local business to global markets.

For information on export strategies for businesses in the Mining Equipment, Technology & Services sectors contact Isaac Court at Austrade on 0421 593 354 or email isaac.court@austrade.gov.au.

For information on export strategies for businesses in all other sectors contact Sharon Foster at TradeStart on 0408 408 141 or email sharon.foster@industry.nsw.gov.au.



Sharon Foster is a TradeStart Adviser with the NSW Department of Industry – NSW Industry, Trade & Investment. She delivers Austrade services as part of the TradeStart network. Sharon specialises in the Agribusiness, Food & Beverage, Manufacturing, Technology and Services sectors. Her office is located in Gosford at 131 Donnison Street.



Isaac Court is the National Resources Manager at Austrade specialising in the Mining Equipment, Technology & Services sector. His office is located in Newcastle at Level 2, 755 Hunter Street.

### Design defects: builders and developers keep your eye on the law

#### Belinda Crosbie, Nicholas Achurch Nexus Law Group

If you are a builder or developer in NSW be on alert - you may be liable to subsequent owners for design defects – even if you "followed the plans"!

#### The Case

In a recent case (Owners Corporation Strata Plan No 66375 v King [2018] NSWCA 170) the NSW Court of Appeal held that the statutory warranty under the Home Building Act 1989 (NSW) (the Act) requiring residential building works to be performed in accordance with any law, is NOT limited by the construction contract between the developer and the builder.

If the contract, the development consent or any law requires that the work comply with:

- the Building Code of Australia (BCA);
- relevant Australian Standards; or other codes,
- builders and developers are responsible for carrying out the work in accordance with those codes and standards.

This means that builders and developers will each be liable to subsequent owners for damages arising from design defects, even if:

- the original design was prepared by the developer's design consultants; and
- the builder was engaged under a 'construct only' contract.
   The example the Court of Appeal used in this case was a design error in the contract drawings. The drawings failed to show sprinklers in concealed spaces.

Even though that error was made by the design consultant AND the builder had constructed the works in accordance with the contract drawings - the result was that the completed works did not comply with the performance requirements of the BCA.

The builder and the developer were liable to the subsequent owner for the failure of the works to comply the law. The total rectification costs ordered in the proceedings exceeded \$5 M.

#### The Defence?

Builders of residential building work cannot:

- 'contract out' of the statutory warranties under the Act; or
- apportion liability to concurrent wrongdoers under the Civil Liability Act 2002 (NSW).

This means that to avoid a lengthy and costly cross-claim against the designer at fault, the only defences available to

builders in such circumstances are the statutory defences under section 18F of the Act.

Those defences can only be raised if claimed defects arise from:

- 1. instructions given by the developer or owner, contrary to the written advice of the builder before the work was done; or
- 2. reasonable reliance on written instructions given by the owner's architect, engineer, surveyor or other professions, but only if that professional is independent of the builder i.e. the professional was not engaged on the recommendation of the builder and was not a close associate of the builder.

Court and tribunal decisions to date have held that strict compliance with section 18F is required for a defence to be successful. For example, where the section requires WRITTEN advice, a VERBAL warning by the builder or a VERBAL instruction by the owner's engineer, will not be sufficient.

To ensure that the statutory defences are available, contract administrators must strictly comply with section 18F of the Act so it is essential that all instructions are given and obtained in writing.

#### The Lesson

Builders and developers can't pass the buck – to avoid a costly crossclaim against a designer, they must actively ensure that residential building works are performed in accordance with the law.

The above is a simple summary of a complex area of law and should not be relied upon as legal advice. It is essential that legal advice is sought on a case by case basis.

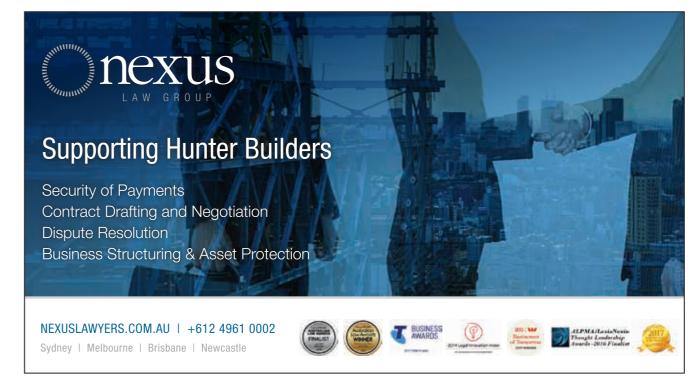
For further information contact Nexus on (02) 4961 0002, email office@nexuslawyers.com.au or visit www.nexuslawyers.com.au



Belinda Crosbie is Head of Construction & Infrastructure at Nexus Law Group. She has significant experience in all areas of construction and infrastructure law, in both advisory and contentious matters.



Nicholas Achurch is a Solicitor & part of the construction & infrastructure team at Nexus Law



36 | OCTOBER 2018 | 37

**HBR** building & construction **HBR** building & construction



The Master Builders Association held its annual gala Newcastle Excellence in Building Awards at the NEX, Newcastle West on 7 September. Over 600 guests were entertained and appreciated the outstanding workmanship displayed within the region's construction

One hundred and seventy three entries were judged representing a combined value of work approaching \$690 million. The entries challenged an experienced panel of judges with the enviable task of selecting the best of the best. The objective of the yearly Awards is to encourage, promote and recognise "Best Practice" in building design and finishes. The entrants and winners again set high standards which should promote public confidence in dealing with regional builders, architects and

Newcastle Master Builders President, Matthew Haines, congratulated all entrants for the quality of their projects. He acknowledged the significant contribution the industry and the Master Builders contribute to our region's employment and wealth with almost 30,000 workers and suppliers deriving an income from construction work. There was a special emphasis on the need to provide greater opportunities for apprentices and women within the industry and great appreciation for the contribution made by Mullane's Plumbing.

As a local business, Mullanes has employed and trained over 300 apprentices during the company's thirty five year membership of

The commercial projects which were entered displayed outstanding workmanship. The Commercial Builder of the Year, Graph Building, was rewarded for their challenging efforts in completing the Maitland Riverlink project and renovation of "The Anchorage" Resort. It was a difficult choice for the judges when competing against projects of such high standard as Saint Bedes Catholic College (North Construction), Fishermans Wharf (Parkwood Modular Building), Newcastle Private Hospital and UON New Space (Hansen Yuncken), MCCloy Group Offices (Collaborative Building), Kookaburra Educational Centre (Drayton Construction) All were worthy commercial winners. SB Glass and Glazing were recognized as the Commercial Subcontractor of the Year for their outstanding work on a number of local projects.

The housing awards also produced entries of exceptional build quality, exciting new products and improved sustainability and energy/water efficiency. The housing builder of the year, Central Coast Luxury Homes, delivered a high quality finish to a beautiful home on a challenging site. To be recognized as the best housing builder against other notable category winners including McDonald Jones, Mavid Construction, Mudgecorp, Mojo Homes and Coastline Builders was a memorable achievement. Mark Walsh was judged to be the Master Builder's Young Builder of the Year and collected the award for his astute business skills, attention to detail and superior client focus. Kenross Kitchens was recognized as the Housing Subcontractor of the year for their

excellent trade work and attention to detail.

Apart from the exceptional projects on display, notable highlights for the night were the awards presented to Nelson Florimo, Caleb Gordon and Michael Asser for their outstanding achievements as building apprentices. Mark Palin was recognized as the Construction Management University Graduate of the Year. Corrina Bruen from Brucorp was acknowledged for her exceptional service to the industry through the Women in Building Recognition Award. Twenty three local award winners now progress to the National Master Builders Awards to be held in Adelaide in November, where the regions previous winners have claimed significant recognition.

#### **Housing Winners**

Commercial Apprentice of the Year - Nelson Florimo Housing Apprentice of the Year – Caleb Gordon GTP Apprentice of the Year - Michael Asser Custom Built Homes Under \$400,000 - Ocean Class Building; Norma Custom Built Homes \$400,000 - \$800,000 -Central Coast Luxury Homes; Mt Kuring-Gai Residence Custom Built Homes \$800,000 - \$1.5 Million B & K Developments NSW; Moran Residence Custom Built Homes \$2 Million - \$3 Million -MudgeCorp; Fisherman's Cove Alterations, Additions, Renovations & Restorations Under

\$500,000 - Klasen Constructions; Crows Nest Alteration **Alterations, Additions, Renovations & Restorations Over** \$500,000 - Coastline Builders & Designers; Speers Point Renovation

**Medium Density, Dual Occupancy** Mavid Construction; Lawson Street

Medium Density, 3 - 5 Dwellings - Mojo Homes; Vibe 23

Medium Density, Over 5 Dwellings -

Mavid Construction; Bermuda Breeze

Display Homes Under \$300,000 -

McDonald Jones; Portsea One

Display Homes \$300,000 - \$400,000 - Mojo Homes; Enigma 46 Display Homes Over \$400,000 -

Backyard Grannys; The Silverdale

Best Use of Timber - Lianda Construction; Belleview House

Best Use of Bricks - McDonald Jones; Havana Executive

Best Use of Stone - N & B Russell Building; New Lambton 3

Best Use of Concrete - BHI Builders; Myalup Beach House **Best Swimming Pool** - Sehez Group; Sehez Seaside Juncture

**Engineering Achievement Award -**

Joyce Constructions; Watonga Young Builder of the Year - Mark Walsh

SafeWork NSW Excellence in Work Health & Safety Award -

Small Business Housing Builder - Joyce Constructions

Kitchen of the Year - Nadin West Joinery; Merewether Residence Bathroom of the Year -

Nelson Bay Bathrooms; Soldiers Point Residence

Outdoor Landscaping Project of the Year - Residential Dwelling - Jason Reading Landscapes; Burwood Street

Energy Efficiency & Environmental Sustainability - Housing -Claybuild; The Joy Box Tiny Home

Housing Subcontractor of the Year - Kenross Kitchens; Johnson Residence-Mt Kuring-Gai, Bowditch Residence-Terrigal, McMaster Residence-Brush Creek

Housing Builder of the Year - Central Coast Luxury Homes; Mt Kuring-Gai Residence

#### **Commercial Winners**

Extensions, Renovations & Refurbishments Under \$2 Million -Parkwood Modular Building; Fishermans Wharf Project Extensions, Renovations & Refurbishments \$2 Million -**\$5 Million** - Graph Builders; Refurbishment of The Anchorage Extensions, Renovations & Refurbishments \$5 Million -\$10 Million - AW Edwards; Armidale Regional Airport Terminal Upgrade **Extensions, Renovations & Refurbishments \$10 Million** - \$25 Million - Hansen Yuncken: Newcastle Private Hospital

Extensions, Renovations & Refurbishments Over \$100 Million - Multiplex Constructions; Stockland Green Hills Redevelopment Public Buildings Under \$1.5 Million - Lianda Constructions; Coffs Harbour Health Campus - Interventional Suite

Public Buildings \$1.5 Million -

Redevelopment

\$4 Million - Graph Builders: Maitland Riverlink Public Buildings \$4 Million - \$6 Million - Artel Constructions; St Peters Catholic College Library

Public Buildings \$6 Million - \$12 Million - North Construction & Building; St Bede's Catholic College, Chisholm

**Public Buildings Over \$80 Million -**

Hansen Yuncken; UoN NeW Space

**Aged Care/Medium Density Developments -**

Stevens Construction (NSW); Aurrum Terrigal Drive Interior & Shop Fitouts Under \$600,000 -

Joyce Constructions; Laing & Simmons, Port Macquarie

Interior & Shop Fitouts Over \$600,000 -

Collaborative Construction Solutions; McCloy Group Office **Apartment Developments** - GWH Build; Aero Apartments Industrial Buildings - Drayton Construction; Kookaburra

**Educational Resource Centre** 

Civil Engineering and Infrastructure - Gongues Constructions;

Gunnedah Sewage Treatment Plant Upgrade Commercial Projects Under \$3 Million -

Lianda Constructions; Oliver's Real Food Takeaway Store

Commercial Projects \$3 Million - \$6 Million - Reitsma Constructions; St Pius X High School, Stage 3 Library

Commercial Projects \$9 Million - \$15 Million - Stevens

Construction (NSW); Ash Street Terrigal

SafeWork Excellence in Work Health & Safety Award -

**Commercial** - Hansen Yuncken

Women in Building Recognition Award - Corrina Bruen University Graduate of the Year - Mark Palin

Best Use of Timber - Collaborative Construction Solutions; McCloy Group Office

Best Use of Bricks - Graph Builders; Maitland Riverlink

Efficient Use of Water - North Construction & Building; Tuggerah **Regional Sporting & Recreation Complex** 

Commercial Subcontractor of the Year - SB Glass & Glazing; St

Patricks-Lochinvar, Dec Gateshead, NPBS; Green Hills **Commercial Builder of the Year** – Graph Builders



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#### Hunter builders climb Australia's Top 100 List

Released on 26 September, the HIA-COLORBOND steel Housing 100 Report 2017/18 reveals that three Hunter based builders were again in the top 100 of Australia's largest volume builders.

"The report listed Thornton based MJH Group, Rutherford based Mavid Group, and Belmont based Montgomery Homes in the list of Australia's largest 100 residential builders based on the number of homes commenced in 2017/18," said HIA Executive Director -Hunter, Craig Jennion.

"MJH Group, which trades predominantly in NSW as McDonald Jones Homes and Mojo Homes, retained its established mantle as the #1 detached house builder in NSW and was listed 4th nationally. In total 1,697 detached starts occurred in NSW during 2017/18, and a total of 2,160 nationally.

"Adding the multi-unit projects completed the MJH Group was ranked the 6th largest home builder in Australia, with 2,352 starts, which is impressive considering they don't operate in the apartment market, unlike a number of those ranked above them," said Mr Jennion.

With 191 starts, Rutherford based Mavid Group continued to climb the list, ranked the 80th largest home builder nationally, followed by Montgomery Homes who also ascended the ranking to be 85th. Mavid Group was also ranked the 13th largest Semi-Detached Dwelling Builder nationally".

The key highlights from this year's HIA-COLORBOND steel Housing 100 Report for 2017/18 shows that the largest 100 residential builders:

- Increased revenue earned from home construction by 12.3% to \$25.39 billion in 2017/18;
- · Reduced the number of new starts in the year by seven homes;
- Reduced their share of the new home building market from 34% to 33%.
- Accounted for 69% of the detached homes built in Australia in

The number of starts required to make the list has also increased again, from 108 to 118 - the highest entry hurdle on record.

"More broadly the Housing 100 Report details the positive journey that the New South Wales new home building sector has been on in recent years. The market share of the largest 20 builders remained steady at 27% in 2017/18, despite new dwelling starts falling by an estimated 9% to 67,885," concluded Mr Jennion.

#### Success for SHAC Collaborations at 2018 Master Builders Association Awards

At the Master Builders Association (Newcastle) Excellence in Building Awards, over 150 entries representing a combined value of construction work exceeding \$300 million were judged. The objective of the yearly Awards is to encourage, promote and recognise "Best Practice" in building and to establish benchmark projects for contractors to emulate.

SHAC are proud to have partnered with the following four accomplished builders who were recognised for their excellence on the evening, and we thank them for bringing our designs to life.

Mavid Constructions - Winner 2018 Master Builders Excellence in Building Awards: Housing Medium Density 3-5 dwellings, for The Residences, Corlette Street Cooks Hill

Reitsma Constructions - Winner 2018 Master Builders Excellence in Building Awards: Commercial Projects \$3 million -\$6 million for St Pius X Catholic High School Library, Adamstown

North Construction and Building - Winner 2018 Master Builders Excellence in Building Awards: Public Buildings \$6 million -\$12 million for St Bede's Catholic High School Stage One, Chisholm DeMato Constructions (Head Contractor) and SB Glass and Glazing - Winner 2018 Master Builders Excellence in Building Awards: Commercial Subcontractor of the Year for St Patrick's Primary School, Lochinvar

### McCloy Group and McDonald Jones Homes Build For A Cure

More than 950 children are diagnosed with cancer each year in Australia, one in six children dies as a result. Sadly, around 50 of these children diagnosed are from the Hunter.

In September, International Childhood Cancer Awareness Month, McCloy Group and McDonald Jones Homes joined forces with the Children's Cancer Institute to launch Build For A Cure 2018, a major fundraising initiative in which a house will be built from the ground up in just 21 days. This year, a homesite at The Bower Medowie was donated by McCloy Group and the home building trades and materials were donated by McDonald Jones Homes and the effort of over 100 tradies. The home will be auctioned on 21 October and 100% of the money raised will be going towards lifesaving research for children with cancer.

In 2016, McCloy Group donated a block of land at the Billy's Lookout in Teralba. A fully furnished four-bedroom home was built by McDonald Jones Homes in just 21 days then auctioned, in total over \$700,000 was raised and donated to Children's Cancer

The Bower is a 127-hectare residential community located off Medowie Road in Medowie that will consist of approximately 420 homesites, currently ranging from 600 to 4000 sqm. The name, The Bower, has been inspired by the impressive home built and decorated by a male Satin Bowerbird, which is found in the local area.

The Bower borders Medowie State Conservation Area so a key focus will be to develop a community that is sympathetic to the surrounding area and complement the Medowie lifestyle.

The Build for a Cure home is the Cambridge, a four bedroom

home featuring an open plan layout, gourmet kitchen, home theatre and alfresco cabana. The master suite has and ensuite. built-in robe and direct access to the cabana. The home is set on a 700 sam homesite.

Scott Cam, McDonald Jones Homes' ambassador McCloy Group ambassador, Mitchell Pearce are joining forces to lend their support to the project.





# 2018 MBA AWARDS SUCCESS

SHAC are proud to have partnered with the following accomplished builders who were recognised for their excellence at the recent MBA Awards. We thank them for bringing our designs to life.

#### MAVID CONSTRUCTIONS

Winner 2018 Master Builders Excellence in Building Awards: HOUSING Medium Density 3-5 dwellings, for The Residences, Corlette Street Cooks Hill NSW.

#### **REITSMA CONSTRUCTIONS**

Winner 2018 Master Builders Excellence in Building Awards: COMMERCIAL PROJECTS \$3M-\$6MILLION for St PIUS X Catholic High School Library, Adamstown NSW.

#### NORTH CONSTRUCTION AND BUILDING

Winner 2018 Master Builders Excellence in Building Awards: PUBLIC BUILDINGS \$6M-\$12MILLION for St BEDE'S Catholic High School Stage One, Chisholm NSW.

#### **DEMATO CONSTRUCTIONS (HEAD CONTRACTOR)** AND SB GLASS AND GLAZING

Winner 2018 Master Builders Excellence in Building Awards: COMMERCIAL SUBCONTRACTOR OF THE YEAR, Congratulations for St Patrick's Primary School, Lochinvar NSW.









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#### Joel Sturgeon Moray & Agnew Lawyers

It is common for contracts to include a right for a party to terminate (an 'ipso facto' termination right) where the other party suffers an 'insolvency event'. On 1 July 2018, amendments to the Corporations Act 2001 (Cth) came into force which significantly curtail the exercise of such rights. These amendments have significant implications for principals and contractors alike and so need to be factored into their assessment and management of counterparty credit risk.

#### What is an 'ipso facto' termination right?

In the insolvency context, an ipso facto termination right is a contractual right to terminate a contract where the other party suffers an insolvency event (which is usually broadly defined in the contract), notwithstanding that the counterparty is otherwise in full compliance with the contract.

#### Rationale for the amendments

Ipso facto termination clauses have historically been drafted on very broad terms such that:

- one party has been able to terminate where the other suffers a 'hair trigger' insolvency event, and
- inancially stressed, but potentially viable, counterparties have been pushed into 'true' insolvency via the exercise of these rights and without having been given a reasonable chance to trade out of their difficulties.

In this context, the Commonwealth Government's rationale for its amendments is that it is in the public interest for financially stressed parties to be given a reasonable opportunity to resolve their financial issues before ipso facto termination rights can be exercised.

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#### What has changed?

The main change is that now, regardless of the terms of a contract, it is not possible to immediately terminate it where that right is triggered by the counterparty:

- coming under administration pursuant to Part 5.3A of the **Corporations Act**
- undertaking (or announcing) a compromise or arrangement under Part 5.1 of the Corporations Act which is aimed at avoiding being wound up in insolvency, or
- having a managing controller appointed over all or substantially all of the property of the company under Part 5.2 of the Corporations Act.

Instead, a stay on the enforcement of the ipso facto termination right applies for a period defined in the Corporations Act.

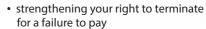
#### Some rights are unaffected

Two broad categories of ipso facto termination rights are unaffected by the amendments:

- ipso facto termination rights included in contracts executed prior to 1 July 2018, and
- ipso facto termination rights triggered by a party undertaking an informal restructure (outside of Part 5.1, 5.2 or 5.3 of the Corporations Act).

#### **Protecting your interests**

The inclusion of a broad definition of 'insolvency event' coupled with a broadly drafted ipso facto termination clause has often been viewed as an efficient cure to many counterparty ills. Unfortunately, this is now no longer the case in respect of contracts executed on or after 1 July 2018 and a more considered approach needs to be taken to mitigating counterparty credit risk which may include:



- strengthening your right to terminate for convenience
- · requiring additional security, and/or

· exercising options to extend existing contracts to preserve your ipso facto termination rights given that the amendments do not apply retrospectively.

For further information contact Moray & Agnew Lawyers on (02) 4911 5400, email jsturgeon@moray.com.au or visit www.moray.com.au



Joel Sturgeon is a commercial lawyer specialising in major building, construction, services and procurement projects involving the construction, utilities, government, education, manufacturing, services and transport sectors He has considerable experience advising principals and contractors on tendering documentation, processes and evaluation, risk allocation and mitigation, contract preparation. negotiation and administration, and claims management. Prior to joining Moray & Agnew, Joel spent 12 years at Allens Linklaters in Sydney

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### **BUILDING WITH TRUST**

For too long now, the construction industry has had a negative reputation with some clients being misled into thinking they're making the smartest choice going with the lowest price, when, more often than not, the reality is the project ends up costing them a fortune in overruns, blow-outs and undue stress.

North Construction & Building does business differently. Across the company, there is a belief that relationships matter. That reputations are built over years yet lost in moments. That a 'fair go' for subcontractors means just that. That transparency is the trademark of integrity and that it's about time the construction industry re-laid some proper foundations.

"We focus on integrity and trust in all that we do, and whilst we aspire for perfection here, our culture promotes open and constructive communication around any instances where we fall short," states Managing Director Tim Cornish. "We are dedicated to building upon our reputation of trust in the industry, not only with clients but with our subcontractors and employees as well."

The corporate culture at North is considered to be the foundation on which Witha professional and ethical approach that encourages cooperative collaboration with clients and consultants alike, North projects are consistently delivered with quality results on time and within budget

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North has a solid commitment to their current and future employees.

Senior leadership, who are also company shareholders, are dedicated to providing long-term careers and, as such, provide a training and development environment in sync with the company's strategic direction. This includes a history of investing in work placements, trade

The efforts of the company to be not only the region's Builder of Choice but also Employer of Choice have attracted a lot of attention over the years and have resulted in North receiving multiple industry accolades. Most recently, North was awarded the prestigious 2018 Medium Employer of the Year at the 2018 NSW Training Awards in September and has also been the recipient of the Commercial Builder of the Year award two years in a row at the MBA Excellence in Building Awards Newcastle.

"We're so proud of our industry awards wins, past and present," comments Matthew Cook, Director and Incoming Managing Director. "As a company, we strive to lead by example and while we have seen the positive results from our efforts directly in office culture and with our client and subcontractor relationships, to receive public recognition is wonderful validation.

Founded in 1987, North is the largest locally owned and operated construction company on the Central Coast. With offices in Broadmeadow and Tuggerah, they have worked on some of the region's largest projects across the health, aged care, education and commercial sectors. Given their history and longevity in the industry, North has become one of the most trusted builders throughout the Central Coast, Hunter Valley and Newcastle.



Mid Tier construction contracting essentials: How to make it and not go broke.

#### **Ned Mortensen** Roberts Legal

Long before I was a Construction Lawyer, I was a Construction Manager for one of Australia's top tier building contractors. In this article I have set out some simple and practical tips for effective contract management based on my experience in both construction and law.

This article will be particularly relevant for growing contracting businesses who are stepping up into the world of mid tier contracting, as I often see these types of companies make fundamental contract management mistakes with potentially disastrous consequences. These clients typically appear at our firm for help at the 11th hour of an ugly dispute, having previously had little regard for the contents of their Construction Contract, but hoping to rely on it now as their saviour. Here are some of their common mistakes:

#### **Common Mistakes**

#### Mistake 1 – Not appreciating the force of contractual terms.

Contractors whose businesses are growing often get themselves in trouble by signing a contract put forward by the other party without understanding their rights and obligations or properly considering the terms of the contract at all. This is especially so for long form Construction Contracts that incorporate Australian Standard General Conditions of Contract. These terms are often confusing and difficult for Contract Administrators to properly follow and administer. Because of this, works under these contracts are frequently performed without regard to the actual agreed terms, which of course is a recipe for disaster when problems arise.

#### Mistake 2 - Failing to monitor and manage the progress of works.

This is a common mistake that often leads to a contractor's failure to apply for adequate Extensions of Time (EOT) in accordance with the contract. Typically there are strict time limits for EOT claims and this failure may ultimately result in claims for liquidated damages against the contractor by the Head Contractor or Principal.

#### Mistake 3 - Failing to give contractually binding notices of Variations and Delay.

Most construction contracts require written notice to be given in the events of delay or changes to the scope of work which may give rise to a contractual variation. Failing to issue such notices in the way called by the contract can leave you in a position at the end of the contract where you are unable to claim for variations because they have not been approved or run the risk of liquidated damages due to a failure to apply for extensions of time.

#### Mistake 4 - Failure to adequately document and manage defects.

Defects are one of the major causes of construction litigation that I see. If you are sued for the repair of faults which reveal themselves after the defects liability period, not only may you end up paying the cost of the additional works for which you should not be liable, but you could also be left paying the costs of defending the claim even when your defence is successful.

Exposure to claims for defect rectification can be minimised by taking the time to understand the defects liability period and the process by which defects need to be notified and rectified. The use of defect repair systems and checklists are essential. When claims are made by property owners after the conclusion of the defects liability period, get the right legal advice as to your contractual liability as soon as possible.

#### Recommendations

The following recommendations come from both construction industry and legal practice experience and can be adapted to both the management of Head Contracts and Subcontracts

#### Tip 1 - Ignore the contract at your peril

The right contract can be both a valuable weapon and a protector. If you're a growing construction company stepping up into the mid tier market, be aware that your contract management game needs to change. Effective contract administration will work to maximise your profits and protect you from disaster. Similarly, a failure to fulfil your contractual administration obligations can have dire legal consequences in the event of any future dispute.

In particular, contractors should ensure that they are familiar with contract provisions relating to the correct ways to:

• give notices pursuant to the contract,

· apply for extensions of time,

**2018 NSW** 

**Training Awards** 

Medium Employer of the Year Winner

#### **HBR** building & construction

- inform clients of variations and seek approval, where necessary
- submit progress claims, and
- manage disputes.

#### Tip 2 - Get specialist legal advice prior to signing a contract.

If you're signing a Construction Contract for an amount that you couldn't afford to lose, having a Construction Lawyer explain the finer details and provide their feedback on the contract can be a very valuable investment. A Construction Lawyer can also recommend amendments to any contracts provided by Head Contractors and Principals to help ensure that there is a more level playing field between the parties, and even negotiate those amendments on your behalf.

#### Tip 3 – Develop your own plain English Construction Contract.

Construction Contracts incorporating Australian Standard General Conditions of Contract can be difficult to follow and administer unless you are an experienced Lawyer. Often these forms of contract are adopted by Principals or Head Contractors simply because they do not know what else to use or simply want to look like they know what they are doing. In most cases, however, a customised plain English Construction Contract would be of far greater use to all parties.

When the form of contract is not being put forward by a Principal or Head Contractor, I encourage contractors to develop and use a customised plain English long form Construction Contract with an accompanying Contract Matrix (see below). I have many clients that do this successfully, usually with the other party being grateful to receive something that is easier to understand and follow.



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#### Tip 4 - Develop a Contract Matrix.

A Contract Matrix is a list of important contractual events, with a "how-to" guide for each. For example, the list might include:

- the commencement of site works,
- the discovery of latent conditions,
- dealing with requests for variations or change to the works required,
- the encountering of events causing delays,
- · applying for extensions of time,
- · when and how formal notices under the contract should be
- · the making of progress claims,
- steps for practical completion and certification, and
- dealing with disputes.

Alongside each of these events should be step-by-step procedures covering off your contractual obligations for dealing with these events as they arise, and detailing any applicable time

A good Contract Matrix is written in simple, plain language and can even be in the form of a flowchart.

#### Tip 5 - Develop a set of Pro forma Contract Notices and **Variation Forms**

Prepare templates for contract Notices and Variations so that they are quick and easy to issue. These should be checked (or prepared) by a Construction Lawyer. Consistently worded Notices that are familiar to both you and your client will go a long way to streamlining approvals and fast client responses.

Make sure that they are worded specifically for the contract you are using, and save them with any fields that need to be manually filled brightly highlighted.

#### Tip 6 – Have the right Administrator.

Have the contract administration process managed by an appropriate person in your organisation.

I often see growing construction companies leaving their contract administration to engineering and construction management graduates fresh from University. These young men and women can be an excellent choice, provided that they have the right support through specific training and management, and that they have both the authority and people skills to manage potential contractual problems when they arise.

For example, does the 23 year old, wet behind the ears Contract Administrator in your business have the wear with all and authority to stop the hardened 60 year old general foreman from using his two available 30 tonne excavators to excavate in rock he's just discovered when the client hasn't approved a variation for rock excavation?

The right support from both the Project Manager and company directors for fresh faced Contract Administrators is essential.

#### Tip 7 - When a problem arises get help early

Form a relationship with a good Construction Lawyer and get the help that you need promptly, when you need it.

With most building disputes it is important to seek advice from an experienced Construction Lawyer as soon as it appears likely that a problem will arise. This will give you the best chance of avoiding a dispute and/or managing the problem before it grows into something bigger and ends in litigation.

#### For more information please contact Roberts Legal on (02) 4952 3901 or email reception@robertslegal.com.au



Ned Mortensen has specialist knowledge of the building and construction industry, having come to the legal profession after 20 years of working in the construction industry. Ned's experience in the construction industry ranges from residential housing, through to engineering and senior project management roles for some of Australia's top tier contractors. Ned has project managed contracts for the construction of commercial and infrastructure projects with individual contract values exceeding \$200 million.



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### Barker Ryan Stewart now providing surveying services in the Hunter Region

Barker Ryan Stewart is now offering surveying services as part of their goal to provide total project solutions to clients. This will add to their already extensive list of core services including; town planning, project management, civil engineering, traffic engineering, strata and subdivision certification and RMS project verification.

The surveying services have been launched under the leadership of experienced Survey Manager, Brett Kittel, who is a Senior Registered Surveyor and has over 30 years of experience in the surveying profession.

The surveying services will include managing the surveying aspects of projects from site inspection, planning approval through construction, and potential plan registration for land development in urban, rural and regional areas.

During the pre-development process surveyors can advise on cadastral issues including titles (old system/limited titles), strength of cadastre and potential easement issues, end purpose land subdivision (Torrens or Community), strata subdivisions, stratum subdivisions and assist with preparation of layouts for development applications. This would include undertaking underground services searches to assist in highlighting potential issues including power, water, sewerage, gas and communications.

Barker Ryan Stewart can now also offer detailed surveys to internal requirements for pre-DA and engineering design. The initial detail survey often forms the basis of the Digital Terrain Model (DTM) for design. The detail design DTM is



construction of civil works and providing this service in-house only streamlines this process for Barker Ryan Stewart and their

The surveying services team can provide subdivision and postsubdivision certificates, and prepare sales plans, draft plans and legal documents related to:

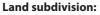
- 88B instrument
- Input into community management statements/servicing plans for community title subdivisions in liaison with solicitors

• Preparation of draft strata plans and having input into strata plan by-laws in liaison with Solicitors.

- Undertaking potential surveying activities involved with
- Liaising and coordinating with service authorities e.g. Hunter Water Section 50 Certificate, Sydney Water Section 73 Certificate and energy providers.
- Easement plans / red line diagrams
- Providing Work as Executed surveys

Barker Ryan Stewart says they are excited to launch their service is also available from all offices in Sydney, Central Coast





#### · Preparation of draft deposited plans and preparation of draft

#### Strata subdivisions:

#### **Construction phase:**

- · Final marking and final plan preparation.

new in-house surveying services out of their Hunter office, this and South East Queensland.

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FREIGHT FORWARDER Hunter CCC

STRATA MANGEMENT

#### **HBR** funny business



Two gas company servicemen, a senior training supervisor and a young trainee were out checking meters in a suburban neighbourhood. They parked their truck at the end of the alley and worked their way to the other end. At the last house, a woman looking out her kitchen window

watched the two men as they checked her gas meter.

Finishing the meter check, the senior supervisor challenged his younger co-worker to a foot race down the alley and back to the truck to prove that an older guy could outrun a younger one.

As they came running up to the truck, they realised the lady from that last house was huffing and puffing right behind them. They stopped and asked her what was wrong.

Gasping for breath, she replied, "When I see two gas men running as hard as you two were, I figured I'd better run too!"



A milkman is dying in hospital.

He is surrounded by his two sons, a daughter, his wife and the nurse on duty.

Says to his elder son: To you, Ram, I leave the Colaba houses.

To you, my dear daughter, Rani, I leave the apartments in Jolly Maker Chambers.

To you, Shyam, being my youngest son with a great future, I leave the Air India Building offices.

And you, my dear wife, the three residential building towers near Churchgate station.

The nurse, impressed, tells his wife: "Madam, your husband is very rich. He is bequeathing so many properties! You all are so

And the wife retorts "Rich? Lucky? Are you kidding me! Those are his routes where he delivers milk."



The businessman dragged himself home and barely made it to his chair before he dropped exhausted. His sympathetic wife was right there with a tall cool drink and a comforting word. "My, you look tired," she

"You must have had a hard day today. What happened to make you so exhausted?"

"It was terrible," her husband said. "The computer broke down and all of us had to do our own thinking."



A farmer applied for an insurance policy.

"Have you ever had any accidents at work?" asked the

"Nope,' said the farmer, "though a cow did kick in two of my ribs last year, and a couple of years ago a snake bit my

"Wouldn't you call those accidents?' replied the agent. "No," the farmer said, "they did it on purpose."

#### **QUOTE OF THE MONTH**

"It's fine to celebrate sucess but it is more important to heed the lessons of failure."

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