

# HBR

Hunter Business Review

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Sustainability**

**Innovation  
in the Hunter**

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**CHANDLER  
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UNLEASHING POTENTIAL

One of the features in this month's issue is innovation. I am sure you have heard the need for Australia to embrace innovation. We cannot compete on wage costs, we have a small domestic market and do have a good history of exporting other than primary products.

The real growth in global trade for decades has been in knowledge-based products.

But the real question is whether as a nation, Australia is really serious about innovation or just playing lip service.

Whilst there are some outstanding examples of innovation across Australia, including the Hunter, the cold hard facts are that as a nation we are not truly embracing innovation and not investing in high-tech start ups at sufficient levels.

StartupAUS recently unveiled Crossroads, a report that calls on the Government to take swift action to support Australia's startup ecosystem and safeguard the country's long-term economic prosperity.

The report highlights a number of key issues, including: Australia's startup sector is maturing at a slower rate than many other nations; high-tech growth companies currently contribute only around 0.2% of Australia's GDP; and that 2013 Australia invested just \$4.5 per capita in venture capital for start-ups compared to \$120 in Israel, \$85 in the US, \$20 in South Korea and \$15 in the UK.

The report says that if we do not address these issues, we risk forfeiting over \$100 billion in economic benefits from emerging tech companies, and an irreversible decline in Australia's competitiveness.

Across the world, there are many success stories of nations investing in innovation. These have not happened by accident, but involved mid to long-term planning with a coordinated approach from

business, Government, research institutions and other sectors.

Yet in Australia, we seem to believe that it will just happen by itself. We seem to take the approach that if we talk about innovation and cross our fingers then everything will just fall into place.

The truth is that as a nation we have a very poor record of long term planning.

Our politicians seem to have no vision, apart from trying to be re-elected beyond the next election.

The current course for the Australian economy is to be a mine and a farm for other countries. Manufacturing and knowledge-based industries are not receiving the long term support they require.

In recent weeks there has been much discussion about the need to put the Federal Budget onto a sustainable long-term footing. Surely if this is the case, then we need some long term planning for the health of the economy, the creator of Government income. But no, all the emphasis is on reducing expenditure.

In many ways, the Australian economy is at a crossroads. At the individual level, Australians are great innovators and some businesses will continue to prosper from innovation.

But the bigger question is if we will be able to truly embrace innovation at a national level.

Unfortunately, there is no indication of a genuine will to make this happen.

**Garry Hardie**  
Publisher & Editor



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**Hunter Business Review**

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## Charitable Foundation invests in living classroom

There's a new classroom at the Hunter Region Botanic Gardens that will benefit community members both big and small.

The outdoor classroom has been designed to improve and expand on the Gardens environment education programs, increase the number of schools visiting each year and provide more hands-on learning opportunities.

It's an improvement made possible by \$27,500 in funding from the Newcastle Permanent Charitable Foundation.

Hunter Region Botanic Gardens Chairman Kevin Stokes said "The funding from Newcastle Permanent Charitable Foundation has helped to improve the quality of facilities we have here and also increase access to all members of the community, including those that are wheelchair bound."

"The improvements will benefit both primary school and tertiary education students and members of the wider community for a minimum of 10 years," he said.

Hunter Region Botanic Gardens supports a living collection of over 3000 plants and a Herbarium collection of 9,000 species. Theme gardens covering 30 hectares of the site include ornamental, ecological, taxonomic and evolutionary, geographic and conservation collections. The remainder of the site is maintained as a conservation zone of local flora and fauna. This funding will allow the gardens to continue to grow, conserve and promote plants, particularly plants of the Hunter region.

Charitable Foundation Chairman Michael Slater said the outdoor classroom is an excellent initiative and acknowledged the great work of the more than 100 volunteers whose dedication and passion has made the Botanic Gardens such a success.

"The Hunter Region Botanic Gardens is a wonderful asset for our region and the funds provided by the Charitable Foundation will allow more people to use this important natural resource."

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## Singleton uses unmanned aerial vehicle to gather information

Singleton council have been utilising new technologies to assist in the gathering of information lately, and they're having a bit of fun doing it.

In March, James Rennie from Australian UAV was in Singleton to fly his eBee UAV (unmanned aerial vehicle) for high quality aerial imagery and 3D surface imagery. The eBee is a sophisticated autonomous GPS controlled fixed-wing aircraft used for photogrammetry, vertical true colour and near infrared photography.

Singleton Council commissioned flights over sites such as the soon to be redeveloped Singleton Regional Livestock Market, Sedgefield Cemetery and Council's waste and water facilities.

The images taken using the eBee will assist Council in monitoring environmental progression, identifying assets for renewal and future design of planning and development.

It's believed this was the first time a UAV has been utilised to gather such information within the Hunter Valley for local government purposes.

Australian UAV is CASA certified and holds a UAV Operations Certificate. "The UAV is a cost effective, safe method of aerial imaging and inspection," says Acting General Manager Gary Thomson. "The rapid deployment and data turn around capabilities of the system allow us to start analysing the data weeks before more traditional data capture methods would allow."



Ben Nicholson and James Rennie with the eBee UAV

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Royal Institute for  
Deaf and Blind Children

Changing Lives in the Hunter

## National hygiene program launched in the Hunter

A new hygiene program for Australia's food retail, cafe and hospitality industries is being kicked off in the Hunter region.

Called the White Tick Program it is the brainchild of Gus Nehme, the founder of the Hygiene Foundation of Australia.

Gus says according to the World Health Organisation hands are responsible for transmitting 80% of infectious diseases. Even in a modern developed society like Australia when hands touch other people or surfaces they can transfer millions of microorganisms and some of them can carry disease.

He wants to make coffee shops, cafes, restaurants, shopping centre food courts, food retail outlets, clubs, aged care homes and other places where people and food come together to be healthier places to dine at and work in.

He says his White Tick Program is based on the ASKS principle of Awareness, Solution, Knowledge and Support.

"We are dedicated to improving hygiene and wellbeing for all Australians. We will do this by reducing the incidence of coming into contact with microorganisms by introducing a new standard of hygiene cleanliness - our exclusive White Tick Program - which is a system of new habits to improve health standards. We will show that washing or sanitising hands for just 40 seconds results in dramatically improved protection for employees and their customers. Prevention is better than cure and hand hygiene is the first line of defence."

The White Tick Program is supported by the Hygiene Foundation of Australia's scientifically developed hand soap, sanitiser, sentinel and other sanitising products.

Gus adds that there are right and wrong ways to wash your hands and sanitise surface areas. When food retail outlets demonstrate that they have embraced these new habits in their work place he will present them with the White Tick logo and certificate. He will then keep in contact as new staff are brought



on to ensure that everyone maintains the White Tick standard.

He says the public will come to know when looking for a place to meet and eat and make food purchases that when they see the White Tick symbol on the front door or window that it will be their assurance of optimum hygiene standards.

Gus says employers will appreciate the White Tick Program because a healthier work place means less workers contracting illness and taking sick leave. "Our figures show that businesses can save thousands of dollars each year. A healthy work place also reduces the incidence of anything happening to customers. For a coffee shop, restaurant, club or aged care home the last thing they want is people becoming ill."

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## Construction underway for \$11.3 million Lake Macquarie Football Facility

The Mayor of Lake Macquarie, Cr Jodie Harrison, Northern NSW Football (NNSWF) Chairman, Bill Walker and NNSWF Chief Executive Officer, David Eland, joined Member for Swansea, Garry Edwards, and Member for Lake Macquarie, Greg Piper, to celebrate the official commencement of construction of Lake Macquarie's state-of-the-art football facility, at a turning of the sod ceremony on 28 March.

Member for Swansea, Garry Edwards said the project is a partnership between the NSW Government, Lake Macquarie City Council and Northern NSW Football.

"The NSW Government has provided \$7.3 million of funding under the Hunter Infrastructure and Investment Fund with the remaining funds provided by Northern NSW Football," Mr Edwards said.

"The facility will be a major football event centre for the Hunter, bringing in teams from around the region to compete on ten five-a-side synthetic football courts and two international-size synthetic football fields," Mr Edwards said.

NNSWF Chief Executive Officer, David Eland said breaking ground at Speers Point has been highly anticipated.

"At no time in this process did we lose sight of our goal, to establish a 'Home of Football' for this region that would provide a first-class facility for the continued development of male and female players from across Northern NSW," Mr Eland said.

"The Hunter Region is recognised as one of the most significant 'heartland's' of Australian football, dating back to the formation of the Minmi Rangers in 1884. I'm extremely proud to say today that this facility will now ensure that as well as this rich history, we will now boast a facility that will foster a vibrant, exciting future for football in this region."

Mayor of Lake Macquarie, Cr Jodie Harrison, said the construction of the football facility would bring many great

benefits to the entire region.

"A new football facility of this standard in our region will boost our opportunity to nurture local talent as well as world-class players, stimulate the local economy and provide endless sporting prospects for the community," Cr Harrison said.

NNSWF's member zones and associated clubs, schools, sports groups and people with disabilities will have opportunities to promote team sports on some of the best playing surfaces and five-a-side courts, available for full community participation.

This state-of-the-art training facility will cater for elite, amateur and recreational football players both locally and on the global map.

## Northern Highland Travel becomes All Australian Journeys

Robert and Jenny Aitchison have announced that Northern Highland Travel's name has changed to All Australian Journeys effective immediately.

Managing Director and CEO, Jenny Aitchison said: "While we're proud of our beginnings, we want our name to reflect the entire range of what we do: covering destinations and events all over Australia, on all kinds of journeys, from air and coach, to rail and cruise, even bushwalking."

"When we started operating tours in the Northern Highlands of NSW, over 25 years ago, it was to promote tourism while our small town Walcha (population 1,600) was in the grip of a drought."

"Since 1988 we have undergone many changes, including our move to Maitland in 2000. We have a fully licensed retail travel agency, café and conference centre."

"It was hard to imagine back in 1988 that a small company in a small country town could develop into a national tour operator, but with hard work, persistence, and the help of an amazing team, we have been able to make this dream a reality."



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## Major investment in Williamstown to accommodate additional JSF fighters

The Federal Government has approved the acquisition of an additional 58 F-35 Lightning II Joint Strike Fighter aircraft. The total capital cost of \$12.4 billion for this acquisition includes the cost of associated facilities, weapons and training. Around \$1.6 billion has been allocated for new facilities and infrastructure, including at RAAF Base Williamstown and RAAF Base Tindal in the Northern Territory.

The fifth generation F-35 is the most advanced fighter in production anywhere in the world and will be at the forefront of Australia's air combat capabilities. The F-35 will also provide a major boost to the ADF's intelligence, surveillance and reconnaissance abilities. The first F-35 aircraft will arrive in Australia in 2018 and enter service with the Royal Australian Air Force in 2020.

Australia has been working with the United States as a partner in the Joint Strike Fighter programme since the Coalition joined in 2002. Acquiring F-35 aircraft will reinforce the ADF's ability to operate seamlessly with US forces and Australia's capacity to continue supporting shared strategic interests under the US alliance.

The acquisition of F-35 aircraft will bring significant economic benefits to Australia, including Williamstown and for the local defence industry with more jobs and production for many locally-based skilled and technical manufacturers.

As a result of the decision to join during the development phase, Australian Defence Industry has been awarded over \$355 million in work and stands to win well in excess of \$1.5 billion in JSF-related production and support work over the life of the program – creating long-term advanced manufacturing and engineering jobs.

The F-35 will replace the F/A-18A/B Classic Hornet aircraft which will be withdrawn from service by 2022. The new 58 F-35 aircraft, in addition to the 14 already approved in 2009, will provide the RAAF with a total of 72 aircraft to form three operational squadrons and one training squadron.

The Government will also consider the option of acquiring an additional squadron of F-35 aircraft to replace the Super Hornets in the future.

## AGL makes changes to Gloucester CSG Project

AGL has modified its Review of Environmental Factors application regarding the Waukivory Pilot Project at Gloucester.

This project is designed to gather data from four natural gas wells drilled in 2012 at two properties near Forbesdale. The wells were drilled into the deep coal seams hundreds of metres below the surface, and completely sealed off from surrounding rock layers and beneficial aquifers. This information will show how much water is produced from the coal seams, assess the natural gas potential of the wells and determine the impact (if any) on overlying groundwater systems.

The three modifications which AGL have said will provide operational, community and environmental benefits, are the replacement of an in-ground turkey's nest dam with a double lined, above ground temporary water storage tank, smaller enclosed flares and an underbore beneath a creek.

A Review of Environmental Factors has been submitted to the NSW Office of Coal Seam Gas to perforate, hydraulic fracture and flow test these wells. Activity will begin once the appropriate approvals have been received.

According to AGL's Head of Land and Approvals, Suzanne Westgate, "The modifications are expected to result in fewer truck movements, improved leak detection and less visual impact."

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## Nominations open for the Hunter Central Coast Tourism Awards

Nominations are now open until 28 May for the The Hunter Central Coast Tourism Awards, a prestigious event held annually to acknowledge excellence in local tourism.

The awards provide tourism organisations and individuals the opportunity to gain an insight into their industry, their business, achieve recognition for their success and promote tourism within their region.

One of the main focus points of the awards is to develop quality regional tourism products and provide businesses the opportunity to benchmark their business with similar businesses in activity and size and also have the opportunity to identify their own personal and professional development within the tourism industry.

Entrants consist of tourism businesses, events, marketing organisations, clubs and individuals all aiming for excellence in their industry. Winners of the Hunter Central Coast Tourism Awards gain finalists status upon entering the NSW State Tourism Awards, and if successful, go onto the National Tourism Awards.

*Further information on the event and the nomination process are available at [www.huntercentralcoasttourismawards.com.au/](http://www.huntercentralcoasttourismawards.com.au/)*



## Cabinet reshuffle results in no Hunter ministers

The cabinet reshuffle following the appointment of Mike Baird as the new NSW Premier has seen both Hunter ministers dumped and the region left with no representation in the ministry. The decision has not been well received locally from a range of quarters, including business.

There has been particular disappointment that the Minister for the Hunter Ministry will now be Member for Willoughby Gladys Berejiklian. Irrespective of Ms Berejiklian's abilities, it is difficult to see that the Hunter will receive proper representation from Sydney compared to a Minister that is locally based, has a more intimate understanding of the region and is more directly answerable at the ballot box for their performance as Minister for the Hunter.

## Mayfield bulk fuel storage facility expands to meet demand

The bulk fuel terminal located at Mayfield and owned by Stolthaven will more than double capacity if the company's recent application for expansion is approved.

The \$50 million bulk liquid storage facility is currently approved for a throughput of 400 million litres, an increase on the original approval of 300 million litres. Stolthaven have applied to the State Government to increase throughput to more than 1 billion litres of fuel per year.

This constitutes a major expansion to the Mayfield site located at the old BHP steelworks and involves fuels from bulk tankers being sent via a pipeline to above ground storage tanks. The reasons put forward for the expansion include meeting the demand in the mining and retail sectors.

## Local accountants grow

Leenane Templeton accountants and financial advisors have joined forces with Roger Ward & Associates, a local financial planning firm specialising in risk insurance, to form Leenane Templeton Risk Management Pty Ltd. The new company will specialise in a range of personal and business risk insurance services.

Roger Ward & Associates have over 30 years of insurance experience within life, income, disability and trauma insurance. Clients will have direct access to a knowledgeable, comprehensive and personalised service with all staff being located in the Leenane Templeton King Street office, Newcastle.

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## Community Information Session

The City of Newcastle's draft delivery program and budget are on exhibition from Wednesday 7 May until Wednesday 4 June 2014.

Hear from General Manager Ken Gouldthorp and Lord Mayor Jeff McCloy at one of two information sessions, details below:

**Wednesday 28 May, 2.30 to 4.30pm**

Wallsend Library's Function Room, Bunn Street, Wallsend

**Thursday 29 May, 6 to 8pm**

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 **The City of Newcastle**

## Business sentiment remains firm

The March quarter 2014 ACCI – Westpac Survey of Industrial Trends reveals that general business expectations for the next six months remain firm as activity consolidates following a strong performance in the previous quarter.

The net General Business Expectations indicator remains high albeit below the previous quarter's outcome which was the strongest in almost three years. Demand and production indicators are softer than three months ago but this is consistent with the usual pattern for March quarter. The net employment indicator is also softer while a similar outcome is predicted for the next three months. While lower than three months ago, the overtime worked indicator remains firm. Forward projections have remained mixed but largely positive.

The net outcomes for new orders and output were down from the December quarter's high levels, with the net results declining from 32% and 20% to -1% and 0%, respectively. However, forward projections for both indicators are well up and strong. The capacity utilisation indicator has remained strong with 73% of the manufacturers surveyed working at or above their normal capacity levels. However, one-quarter of the respondents again reported some idle capacity. The net projection for capital expenditure on plant and equipment for the next 12 months firmed modestly (5%). While still disappointing, spending intentions for buildings and structures also firmed (-3%). The net outcome for Exports firmed above expectations (4%) with an even stronger forward prediction (12%).

The net Employment outcome (-6%) has softened with a similar net forward projection. However, while below the previous outcome but well above expectations, the net overtime worked indicator has remained firm (10%) with a similar net prediction (9%). Cost pressures rose well above predictions (23%) in the March quarter while the net outcome for average selling prices was marginally softer (4%). With manufacturers still finding it difficult to pass on cost increases through higher selling prices,

the net profit prediction for the next 12 months has slumped (-3%) despite an expectation of easing outcomes for wages deals in the next twelve months.

Mr Burchell Wilson, Chief Economist (Acting), Australian Chamber of Commerce and Industry, commented "Overall, the March quarter can be characterised as a period of consolidation. While many indicators partially re-traced the gains made in the previous quarter the trend improvement over a longer timeframe remains in place. General business sentiment has remained strong which is welcome news, particularly as this is largely matched by the firming of several key activity predictions. However, the expected decline in profitability is a major concern. Profit margins are being increasingly squeezed with input costs continuing to rise, while manufacturers' ability to pass on rising costs through higher prices remains very constrained. It is not surprising therefore that manufacturers continue to report a net, albeit marginal, reduction in headcount."

## Work on Trinity Point Marina delayed

The approved start date for work on the \$200 million marina at Trinity Point has been delayed until October 2016.

The Johnson Property Group has received approval from the State Government to commence work on the project two years later than originally planned.

On completion the Marina will be one of the largest in NSW, comprising 188 berths. The associated residential estate features 196 homes, 150 apartments, restaurants, café's, a 300 seat conference centre, public board walks and other community facilities.

Developer Keith Johnson has stated that the delay is a consequence of the economic downturn, but with an investor now on board, is confident the project will progress within the new time-frame.

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## Confidence lifts in building sector

Business confidence in building and construction is the highest it's been in six years since March 2008 according to Master Builders National Survey of Building and Construction.

"The Survey for the March quarter 2014 released today finds that building activity in 2014 is set to continue its rebound on the back of improved confidence in residential building," Peter Jones, Master Builders Chief Economist said.

"Results for the March quarter show that we are beginning to see signs of the stronger confidence necessary to underpin a sustained recovery," he said.

"We are seeing key indicators continue to strengthen while others have entered positive territory for the first time in years," Peter Jones said.

"For the first time in nearly three years, the proportion of builders reporting higher sales jumped above 20% and builders reported improved profitability of their own businesses crept into positive territory," he said.

"Builders confidence in the prospects for their own business rose for the third consecutive quarter. This is particularly reflective of the residential building sector's response to low rates and is an encouraging trend indicating industry's expectation that business activity will continue to rise over the next six months," Peter Jones said.

"The first green shoots marking a return of confidence in the commercial construction sector are also reported in the Survey with the best measure of current conditions since March 2011," he said.

New South Wales continues to be the stand out performer confirming recently released ABS data showing an 18% increase in dwelling starts for detached houses in calendar 2013.

"While the findings of the Survey are largely positive, the underlying vulnerability of the building recovery remains. Roadmaps to stronger and sustained business confidence must be the priority of the Government in the upcoming Federal Budget," Peter Jones said.

## Hunter Business Chamber relocates

The Hunter Business Chamber moved back towards the centre of Newcastle after ten years at the BHP head office at Mayfield East.

The chamber has moved into the historic Great Northern Brewery building at Hunter TAFE's Parry Street campus home. The Australian Business Apprenticeships Centre and Enterprise Connect also share office space in the building.

The new premises are at 91 Parry Street in Newcastle West.

## Mines rescue celebrate 88 years of safety

On Saturday 1 September 1923, 21 miners lost their lives in the Bellbird coal mine disaster. This incident followed several earlier mining disasters between 1887 and 1921 which killed a total of 293 people in NSW.

A coronial inquest and Royal Commission were conducted which extensively debated the value of breathing apparatus and the establishment of a mines rescue service. The Mines Rescue Act 1925 governed the establishment of rescue stations and Brigadesmen teams, and instigated equipment and maintenance standards. This legislation remains the foundation for governing mines rescue operations in NSW today.

The first Mines Rescue station in NSW began operations on 20 March 1926 at Abermain. Stations in Newcastle, Wollongong and Lithgow opened shortly thereafter.

The focus on safety and incident prevention has come a long way since 1926. The primary role of Mines Rescue remains to provide emergency incident response to the NSW coal mining industry. Equally important is the preventative role in preparing and training workers to operate safely, managing risk, occupational health and safety. Training now starts before most new workers ever set foot on a mine site and continues throughout their mining career, to help develop or maintain skills.

Mines Rescue is now a Registered Training Organisation (RTO) and provides training in a range of skills from basic hazard awareness to complex emergency management control, which has been a major contributor to the significant improvement in safety in NSW coal mines.

Today, NSW coal mining maintains one of the highest safety records in the world.

Coal Services Managing Director/CEO, Lucy Flemming says 'the industry statistics demonstrate the shift in safety focus. Workers during 2002 had a one in four chance of sustaining an injury whereas today the chance is less than seven in one hundred. We are continuing to work closely with industry towards the goal of zero harm'.

Mines Rescue General Manager, Paul Healey says 'The industry should be very proud of the advances we have all made over the last 88 years. The focus on getting our workers home safe to their families every day is everyone's responsibility; a responsibility we take very seriously'.

Mines Rescue is internationally recognised for the exceptional mine safety training it provides to NSW coal mine workers and the wider industry, in addition to its primary role to provide underground incident response.

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\*Nielson Radio Survey 3 2013, Cume %, Mon-Sun 5.30-Midnight, 25-59s Occupation AB - managers, administrators and professionals/18-49s/18-54s



## Australian workplaces are inflexible to their own detriment

The World of Work Report undertaken by HR Specialists, Randstad has found that the majority of workers would like to be working remotely 30% of the time. The reality is that Australian employers are mostly unsupportive of these types of arrangements, despite the benefits that a flexible workplace can bring.

In fact Australian employers are the least open to flexible working arrangements of anyone in the Asia Pacific region, with 79% of local workers saying they are unable to work remotely in their current position. This compares to 59% of Chinese workers, 62% of Indian, 64% of Malaysian and 65% of workers in Hong Kong and New Zealand.

While the Federal Government continues to encourage local businesses to improve their flexible working options with initiatives such as National Telework Week, the report shows 40% of employees still rate their current employer's efforts in creating and adopting flexible work options as average or poor.

The findings also show Australians are craving a more flexible approach to work, with most stating their ideal working arrangement would involve spending 70% of their hours in the office, and 30% working remotely.

Steve Shepherd, Group Director of Randstad, says flexible working options need to become more of a focus for senior management and HR decision-makers in Australia.

"With flexible working arrangements and a good work life blend becoming more important to people, businesses that continue to overlook this could find themselves losing their top talent."

He also says that businesses should be listening to their employees because when they are given the flexibility they crave they really value it and as a result employers can see a boost in engagement, performance, productivity and loyalty.

Most concerning about the slow uptake of flexible workplaces in Australia is that many employers already understand the benefits on their business. 41% believe it boosts employee engagement and satisfaction, and 27% agree it assists in the attraction and retention of top talent.

However while these benefits are acknowledged, management are still concerned about productivity and this is one of the major barriers to a higher adoption of flexible work arrangements.

If business leaders have guidelines and a framework in place to foster virtual teamwork and utilise technologies such as using Skype or Google hangouts to discuss, meet and collaborate, particularly when working on team projects, these apprehensions can be minimised.

Australian businesses also need to manage the wide-ranging expectations of a multi-generational workforce. Workers from each generation have different preferences and motivations, so employers will need to implement policies which are adaptable for a range of groups and individuals.

Shepherd says that "Gen Y and Gen Z will be driven by flexible hours to maintain a work/life balance, Generation X will continue seeking part-time employment and shorter weeks to meet family needs, and Baby Boomers will seek out employers which offer staggered work hours and phased retirement options to maintain work satisfaction and social interaction."

"In today's digital and economic age, increased flexibility in the workplace is an inevitable and important aspect of talent management and if Australian businesses wish to retain top talent, improve employee job satisfaction, and succeed in both strong and uncertain economic conditions, adoption of flexible working options must become more of a priority this year and in the future."



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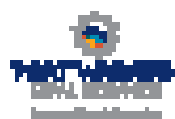
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# JULIE BAIRD



## What is your current role?

I am Deputy Director of Newcastle Museum. My role makes me responsible for anything in the museum that doesn't breathe; collection management and acquisition, temporary, permanent and travelling exhibitions and all the broad requirements that come with working in a medium sized museum. For example all on one day, I could install an exhibition, assist community museum workers, negotiate an exhibition to be on display three years ahead, create a risk management strategy and dress up as an octopus for a school fete.

## Tell us about your career path?

It has been pretty winding! I started volunteering at my local council funded museum as a university student majoring in History and caught the museum bug. I went on to do a Museum Studies post grad while caring for a 4 year old and a baby. My first paying Museum job was in an innovative program which took museum objects into a high security women's prison in Canada. I had no training or experience and I don't think anybody else wanted to take the job but I have always been brave and realised that she who dares wins. I moved back to Australia and settled in SA to be close to my sister. There I took on a role which took private business' collections and turned them into museum's run by trained volunteers. My next job was Senior Curator of the National Motor Museum where I instigated its first temporary exhibition program. As a museum that only had a staff of 15, we managed to be the only Australian museum to sell an exhibition to the mighty Powerhouse Museum in ten years. I came to Newcastle Museum to redevelop and move the museum in 2002. I had never been to Newcastle before, this city and my job of serving and interpreting its people and past has been the most glorious surprise. My career was always built on moving on every 5 years to keep myself fresh and motivated but I have been here 12 years now and love my job more every day. The gallery A Newcastle Story is my big brick love letter to Newcastle.

## What motivates you in your job?

My motivation has evolved from my rebellious ratbag teenage past. A lot of people see museums as dead dusty vaults staffed by nice ladies and visited by even nicer old ladies. Museums, for me, are lively, unpredictable changing places that are constantly open to new ideas. The Newcastle Museum holds deep and meaningful exhibitions about science and history but it also is open for a variety of innovative ideas. The Zombie March is a perfect example.

Every year, a bunch of kids, aged from 15 to 25 and dressed as the living dead, walked the streets crying out "Brains" before watching their home made movies at a cinema. The part of my job that gives me the most joy is when people without a public platform get to share their stories through the museum.

## How do you spend your weekends?

Mostly dancing! I love the live music scene in Newcastle and try to get out to as many gigs as I can manage. The creative and performing arts community in this city is awesome and inspiring. My other great joy is riding pillion on the back of my amazing partner Paul's motorbike exploring the back routes of the Hunter.

## Do you have a special Hunter restaurant?

It is a bit hard to pick just one. I love La Casita Mexican on Beaumont Street, the Pizza Hub on Maitland Rd in Mayfield and Ghandas Indian in Lambton.

## Of anyone in the world, who would you invite to a dinner party?

I think I would like to have Stephen Fry to my dinner party. He is a witty observer who would have a high tolerance for the strangeness of my friends and family. I think that would make for a good night.

## Tell us something that people would never know about you.

- a) I have 14 tattoos and worked my way through Museum Studies as a body piercer.
- b) I had to cut my Mohawk off at the age of 21 as my arms were too short to reach the top of it.
- c) I have three fantastic kids 14 to 23 who take excellent care of their very busy mum.

## Where do you see our region in twenty years' time?

A creative centre of innovation and learning, proud of their working past and confident in their power....I hope.

# 7 tips and 3 tests to help save you tax dollars

**Peter Lowe**  
JSA Group

It is hard to believe but we are rapidly approaching the end of the financial year.

If you haven't started your end of year planning, including tax planning, get to it. A rushed decision or no action can cost you money!

Many people see end of year as a pain but it is a great opportunity to obtain or maintain control of your business finances and the long term health of your business.

Here are seven areas you can look at that may save you thousands of tax dollars. To help you work out if a tip is worth following up and its priority I am also giving you three tests to consider too.

## 7 tax saving tips

### 1. Debts and depreciation

Write off bad debts and review your depreciation schedule to scrap obsolete items. Consider selling any loss making investments to offset any capital gains that you have made in the year. Check with your accountant about writing off depreciating assets by small businesses as there are proposed rule changes.

### 2. Take stock and stocktake

It may be worth biting the bullet and writing off slow-moving stock which is unlikely to sell. A lower closing value of trading stock defers income and therefore tax.

### 3. Prepay to deduct

Making prepayments on things such as interest, rent, bonuses, materials and supplies or anything you will require for the next tax year can maximise allowable deductions for small businesses.

### 4. Trust your accountant

If you operate through a trust or have company loans between yourself and your company it is vital to see your accountant before June 30 to ensure correct treatment. Have trustee resolutions to appoint income.

### 5. Supercharge Super

Make sure staff Superannuation payments are up to date. Paying your superannuation contributions prior to June 30 ensures you receive the benefit of the deduction in the current financial year. If you are a business owner, make sure you contribute to your Super. Salary sacrificed superannuation contributions are a tax-effective way to save for retirement. You can contribute up to \$25,000 (\$35,000 if you were aged 59 years or more on 1 July 2013).

### 6. Deductions and grants

Are you eligible to claim R&D tax concessions or receive an export market development grant? Ensure you have made payments to associated entities to receive the full benefit of your R&D claim.

### 7. Set the records straight

Have all your paperwork in order and keep your accounting files up to date. With more online accounting solutions you can increase your efficiency in keeping records and dealing with your accountant. One in fifteen small businesses fail because of inaccurate record-keeping necessary for the ATO.



## 3 Tests

### Test 1. The cashflow implications

It is not all about tax. Don't let your focus on creating the best tax outcome cause you a short-term cashflow problem

### Test 2. The long term test

Are you creating a permanent benefit or simply deferring the tax liability to a later date? It is not a bad thing to simply defer tax but permanent benefits are more valuable.

### Test 3. The risky business test

There are always risks with any decision. Not just tax risks but broader funding and business risks. Write down the benefits and risks of any decision to help you to make your assessment.

See an accountant or tax specialist well before June 30. Make the appointment today.

*For further information contact JSA on (02) 4908 0999, email [petrel@jagroup.com.au](mailto:petrel@jagroup.com.au) or visit [www.jsagroup.com.au](http://www.jsagroup.com.au)*

**Peter Lowe** is a founding Partner and Chartered Accountant at JSA Group Accounting & Tax. Peter has been in public practice for more than 10 years and deals with all facets of business accounting and taxation, specialising in the areas of government/semi-government bodies, charities and not-for-profits, services to mining, engineering, legal, financial and retail businesses.





## The Cost of Short Lived Leadership

**Heidi Alexandra Pollard**  
CEO UQ Power

Take a look at the leaders in your organisation. Are they stayers? Are their actions towards building a better future or simply responding to immediate needs?

In his book *Good Business* Mihaly Csikszentmihaly said "more than anything else we need hundred-year managers at the helm of corporations." Unfortunately, too many companies and business leaders, when faced with mounting financial and market pressures create a bunker like mentality, hunkering down to focus only on short term profits and providing no face-to-face time with staff, customers, community or investors.

It may be human nature to do so after all "what gets measured gets done" but for long term business success and sustainability what's needed more than ever are solid relationships. Leaders must reengage with their long term vision and communicate, understand, and interact with all their stakeholders.

Daniel Goleman, expert on emotional intelligence says "After analysing 181 competence models from 121 organisations world-wide, we found that 67% of the abilities deemed essential for effective performance were emotional competencies. Compared to IQ and expertise, emotional competence mattered twice as much."

Goleman also found that feelings are contagious – positive even more so than negative. The mood of an organisation has a causal effect on everyone within it. Creating good "psychohygiene" therefore should be one of the key strategies of the leadership team, especially during difficult times.

Collaboration is the new competition. Creating an environment of collaboration and open communication during challenging times is critical for leaders and line managers. They should be

spending as much time as possible interacting with employees, regular customers, investors and stakeholder representatives be it unions, politicians, or community representatives.

Fred Reichhold, Bain & Company consultant and author of *The Ultimate Question*, argues that companies that obsessively focus on employee and customer satisfaction create greater economic growth and reduced recruiting, sales and marketing costs. He can show that an increase in customer retention rates of just five per cent could increase profits by 25-95 per cent depending on the industry. He also showed that these companies typically grew their revenues more than twice the rate of their competitors.

Before you spend your next investment dollar on improving business processes, installing signage or a new software system, consider what investing in your people and on your relationship architecture could do to give you a long term competitive edge. The only sustainable competitive advantage in the new modern economy you can have are the unique bonds of loyalty you create.

CEO of UQ Power, **Heidi Alexandra Pollard** is a leadership, brand and influence authority who works with companies looking to gain a competitive edge and ease their people pain. With her team at UQ Power they help ambitious companies to power up their people and brand by defining what makes them unique – their UQ factor. She believes a key ingredient in sustainable business relationships is to develop strong emotional connections.



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## Group Training – a solution that works for youth unemployment

**Sharon Smith**  
**Hunter Valley Training Company**

With debate heating up over solving the Hunter's low youth employment rates, it's possible the answer for improving our future could be found in our history.

It was reported in the Newcastle Herald recently that the jobless rate among those aged 15 to 19 in the Newcastle district stood at 32.6%, or 6.3% above the NSW average, in December last year.\*

Lack of training was one of the reasons given for the low unemployment rates with Cec Shevels, Chief Executive of Samaritans Foundation, commenting that if young people do not have some form of training post-school, their employment options are severely limited. We could not agree more with Mr Shevels. To skill the local youth and take aim at the region's rising youth unemployment rates, we need two crucial elements.

Firstly, we need willing and able young workers keen to take up training options including apprenticeships or traineeships in a range of areas where we know skill shortages exist. This is an element we have in abundance. In recent years when advertising highly-sought after jobs, it has not been unusual for HVTC to receive over 1000 applications for a single job. Each time, that's 999 young Hunter locals who miss out and must continue on their search.

Secondly, creating the demand and opportunity for training our youth means increasing business and industry confidence and capacity to provide training and employment opportunities. The fact we have such high youth unemployment in a country with well-documented skills shortages, is what seems to have everyone scratching their collective head.

The slowdown in economic conditions with resultant job shedding, particularly in the Hunter, has certainly played a key part. In terms of possible solutions, any targeted incentives to business that Government can provide would be welcome. Part of the answer is to ensure Government support is targeted to training that links directly with employment outcomes. This requires skills training to be tailored to meet business and industry's changing employment needs for now and the future.

Another part of the answer to improving demand could be as simple as looking back 30 years, to when and why Australia's Group Training model was first developed. Group Training was established in the early 1980s by industry leaders in partnership with government to address concerns about emerging skill shortages and the then high youth unemployment rates. Sound familiar?

Group Training Organisations (GTOs), such as HVTC, recruit and employ apprentices and then place them with one or more host employers for the duration of their skills training, easing the employment burden on individual businesses and preparing the way for real employment outcomes.

With Australia, and the Hunter in particular, facing a similar scenario today why can't Group Training once again be an integral part of the solution? Australia's Group Training network encompasses around 150 group training organisations that provide young people with direct links to employment and skills training. These organisations are largely not-for-profit based and collectively, employ around 35,000 apprentices and trainees and have connections with more than 100,000 businesses. The Federal Government and many of the State Governments provide support to the GTOs through the Joint Group Training Funding scheme, which is greatly welcomed. Disappointingly, the NSW Government withdrew support for its scheme in 2012.

The Group Training employment model has been delivering skilled workers for business and industry for the past 30 years, so maybe it's time to take what works and further support Group Training. In doing this, we ensure our youth obtain the skills training needed for real employment outcomes.

**\* Labour force figures from the federal Department of Employment.**

**Sharon Smith** is CEO of HVTC (Hunter Valley Training Company). She has over 20 years experience as a senior executive in the utilities, regional development and private sectors. More recently, Sharon led HVTC through its next growth phase, which included a relocation to the \$5 million purpose built facility at Rutherford.



## Create a financial roadmap

**Allan McKeown**  
**Prosperity Advisers**

Senior executives and business owner operators have complicated lives pressured by the demands of growing their businesses, advancing their careers and being keenly involved in family activities. Working to accelerate their personal financial success and gaining clarity and simplicity to their financial life usually becomes an afterthought.

From my experience there are five key pillars for creating and maintaining a successful financial roadmap.

### 1. Taxation is your biggest expense

Cost control is a critical component of business hygiene and it should be no different on a personal level. Two people in almost identical circumstances can generate substantially different wealth, simply through small incremental tax wise decisions; they make or fail to make over their careers.

I do not advocate flouting the tax laws. While there are few legal large scale tax minimisation opportunities these days there are a range of avenues available to boost after tax income. Personal deductions have been reduced to a minimum however reasonable salary packaging savings are still available predominately through the packaging of motor vehicles that may produce a better after tax result of around \$5 per annum. Using an 'associate lease' to package a vehicle for a spouse or family member can potentially double the benefit.

### Optimise your investment structure

A major thrust of tax planning is to ensure that income is earned by the lowest tax paying individual or entity in a family group. There is little opportunity to divert employment or 'personal exertion income' for these purposes, however structuring your wealth producing assets to provide asset protection and estate planning benefits through the use of family, unit or hybrid trusts, sometimes including corporate beneficiaries should be considered. In the last 15 years Government legislation and ambiguous court decisions have progressively marginalised the effectiveness of traditional structures to invest and protect passive wealth at an appropriate tax rate. Traditional structures are increasingly ineffective in the 21st century and a review may facilitate more tax effective outcomes and establish next generation investment structures.

### Understand the tax benefits of capital gains

The second big ticket taxation item is to look for opportunities to build capital appreciating assets as opposed to generating income. The benefits of capital gains tax (CGT) discounting effectively halves the tax rate applicable to top marginal rate income and can be reduced further in certain circumstances. The CGT is also only paid when the asset is realised rather than each year as it is in respect of ordinary income.

The assets you choose to generate your capital gain are more important than minimising the tax on sale, as outlined at point 3 below.

### 2. Good debt vs bad debt

Careful management of your borrowings can result in very significant tax savings over a long period of time. Savvy wealth creators work hard to reduce non tax deductible debt as quickly as possible while building a tax deductible line of credit. The line of credit, assuming a top marginal tax rate effectively halves the interest cost, a significant saving over a 10 or 20 year period.

The biggest trap for the unwary is that once you repay a debt established to acquire an income producing asset a redraw will not be classed as tax deductible borrowings unless it is used for income producing purposes. Many people erroneously believe they can 'redraw' the loan against a rental property for example and retain its tax deductible character. Paying down a loan for an investment property while you still have a home loan is a good example of missing an ideal opportunity.

A further useful strategy for your own home is to rather than pay down the non tax deductible mortgage, build up funds in an 'offset' account. This reduces the non tax deductible debt while it is your principal place of residence. If you choose to move out to a new principal residence and rent your former home, as the debt has not been paid down but offset you can remove the offset funds clearing the way for the original mortgage to now become tax deductible.

### 3. Understand risk vs return

You don't need to have qualifications in free market theory to appreciate the maxim that the greater the return the greater the risk of an investment.

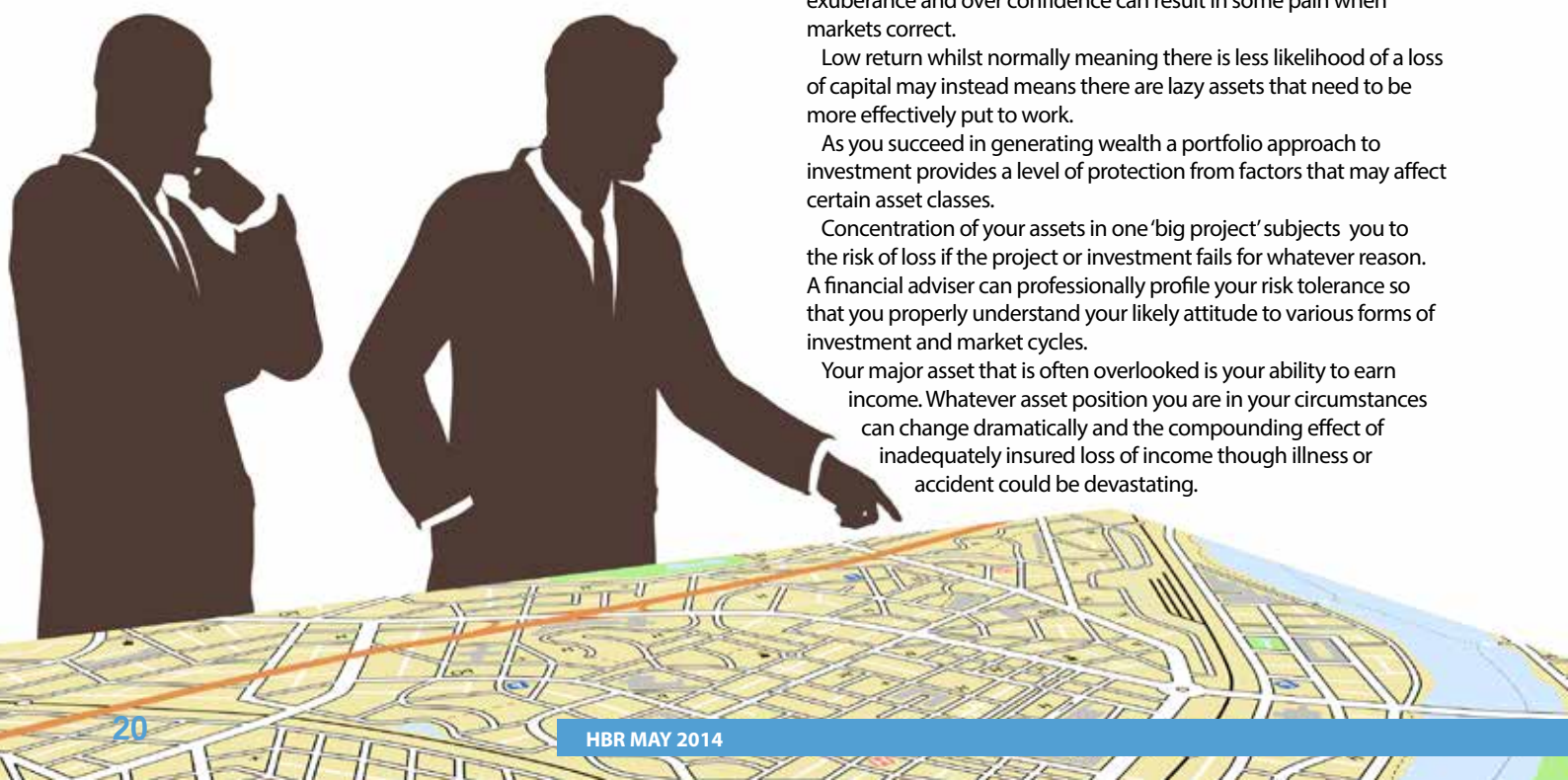
This is the balance between seeking to enhance wealth and preserving it. It is often a feature of bull runs or rising markets; and exuberance and over confidence can result in some pain when markets correct.

Low return whilst normally meaning there is less likelihood of a loss of capital may instead means there are lazy assets that need to be more effectively put to work.

As you succeed in generating wealth a portfolio approach to investment provides a level of protection from factors that may affect certain asset classes.

Concentration of your assets in one 'big project' subjects you to the risk of loss if the project or investment fails for whatever reason. A financial adviser can professionally profile your risk tolerance so that you properly understand your likely attitude to various forms of investment and market cycles.

Your major asset that is often overlooked is your ability to earn income. Whatever asset position you are in your circumstances can change dramatically and the compounding effect of inadequately insured loss of income though illness or accident could be devastating.





### Opportunity assets

While staying true to my comments about risk management and the importance of understanding your risk profile, to the right person there can be an opportunity to boost outcomes from your investment choices. While avoiding the temptation to 'bet the farm' there can be some contrarian investments that might give a higher return for acceptable risk. Whether it's an investment manager that looks for 'empty rooms' or unloved stocks that haven't yet been discovered or that investment property that is something different in size, location or alternate uses, there may be an opportunity to outperform usual returns.

### 4. Super strategies

Smart wealth creators maximise their super every year and stay abreast of the tactical opportunities that present themselves as their age profile changes and successive Governments fine tune the area. Salary sacrificing to the aged based limits is a must. The compounding impact of effectively getting a tax deduction to invest your income in a low tax environment is enormous. The ability to gain CGT exemption when your fund is in pension mode is another substantial benefit.

Further strategies around 'transition to retirement' (TTRs) involving the creation of concessional income streams and 'contribution splitting' with your spouse are also potentially available.

Self managed super funds are a growing and popular alternative to traditional super funds. Now the favoured choice for around one million Australians, advantages include greater control, flexibility to acquire certain assets like direct property, tax deductions for life insurance premiums and estate planning flexibility.

### 5. Get the right advice

There is no area where it is more important to concede that you 'don't know what you don't know' than financial advice.

The strategies outlined above whilst important are high level only and are representative of the multitude of tactics that are available to minimise taxation, invest wisely and grow your wealth.

Harmonising these opportunities in a fashion that gives you a 360

degree view of your financial landscape will not only assist with your understanding of the concepts but will increase the likelihood that you will take the important steps necessary to improve your own personal financial position while you focus on succeeding in corporate and family life.

*For further information contact Prosperity Advisers on (02) 4907 7222 email [amckeown@prosperityadvisers.com.au](mailto:amckeown@prosperityadvisers.com.au) or visit [www.prosperityadvisers.com.au](http://www.prosperityadvisers.com.au)*

### WEALTH CREATION CHECKLIST

- Packaged vehicle
- Associate lease
- Is your asset structure 'next generation'
- Build capital appreciating assets
- Establish a tax deductible line of credit
- Use an offset account for your home loan
- Understand the risk you are taking for the return you are expecting
- Properly insure your largest asset
- Maximise your super
- Keep a keen eye for opportunity
- Establish a SMSF
- Get proactive advice

**Allan McKeown** is the CEO and Founder of Prosperity Advisers and has over 25 years experience providing taxation and wealth advice to a range of executive and high net wealth clients. Prosperity Advisers is a Chartered Accounting and Financial Planning Advisory firm with 120 staff and offices in Sydney, Newcastle and Brisbane and is a foundation member of the global Leading Edge Alliance.

# Prosperity Advisers Group

## creating stronger futures

Prosperity celebrates 25 years of successful operation in 2014. Founded in the Hunter, Prosperity has grown to be an east coast financial advisory firm with personal global connections. Our local team of 70 people delivers a portfolio of chartered accounting, wealth management and salary packaging services to a range of clients.

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## Surfing Icon building for sale

Bobby Suminoski of Fourwalls Commercial has recently been appointed as selling agent of the building at 9 Darby Street Newcastle, home to the iconic local surf business Pacific Dreams which has a proud history of over 20 years in the manufacturing and selling of boards and retail surf products.

The building has a site area of approximately 560 sqm and dual street frontages to Darby and King Streets. Zoned B4 (Mixed use), the building is comprised of a quality retail showroom with a manufacturing and store area at the rear frontage (King Street). Current developments in the immediate vicinity include Newcastle Law Court (\$95 m) and the University's new city campus (\$95 m). The site is an ideal opportunity to take part in the revitalisation of the Civic Precinct.



## Significant Honeysuckle building purchased

Wholesale Fund Manager, Aviator Capital, has announced the purchase of a significant city building known as 1 Honeysuckle, Newcastle.

The property is part of the popular Boardwalk complex and comprises 2899 square metres of A-grade office space with basement parking for 40 vehicles.

The fully leased property holds a long lease with the Federal Government and is positioned near significant NSW Government urban renewal projects.

Aviator Capital will be offering investors the chance to buy into the Fund and has issued a Memorandum.

Director of Aviator Capital, Andrew Glen, says the investment offers strong rental income and expected capital growth.



## Amanda Black

*Business Development and Property Manager*

Amanda is renowned for her enthusiasm and dedication to her clients and fellow associates. Hard work, perseverance and follow through are second nature to Amanda, exactly the skills required in this industry.

Amanda believes communication and honesty are crucial elements for Property Management and with her experience and high level of commitment she has little difficulty in developing excellent working relationships with both landlords and tenants. No issue is too big or too small for Amanda and she ensures a prompt solution every time.

Amanda's determination and sheer want to strive in this industry has led her to expand her career to include Business Development Manager whilst still incorporating all facets of Property Management.

Call Amanda now on **0478 732 279** for your complimentary investment assessment.

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## New retail / commercial development for Cessnock

Cessnock Central is a two storey boutique retail and commercial development located right in the middle of the developing Cessnock Central Business District. The site is advantageously situated directly between the major Coles and Woolworths centres and is adjacent to the main retail strip in Vincent Street. There is a large adjoining carpark with vehicular access provided from Keene Street and Charlton Street.

The architectural integrity and art deco influences, combined with excellent workmanship, have given this building an excellent opportunity to be retro fitted with today's design criteria.

The objective of this approved development is to provide upmarket, high profile commercial facilities and boutique style retail and food outlets as a window of display for producers of the Hunter Valley region. At the centre of the complex, an upgraded courtyard area is provided for an indoor/outdoor alfresco dining and social interaction area.

Highlighted features include:

- Prominent site and exposure, situated adjacent to the main retail strip in Cessnock
- Great signage capability
  - Air conditioned new building
  - Main street and courtyard exposure
  - Managed centre



## Coles commits to Huntlee

Coles has signed on to purchase a significant parcel of land within the Huntlee development and will construct a major full-line supermarket and a range of integrated specialty stores.

Huntlee is the first new town for the Hunter in more than 50 years. On completion, it will comprise four neighbourhood villages surrounding a 200ha Town Centre which will also boast a \$10million Town Park with sports grounds, a 3ha lake and extensive recreational parklands.

Coles and its specialty stores are to be located in the Town Centre. The benefits of having a full-line supermarket located at Huntlee will extend beyond the town borders into surrounding townships such as Branxton, Greta, and North Rothbury.

Huntlee is a fully master planned community, it represents a total investment of \$1.5 billion and will generate 3000 permanent jobs and many more during the construction phase. On completion, the town will have a total of 7500 dwellings.

The Stage One works, which commenced in February, include the subdivision of the first residential village, Katherine's Landing, to accommodate up to 2000 new homes plus an extensive range of community facilities. Stage One also includes development of the first 60 ha in the mixed use Town Centre.



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Contact Bobby Suminoski  
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## SHARP ELECTRONICS GROUP

**Brendan Driscoll** has joined the team at Sharp Electronics Group as Sales Executive for their Point of Sale Division – SENPOS. With an extensive background in solution selling, Brendan will be focusing on understanding the diverse needs of organisations in the Hospitality industry in the Central Coast and Southern NSW regions.



## VISITOR ECONOMY HUNTER

Visitor Economy Hunter's new Director is **Roger Stephan**, the CEO of Hunter Councils. He will now carry out both responsibilities. Roger has direct experience as an economic development and business specialist. He has overseen tourism strategy and implementation in two local government areas and has provided tourism consultancy advice to a wide range of clients.



## THE DIAMOND GROUP

**Darren Kent** has joined the Diamond Group as the Comms Technical Operations Manager. He brings over 18 years of industry experience and has a history of designing and delivering solutions that maintain long term relationships and that consistently exceed expectations.



## RPS

Consultancy firm RPS appointed **Darrell Rigby** as General Manager. For the past seven years, Darrell has been a senior member of the Newcastle executive team and the Cultural Heritage Technical Director for Australia Asia Pacific.



## THE UNIVERSITY OF NEWCASTLE

The University of Newcastle has announced **Dianne Allen** as the new deputy chancellor. Ms Allen is an Associate of the Institute of Chartered Accountants, and has more than 15 years of boardroom experience in government-owned corporations and not-for-profit organisations. She has been a University Council Member since 2006, chair of the Finance Committee since 2007, and pro chancellor since 2011.



## PROSPERITY ADVISERS GROUP

Prosperity Advisers Group has appointed **Daniel Cawthorne** as an Associate Director. Following stints with KPMG and PPB Advisory in Sydney, Daniel will strengthen Prosperity's business advisory capabilities. He has experience working with finance managers, CEOs, owners and boards of small ASX companies on improving their financial situations.

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## **LG G FLEX SMART PHONE**

The LG G Flex is offered as the first curved smartphone available in Australia, with Dual Window and QuickTheater for productivity and entertainment, an LG Rear Key for easy access as well as a Fluid lock screen and KnockOn gestures for quick access. The 6 inch curved screen with 245 pixels per inch is designed to offer a more immersive viewing experience. Other features include: a Qualcomm Snapdragon 800 2.26GHz Quad Core processor with 2GB RAM; a 3500 mAh battery; 13 MP rear camera with 2.1 MP front camera; up to 32 GB of storage for music, movies, photos and games; and an advanced self-healing back cover.



## **USB WALL SOCKETS**

Australian company USBsockets.com.au is offering a wall sockets range that combines an Australian Standard approved dual 240 V power socket with twin USB powered charging outlets. The USB 5 Volt sockets are perfect for charging any device fitted with a USB connection including mobile phones, tablets, cameras, electric shavers and more without the need for bulky adapters. The range is a direct replacement to the standard Australian GPO double power point.



# **TECHNOLOGY**

## **WINDOWS 8.1 APP FOR ACCOUNTRIGHT LIVE**

MYOB AccountRight Live clients with Windows 8.1 devices can view their books on-the-go with the new Windows 8.1 Companion App for AccountRight Live. The app, currently in beta, is free to download on the Windows app store. The app provides data reporting such as 'Balance Sheet', 'Profit and Loss', 'Who Owes Me Money' and 'Who I Owe Money To' via graphs, charts and tables, to help businesses easily gain strategic insights into their numbers.



## **ROKU STREAMING STICK**

The Roku Streaming Stick (HDMI Version) is a convenient stick that streams a wide range of entertainment to a TV. There is a choice of over 1,000 channels and 31,000 movies with more added all the time. Media can also be sent from a smartphone or tablet to the TV. The Roku Streaming Stick can be controlled with the included remote or via a mobile device.



## Report identifies more focused way to fight cyberthreats

Report finds nine basic patterns make up 92 percent of security incidents; no organisation is immune from a data breach.

Verizon security researchers have found that 92% of all security incidents over a ten-year period can be traced to nine basic attack patterns that vary from industry to industry. This finding, the highlight of Verizon's "2014 Data Breach Investigations Report," will enable a more focused and effective approach to fighting cyberthreats.

"After analysing 10 years of data, we realise most organisations cannot keep up with cybercrime – and the bad guys are winning," said Wade Baker, principal author of the Data Breach Investigations Report series.

"But by applying big data analytics to security risk management, we can begin to bend the curve and combat cybercrime more effectively and strategically.

"Organisations need to realise no one is immune from a data breach. Compounding this issue is the fact that it is taking longer to identify compromises within an organisation – often weeks or months, while penetrating an organisation can take minutes or hours," Baker said.

The DBIR identifies the nine threat patterns as: miscellaneous errors such as sending an email to the wrong person; crimeware (various malware aimed at gaining control of systems); insider/privilege misuse; physical theft/loss; Web application attacks; denial of service attacks; cyber-espionage; point-of-sale intrusions; and payment card skimmers.

This year's report found that on average, just three threat patterns cover 72% of the security incidents in any industry.

For example, in the financial services sector, 75% of the incidents come from Web application attacks, distributed denial of service (DDoS) and card skimming, while 54% of all manufacturing attacks are attributed to cyber-espionage and DDoS. In the retail sector, the majority attacks are tied to DDoS (33%) followed by point-of-sale intrusions (31%).

### Other key findings in the report include:

- Cyber-espionage is up again in the 2014 report, representing a more than three-fold increase compared with the 2013 report. In addition, these attacks were found to be the most complex and diverse, with a long list of threat patterns. As it did last year, China still leads as the site of the most cyber-espionage activity; but the other regions of the world are represented, including Eastern Europe with more than 20%.
- For the first time, the report examines distributed denial of service attacks (DDoS), which are attacks intended to compromise the availability of networks and systems so that, for example, a website is rendered useless. They are common to the financial services, retail, professional, information and public sector industries. The report points out that DDoS attacks have grown stronger year-over-year for the past three years.
- The use of stolen and/or misused credentials (user name/passwords) continues to be the No. 1 way to gain access to information. Two out of three breaches exploit weak or stolen passwords, making a case for strong two-factor authentication.
- Retail point-of-sale attacks continue to trend downward, exhibiting the same trend since 2011. Industries commonly hit by POS intrusions are restaurants, hotels, grocery stores and other brick-and-mortar retailers, where intruders attempt to capture payment card data. While POS breaches have been in the headlines lately, it is not indicative of the actual picture of cybercrime.
- While external attacks still outweigh insider attacks, insider attacks are up, especially with regard to stolen intellectual property. The report points out that 85% of insider and privilege-abuse attacks used the corporate LAN, and 22% took advantage of physical access.

The 2014 report can be downloaded from [www.verizonenterprise.com/DBIR/2014/](http://www.verizonenterprise.com/DBIR/2014/).



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## Australian Internet of Things Forum

The Lunaticks Society of Newcastle is holding its inaugural Australian Internet of Things Forum on 15 May. It is a partner event in the Hunter Innovation Forum.

This Forum will question what needs to be done to ensure Australian cities [like Newcastle] and industries take the lead in Internet of Things (IoT) innovation and adoption, and discuss ways to boost

technological innovation and benefit from the impact of technology.

This Forum is open to C-level executives and managers from the three tiers of government and the wider public sector, as well as private companies, whose work relates to the IT operating environment including manufacturers, distributors and suppliers of IoT infrastructure, products and services.

### Speakers include:

- **Prof Philip Ogunbona**  
Professor and Director ICT Research Institute  
University of Wollongong
- **Kate Carruthers**  
IT Manager, Engineering Faculty UNSW Australia
- **Dr Andrew Mears**  
Founder and Managing Director SwitchdIn
- **Dr Mark Balnaves**  
School of Design Communication and IT UoN •
- **Eric Carson**  
Business Intelligence Director Kinetic Information Systems
- **Dr Anthony Laskovski**  
VP and Co-founder VIMOC Technologies
- **Jean-Jacques Dubray**  
Founder Convergence Modeling
- **Barry Lener**  
Chief Technology Officer Huawei Australia

### The forum will also cover Newcastle IoT [Smart City] projects and success stories such as:

- **VIMOC Technologies** – Smart Street project which has been entered in Cisco's US\$250,000 Internet of Things Grand Challenge.
- **SwitchdIn** – revolutionary cloud platform to manage community solar panel networks.
- **M2Mlogic** – smart transport management system to optimise public transport performance
- **RDA Hunter/DevFU** – Internet of Things educational program for Hunter high schools.
- **University of Newcastle** - enter a team in the inaugural Maritime RobotX Challenge which is an international competition for students organised by the US Office of Naval Research

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## Konica Minolta's advanced monitoring capabilities

Konica Minolta's latest series of Bizhub multifunction copiers incorporate advanced 'Remote Panel' technology, permitting technician access to the MFD from any remote location not on the same network. As if they were standing in front of the MFD, a technician can remotely access all data and system areas of the MFD, capture data, perform tests and adjust various settings. The remote panel feature greatly assists with diagnosing any faults before the device needs to be sighted.

The biggest winner to this 'Remote Panel' technology is the customer, benefitting from advanced service levels. With instant access to the system, response times could literally be zero minutes in some instances. This is a significant breakthrough for IT Managers as well who typically need to maintain multifunction devices across various departments and locations. Considerably quicker service response results in reduced MFD downtime and maximises office productivity.

## Xero plans to bring banking model to Australia

Following a joint initiative with Commonwealth Bank of Australia's New Zealand subsidiary, ASB Bank, Xero plans to bring its next generation banking model to Australia.

The online integration between ASB FastNet Business and Xero streamlines business-to-business payments. Small business owners, or their bookkeeper or accountant, can now prepare payments in Xero and send them securely to FastNet Business, ready for the business owner to check and authorise, saving several hours per month.

With customer consent, data could flow between the two worlds – making each product that much more useful. If a customer wishes, financial data could be passed back to the bank for a variety of services: for payments; for a loan application; or for signing-up to additional services.

The service is now available to all Xero customers who use ASB's FastNet Business multi-user online banking platform.

## Windows XP support ended

Microsoft stopped supporting its XP Operating System on 8 April meaning that there will no longer be updates.

This will leave XP computers more open to viruses, spyware and other malicious software. They will also not receive updates to improve reliability and support new devices.

XP users are recommended to update to at least Windows 7 which will be supported until 2020. Until this is done it is more important than ever to ensure that security an anti-virus software is kept completely up to date.



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## 2014 Hunter Innovation Forum

Leading thinkers will gather in Newcastle in May for a multi-faceted forum looking at the Hunter region's role in the global innovation race.

The 2014 Hunter Innovation Forum is a series of events for industry, experts and the broader community to consider the latest innovation trends and how the Hunter region can best benefit from embracing new ways of thinking.

Hunter Innovation Forum Chair John Coyle said innovation is vital to address the many challenges faced by Australian industry in today's era of global competition.

"Productivity across all industries must be improved to compete globally and the best way to achieve this is through innovation," Mr Coyle said.

"Not only is innovation the key to business success, creating jobs and wealth for future generations, it makes for more vibrant and creative cities."

The forum events include a range of free industry symposiums and partner events which may attract a fee.



### Free industry symposiums

#### *Resourceful Innovation – 1 pm on 15 May at Newcastle City Hall*

Sessions cover solutions to contemporary challenges in the Hunter's traditional industry strengths of mining, manufacturing and energy. The region is transforming and the change is being driven by smart SME's, by big research projects and by the region's skill development and commercialisation programs. This afternoon is an opportunity to catch up on where we are and why our big industries will continue to adapt and drive our region's economy.

#### *Working Innovation – 9.30 am on 16 May at Newcastle City Hall*

Sessions cover a broad range of industry sectors including creative industries, health, retail, transport, construction, and education and training. Areas of focus include disruptive innovation, traditional and emerging industries, health, crowd-sourcing and urban revitalisation.

#### *Living Innovation – 9.30 am on 17 May at NBN Television Studios*

Attendees can be in the studio audience as presenters discuss how living innovation in the 21st century will enable and empower change and progress. The keynote speaker will step into the creative industry space and consider what the future may hold. Other sessions include The Innovative City, Upstart Start Ups, Pushing Innovation and Entrepreneurship in the Media, and Great Innovations. From idea to innovation - discussion and debate are guaranteed in these open panel sessions.

### Partner events

#### *Partner events include:*

- The Australian Internet of Things conference, being held at Newcastle Town Hall on 15 May commencing at noon.
- BRW Most Innovative Companies breakfast at 7 am on 16 May at Merewether Surfhouse. Presented by SIDCOR Chartered Accountants and Ideation at Work
- The Hunter Defence Conference, being held at the Fort Scratchley Function Centre on 21-22 May.

*More details and registration information for partner events can be found at [www.hunterinnovation.biz](http://www.hunterinnovation.biz)*

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## How innovative are we in the Hunter?

The Hunter Valley Research Foundation (HVRF) has monitored and evaluated business innovation in the Hunter Region since 2009, with its latest findings showing the proportion of Hunter firms introducing new products or services dropped from 37% in 2011 to just 26% in 2013.

This worrying sign of a reduction in the levels of innovation was also reflected in the data for Hunter businesses' expectations for capital expenditure over the 12 months from December 2013. Expectations were at their lowest level since early 2009. Both measures underline the growing pressures on regional businesses and the impact of uncertainty and reduced liquidity on their willingness and ability to invest in their future prosperity. This is concerning for the region's economic future.

HVRF researchers are currently working with Regional Development Australia Hunter (RDAH) to examine international innovation indicators and measures, in an effort to identify a benchmark against which to measure the Hunter's performance. The story revealed by the HVRF's innovation research is also reflected nationally, with Australia's rankings in the OECD on various measures of innovation relatively low compared to our rankings for current GDP (Gross Domestic Product) per capita.

The HVRF's business innovation survey, conducted annually, is part of a growing global body of data that examines innovative capacity, mostly at the national level rather than regionally.

The European Commission's (EC) recently released 2014 Innovation Scoreboard, for example, uses available published data and the results of the Eurostat Community Innovation Survey to determine 25 different indicators and several different dimensions in an attempt to capture the main drivers of innovation performance.

It found that Sweden was once more the best performing innovation system in the European Union (EU), followed by Denmark, Germany and Finland. Globally, the United States and South Korea both outperformed the EU in innovation measures by 17% and Japan by 13%. The EU continues to have a performance lead over Australia and Canada, which score at 62% and 79% of the EU level respectively.

While the HVRF researchers are engaging local firms to try and establish a benchmark against the nation and the world through surveys and interviews, there is a growing understanding that top level indicators, of the sort developed by the European Commission, can only reveal a very broad picture of what is happening in businesses. It is one thing, for instance, to identify



issues relating to the Hunter's knowledge base, as revealed by our lower than the national average school completion and higher education attainment rates, and another to translate that meaningfully into the business environment.

Top level analysis can help to guide government policy makers, who can prioritise programs to encourage greater educational attainment or increased research and development at our universities. But unless an individual business owner/operator is prepared and able to access skills and knowledge, to demonstrate the entrepreneurial spirit and strategic vision to invest in the future, even when their day to day operations are challenging, a public investment at the top level may not improve our businesses' innovation activity and preparedness for economic change.

While HVRF work to develop benchmark measures to assist in policy development, they will also be seeking to work more closely with businesses in the region to identify what they are doing now and what they need to help them introduce an innovative culture. By getting below the headline findings and seeking to more fully understand Hunter businesses' environments, the Foundation hopes to identify where the gaps are to a highly effective innovation system for the Region and what can be done to address them.

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## Merewether High reaches Abu Dhabi World Finals

The Merewether High F1 in schools team Super Sonic Speed, will form part of an intra-state collaborative team that will compete in the Abu Dhabi World Finals in November this year.

The Super Sonic Speed Team placed third overall in a 30 strong field. They also won the Fastest Car, Knockout Championship and Best Pit Display categories. The team was commended for finishing in the top three in the Grand Prix Race Award, Best Portfolio, Outstanding Industry Collaboration and Most Energy Efficient Design Award.

F1 in schools is an international challenge in which teams of students aged 9 to 19 deploy CAD/CAM software to collaborate, design, analyse, manufacture, test and then race miniature compressed air powered balsa wood Formula 1 car prototypes.

"It is incredibly pleasing to have a team compete in the World F1 Finals in Abu Dhabi. It is the first time in the Hunters history of participating in the competition that a team has made it to this level and shows the depth of talent we have here in the Hunter" said ME Program Manager, Mr Ashley Cox.

F1 in Schools Hunter teams are supported and sponsored by RDA Hunter's ME Program and many local industry partners. The ME Program links industry with its future workforce. It works to provide school students and teachers with current industry practices and knowledge while providing industry with an engaged and capable workforce.

The F1 in Schools challenge is one of a number of technology pathways supported by the ME Program which promotes the career benefits of studying Science, Technology, Engineering and Maths (STEM) subjects. It encourages students to apply their learning in a 'real' situation and helps develop other schools such as project management, business marketing, presentation and communication skills that provide long term employability.

Super Sonic Speed is currently seeking sponsors to assist in competing at World Finals.

## Newcastle defence supplier takes out Innovation Award

ATSA has taken out the Innovation Award at the Annual HunterNet Chairman's Awards held in April.

Accepting the award on behalf of ATSA was Jennylee Taylor, the company's general manager. On acceptance, she spoke of the company's commitment to high-tech electronics in the notably tough environments of defence and offshore oil and gas.

"Our people have a great deal of passion for their work," said Ms Taylor. She also acknowledged the vision of the company's owners – the

Burrowes and Hodges families - whose belief in ATSA led them to taking risks in this niche market through the acquisition of UVS to enable them to service multiple markets nationwide.

The gala awards night was attended by local dignitaries Tim Owen MP and Sharon Claydon MP, as well as over 200 staff of member companies of business co-operative HunterNet.



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## Innovation in patents? Whats next...?

**Damon Henshaw**  
**Davies Collison Cave**

A typical scenario for a business with a world beating idea: patent protection is applied for and a patent is, eventually, granted. If the business is interested in overseas markets, let's say in the US and Asia, patent protection is extended to those countries as well. Sounds simple, right? But there are costs and protracted examination processes along the way. The process of securing patent protection may start with an Australian provisional patent application, followed by an international application that then branches into the required national applications.

### The (old) long and winding road

Using the above scenario, before an enforceable patent is granted, the international application is searched and examined, and then the individual Patent Offices conduct their own search and examination procedures. Anyone who has sought protection in the US will know it can take 3 to 5 years to get a patent. There are some serious inefficiencies at play, with a single invention being searched and reviewed multiple times across multiple jurisdictions.

Those inefficiencies have led to delays and increased costs, at a time when businesses need speed and certainty in establishing their overseas markets. However, there is now a short circuit – an innovation in the patents system itself.

### The global patent prosecution highway

A program called the Global Patent Prosecution Highway (GPPH) was introduced earlier this year in 13 countries, including Australia. A clear examination report in any one of those countries can be used to fast track examination in the other countries.

### How does it work?

Patent Offices, like any other public offices, are under constant cost pressures.

An ever increasing workload through greater patent application filings has placed demands on the ability of Patent Offices to conduct timely search and examination of patent applications. Backlogs and delays have developed as a result. The GPPH is a globalisation measure introduced by some of the major Patent Offices to help alleviate that backlog. It has been acknowledged that if a competent Patent Office in one country has already conducted a thorough search and examination, there is less need for an equivalent Patent Office in another country to repeat that process. As such, unless there is good reason to conduct an expanded search and examination, a positive report issued in one country can be used to fast track the application through another Patent Office.

### Practical tips

With the above in mind, an initial application can be filed in Australia and an expedited examination requested, which will result in a full international search being conducted on a rush basis and an Examination Report will usually issue within about 3 to 4 months. A positive Report can then be used as a basis to push a corresponding application through in the US, for example. From practical experience, it is possible to obtain a US patent in less than 18 months after filing, using this practice. As an alternative, a positive report in an international application can also be used in the GPPH. There are, of course, some benefits in not having an application granted quickly. A pending application provides additional flexibility for amendment to capture infringements. However, if a quick grant of a patent is commercially attractive, the GPPH provides a very useful tool. The countries participating in the GPPH are Australia, Canada, Denmark, Finland, Iceland, Japan, Republic of Korea,



Norway, Portugal, Russia, Spain, United Kingdom and the United States of America.

### What does it mean?

The GPPH allows patent protection to be secured at a pace that can match commercial expectations in overseas markets. Once granted, the patent can be used to protect market share at an early stage of business growth and development for competitive positioning, direct manufacturing and sales or licensing opportunities.

### What's next?

The GPPH is an expanded version of an earlier program between Australia and the US called the Patent Prosecution Highway (PPH). The GPPH represents a progressive move of the international community to a more harmonised system where patent protection is faster and cheaper to obtain.

The globalisation of the examination process is another step toward providing faster and easier to access patent rights designed to foster and encourage creativity and innovation for local businesses right through to multinational corporations.

**For more information contact Damon Henshaw at Davies Collison Cave on 4960 8366 or email [dhenshaw@davies.com.au](mailto:dhenshaw@davies.com.au)**

**Damon Henshaw** is a Partner at Davies Collison Cave. He has extensive experience as a patent attorney, specialising in a range of engineering-related sectors, including mechanical and engineering sciences, medical devices, manufacturing, clean technologies, automotive and physics. He has been successfully representing local and international clients for over 20 years, advising on IP strategy and crafting patent protection for businesses ranging from start-ups through to multinational corporations.





## Business benefits when innovation is embedded in company culture

**Christina Gerakiteys**  
*Ideation at Work*

Western cultures have largely solved problems by establishing rules, rules that inflict limits on situations and confine behaviours to what is deemed to be acceptable. It seems we also have a need to confine through definition? Innovation is a word that has increasingly been bandied around for quite a few years and ironically, as the practice of innovation appears to be coming into its own, we increasingly try to box a definition... or two or three, around it. So which definition is accurate or acceptable? Should we go Harvard or Oxford?

Not content with debates about the definition of innovation, dissecting innovation into types is becoming increasingly popular: would like your innovation disruptive, incremental or sustainable? As we draw attention and even celebrate innovation throughout May across Australia, here's a challenge. Don't let the search for definition get in the way of a good innovation. Get it happening in your business or organisation. Now. Need some inspiration to remind you of the benefits? Try Apple, Semco or Google. Want something to give you confidence a little closer to home think Boost Juice Bars and ADSL.

How do you embed innovation at your place? Implement systems to ensure that creativity and innovation are enabled and supported. Empower your people to ask questions. Provide a vehicle for conversation or the sharing of ideas. A certain large financial institution that has been placed rather highly in the BRW's Most Innovative Companies List for the last couple of years uses an online system, where all employees are able to contribute ideas and all employees vote on those ideas. The best ideas receive a small budget to get them happening enough to assess viability. A local Hunter company allows their people access to an online ideas board and has an innovation leaders team that meet for one hour once a month. It's not a huge time commitment, but the culture of innovation is rippling throughout the organisation. What is important is that employees feel valued for their contributions and no ideas are defined as bad ideas. Imagine if 3M hadn't given Post-It Notes one last chance...

The encouragement of ideas is in itself a gigantic step forward. Put some professional development dollars into having a few sessions facilitated. Think collaboration and look around for complementary partners. With our roller coaster, see-sawing economy and the only constant being change, it is timely to note that Robert D. Atkinson and Stephen J. Ezell suggested that "the decline in innovativeness was the underlining long term cause of the financial crisis" (Innovation Economics: The Race for Global Advantage). They suggest that it was the "investing in consumption", rather than "wealth-creating innovation" that

contributed to this spiral. If we look around at what is happening now, we see companies, organisations and governments cutting and saving instead of looking for opportunities for growth and development.

The Diffusion of Innovation Theory, developed by E.M. Rogers in 1962, explains how, "over time, an idea or product gains momentum and diffuses (or spreads) through a specific population or social system. The end result of this diffusion is that people, as part of a social system, adopt a new idea, behaviour, or product." It might be, if we are lucky, that innovation itself is being swept along by the Diffusion of Innovation Theory.

**For further information contact Christina on 0425 236 156, email [ideation@ideationatwork.com.au](mailto:ideation@ideationatwork.com.au) or visit [ideationatwork.com.au](http://ideationatwork.com.au)**

**Christina Gerakiteys** is the Creative Director of Ideation At Work and offers consultancy and tailored workshops to instigate and realise innovative practises in organisations and small and medium businesses. She is also the Business Advisor to the Creative Industries at The Business Centre.



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**Paul Siderovski**  
**SIDCOR Chartered Accountants**

Did you know one of Steve Jobs greatest innovations came while in Malaysia when he observed a child trip over the cord attached to a hot wok? Jobs was amazed when the child did not get scalded by the wok due to a design masterpiece - the cord came away from the wok because it had a magnetic attachment. This was the inspiration behind Apple Mac's magnetic cord.

The key learning from this story is that innovation is everywhere and is occurring in businesses every day. But to innovate for the benefit of your business, you need context. You need to understand how innovation from other businesses can be applied in your business in line with your VISION for the business (assuming you have one). This is something I call strategic innovation - innovation that is in the context of your business vision.

I have observed many businesses during my career and have noticed that if people simply apply innovation to their business without a vision they often burn up a lot of time, energy and money for little result. Their "innovation" can become a burden.

The number one innovation for my business this year is to prepare all tax returns for clients and have them electronically signed instead of printing them as has been done for the past 100 years. This innovation will help SiDCOR's vision to change people's lives - it will make tax time more convenient for our clients as well for my team who spend hours beside the printer!

**For further information contact SIDCOR Chartered Accountants on (02) 4926 5299 or email [info@SIDCOR.com.au](mailto:info@SIDCOR.com.au)**

**Paul Siderovski**, the founder and Managing Director of SiDCOR Chartered Accountants, has 17 years experience since starting as a chartered accountant with PricewaterhouseCoopers in 1995. Paul started Newcastle-based SiDCOR in 2002. Paul has a Bachelor of Commerce from the University of Newcastle and is a Member of the Institute of Chartered Accountants and the Taxation Institute of Australia as well as the National Tax and Accountants Association.



## Locally developed technology gains overseas markets

ShafTest, Bureau Veritas' technology for testing critical shafts and pins, is now successful on an international scale. ShafTest has been the inspection method of choice of Australia's largest mining companies for many years, but is now being employed overseas to manage the reliability of wind turbines.

Cracking in shafts can lead to catastrophic failure, placing health and safety of personnel at risk, as well as causing collateral equipment damage and unplanned downtime. ShafTest is a portable ultrasonic flaw detection system for determining the condition of shafts and pins, helping to prevent these failures.

Dr Guy Cotterill, ShafTest technology co-inventor and ShafTest services manager at Bureau Veritas, recently led a campaign to inspect 32 in-service wind turbine main shafts in Southern China. The towers were approximately 12 years old and one of the towers had failed without warning. Of the 32 shafts tested, 2 shafts showed strong evidence of cracking.

From the experience in China, Bureau Veritas saw the potential to expand to the European market - the biggest wind power producers in the world.

"The advantage of Europe is that most wind farms are a short flight away from our offices. ShafTest personnel can complete multiple projects over a shorter period of time," Dr Cotterill explained.

Bureau Veritas has since introduced ShafTest to Spain for the inspection of 12 wind towers. Bureau Veritas' European wind power division is now working with the Spanish client and other operators to design a new service to assess and prolong the remaining life of wind towers.

A home-grown technology, ShafTest was developed by a team of Bureau Veritas engineers each of them graduates from the University of Newcastle. The project was funded by both Bureau Veritas and the Australian Coal Association Research Program (ACARP) and was supported by the Australian coal industry. Dr Cotterill, also graduating from the University of Newcastle with a PhD in physics, led the R&D effort that produced the ShafTest system. He is now responsible for diffusing the technology throughout Australia and internationally by leveraging Bureau Veritas teams in Europe, Asia, and the Americas.





## Collaboration key to local manufacturers becoming high tech

The Australian Industry Group's Innovation Cluster was recently introduced to "Rosie" the robot by Dr Gavin Paul, Research Fellow, Mechatronics and Intelligent Systems Group of UTS.

"Rosie" was invented by the University of Technology Sydney (UTS) for the Roads and Maritime Services NSW to grit blast the girders and decking underneath the roadway of the Sydney Harbour Bridge. She goes about her "cleaning" most nights of the week, and although she does wear a dress of sorts to protect her working parts from grit, she bears little resemblance to the Jetsons' robot.

Dr Paul described the development of the unique grit blasting process over a period of 8 years in conjunction with RMS engineers and bridge workers. The end result, a unique grit blasting process, has removed very heavy and dangerous work from human effort while maintaining a high standard of finish on the surfaces. The robot uses remote sensing devices to map the job in 3D before commencing its tasks.

Rosie, he said, is an example of the type of technological advances manufacturers need to be making in order to survive and prosper.

Cluster Chairman, Larry Platt, Executive Chairman of the Advitech Group, comments "the Ai Group is encouraging Hunter manufacturers to look to opportunities in working with university researchers to create new products and process.

"The Innovation Cluster is a collaboration between Ai Group, HunterNet and the University of Newcastle. Although only formed in 2013, the Cluster now has over 20 members, equally comprising manufacturers and researchers. Meetings are held regularly and move around between the university and innovative manufacturers."

Deputy Chair Simon Crane, Managing Director of the Lovells Group observed that "only those manufacturers with a technological edge will survive. Whether you make a state-of-the-art product, or a simple product in a state-of-the-art plant doesn't matter: what matters in the survival stakes is that you must have something to offer that is world-class"

To achieve this, Simon Crane, Innovation Cluster members, and the Ai Group share the view that the engagement of the University of Newcastle is essential for the transformation of local manufacturing to higher tech products and services. Ai Group is in discussion with the University on other means of accelerating progress of this objective.



Larry Platt Executive Chairman Advitech and Cluster Chairman, with Dr Gavin Paul, Professor Bob Betz Head of School of Electrical Engineering, and Cluster participants at first meeting held at Advitech, Mayfield.



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## Nationally accredited training in innovation

The Business Centre in Newcastle has developed the first nationally accredited innovation learning and skills business course of its kind in the Hunter.

The Rippler Effect is a highly resourced 7 day program where individuals and companies turn innovative ideas into a commercial reality. On completion individuals achieve accreditation in Innovation Practice and Innovation Management that can articulate into a Diploma in Entrepreneurship.

International research has shown that most companies highly value innovation yet few invest in it.

A study by the Boston Consulting Group investigated the types of innovation companies considered to be most critical to success. The most critical were found to be:

- New offerings for existing customers
- New products that allow for expansion into new customer groups

The study also identified a framework of capabilities that are critical to innovation success, which included:

- Developing a deep understanding of customers and their preferences
- Partnering effectively with suppliers and others for new ideas
- Ensuring executive-level sponsorship of projects
- Enforcing timelines and milestones
- Earmarking sufficient funds for projects
- Moving quickly from idea generation to initial market entry
- Balancing risks, time frames, and returns across an entire portfolio of projects
- Fostering a corporate culture that promotes innovation

The Rippler Effect has been developed through consultation

with local organisations and businesses in the Hunter. The Innovation program acknowledges the strong correlation between innovation and strong leadership and organisational alignment to ensure commitment to innovation.

Under The Rippler Effect, The Business Centre has developed a series of workshops over a seven-day program over six months, aimed at embedding innovation into organisational culture. The program is delivered in two stages. At the successful completion of Stage One participants will be accredited with a Skill Set in Innovation Practice. At the successful completion of Stage Two, participants will be accredited with a Skill Set in Innovation Management.

A key outcome of the program is to arm business owners, business managers and executives with the resources to harness innovation in their business. Then they can increase productivity and profits from good ideas.

The workshops approach is one which encourages collaboration amongst different companies to solve existing problems, create new product, or create new processes. These skills will then be transferable into individual businesses and assist companies with making decisions about where to invest.

A component of the program is the development and delivery of an innovation project related to the participant's business, presented to the group for peer review and support.

The Business Centre, with the support of State Training Services will be running two courses in Innovation Practice and Management. The first course will commence on June 2, 2014 and the second course will commence on June 30, 2014.

## Supporting innovation in the Hunter

Innovation is crucial to the Hunter region's future prosperity. In an increasingly globalised world the ability to compete is based around taking advantage of new opportunities and continually refining systems. Advancing innovation in the Hunter is a key focus for Regional Development Australia (RDA) Hunter as we work to increase the Hunter's competitiveness in the world economy.

RDA Hunter facilitates collaboration between enterprise, tertiary education and government to ensure knowledge sharing,

technical development and a positive attitude to new ideas – key principles for an innovative business environment – through its Hunter Innovation Scorecard, ME Program and support of the Hunter Innovation Forum.

By benchmarking against the world's best innovators the Hunter can forge a path for the future that is globally competitive. The European Union (EU) recognises that innovation improves economic performance and employment opportunities - demonstrated by its ongoing multi-billion dollar investment in innovation programs. It also measures the innovation performance of its members with the Innovation Union Scoreboard and the Regional Innovation Scoreboard.

RDA Hunter is applying the EU's lessons in the region by producing the Hunter Innovation Scorecard. Due for national launch in July, the 2014 Scorecard will benchmark Hunter businesses against EU indicators to determine our true innovative capability. It will position the region internationally and provide a base from which to work to improve the uptake of innovation.

Endorsed by State and Federal government, the 2014 Hunter Innovation Scorecard will highlight the Hunter's world class logistics supply chain and feature a case study on Hunter Valley Coal Chain Co-ordinator (HVCCC) - emulated internationally for its collaborative model.

Of national significance, The ME Program, another of RDA Hunter's key innovation initiatives, works to build a skilled and ready workforce for the future. Preparing students with education and skills appropriate for jobs in the world economy is the focus of the award winning program that has already seen STEM subject selection increase at its member schools.

## Revolutionary clean energy technology launched

An innovative heat conversion technology that generates low cost, zero carbon emission electricity from waste heat sources was unveiled on 15 April by the Honourable Bob Baldwin MP, the Member for Paterson and Parliamentary Secretary to the Minister for Industry.

Located at Newcastle City Council's Wallsend Swimming Centre, the GRANEX demonstration plant produces both electricity and heat for onsite use.

It comprises a 200 kW field of parabolic solar collectors plus related power block and thermal storage elements. It is a miniature version of what can be set up at distant locations not supplied by the national electricity grid.

Invented by Professor Behdad Moghtaderi and Dr Elham Doroodchi, both based at the University of Newcastle's research institute - Newcastle Institute for Energy and Resources (NIER), the technology will deliver low cost, year-round pool heating.

"In this scenario, both the community and council will benefit from year round trading," Professor Moghtaderi said.

"This project demonstrates the cost benefits of this technology in a market where rising electricity costs continue to impact the bottom line."

The technology also has significant implications for industry and remote communities.

"This is game changing technology for remote industrial sites currently reliant on diesel power generation including mining and the oil and gas sector."

"Alongside the tangible cost saving benefit to industry, this technology will have widespread social impacts in reducing the need for diesel generation in remote Australian communities," said Professor Moghtaderi.

The partnership which produced this breakthrough included Granite Power, the University of Newcastle, Newcastle Innovation, the Newcastle Institute for Energy and Resources (NIER), the Central Coast based engineering company Archer Enterprises and the Australian Renewable Energy Agency (ARENA).



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The Archer Enterprises team with Granite Power Research Project Manager Sean McCracken

## Emissions Reduction Fund White Paper

The Federal Government has released the Emissions Reduction Fund White Paper which outlines the centrepiece of the Government's Direct Action Plan to reduce greenhouse gas emissions - The Emissions Reduction Fund. The target is to reduce Australia's emissions to 5% below 2000 levels by 2020.

In the Green Paper, the Government set out a commitment to the Emissions Reduction Fund of \$300 million, \$500 million and \$750 million—a total of \$1.55 billion. This commitment will be extended to \$2.55 billion, with further funding to be considered in future budgets. These funds will be allocated flexibly over time according to the profile of projects contracted under the Emissions Reduction Fund.

### The three principles in the design of the Emissions Reduction Fund were:

- Lowest-cost emissions reductions: the Emissions Reduction Fund will identify and purchase emissions reductions at the lowest cost.
- Genuine emissions reductions: the Emissions Reduction Fund will purchase emissions reductions that make a real and additional contribution to reducing Australia's greenhouse gas emissions.
- Streamlined administration: the Emissions Reduction Fund will make it easy for businesses to participate.

### The Emissions Reduction Fund has three elements:

- crediting emissions reductions
- purchasing emissions reductions, and
- safeguarding emissions reductions.

**A copy of the White Paper can be downloaded from [www.environment.gov.au/resource/emissions-reduction-fund-white-paper](http://www.environment.gov.au/resource/emissions-reduction-fund-white-paper)**

## High speed rail – good for environment and NSW

Could a fast rail system on the east coast reduce domestic air traffic in Sydney and be not only something that this State could afford, but could also profit from? According to a recent study by Beyond Zero Emissions, the answer to these questions is yes.

"High speed rail has been shown by our report to dramatically reduce domestic air traffic at Sydney airport as well as addressing deeper deficiencies in our current transport infrastructure", said lead researcher Gerard Drew.

Beyond Zero Emissions released its High Speed Rail (HSR) study in April, in partnership with Melbourne University's Energy Research Institute, and the German Aerospace Centre (DLR).

According to the study, international HSR construction experience shows the project could be completed by 2025 with a 2015 start date for construction, the same time frame announced by the Prime Minister for the second airport at Badgerys Creek.

"By 2025, fast rail could be linking the east coast, relieving pressure on our capital cities and boosting key regional hubs," Mr Drew said.

At a time when major construction sector job losses are anticipated from the wind up of resource sector investment, HSR offers employment during construction as well as ongoing operation right throughout the east coast. "Infrastructure is sorely needed but when we contemplate spending large sums of money in this day and age on long lived infrastructure we really must consider the needs of the future: the livability of our cities, the development of regional Australia and the reduction of our greenhouse gas emission."

"These issues will remain even if an airport is built at Badgerys Creek," said Mr. Drew. "In fact, when we realise that high speed rail is still needed, the second airport will end up a mothballed relic."

## Local businesses saving on energy costs

The Energy Hunter program is continuing to assist small and medium sized businesses across the Hunter Region to identify, manage, and improve their energy consumption, saving money on their energy costs by becoming more energy efficient.

Energy Hunter is delivered over three stages – Living Laboratory, Business to Business mentoring and Mass learning, with each partner delivering a component.

### Combined benefits include:

- Detailed electricity monitoring and analysis
- One-on-One tailored assistance for businesses including site visits
- Access to a series of regular workshops covering different strategies for identifying energy efficiency opportunities
- Online resources and how-to guides focused on energy efficiency information
- Networking opportunities and business promotion
- Business mentoring workshops to share the knowledge, skills and lessons learnt from business champions
- Assisting businesses to identify funding and finance options to help make energy efficiency upgrades even more financially attractive

**Energy Hunter is collaboration between The City of Newcastle, the Hunter Business Chamber and Hunter TAFE.**







# Leaders in

## Environmental Engineering and Petrochemical Services

The Environmental Engineering division is an acknowledged industry leader in the provision of innovative integrated site remediation services to solid and liquid contamination problems. The Petrochemical Services division provides design, install and maintenance services to retail, industrial and bulk petrochemical storage and handling facilities.

### Environmental engineering services include:

- Site Remediation;
- Hazardous waste treatment;
- Bioremediation;
- Acid sulphate soil treatment;
- Chemical fixation / immobilisation;
- Microencapsulation / solidification;
- Surfactant assisted chemical oxidation;
- Thermal treatment;
- Water treatment; and
- Asbestos management.

### Petrochemical services include:

- Installation of petroleum storage systems
- Design and construction of bulk fuel storage systems;
- Installation of lube and oil dispensing facilities;
- Pipeline repairs;
- Hydrant line installations; and
- Marina fuel installations;

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## Research powerhouses unite to transform energy innovation

The Newcastle Institute for Energy and Resources (NIER) at the University of Newcastle and the CSIRO have joined forces to establish a dynamic energy innovation precinct of global standing.

The collaboration, which has already yielded innovations such as solar paint - a low cost, sustainable home energy solution, will contribute to national and international large-scale energy research.

Formalising the working relationship between CSIRO and the University of Newcastle will see both organisations identify strategic opportunities to embark on joint research projects, exchange skills, offer training opportunities for researchers and combine forces to bring national and international projects to the region.

University of Newcastle Vice-Chancellor, Professor Caroline McMillen said the collaboration would increase research momentum vital for Australia's future economic prosperity and sustainability.

"Addressing Australia's challenges in energy productivity and efficiency will require large-scale capability, collaboration between partners and a multi-disciplinary approach," Professor McMillen said.

"Transformational change requires the collaborative efforts of many and this partnership not only provides a model for shared infrastructure, it pulls together the strengths of both organisations in energy research."

CSIRO Chief Executive, Dr Megan Clark, said the creation of an energy hub at Newcastle that addresses the full suite of energy options for Australia will assist in future decisions.


"This partnership builds on both organisations' strengths and



CSIRO Chief Executive, Dr Megan Clark; Business Leader of CSIRO Energy Technology, Dr Peter Mayfield; Director of NIER, Dr Alan Broadfoot; Director of the University of Newcastle's Centre for Advanced Particle Processing and Transport, Prof Kevin Galvin

science skills and will help us make an even more significant contribution to the way our country uses and manages energy in the future," Dr Clark said.

"CSIRO established our national energy research headquarters in Newcastle in 2003 and we believe the region has a significant role to play in leading the deployment of innovative energy technologies for Australia. The collaboration with NIER only strengthens that belief."



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## Hunter Valley Electric Vehicle Festival

The Hunter Valley Electric Vehicle Festival (EVfest 2014), being held on 16-17 August, is being marketed as the most fun and comprehensive electric vehicle festival in Australia.

It is designed to encourage all sectors of the community to think of sustainable transport in fun and innovative ways that support the development of electric vehicle industries in the region.

On 16 August, EVShow will include demonstrations, workshops, displays and a Charity Electric Bike Ride. The EVPrize competition race day, Australia's largest electric bike Grand Prix, will be held on 17 August at Cameron Park Raceway.

The Hunter Valley Electric Vehicle Festival is delivered each year by a range of supportive Hunter organisations and businesses, led by the Tom Farrell Institute for the Environment at the University of Newcastle.

**For further information visit [hunterevfestival.net](http://hunterevfestival.net)**





## Local technology targets hydrocarbon storage and management

Newcastle company, CIAgent Solutions Australia Pacific's with new Polymer Bunding Technology is proving popular with industries using hydrocarbons, both nationally and internationally. The new innovation offers a cost effective and environmentally efficient alternative to the traditional concrete and other bund systems that are available.

The key is the CIAgent Polymers, a blend of food grade polymers which are non-corrosive, non-toxic, and environmentally friendly, with the unique ability to solidify all hydrocarbons they come into contact with while allowing water to pass under normal conditions.

At their facility in Maryville, CIAgent use this technology to develop various filters, oil containment and bunding systems. Traditional bunding mostly consists of concrete with powered auto valve monitoring and oily water separator, while effective, this has downfalls and can be costly in installing and maintaining.

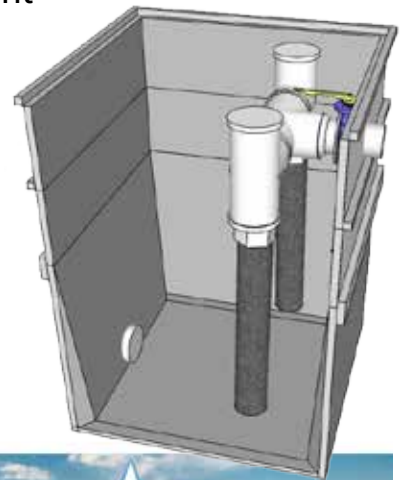
CIAgent bund systems have the advantage of impervious liners incorporating above or below ground filter systems which allow the water to pass, retaining any hydrocarbons and instantly solidifying and shutting all flow down in the event of a failure. Thereby offering all three traditional systems in one effective solution.

CIAgent products range has been developed to suit a scope of industry groups including the power Industry, mining, defence and marine. The storage and management of all fuel and oils can now easily comply with environmental standards, with approved and simply managed systems, and the ability to offer custom solutions for site specific needs.

Director and Manager of Engineering & Technical Solutions, Barry Sim states that "CIAgent bunding systems are becoming more widely accepted as an alternate, given companies pressures to reduce infrastructure costs whilst increasing environmental awareness."

He also indicated that with increasing installations in WA, NT, QLD, and Torres Strait Islands, CIAgent Solutions is expanding to meet the demand from its Newcastle facility and through its interstate offices.

*CIAgent Solutions acknowledges the support from local Hunter businesses such as Quad Electrical, Enviropacific Solutions, Hancock Speedway, Glen Hartin Fabrications and the association with Hunternet in business networking.*



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- Lower than market fixed-interest rates
- Terms of up to 20 years
- Quarterly repayments through the Council's rates system
- The ability to share upgrade costs with tenants through recovering associated utility savings

To make the whole process easier, EUA facilitators are available to offer a turn-key solution for building owners to access EUA finance.



**For more information about EUAs or EUA Facilitators, please contact:**

Sarah Patterson, EUA Officer  
Lake Macquarie City Council

Desiree Sheehan, EUA Officer  
City of Newcastle





## Safety – not the number one priority

**Max Geyer**  
**Viamax Consulting**

As with all things in life, health, eating, drinking, exercise and fun, business is about “balance”. Being successful in business is about balancing the use and distribution of resources, in order to produce a product or service.

The safety of the people in the business is of course part of the success equation, as is minimising our impact on the environment. But we should also acknowledge that minimising waste, maximising productivity and having sound financial control have just as important a role.

If safety was to truly be the number one priority, by definition that would mean that we would be putting a disproportionate amount of resources into safety at the expense of something else and that may put the success of the business at risk.

Coming back to safety – when thinking about our people; if we look further than their safety and consider their “total well-being”, we will soon see that employee well-being is tied up in the success of the business. After all, if a business is at risk the well-being of its employees is also at risk.

Safety is not something to do as a process separate from the other aspects of the business. Having safe people and a safe workplace is an outcome of the “stuff of business” being done well. Safe workplaces are developed as a result of ensuring the effectiveness and efficiency of the business. After all, if we have incidents, injuries and damage we are not being effective and that impacts on business efficiency.

Of concern at work is that many people are natural risk takers. A look at the number of extreme sports and other activities, that people willingly take part in outside of work, is evidence of this. It is this tendency for people to live with risk that is at the heart of

the difficulty of attempting to manage safety at work. People, left to their own devices, make their own judgements as to the level of risk that exists while they work.

So what is the solution to ensuring the “well being” of people at work? It is not platitudes and speeches about how important safety is. Neither is it about more systems, detailed risk assessments and Safe Work Method Statements, although they are important components.

Part of the solution is in helping people to think about their actions and decisions, and in helping to extend their natural self-preservation instincts to fit the work environment. We need to have conversations with each other and to question our risk management planning before and during the job. And we need to enable people to identify when things may go wrong and to help them develop their skills to prevent the damaging event or manage the outcome.

The “success of the business” must be the number one priority of any business and that means that we must effectively and efficiently balance ALL aspects which impact on the business, including the well-being of our people.

**For further information contact Viamax Consulting Pty Ltd on (02) 4966 1279, or visit [www.viamaxconsulting.com](http://www.viamaxconsulting.com)**

**Max Geyer** established Viamax Consulting in 2008 and brings over 35 years experience in Systems Management and People Support Roles, to his interactions with Viamax clients. Viamax Consulting helps business's to accept and work with risk, and to balance their business and statutory responsibilities.



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## Good ergonomics is good business

**Fiona McDonald**  
**Absolute Injury Solutions**

As consulting ergonomists we often see the frustrating side of running a business that comes from having poor equipment, workplace design, or unsatisfactory working conditions. The cost of employee injury or illness on our business is not something often discussed because a poor record of injury or illness can negatively impact on the opportunities for continued or new work, and there's also the cost of absenteeism, compensation, and loss of productivity.

It is estimated that lost productivity to Australian business is almost \$13 billion which means employers face the challenge of not only maintaining a safe work environment but also in dealing with the consequences on their business of poor employee health.

Ergonomics to most people is something to do with chairs and desks. As an ergonomist I can assure you that many items that have been tagged "ergonomic" or "ergonomically designed" are far from such, however "ergonomic" sells. I recently reviewed a piece of very expensive health equipment that was proud to advertise that the handles were ergonomically designed. However I was there to review why so many staff were suffering shoulder pain from holding the handle when moving the equipment. Obviously the designers had forgotten to involve the end-users in the location and design of the handles. Not so ergonomic.

The National Preventative Health Taskforce estimates that there are 11 million Australians in workplaces and as such this environment is

one where small widespread changes could result in significant health improvements.

The overall goal of ergonomics is to improve "Quality of Life" including health, safety, comfort, usability and productivity. It's a specialised discipline that studies the interface between humans and other system components such as:

- Hardware - can I use my remote controls without hitting the wrong button?
- Software - does my computer give me the information I am looking for easily?
- Environments - does my office environment make me feel energized/relaxed/comfortable?
- Jobs - am I performing a task that has purpose and can I improve or change it to suit my personal needs?



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- computer workstation setup
- worker participatory ergonomic safety programs
- overuse strain prevention

### Injury Risk Assessment

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- review and assessment of injury causation and advice on risk reduction strategies
- physical and job demand analysis
- suitable duties workplace assessments

### Workplace Improvements

- ergonomic furniture selection
- tool and equipment design advice
- strain and sprain prevention
- computer workstation layout
- specialised workplace design consultation
- working with designers to ensure ergonomic work place design

### Product and Equipment Design

- product usability assessments
- user manual development
- advice on design of transport, plant and equipment, tools etc to ensure functional and safe design

Contact: Fiona McDonald  
Phone: 4962 2802  
Mobile: 0419 201 869  
Email: [admin@absoluteinjury.com.au](mailto:admin@absoluteinjury.com.au)  
Visit: [www.absoluteinjury.com.au](http://www.absoluteinjury.com.au)

- Organisational structures - does the organisation I work for recognize my skills and knowledge?
- Processes - is there a more efficient way to do my job?

My experience with injured workers and managers within a work environment has allowed me to observe many facets of human nature. Often the situations I am reviewing have resulted from levels of poor worker – manager relations, for example, the worker reports issues that no one is listening or interested in them regarding their problem or that they have advised managers on numerous occasions regarding the problem with the job but no action has been taken, alternately managers become frustrated with workers because they're not "thinking".

As an ergonomist our background and experience is driven around the involvement of end-users, or in this case the employees, in improving health, safety, wellbeing, comfort and productivity in the work environment. To achieve wellness in your business you first need to gain employee ownership and engagement in the process. You need their participation.

Participatory Ergonomics is a common practice for implementing changes to the workplace or work environment and there are significant benefits. Many prevention based initiatives are now being implemented by various government safety bodies around the country. For example PERforM (participatory ergonomics for manual tasks) is a risk management tool developed jointly by Workplace Health and Safety Qld (WHSQ), The University of Qld and Curtin University, it is designed to be used in a participative ergonomics approach providing a framework to assist employers to engage employees at all levels to identify, assess and control manual task risks in their workplaces.

This participatory approach has benefits such as:

- solution ownership
- enhanced worker and workplace safety
- enhanced job satisfaction
- improved design effectiveness
- enhanced worker performance
- enhanced competency and confidence
- employment of a worker-centred approach
- enhanced culture of safety for employees
- increased acceptance for change

The Royal Australian College of Physicians (2010) explored the relationship between work and health and wellbeing. Their findings were that good work is good for health and wellbeing. Put simply, happy and healthy workers perform and they perform well and to the benefit of all, which means for businesses of all types:

- fewer absences
- reduced turnover
- reduced costs all round
- increased productivity
- increased morale
- increased loyalty
- increased profits

And as business owners, this is something that we all want.

**For further information, Fiona can be contacted on 0419 201 869 or [fiona.mcdonald@absoluteinjury.com.au](mailto:fiona.mcdonald@absoluteinjury.com.au)**

**Fiona McDonald**, Ergonomist and owner of Absolute Injury Solution, specialises in consulting and providing advice and expertise in ergonomics, workplace injury prevention and injury management systems to companies both locally and across Australia. With 30 years experience she strives to promote health, wellness and productivity in the working environment.



## What happens when someone gets hurt at work?

**Christian Byrnes**  
**HumanRehab**

Australia takes its work health and safety obligations seriously but workers still have work related injuries. Once a workplace rehabilitation provider is engaged to assist in managing a return to work case...what happens?

After the referral process from the insurer/employer is completed an 'initial assessment' is undertaken. This involves an 'initial interview' and workplace assessment. The aim of the 'initial interview' is to introduce the process to the injured worker and their employer, collect background information on how the injury occurred, what treatment has been tried, what is the medical plan, what treatment providers are involved, and what is the current medical status.

The workplace aims to identify the key demands of the pre-injury role. Not only does it consider the physical demands such as posture, load, and the work environment; but also psychological and cognitive requirements. The workplace assessment will review potential suitable duties. The aim is to identify potential meaningful tasks that the injured worker can perform prior to them being fit to perform their pre-injury duties.

After identifying the workplace key demands the next stage is usually a nominated treating doctor conference. Under workers compensation system the NTD (Nominated Treating Doctor) is the general practitioner or specialist who is involved in the care of the injured worker and issues the certificate of capacity. The meeting with the doctor is a critical stage to gather information from a medical viewpoint. It also provides information to the doctor about the nature and demands of pre-injury duties and potential suitable duties.

In consultation with all parties, i.e. injured worker, employer, nominated treating doctor and agent/insurer, a return to work plan is developed to outline the strategy to assist with a safe, durable return to work.

It is the job of the workplace rehabilitation provider to support the other parties in monitoring the worker as they upgrade to their pre-injury duties. The provider may also undertake other assessments to determine the workers fitness for work, activities of daily living to determine if domestic assistance is required, and ascertain if certain aids and equipment may be required.

The return to work process is completed once the worker has been able to safely return to their pre-injury duties. Where this is not possible the workplace rehabilitation provider can provide support with the redeployment of the injured worker.

**For further information please contact HumanRehab on (02) 4953 0300 or email [office@humanrehab.com.au](mailto:office@humanrehab.com.au)**

**Christian Byrnes** is the Managing Director of HumanRehab, a workplace rehabilitation provider. As a qualified accredited Occupational Therapist he has over 12 years experience in the NSW workers compensation system. In addition to his degree in Occupational Therapy, he has a graduate certificate in OHS from Newcastle University and a graduate certificate in pain management from Sydney University.





## Creating safety citizens at work

**Dom O'Brien**  
**Sentis**

Organisations today are facing serious challenges on two fronts: the unrelenting march of constant change and uncertainty, and the need to leverage human resources effectively in a highly competitive business climate. The result is a breakdown in organisational culture, where the reciprocal sense of loyalty and recognition is degraded to the point that employees and leaders alike become disengaged. When it comes to safety, this may have catastrophic consequences.

While organisations have effectively followed the lead of high-reliability industries and heavy industry in establishing controls to eliminate injuries, the fact remains that a disengaged workforce will be significantly less likely to engage with these controls. Despite all the best engineering controls and safe operating practices in place, safety success is still predicated on an engaged workforce.

How can organisations rise to meet these realities and inspire their people to involve themselves beyond mere compliance? This exemplary safety performance can only be achieved through a motivated, empowered, and cohesive workforce that genuinely values safety – in essence, an organisation of safety 'citizens'.

Where traditional approaches target compliance or 'behaviour-based' safety, which

over time tend toward a 'plateau' effect in safety performance, Citizenship represents the next stage of safety culture development. Based on the concept of 'organisational citizenship' (the idea that when employees are engaged they become active members of an organisation's culture, driving positive discretionary behaviours) as 'safety citizens', employees are deeply committed to the organisation's safety values and go out of their way to go above the minimum standard.



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Safety citizenship is typically absent from job descriptions and rarely made a part of formal key performance indicators (KPIs). Yet, in organisations where safety is genuinely embraced and supported, these behaviours are frequent and clearly visible across all teams, departments, and work areas.

Safety Citizenship is important because it:

- Reduces injuries and near-misses
- Enhances safety performance in ambiguous situations not covered by safety procedures
- Maintains workforce vigilance and alertness to safety issues
- Builds safety knowledge and skills outside formal training events

By creating a Safety Citizenship culture through high quality social relationships, a consistent and strong message about safety, and the enabling conditions (support, control, and opportunities), organisations may bust through the safety performance plateau, eliminate complacency, and reignite vigour toward safety.

Sentis has designed their Safety Citizens program to assist organisations develop and sustain a culture of safety citizenship. Under-pinned by a model of individual behaviour change and an evidence-based framework, Safety Citizens increases employees' safety motivation and helps organisations build a positive and strong safety culture.

**For more information contact:**

**Murray Guest - Sentis Regional Manager NSW & Victoria**  
on (07) 3363 5900 or email [murray.guest@sentis.net](mailto:murray.guest@sentis.net)

**Dom O'Brien** is an Innovation Specialist at Sentis, part of their award-winning Innovation Team. Splitting his time between an on-site consultant role and the design, development, and marketing of Sentis programs, he is passionate about their mission of realising safety, wellbeing, and operational excellence solutions to meet client challenges.



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# First aid saves lives

Although the NSW coal mining industry maintains one of the best health and safety records in the world, workers continue to suffer injuries on a regular basis. According to Coal Services, approximately 520 lost time injury (LTI) claims occurred during 2013.

The first hour after any serious incident is critical in determining the outcome for an injured worker. A study conducted by Coal Services in 1995 identified that a workers chances of survival are greatly increased if they are able to endure through the 'golden hour'.

The report identified that due to the remote nature of the Northern coal mining industry, the absolute minimum time to retrieve, stabilise, treat and transfer an injured worker to John Hunter Hospital is 74 minutes. This highlights the importance and significance of confident on the spot first aid administration.

The Australia Resuscitation Council of Australia also advises that the survival rate of an out of hospital cardiac arrest in Australia is only 9%. This is in comparison to 56% in Seattle and 37% in London. The difference is due to the amount of people who are trained to quickly and confidently administer CPR.

Not only can a quick and accurate response increase a workers chance of survival, the first aid administered may also prevent a situation from worsening. This can also improve an overall recovery and may also reduce the duration of lost time injury.

Training in first aid tends to increase the general safety awareness of employees. Mines Rescue General Manager

Paul Healey says 'we find that employees that have been trained in first aid and other emergency response procedures are typically safer workers. They speak up if they see unsafe situations or behaviours and generally look out for their workmates. They also have the confidence to administer first aid quickly and accurately which can make a big difference to the outcome.'

A 2013 report published by St Johns Ambulance Australia titled 'First Aid Readiness in the Australian Workplace' identified that less than one in three Australian workers (31%) currently feel "extremely" or "very" confident in administering first aid, whilst almost one in five (18%) feel "not at all" confident. The research also identifies that the number one factor that drives high confidence levels is receiving basic training in first aid.

Mr Healey says first aid training also has the ability to translate easily from the workplace to the home and community, 'the skills learned and practised in a training course may one day help save the life of a family member or friend. You never know when you might need to put these skills to use.'

Mines Rescue has launched a new training course developed specifically for mining and heavy industry. The course covers crush injury, hydraulic injury, electric shock and CPR as well as more common emergency and trauma management.

Coal Services are also hosting the annual Coal Industry First Aid Competition at Singleton on Saturday 31 May 2014. The community are invited to attend to watch the teams compete on the day.

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## Why engage a Work Health & Safety (WHS) Consultant?

**Bernie de Vries**

**BDV Safety & Compliance Solutions**

In any midsized to larger business a critical member of staff is a qualified Safety Professional. At times this person also has additional responsibilities including aspects of Return to Work, Environmental & Quality Management.

In smaller business safety invariably becomes the responsibility of the business owner or a nominated manager/supervisor.

The fundamental role of the Safety Professional is to provide the business owners and/or leaders (its "officers") with sufficient expertise to ensure the health and safety of all persons affected by the business activities while complying with all relevant legal and regulatory requirements.

Why then in difficult economic conditions when finances are tight and you have a competent Safety Professional as a member of your team would you consider the added expense of utilising an independent WHS Consultant?

There are two compelling reasons for doing so.

Firstly, you may have a health and safety issue in an area that your in-house safety expertise is deficient or non-existent.

Safety Professionals, particularly those with tertiary qualifications are expected to be experts across multiple fields including but not limited to ergonomics, occupational hygiene, safety system development and/or auditing, legal compliance, training, assessing, mentoring, RTW Coordination, Workers Compensation, accident investigation, safety engineering and risk management all while producing informative and interesting monthly reports for management.

These are unrealistic expectations. This is not meant to be a criticism of Safety Professionals but rather an acknowledgement that they are generalists who have particular areas that they

are better at than others. The challenge is to acknowledge their limitations and seek external assistance when in the best interests of the business.

The business should and would expect nothing less from their Safety Professional and accept that not every problem can be solved by two days of training or attending a conference or seminar.

The challenge is giving their Safety Professional the support to allow them to make this call.

Secondly, the due diligence obligations of the business "officers" require that they are across all safety issues and requirements and can verify that the business is complying with what are at times complex and apparently contradictory legal and regulatory requirements.

This requires an independent and objective assessment (by way of a formal audit) of the safety performance and compliance of the business. Audits cannot be undertaken by those with ownership or an interest in the subject matter. Try spell-checking of a multi-page document.

Much like the use of a financial auditor, the purpose of a Safety Auditor is to reassure the business of its safety performance and compliance and identify non-conformances before they become business critical (resulting in an accident or regulatory non-compliance).

The audit report can assist the business in meeting both its primary duty as well as the due diligence obligations and your safety professional in identifying both opportunities for improvement and WHS priorities.

It can also identify areas where additional external assistance may be required.

When to engage and how to choose an external consultant are topics for another day.

**For further information contact BDV Safety & Compliance Solutions on 0428 899 484, email [bernie@devriesetal.com.au](mailto:bernie@devriesetal.com.au) or**

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**Bernie de Vries** is the Principal Consultant of BDV Safety & Compliance Solutions based at Bolwarra. He has a background in Workers Compensation (Coal Mines Insurance), personal injury litigation (Arnold Lawyers) and Safety Leadership (Cadbury Schweppes and Newcastle City Council).



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**HBR**

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Two accountants are in a bank, when armed robbers burst in. While several of the robbers take the money from the tellers, others line the customers, including the accountants, up against a wall, and proceed to take their wallets, watches, etc.

While this is going on accountant number one jams something in accountant number two's hand.

Without looking down, accountant number two whispers, "What is this?" to which accountant number one replies, "It's that \$50 I owe you."

A man speaks frantically into the phone, "My wife is pregnant, and her contractions are only two minutes apart!"

"Is this her first child?" the doctor queries.

"No, you idiot!" the man shouts. "This is her husband!"

A woman accompanied her husband to the doctor's office.

After his checkup, the doctor called the wife into his office alone. He said, "Your husband is suffering from a very severe stress disorder. If you don't follow my instructions carefully, your husband will surely die. Each morning, fix him a healthy breakfast. Be pleasant at all times. For lunch make him a nutritious meal. For dinner prepare an especially nice meal for him. Don't burden him with chores. Most importantly, do not nag him. If you can do this for the next 10 months to a year, I think your husband will regain his health completely."

On the way home, the husband asked his wife, "What did the doctor say?"

"He said you're going to die," she replied.

The judge said to the defendant, "I thought I told you I never wanted to see you in here again."

"Your Honour," the defendant said, "that's what I tried to tell the police, but they wouldn't listen."

A boy comes home from school and tells his mother that he got a part in the school play.

"What part?" the mother asked.

"I play a husband," the boy replied.

"Go back to school and tell your teacher that you want a speaking role!"



## QUOTE OF THE WEEK

"Innovation is the specific instrument of entrepreneurship... the act that endows resources with a new capacity to create wealth."

- Peter F. Drucker



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