



Commerce Queensland

QUEENSLAND'S CHAMBER OF COMMERCE AND INDUSTRY

Shedding light on a burning issue

leading business

Lead News

- Is a new tax on water in the pipeline?
- Expectations of corporate social responsibility
- Top-shelf training for frontline managers
- Broadband becomes commonplace
- New Sunshine Coast and Hinterland Regional Council
- CRC researches engineering asset management

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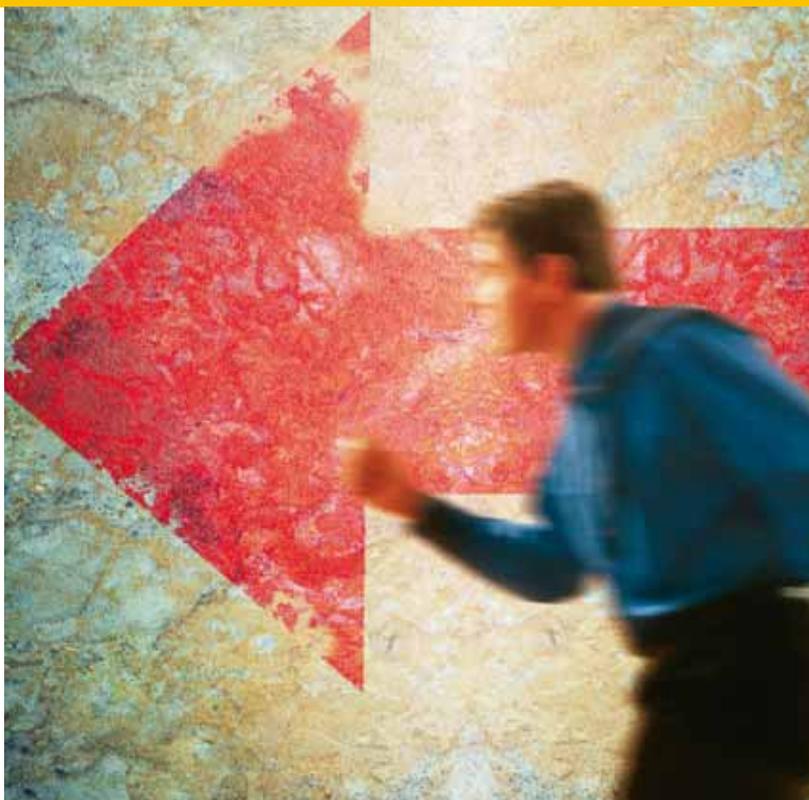
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A new CRC for Integrated Engineering Asset Management will research issues for Australia's physical infrastructure in the rail, water, electricity, defence, resources and processing sectors.

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leading business



Graham Heilbronn
President

Energy crisis the tip of the iceberg

Be advised – the current problems with Queensland’s energy network are just the tip of the iceberg in terms of the rundown of public infrastructure managed by government-owned corporations in this state.

Water, roads, bridges, the rail network, the ports ... they’ve all been subject to similar profit stripping which has compromised their ability to build and maintain these public assets.

For years, Commerce Queensland has voiced concerns about the profit grab by the Beattie Government which has – for all intents and purposes – been raiding the family silver.

We have talked about the lack of spending on infrastructure in Queensland because it simply has to be aired, even if it makes us unpopular with the government of the day.

The rundown of infrastructure is a big concern for the business community, but it is also an issue of grave concern to all Queenslanders – every householder has felt the effect of the lack of a guaranteed power supply.

Water will be next. It has been estimated that \$700 million will be required to bring Queensland’s water infrastructure up to a basic level of safety ...

that is to ensure the dam walls are secure and the pipes do not leak.

Then there is the rail network. QRail has already announced an intention to shed 700 staff because it is losing business to aggressive competitors, but there is a belief in official circles that more than 2500 jobs will go. As QRail debt to equity ratio has exceeded 100 percent for some years, it is no wonder it can not match its competitors.

The ports, too, have been raided by the Beattie Government – for example during 2001-02, the Port Authority in Gladstone was stripped of \$90 million in equity. Across Australia, the average dividend payout ratio was 82 percent for the 84 GOCs that are monitored. In Queensland however, the Beattie Government routinely takes 95 percent – and on top of that it extracted “special dividends” to pull a surplus out of the hat in an election year, forcing the GOCs to borrow against their assets.

Infrastructure is a vital plank for a prosperous future for Queensland, therefore it is crucial that the Government invest in infrastructure instead of channelling profits from GOCs into its operating budget.

Lord Mayor opens door to business

Queensland business has never had such openness from Brisbane City Hall, at least in living memory.

The establishment of the Lord Mayor’s Business Round Table – that is intended to act as a conduit between the Lord Mayor’s office and premier business organisations – is a courageous move by Campbell Newman.

Opening the inner sanctum of City Hall in this way is a first for Brisbane and Councillor Newman is showing confidence and leadership in setting this precedent.

As President of Queensland’s largest and most representative business organisation, I have accepted chairmanship of the LMBRT.

The other board members are:

- Land developer Grant Dennis of the Dennis Group of Companies
- Property expert Stephen Conry of Jones Lang LaSalle
- Transport industry leader Neill Ford of Yellow Cabs
- Retailers Association President Mark Brodie of Brodie Enterprises

The Lord Mayor is also on the board, and his business adviser Greg Bowden is its CEO.

The Lord Mayor’s Business Round Table is intended to act as a conduit for business groups investing in Brisbane by smoothing business transactions and overcoming red tape.

I do not know of any other group in Queensland that has the power and grunt of this round table, but its challenge will be drawing out the issues and ensuring that they are dealt with in an appropriate way.

Our inaugural meeting on Wednesday 8 September was attended by 25 committee representatives of ethnic chambers of commerce, economic development groups, retailers, recruitment and communication groups, and industry associations.

We look forward to meeting regularly over breakfast in the Balmoral Room at City Hall to play our part in helping ensure Brisbane’s future as a premier place to do business.

this month

Changes to our business units

All organisations need to evolve and change to prosper and Commerce Queensland is currently implementing a refinement of its operational business units.

The changes aim to improve Commerce Queensland's ability to service members and the wider business community.

The restructuring involves downsizing in some areas and a realignment of resources in others, with our operations now to be split into two departments covering the areas of marketing and sales/service delivery.

This alignment has been selected to provide greater role-clarity for personnel and improved focus for the organisation.

The two departments will work closely together to ensure quality of all services provided – membership, consulting, training – is optimised.

Craig Nicholls, who currently holds a senior sales position with Carlton & United Beverages, will be taking up the role of General Manager – Marketing and Sales on 15 October.

Current General Manager – Operations, Mike Forness, will assume the position of General Manager – Client Services when Craig joins Commerce Queensland later this month.

Under the restructure, the technical resources teams – Workplace Relations, Human Resources, Workplace Health and Safety – are to become fee-for-service consulting teams.

Free membership advice will be supplied by the Employer Advice Line and the resources of this advice line will be bolstered to improve the quality of their service.

Getting on with the business of government

This edition of Leading Business was printed very early in October – before the long-awaited federal election – and we certainly wish the new government well for the next term.

During the campaign, Commerce Queensland told all parties that reforming tax and workplace relations regimes and initiatives to improve skills development and training are the key issues for Queensland businesses.

In our pre-election survey, we found the level of taxation, the costs of complying with the tax system, and economic management, are the major concerns for business and therefore issues on which the new government needs to focus.

Tax policies must encourage investment and economic growth as well as high participation in the workforce.

Priorities include:

- Further reducing the personal income tax burden, in particular eliminating bracket creep, reducing the number of tax thresholds, and moving to align the top tax rate with the corporate tax rate. It is also important to take steps to reduce Australia's tax rates to improve our international competitiveness.
- Working with the states to reduce the impact of inefficient state taxes on business. In particular, the changes foreshadowed in the 1999 Intergovernmental Agreement on the reform of Commonwealth-State Financial Relations and the long term reduction of the impact of payroll tax.
- Reforming the retirement income tax system by moving away from the taxing of superannuation at the contributions, earnings and withdrawal levels towards a system of taxing benefits only; and the reintroduction of the 15 percent savings tax rebate.

The new government also needs to decrease regulation of Australian workplaces. The prospect of re-regulating or increasing third party intervention in the labour market is of grave concern to Queensland business.

And increasing workforce skills is vital to meet three of the major workforce challenges – getting young people from school and into jobs; increasing the participation rate of an ageing workforce; and better reconciling work and family for working parents who move in and out of the workforce.

On behalf of our Members, we will continue working with all levels of government to improve outcomes on the many issues of concern to Queensland businesses.



Graham Heilbronn



Joe Barnewall



Joe Barnewall
CEO

Shedding light on a burning

When the power goes out in Queensland, resetting the flashing zeros on the digital clocks and gadgets is the least of our worries.



issue

The Somerville Report found that almost \$700 million needs to be spent to ensure reliable power in this state – but so far only about \$170 million has been allocated to patch up years of rundown and neglect of the state's electricity distribution network.

The magnitude of investment required suggests Queensland will need a standalone energy ministry for a long time, according to Commerce Queensland President Graham Heilbronn.

Premier Peter Beattie has appointed rookie minister John Mickel as Minister for Energy but said the standalone portfolio will only remain until the problems are fixed.

But Heilbronn questions whether the government has grasped the magnitude of the dollars required to get the network up to speed for current demand as well as expanding to cope with increased demand.

Since the issue came to a head in July when an independent panel released its review of the electricity distribution system, the Smart State's government publicity machine has swung into action.

There is an Electricity Industry issues link on the government website (www.qld.gov.au) containing an Action Plan for Queensland Electricity Distribution and an Energy Fact Sheet for all Queenslanders.

But Heilbronn says scrutiny of details in this material indicates most of the new money is directed towards capital works to meet increased consumer demand.

The proposed increase in capital expenditure by ENERGEX (from \$307 million in 2003-04 to \$421 million in 2004-05) is, according to the government document, "mainly to meet increased customer demand".

The same document says ENERGEX also intends spending \$159 million this year on operating and maintenance – which if split evenly would mean about \$80 million on maintenance.

This is confirmed by ENERGEX's boast that it will spend \$85 million to improve reliability in the lead-up to next summer, including

substantial upgrades to 23 major substations around south-east Queensland.

Ergon Energy is also increasing its capital expenditure (from \$372 million in 2003-04 to \$506 million in 2004-05) "mainly due to greater consumer driven works".

Again, Ergon Energy intends spending a further \$188 million this year on operating and maintenance expenditure – which, using the same rationale, if split means about \$94 million on maintenance.

Therefore when you look at the amount allocated to repair the damage from years of sucking money out the system ... it is only about \$170 million instead of the \$700 million that Somerville recommended.

While the Government has put in place a band aid strategy for this year, it has still failed to come to grips with the enormity of the problem.

A summary of findings by the independent panel chaired by Somerville is that:

ENERGEX had been too focused on financial outcomes at the expense of adequately investing in, and maintaining, its network to deliver reliable supply.

ENERGEX had not spent sufficient money on preventative maintenance, such as vegetation management and cross-arm inspections. Many of the outages experienced last summer would have been avoided if better vegetation management practices had been implemented.

ENERGEX's past levels of capital expenditure and high level of system utilisation had led to inadequate spare capacity in the network such that there was an unacceptable level of risk of supply interruptions in the event of equipment failure.

Ergon Energy had been too slow to react to capital expenditure needs within its area. As a result, its capital expenditure had not been adequate to cater for current demand and future growth.

Ergon Energy's internal systems had not provided necessary information to enable it to plan and maintain its network effectively.

This had an impact on reliability for customers.

Managing assets

Remember Thredbo in New South Wales – that terrible tragedy in which a ski lodge was swept away taking many innocent people with it? The cause was tracked to a leaky water pipe that hadn't been properly managed.

Remember Longford in Victoria – when loss of life occurred after the gas processing plant blew up leaving Melbourne without gas for two weeks? The Longford Royal Commission attributed the cause of the disaster directly to inadequate equipment maintenance and management practices.

Asset management issues such as these are the core business of a new Co-operative Research Centre for Integrated Engineering Asset Management set up in Brisbane late last year, which is based at QUT's Gardens Point campus and led by Professor Joseph Mathew.

Professor Mathew says CIEAM will pioneer new research designed to maintain Australia's physical infrastructure for the rail, water, electricity, defence, resources and processing sectors.

One problem facing asset managers is that when accountants and economists dominate the boardroom, corporate decision-making is often too sharply focused on the bottom line and not enough on the implications of technical and maintenance issues.

And with the outsourcing trend being so popular in the '80s and '90s, responsible asset management was hindered because the technical issues were removed from the

immediate business at hand.

CIEAM is determined to elevate maintenance to boardroom status and help directors understand that sound asset management can actually cut costs and increase productivity.

"There is a need to integrate what the technical people are doing in regard to managing an organisation's physical assets and decisions made at board level," Professor Mathew said.

"The formation of this new research centre demonstrates the growing strategic importance of the field of asset management. The CRC provides a ground-breaking approach to asset management involving new research and applications that are vital to Australia's future."

"Researchers will take an integrated approach to maintaining the country's physical infrastructure and develop cutting-edge asset management technologies between the shopfloor and the boardroom."

The Federal Government has committed \$17.5 million over seven years to the centre, in addition to industry and in-kind commitments of a further \$86 million over that same period.

The centre has three objectives:

- Develop and execute technologies and methodologies within an incorporated framework to optimise asset management systems.

is an asset in itself

FEATURE

- Develop and deliver problem-specific solutions identified by industry and government.
- Establish a national and international capability in research, postgraduate education and training and service provision that meets Australian requirements, as well as developing a significant export capacity.

CIEAM strives to provide the public and private sectors with the following benefits:

- Reduce the direct cost of asset management.
- Decrease an assets' whole-of-life total cost of ownership through improved asset management technology and practice.

- Increase productivity derived from enhanced asset management input into replacement, repair and downtime decisions.

The centre is a collaborative activity involving industry partners Comalco, SunWater, Materials Performance Technology, Connell Wagner, Queensland Rail and Mincom. Seven universities, QUT, Monash University, CQU, UniSA, The University of Western Australia, The University of Newcastle and Curtin University of Technology are also involved. Other core participants include the Australian Nuclear Science and Technology Organisation and the Defence, Science and Technology Organisation.

For further information, visit www.cieam.com



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Issues with child labour

The Queensland Government is reviewing its child labour policy, asking if additional legislation needs to be developed to regulate the employment of children in the state.

A substantial part of the review considers the effectiveness of current workplace health and safety and industrial relations laws in preventing the potential exploitation of workers under the age of 18.

Specific issues include the minimum age of workers, the maximum hours they can work and what time they can work.

There is also consideration of whether legislation is needed to regulate children working in potentially harmful situations, such as around heavy machinery or dangerous chemicals.

In responding to this review, the first question is – to what extent are young workers actually being exploited?

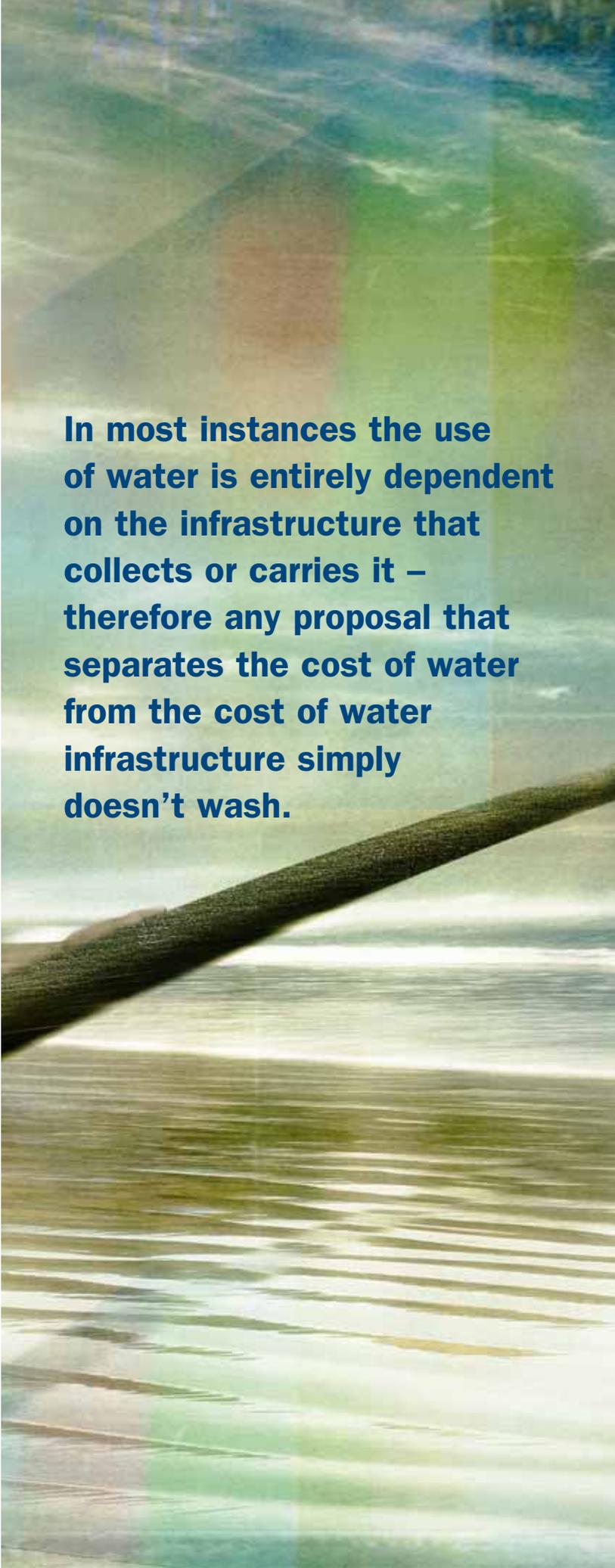
There are some horror stories emerging from various sources but so far the evidence is anecdotal and it is yet to be seen whether these stories are indicative of a widespread problem.

More importantly, the Queensland Government needs to consider if existing workplace health and safety and industrial relations legislation is effective in protecting young employees in the workplace.

This raft of legislation applies to all workers – regardless of age – and if a segment of the workforce is not utilising the legislation this indicates there is a problem with the implementation of the policy, rather than the law itself.

The crux of this issue is education of employees and employers. Queensland has well-developed industrial relations and workplace health and safety laws. Young workers need to know they have full access to this extensive set of rights and that under current legislation they are entitled to the same safe and happy work environment as all other workers.

On the surface, it would appear that industry-wide blanket legislation will work against employers and young employees. Instead, where a quantifiable problem exists, an industry specific code of practice should be developed from within the industry to enable it to be effectively addressed.



In most instances the use of water is entirely dependent on the infrastructure that collects or carries it – therefore any proposal that separates the cost of water from the cost of water infrastructure simply doesn't wash.

Is a new tax on water in the pipeline?

Commerce Queensland's fundamental problem with the Department of Natural Resources, Mines and Energy's discussion paper on water resource charges is that it steps too quickly over the threshold issue of justifying a water resource charge.

And let's be clear – the proposal is for a tax on water. Dressing it up as a charge does not deny the fact that it is a new tax.

Put simply, where a charge is based on the cost of the infrastructure necessary to deliver a service, it is a price. Where there is no cost to deliver the service then it is a tax. So, if there is a discussion about a tax we should be looking at taxation principles, which include efficiency, fairness, simplicity and transparency. Instead, the discussion revolves around different charging regimes, fudging the issue without any explicit reference to the principles that should underpin such a proposal.

The paper assumes that it is reasonable and proper to separate the water from the infrastructure necessary to deliver it to the point where it can be used; whether that infrastructure is a major dam with its attendant pumps, pipes and channels, used by thousands of city residents and businesses, or a single storage developed by a farmer for his own use.

The reality is that there is very little that can be charged for water that has not had the hand of man upon it. The value of water is inextricably linked to the infrastructure used to access the water.

Why is this distinction important? So long as water charges are tied to the infrastructure necessary to deliver that supply (and infrastructure is used here in the very broadest sense – incorporating the entire administration/management/delivery system), there are well-defined parameters for determining price. That is not to say there are no major concerns with the way that the pricing regime operates, but the principles at least are sound.

However, once the value of water is decoupled from the infrastructure, there is no limit to the approach a government might take to develop a system of charging. The opportunities for taxing water are boundless.

What about tax regimes for other natural resources such as coal, timber on State land and fisheries? Put simply, coal is a limited resource which is extracted. And once extracted there is no more. Water, on the other hand, is renewable – it rains. Timber is renewable, but over such a long period of time that it aligns more with the extraction of coal than harvesting water. Fishermen currently pay for the right to take fish based on the length of their boat, that is, payment is linked with the infrastructure they use to capture the benefit derived from the resource.

It might seem like splitting hairs, but keeping water charges tied to the infrastructure is one way of ensuring that the lid is kept on the price of what is a significant input for many Queensland industries. To do otherwise means there is a new tax on the horizon!

Get the Inside running



An exclusive marketing option which puts your product or service in front of Queensland's largest and most representative business group is now available through the Members-only "Inside Q Savers" section on Commerce Queensland's website.

This exciting networking and marketing initiative is a recent addition to the Inside Q section of our site, which provides access to exclusive information, discounted training and services, and the option to update your personal records.

The new "Inside Q Savers" option enables Member businesses to advertise discounts, trial packages or special offers to other Members.

Businesses who take up the Savers option have a unique opportunity to value-add to their membership at the same time as placing their product in front of the cream of Queensland business groups.

In so doing, this provides exposure to other business owners, managers and chief executives as well as other key people in these organisations.

The Inside Q Savers option is likely to be particularly valuable for smaller businesses wanting to get their product in front of a new audience or to expand their current audience.

The option includes exposure on the front page of Commerce Queensland's website and in our regular e-newsletters and other publications.

Participating businesses have their voucher stored on the CQ website along with a link to their own website, their company logo and other details.

Some of the Member-only offers include:

Rexco People in Brisbane is offering generous volume rebates for Members for labour hire placement contracts or bulk recruitment activities.*

Excimer Laser Vision Centre is offering Members \$125 per eye off the Lasik eye procedure.*

Members receive a FREE personalisation of their image from Expressions of Australia. Normally \$50.*

Members receive 15 percent off any eSurveys.com.au hosted online survey package. A cost effective way to undertake customer satisfaction surveys, internal HR staff surveys and market research. Full reporting is included with graphs and cross tabulations.*

*For a limited time only and conditions apply.

Log-in today at www.commerceqld.com.au to access the vouchers and to register your own special offer.

Remembrance Day – 11 November 2004

As is its usual custom, the RSL is arranging services around Queensland to commemorate the signing of the Armistice at the 11th hour on the 11th day of the 11th month in 1918.

Remembrance Day falls on a Thursday this year and in keeping with the proclamation signed by the Governor General in 1997, all Australians are encouraged to observe One Minute's Silence at 11am on 11 November.

Remembrance Day is observed by all members of the British Commonwealth of Nations to commemorate the memory of those who paid the supreme sacrifice in two World Wars and subsequent conflicts.

Business After Hours fosters Pacific opportunities



Island dancers added the colour and the Pacific Islands Trade & Investment Commission brought the business credibility to a recent series of Commerce Queensland networking opportunities in Brisbane, Townsville and Cairns.

Organised by CQ's International Business Department in conjunction with PITIC, the Business After Hours events attracted 500 people interested in exploring the opportunities for doing business with our island neighbours.

Special guest at each event was Jess Martin, who at 17 became the youngest person to sail solo around the world and is now set to launch an adventure tourism venture in the New Guinea Islands region of Papua New Guinea.

Commerce Queensland and PITIC representatives were on hand to provide expertise about business opportunities between Australia and the 14 island states who are members of the Pacific Islands Forum – the Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu.

Winner of the major door prize – a seven-day holiday for two in Samoa flying with Air New Zealand and staying at the Aggie Grey Hotel – was Jon Rayner of Northern City Finance of Townsville.

Commerce Queensland will continue to organise similar networking functions to help facilitate links between local business groups, banks, airlines, and overseas representatives.

Vision of CEO defines the company

Chief executive officers deserve the top-self wages they are paid, according to corporate high-flyers BHP Billiton Chairman Don Argus and former Foster's Group Chief Executive Officer Ted Kunkel who were guests at Commerce Queensland's recent Leading Business luncheon.

Both men defined the responsibilities of a chief executive officer and spoke of the critical role and commitment of the CEO in setting a company's vision, then implementing and following through on that vision.

An issue addressed by both speakers was defining the role of CEOs in working with boards and chairmen of those boards, which has become a vexed issue in light of recent spectacular corporate collapses.

When business commentator Terry McCrann questioned them both about the "exorbitant" wage and reward structure of some chief executives, both agreed CEOs deserved their substantial financial return in light of the commitment they made to their companies.

It was apparent from their discussion that modern-day CEOs have a "life-span" in an organisation of 5-7 years, although both Argus and Kunkel both spent 12 years of the helm of their respective companies and both faced challenges during that period.

About 250 corporate heavyweights attended the lunch organised by Commerce Queensland, which is the leading facilitator of business in Queensland and annually hosts four Leading Business luncheons.

Previous guest speakers have included the Prime Minister Mr John Howard, head of the ACCC Mr Graham Samuel, and Brisbane's Lord Mayor Campbell Newman.



Caption: Ted Kunkel, left, and Don Argus, right, with Commerce Queensland CEO Joe Barnewall.



Innovations abound at Ipswich

Innovations in the Ipswich region were showcased at the recent Answers to Innovation Trade Expo at which 27 business and service providers presented displays and information sessions. One such innovative company is Plasvacc

based at Kalbar in south-east Queensland whose blood plasma products recently helped save the life of champion racehorse Might and Power.

Plasvacc is the only registered supplier of animal plasma in Australia and is currently raising \$4.75 million through a general rights issue to buy outright a US plasma supplier, Veterinary Dynamics Inc.

Plasvacc chief executive Andrew Macarthur (pictured, above right, with Glenn Douglass from Environmate at the Ipswich Celebrates Innovation event) said the company was working to get approval from the United States Food & Drug Administration to export plasma into the US.

Key partners in the Answers to Innovation Trade Show were Ipswich & Regional Area Consultative Committee, Ipswich City Council, Department of State Development and Innovation together with the Ipswich Chamber of Commerce and Industry.

Wireless modem shapes up

Using mobile phones to provide remote access solutions is likely to be the next challenge issued to Commerce Queensland's IT Services.

In anticipation of this task, IT Services undertook a one-month trial test of a GSM PCMCIA Modem ... in non-geek speak that is a credit-card size modem, based on mobile phone technology, which can be installed in a laptop.

When tested against the current remote access landline solution, IT Services Kevin Sinden found:

- Connection speed was as good, if not better, than traditional landlines
- The modem has the potential to provide staff with access to the network while talking to clients in their offices
- It negates the need for two alternative landline dial-up solutions (hotel and home)

- The additional features open up other business possibilities ... SMS, MMS
- It can change the way we do business by upgrading our remote access solution from an after-hours solution to a business-day solution

On the downside however, Kevin said:

- Cellular network black spots will hamper operation
- There was slow keystroke return while connected to our remote access desktop, which was intermittent and may be linked to a congested cellular network
- The small moveable antenna is fragile and could be easily broken
- Potential "menace" use of laptop in the car
- Cost could be an issue, unless an economical call rate is negotiated



Top-shelf training for frontline managers

Frontline managers are at the leading edge of any organisation and Commerce Queensland is delighted to now be offering employers access to the nationally-recognised Certificate IV in Business (Frontline Management) training program.

As the first level of management, frontline managers encompass supervisors, co-ordinators and team leaders and have often gained their position because of their excellent technical and operation skills.

Frontline Management training complements existing technical skills by focusing on management and leadership development in a practical program that relates readily to the workplace.

Commerce Queensland has been developing, delivering and assessing training for Queensland businesses of all types and sizes for many years and is pleased to add the nationally-recognised Certificate IV in Business (Frontline Management) qualification to the suite of professional development training programs available.

The Frontline Management training courses will be offered by Commerce Queensland's Professional Development Training team through all our regional sites from October 2004. Our training team is able to customise its training program to suit your business needs so please contact your nearest CQ office for more information.

Benefits for companies:

- You get to choose the training provider and have the ability to customise aspects of the training to suit your needs, including how, where and when the training is delivered.
- You get to improve your staff's leadership skills and knowledge, which in turn increases motivation, productivity, employee retention and your organisation's competitiveness.
- You may be entitled to receive Commonwealth Government incentives (contact QAS).
- You may be entitled to Payroll Tax Exemptions on any employee undertaking the training.

Benefits for employees are:

- Your employees will receive a nationally recognised qualification.
- Formal recognition of industry experience.
- Improved leadership/management skills and knowledge.
- Opportunity to undertake this traineeship on a full-time or part-time basis.

The Cert IV in Business (Frontline Management) requires the successful completion of eight units, five core units and three electives. Each unit consists of an off-the-job training workshop and activities to apply the knowledge and skills in the workplace. Frontline Management offers participants the flexibility of completing the total qualification or as single course units. Generally this certificate requires 12 months to complete, at a rate of one unit per month, but participants can fast track their qualifications by completing two units per month if they wish.

Swinging into spring



In September, the Commerce Queensland Trade Show – now in its 6th year – attracted 61 exhibitors who brought along their goods and services for a successful event at the Southport Sharks Australian Football Club.

At the trade show, Info Link exhibitors Fiona Klerck (above left), Bianca Jelonek and Paul Klerck were kept busy as was National College of Business exhibitor Chris Peterson (above right).

Back in August, there was plenty of fun in the sun at the Gold Coast when 90 players teed-off for an Ambrose Gold Tournament at The Colonial.

Sponsors and players had a great day on the greens which was capped off with refreshments back at the clubhouse.

The food tent was a huge success, smoothed along with a wine tasting provided by the award-winning Lilyvale Wines from Texas, near the New South Wales/Queensland border.

The Grace Removals team looked snappy on the course (below right) while Yasha Watkins of Quikshade (below left) swapped stories after the action with Alan Thompson of Documents Solutions, Jack McCosker of Currumbin Minerals and Colin Wheeler also of Document Solutions.

Commerce Queensland also sponsored a Race Day at Gold Coast Turf Club in July attended by about 70 guests. There were some big winners, and some losers, but everyone had a great day including CQ's Cherrill McKay and best-dressed lady Kirsten Brown from Greater Freedom.



WHERE EXPORTERS AND IMPORTERS MEET

www.tradexchange.net is a FREE web service designed to link New Zealand and Australian importers and exporters to each other online. The website is a valuable trading opportunity, profiling the businesses and products of both New Zealand and Australian companies.

Key features of tradexchange.net:

- This is a FREE service to everyone.
- It advertises both companies and products.
- Visual images can be uploaded to enhance the seller's offer.
- The technology and key word search is simple and easy to use.
- The site does not intercede in the buying process.

AUCKLAND
CHAMBER OF COMMERCE
Business Vitality

Tradexchange.net has been developed and funded by the Auckland Chamber of Commerce, New Zealand.



Book NOW for gala dinner

Better not dally if you want to revisit the romance of the 1920s and be part of the Gala Dinner at the Commerce Queensland Cotton Club on Friday 15 October.

Purchase a table and join many of Queensland's key business decision-makers for an evening of "Business Success" featuring national television presenter Ray Martin, comedian Brian Doyle and the Lush/Show band. Special guest speaker is Bob Mansfield AO.

This prestigious event will be held at the Plaza Ballroom, Brisbane Convention and Exhibition Centre beginning at 7.00pm.

A table of 10 costs \$1500 and individual tickets are available. Dress is Black Tie or 1920s.

For bookings, contact Gail Gifford on 07 3842 2264, or register online through www.commerceqld.com.au



SUNsuper

Macquarie
CORPORATE



Waste

As Queensland business continues to grow at a cracking pace, resources are being placed under increasing pressure in a nation with dwindling water supply due to over use, climate change and global warming.

The message from water authorities is that it can't be "business as usual" in regard to water consumption and local government groups are coming down hard on excessive users.

Many councils are moving to increase awareness within their local business communities about the significant advantages of being water and energy wise.

And as the Wide Bay region of south-east Queensland increasingly trades on its eco-reputation, minimising water run-off into the bay and surrounding waterways is an added incentive to reduce the impact of water overuse in that region.

With pristine natural resources and tourism assets such as Fraser Island and the whale colonies in Hervey Bay to

protect, the local council has moved to help leading local businesses and institutions save water, energy and money by educating them about potential efficiencies.

As part of this process, Commerce Queensland undertook a Wide Bay Water Eco-Efficiency Program in conjunction with Wide Bay Water Corporation, Queensland Environmental Protection Agency and the Australian Greenhouse Office.

This involved an audit of current water and energy use practices and equipment which identified strategies and technologies to assist participating businesses reduce costs and at the same

savings by installing compact fluorescent lamps and reducing the setpoint of water heaters.

The flow-on effect from educating large resource users about potential efficiencies is that other like businesses may be encouraged to embrace similar sustainable practises.

On a statewide level, Commerce Queensland continues to work with a number of local governments – including Brisbane City Council and Gold Coast City Council – to develop management strategies and programs to encourage water and energy conservation within businesses.

This work complements the Federal

not, want not

time protect the unique natural environment of the Fraser Coast.

Technical staff worked with 10 of the largest businesses in Hervey Bay and formulated action plans to increase resource efficiency. Businesses were encouraged to implement a continual improvement program including the ongoing monitoring of greenhouse gas emissions and utilities consumption.

As accommodation providers, Kondari Resort and the Australiana Village Tourist Park are two of the big users in the region.

By taking a proactive approach to reining in water consumption, Kondari Resort had achieved a 42 percent increase in water use efficiency while Australiana Village qualified for a \$4000 grant from the EPA's WaterWise program.

Both achieved significant water savings through the implementation of simple actions, such as installing flow restrictors in hand basins and reducing flow in showers and gained energy

Government's Greenhouse Challenge Initiative which encourages energy efficient practises in business with a resulting reduction in greenhouse gas emissions.

Commerce Queensland is contracted to the Federal Government to facilitate the program amongst small and medium-sized enterprises in the state.

For more information on saving energy and water in your business or the Greenhouse Challenge, contact Commerce Queensland's Eco-Efficiency Services team.



New way of doing business

The emergence and reformation of regional councils in the south-east corner of Queensland is reshaping the way Commerce Queensland progresses cross-regional issues on behalf of the business community.



The change began last year with the reconstitution of Commerce Queensland's Gold Coast Regional Council and the formation of the Brisbane Regional Council. It has continued with the formation of the new Sunshine Coast and Hinterland Regional Council, which held its first meeting in July and is this month appointing its first chair.

Regional councils have the freedom to speak out on issues impacting upon their localities and can access the resources available under the umbrella grouping that is Commerce Queensland. They already exist in the Cairns, Townsville, Mackay, Rockhampton and Toowoomba regions.

This unification of business interest groups along the south-east Queensland coastal strip, stretching from Gympie south to the New South Wales border, can only strengthen the business lobby, says Commerce Queensland President Graham Heilbronn.

Progression towards the establishment of the Sunshine

Coast and Hinterland Regional Council (SCHRC) had its genesis in the permanent placement of Commerce Queensland staffer, Mark Botten, in Maroochydore late last year to service and grow the membership base in the region.

"We have since acted on requests that we form a Sunshine Coast council similar to that established on

the Gold Coast so that the aspirations of the regional area can be expressed through one voice," Mr Heilbronn said.

A regional council includes presidents of the local chambers of commerce as well as additional business leaders drawn from a range of Commerce Queensland Members, which can include associations and business groups. Each regional council has a permanent position on the Commerce Queensland Board.

Commerce Queensland wants the newly formed SCHRC to become the possession of, and be run by, the Sunshine Coast business community as quickly as possible.

"No one should underestimate the importance of local and regional Chambers of Commerce in accurately and effectively representing the interest of local business people," Mr Heilbronn said.

But the ability of the new regional groups to access expertise from Commerce Queensland's Policy Division and Corporate Communications Division could enhance their abilities to influence decisions and matters of interest to their group.

"During the recent stand off between the Queensland and New South Wales governments over the Tugun Bypass issue, Commerce Queensland – on behalf of the Gold Coast Regional Council – played a major role in bringing together local chambers of commerce in south-east Queensland and northern New South Wales," Mr Heilbronn said.

"With the assistance of our sister organisation, the State Chamber of New South Wales, and the Federal Government, we helped break the impasse between the two state governments."

The purpose of the Brisbane Regional Council, and the Brisbane Lord Mayor's Business Round Table chaired by Mr Heilbronn, was to progress opportunities for the Brisbane business community.

"That goal is akin to Commerce Queensland's desire that the Sunshine Coast and Hinterland Regional Council achieve in a like manner in promoting the interests of the coast and hinterland business community."

The new SCHRC chair will become a permanent appointee on the Commerce Queensland Board.

Growing salad leaves in seedling trays at bench height under hail net, using computer controlled watering and environmental systems, represents a major new shift in the food production business.

Green machine



With food safety and quality becoming increasingly important, growing baby leaves above ground, enclosed by hail net to keep bad weather and birds at bay, with scrupulous attention paid to hygiene and traceability ... and with a regular, misted water supply ... well it's a perfect production environment.

The Smart Salads Company – which is supplying baby leaves for the McDonald's Salads Plus program – has six hectares under crop now and well-advanced plans for a further nine hectare expansion of this aspect of the business.

The Smart Salads Company recently won the Premier of Queensland Smart Awards 2004 in the agribusiness category. It is an offshoot of the Lockyer Valley-based Withcott Seedlings Queensland, which is the largest supplier of vegetable seedlings to the east coast of Australia growing 310 million plants in 2003-04.

The Smart Salads business cleverly takes that seedling production business one step further by evolving it into a salad-leaf food production "factory".

Withcott – a Commerce Queensland Member – is a business that has been nurtured from an \$800 start into the Erhart Group of Companies during the past two decades by former psychiatric nurse Wendy Erhart and her mechanic husband Graham, and is now ranked as 110 in the QBR Queensland Top 400.

Wendy believes her work as a nurse provided a natural understanding of systems, processes and logistics which led to the development of the quality management systems that underpin Withcott's success.

Seven years of hail on the home farm when growing up at Stanthorpe also reinforced the need to use protected cropping options, such as the hail nets, to eliminate as much risk as possible.

Fast forward to today and Withcott is an integral link in the supply of fresh food throughout Australia and the Asia-Pacific region and has 14 trucks daily delivering perfectly grown, fully tracked and labelled seedlings on demand to vegetable producers who grow them into \$340 million worth of food.

"It is amazing how innovative Australians have become in order to survive. Improving our systems and training have helped advance our business to the point where we have now designed world-leading software to control and automate our production," Wendy said.



"David Hanlon from Resource Consulting Services has helped me identify that my strengths are in systems and logistics, and I'm now 18 months into a three-year Harvest Executive Link training program which has shown me how to work on the business and not just in the business."

"Training has lifted our business to a corporate level and has allowed us to understand ourselves and the team around us. This education has had a profound affect on many at Withcott Seedlings and has greatly assisted in creating a culture of learning that has allowed change and innovation to be embraced."

The company's software enables Withcott to cater for each of its 960 clients' requirements, working backwards from a client's commitment to supply X tonnes of lettuce to a Melbourne supermarket on December 1 and identifying on what day that seed needs to be planted in seedling trays at Gatton to fulfil the order.

The business has 29 computers and one kilometre of fibre optic cable, it has 6500 orders in the system at any one time and records 14 years of a client's supply history.

Recognition for the quality of Wendy's systems came when Withcott gained full ISO and HACCP accreditation within three days of auditing. And also when its bar-coded, traceability systems enabled Withcott to win three legal claims for its farmers by identifying the problem at issue.

Wendy's approach to water has been similarly analytical – the business has a reverse osmosis unit to desalinate

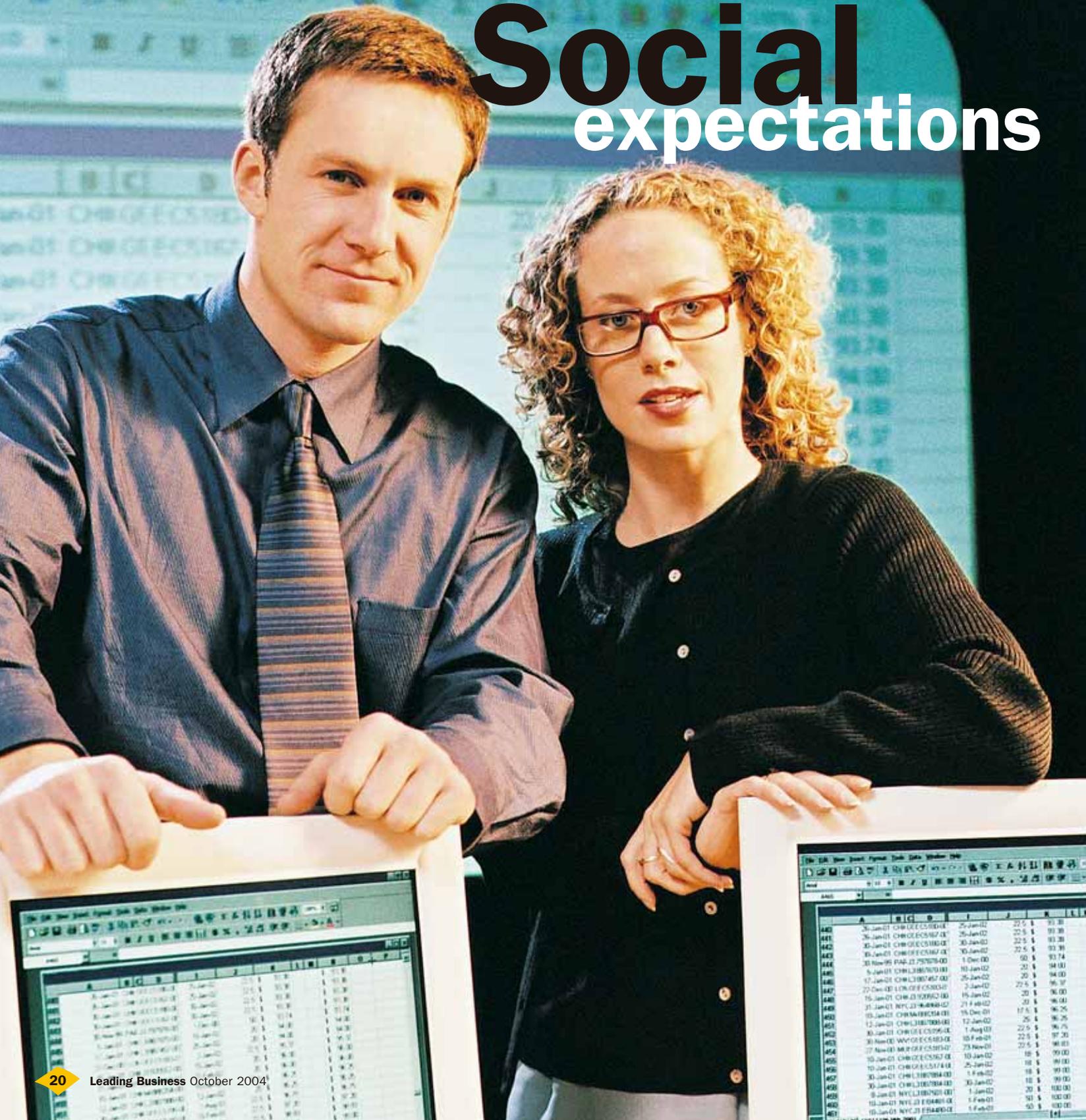
bore water, sand filters and chlorinators to remove bacteria, and no water leaves the property which is especially important with the recent drought lingering to become the worst in 100 years.

The company employs 145 local staff and provides skills-based training in the workplace. By developing a positive work culture, engaging with staff and seeking their views on how to make the business more efficient and cut waste of time and product, Withcott has recently reduced its payroll expenditure by \$17,000 per fortnight.

For Wendy, it has always been about coming up with systems and processes to deal with issues and challenges ... and the award-winning Smart Salads Company reflects that attitude.

Another Commerce Queensland Member – Xstrata Technology – won the Queensland Premier of Queensland Smart Award for mining and minerals processing.

Social expectations



Corporate social responsibility is the new breeze sweeping the corridors of business and there is growing community expectation that business operators will accommodate it in the same way they did environmental responsibility in decades past.

While one wavelength might say the business of business is making profits, it is not that simple in the 21st century when reputation is king.

The reality is that business does not exist in isolation, it has to work within a community and have a conscience of some sort – it has to sell its “products”, employ people and take an interest in their wellbeing.

A bad reputation impacts on the success of a business. Corporate social responsibility is about building the social aspects of reputation which are important to future success ... it is ignored at your peril.

Corporate social responsibility embodies transparent, ethical behaviour; respect for stakeholder groups and a commitment to adding economic, social and environmental value.

Commerce Queensland is formulating its corporate social responsibility policy with the view to informing members about the levels and types of engagement – and the potential rewards – that exist.

To this end, Commerce Queensland is talking with umbrella groups such as the Queensland Council of Social Service and Anglicare to identify how corporate social responsibility strategies can be planned and implemented.

A business can define what good corporate citizenship means to it, and determine which activities best fit with its business strategy.

There is also a strong business case for partnering that is build around working closely with stakeholders to enlist their help – including their expertise, knowledge and competencies – to fulfil your corporate social responsibility.

Gains from partnerships are: keeping in touch with society’s expectations; understanding areas of concern; demonstrating that business is inclusive not arrogant; identifying opportunities for corporate development and solutions to problems.

A key point to remember is that word of mouth has more credibility than other forms of reputation building, and the ultimate benefit of working with community partners is that they spread the word about the ways in which your business is contributing.

While his company is not in the business of charity, Michael Hawker believes Insurance Australia Group’s survival and the strength of its reputation depend on identifying the crossover between economic and social benefit.

According to a Sydney Morning Herald article, IAG’s formula is simple: preventing crime or weather-related disasters will limit payouts and allow the company to reduce its premiums. Therefore expenditure in this area is good for business.

Using its information on claims and payouts, IAG identified areas with high-crime rates and worked with councils, police and community leaders to address the causes of crime.

IAG has also worked with the Bureau of Meteorology to investigate storm damage and helped form the Australian Climate Group, which advocates and researches reductions in greenhouse gas emissions.

In the SMH’s recent Corporate Responsibility Index report, Hawker was quoted as saying: “It is a matter of finding your alignment of what is an economically sustainable outcome and a community sustainable outcome.”

“People who are thinking about these issues run a better business. If you’re not paying attention to how you utilise resources, people, suppliers, regulations, you’re not really trying to optimise the long-term return of your company.”



Workers Compensation

– options for review and appeal

Employers sometimes feel that when WorkCover accepts a workers compensation claim and they disagree with the decision that there is little they can do apart from letting the claim take its course.

But a recent WorkCover Education Series run by Commerce Queensland outlined options of review and appeal that are open to employers. It can be a three-step process: 1) A 'review' of WorkCover's decision by Q-COMP, 2) an appeal to the Industrial Magistrate and 3) an appeal to the Industrial Court.

Background

A statutory claim (Worker's Compensation Claim) is decided on a 'no fault basis'. This means an injured worker can access financial compensation regardless of whether or not the injury was the employer's fault.

WorkCover must make a decision on the application within three months of an application. WorkCover must then notify the claimant of the decision. If the application is rejected, WorkCover must provide the reasons for the decision.

In deciding whether to accept a claim WorkCover must decide:

- whether the claimant is a 'worker' as defined in the legislation
- whether the claimant suffered an 'injury' as defined in the legislation

During the course of WorkCover's investigations they will gather information to assist in determining the above.

These investigations may include:

- taking statements from the claimant, the claimant's employer and witnesses
- obtaining medical reports and treatment notes
- obtaining medical reports and treatment notes
- obtaining police and ambulance records
- arranging independent medical examinations
- obtaining employment records

WorkCover will then make a decision on the claim, based on the evidence obtained.

In the case of claims for psychological conditions arising from employment, WorkCover will refer the majority of claims to a specially trained psychologist. The psychologist will investigate the claim and provide their opinion to WorkCover on whether the claimant has suffered an 'injury' within the terms of the legislation.

The psychologist will undertake investigations which may include:

- taking statements from the claimant, the claimant's co-workers and employer and other witnesses
- obtaining employment records
- obtaining medical records

The above strongly suggests that employers need to document and keep excellent files and records on all incidents and injuries that may occur in the workplace.

If WorkCover accepts the claim for compensation and the employer objects to the WorkCover decision there is a review and appeals process that can be followed.

Review and Appeal Process

The Workers' Compensation and Rehabilitation Act 2003 Chapter 13 - Reviews and Appeals details the review and appeals process.

1. The Review

The first step in the review and appeal process is the "review" which is completed by Q-COMP.

A claimant, worker or an employer aggrieved by WorkCover's decision or the failure to make a decision, may apply for review by Q-COMP (section 541).

An application for review must be made within three months (section 542) of the applicant receiving the WorkCover decision in writing, or failure to make a decision and the reason for decision, or failure.

Having received the application for review, Q-COMP must within 35 days come to a decision and within a further 14 days Q-Comp must give the applicant and WorkCover a written notice of the review decision.

It is an administrative review designed to provide an efficient, timely and cost-effective system for workers and employers to have insurer decisions reviewed. It is a non-adversarial and non-judicial process. The review process is not a reinvestigation of the matter.

The Review Unit obtains a copy of WorkCover's file, and a Review Officer reviews this file. If the applicant requests on their Application for Review Form that they wish to speak to a Review Officer, this will be arranged. This 'Right of Appearance'

(section 543) can be conducted in person or over the telephone depending on the applicant's circumstances, eg. distance from Brisbane.

A Right of Appearance is a chance for you to put your point of view and clarify your issues to the Review Officer. It is not a cross-examination.

2. The Industrial Magistrate (sections 548 – 560)

If as an employer you are dissatisfied with Q-COMP's review decision, the next step is to lodge a written notice of appeal with an industrial magistrate. This notice of appeal must be filed at a Magistrates Court within 28 days of receiving the Q-COMP review decision.

The industrial magistrate considers all materials relevant to the case and must hand down their decision in an open court with a written copy of the decision given to each party.

The time and cost in this exercise may be considerable.

3. The Industrial Court (sections 561 – 566)

If as an employer you are dissatisfied with the Industrial Magistrates decision, the next step is to lodge an appeal with the Industrial Court. The appeal must be lodged as required under the Industrial Relations (tribunals) Rules 2000.

The appeal is by way of rehearing on the evidence and proceedings before the magistrate, unless the court orders additional evidence to be heard.

The court's decision is final.

The time and cost in this exercise may be considerable.

Strong business case drives convention centre

As the major driver of business tourism to Queensland, the Brisbane Convention & Exhibition Centre generates up to \$150 million in economic benefit to the State annually.

As the Centre approaches its 10th anniversary next year, Managing Director Robert O’Keeffe says that figure tells only part of the story.

“The \$150 million is based on direct revenue, when in fact there is a significant multiplier effect when one takes into account wages of workers for our suppliers and others who benefit from the influx of national and international visitors who come here specifically because of the events we produce,” Mr O’Keeffe said.

The Centre hosts about 800 events annually and hundreds more when all the functions within each event are counted – be it conference, product launch, trade or public exhibition.

It has collected about 83 awards and was this year inducted into the Meetings Industry Association’s Hall of Fame, the highest accolade the business events industry body can bestow.

Robert O’Keeffe is particularly proud of the fact the Centre has been profitable from its Day One opening.

“We have funded all our maintenance and upgrades from our profits and last financial year we were 20 percent up on our projected surplus.”

The flow-on benefit of the Centre’s success to Brisbane businesses is reflected in the unprecedented occupancy levels currently enjoyed by the city’s major hotels.

The Brisbane Convention & Exhibition Centre is currently rated among the world’s top three convention centres.

The Centre team continues to manage the 54 conventions entered on this year’s calendar – including a record 17 international conventions –



and business growth is set to continue with 60 conventions already on the 2005 calendar.

The Centre recently celebrated back-to-back international convention wins from its lodgement of Brisbane bids for the 2006 World Meat Congress and the 2008 World Hydrogen Energy Conference.

The success of securing back-to-back major international meetings caps a year of outstanding achievement for the Centre and its sales team.

In the financial year just ended, the Brisbane Convention & Exhibition Centre sales team has recorded confirmed bookings for 61 new international and

national conventions representing an estimated \$120 million in delegate expenditure for Queensland.

The Centre has pioneered a number of ground-breaking initiatives such as the National Convention Advisory Board (the only one of its kind in Australia) the Brisbane Convention Partnership (a world-first) and partnerships with government, tourism and event organisations designed to increase Queensland’s share of the convention market.

Centre management has worked to broaden the organisation’s business and revenue base with its entrepreneurial culture resulting in a number of departments supplying services to external clients, including other convention centres.

Robert O’Keeffe said the Centre was exploring joint marketing initiatives with the new Gold Coast Convention & Exhibition Centre and the Cairns Convention Centre. Queensland is the only state to have three modern, purpose-built convention centres.

The Gold Coast Convention & Exhibition Centre opened in late June and during its 18 months’ construction, about 3000 jobs were generated with major contracts let to 80 Queensland companies.

The Centre is capable of hosting world-class conventions and trade shows with up to 3500 delegates and banquets for up to 2500 guests.



The 2003 Rotary International Convention attended by 17,000 delegates



FEATURE

Showcasing manufacturing technology

The inaugural Queensland Manufacturing Technology Exhibition (QMAN) will bring together the newest products and services with more than 80 exhibiting companies showcasing the breadth of equipment available for this key industry sector.

To be held at the Brisbane Convention & Exhibition Centre, Southbank, from 19-21 October, QMAN will bring together a broad range of manufacturing interests including Logistics and Materials Handling, Industrial Automation & Robotics, Machine Tools, Computers in Manufacturing, Welding and Safety.

"QMAN will be the first event of its kind in Queensland and will enable visitors to access a range of solutions, technologies and equipment in the one location," said John Gorton, Group Manager - Industrial, Reed Exhibitions, the event organiser.

In addition to the products and technologies on display QMAN will also host two leading industry conferences; the Queensland Instrumentation & Controls Show (QICS) and the Welding Technology Institute of Australia (WTIA) Technology Week.

"QMAN will offer a virtual 'one stop shop' encompassing the breadth of the manufacturing industry. By bringing together multiple interest areas, visitors have a unique opportunity to meet with experts and to experience first hand the directions their particular sectors are taking," Mr Gorton said.

QMAN, Brisbane Convention and Exhibition Centre, Southbank, 19 – 21 October, 2004.

To register or for more information phone: +612 9422 2451 or visit www.qman.reedexhibitions.com.au

Evaluating

While Digital Subscriber Line penetration into business is starting to take off, companies need to be wary of ‘glowing’ broadband offerings.

General Manager, Hosting Solutions, Macquarie Corporate Telecommunications Glen Noble says “if it sounds too good to be true, it probably is; definitely applies in this case”.

“Business users must ask basic questions to avoid getting burned and guard against poor quality service and unexpected cost blowouts.”

The following broadband checklist may help.

- **Price is not a differentiator you get what you pay for**

Buying ignorance and shopping on price alone is dangerous. Any user should understand the difference in service levels and identify minimum requirements for their business before signing.

- **Beware retail services masquerading as business offerings**

There are a considerable number of broadband suppliers that resell basic domestic services (wholesaled by one of the larger carriers) as a business service. This is particularly prevalent among DSL offerings aimed at the residential and Small Office-Home Office. Such services will not deliver the throughput and uptime required to perform even basic business functions.

- **Read the fine print, especially the download Terms and Conditions**

Advertisements with very cheap price tags often have hidden costs associated with download charges. Paying for additional downloads can be very costly. A business may go over its limit early in the month, without notification from the supplier, only

to incur hefty additional download charges at month’s end.

- **What security assurances are being offered?**

With more than 2.7 million virus incidents reported during 2003, the ‘always-on’ trend arising from the adoption of broadband, puts corporations at constant risk. It is therefore important to fully understand what security guarantees are offered by your supplier. For example, ask your supplier what anti virus and anti spam protection is in place. How does it ensure all security patches and upgrades are acted upon immediately? Is there a managed firewall and if so what level of protection does it offer?

- **What are the billing procedures?**

Billing systems can become the bane of your financial controller’s life. Can your broadband supplier integrate your broadband billing into your existing telecommunications bill – why would you want a separate bill? A good broadband billing system will provide pricing flexibility – can you have a choice of flat rate, port-based or usage pricing?

- **What about uptime guarantee?**

Uptime refers to how often your network is operational or not (ie downtime). Business users typically need more than 99.7 percent uptime. In contrast, a major carrier’s uptime rate for the home user is around 99 percent, which is not suitable for basic business functions. Uptime is crucial during business hours, so how it is measured is also relevant.



broadband offerings



- **Do you get cash back if the provider doesn't deliver on service promises?**

Check if the provider gives a cash refund if they do not meet the service level guarantees and identify the procedure for claiming refunds and rebates. Some carriers have prohibitively detailed processes that make it harder to seek compensation. Understand there is a difference between a target and a guarantee – always seek the latter.

- **Who is responsible for what – particularly installation?**

You need to ask several questions. Who installs the DSL modem, who guarantees the service will work with your Local Area Network (LAN) and does your email service remain operational?

To guard against finger pointing, find a supplier that provides an ironclad date by which the service will be installed. If they do not meet that date, some providers will pay rebates on a sliding scale to the point that lengthy delays mean installation is free.

Beware small “cop out” clauses. For example, some providers will say they pay rebates but only if the delay is caused by something they can control. As a user, you don't care whose fault it is, you want someone to be responsible for installing by a set date and drive the process on your behalf.

- **What type of help desk service is on offer?**

Help Desk services vary markedly. Identify when you want support, how it is delivered and within what timeframe. Large businesses and government users typically require 24-hour support. And they want to talk to a person (not a machine) within 10 seconds of picking up the phone. The Australian Communications Authority (ACA) Monitors the Help Desk service levels of most providers, go to www.aca.gov.au/publications/performance

Broadband hits one million

The take up of broadband services has passed the one million mark, according to the latest Australian Competition and Consumer Commission Snapshot of Broadband Deployment.

According to the ACCC, a further 349,100 services were connected during the first six months of this year. In the June 2004 quarter, broadband growth increased to 26.3 percent, up from 18.7 percent in the previous quarter.

The ACCC Broadband Snapshot details the deployment of broadband services throughout Australia and is based on data provided by major carriers of broadband services.

Broadband take-up has increased by 531,100 or 102.7 percent from the June 2003 figure of 516,800.

Digital Subscriber Line services continued to achieve the highest quarterly growth rate.

The **lowdown** on performance reviews

Performance reviews are typically an annual event dreaded by management. For the most part, we all want to know what we're doing well and what areas we need to improve. The hard part is judging someone else. As a result, most managers tend to put off preparing for performance reviews because they struggle with how to give feedback effectively.

Many managers worry that they will upset their employees, or demotivate them, so they rush through an evaluation or skip it altogether. In spite of this hand-wringing on the part of management, employees want to know where they stand. They want to know if they are making a difference. They want to know if the manager cares about their personal growth and success.

Conducting a good performance review requires careful preparation in two different ways. You need to decide what you are going to say, and how you are going to say it.

So, here are a few tips for managers who want to give feedback like a pro.

Don't make it a surprise

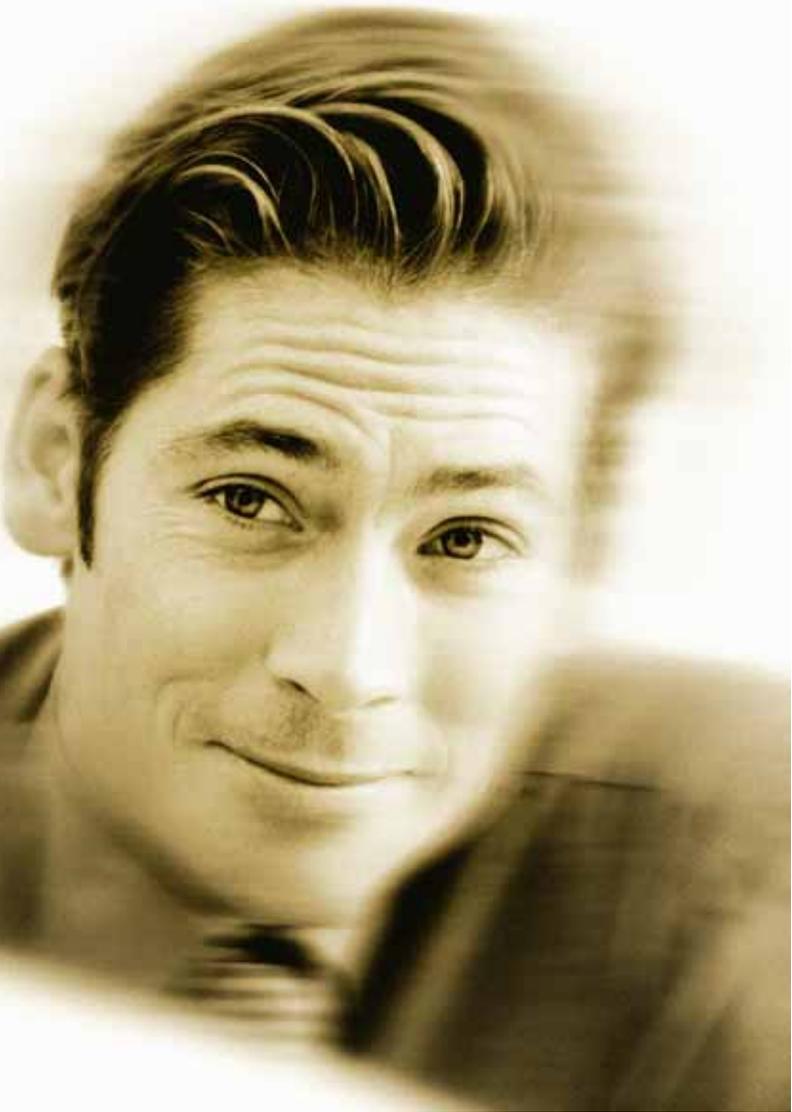
Provide input to employees throughout the year so there won't be any surprises when it's time for a formal review. Let them know right away what they are doing wrong so they can correct it now, not twelve months from now when it has become an ingrained habit.

Consider a self-evaluation

You may want to ask your staff members to assess their own strengths and weaknesses prior to their review. This not only gives them an opportunity to examine their performance and career path, but also provides you with insights into their perceptions and goals.

Limit the time to about an hour

Schedule a personal meeting with each employee, and be sure to budget enough time for all topics that need to be covered. If you find that there is too much to discuss within that time limit, it usually means that you haven't been doing a good enough job giving feedback throughout the year.



Break the ice

As you begin the meeting, make the point that your goal is to help the person grow in their job and in their career. Also mention that you'd like the conversation to be two-way. You want to hear feedback, too, so you can understand how to be of more help in the future. This tends to break the ice because it demonstrates that you're taking responsibility for helping them succeed.

Reinforce company values

Employees who are clear about expectations and how their daily contributions link into the company's goals are the most successful in their jobs. Discuss key business objectives during the appraisal process to help clarify staff members' roles and how their work fits into your firm's "big picture".

Deliver negative feedback effectively

Discussing an individual's weaknesses in a constructive way can be quite a challenge. To help with this process, give examples of how to improve in specific areas. This keeps employees optimistic about future success. Be sure to comment on positive attributes as well. Encouragement is the best incentive for improvement.

Be sure to also point out the things they are doing well. Remember, we all like praise.

Employee evaluations are a great opportunity for opening the lines of communication and learning what motivates your team members. With the right approach, they can be meetings both you and your staff look forward to attending.

Industry supports

Vocational Education and Training programs

Commerce Queensland is actively involved in facilitating links between schools and industry by encouraging employers and schools to work in partnership to develop mutually beneficial ways to equip young people with the skills they need to fully participate in the world of work.

Commerce Queensland is committed to providing advice to schools on how best to engage with employers and effective ways of creating partnerships to enable young people to make successful transitions from school to the workplace through Vocational Education and Training (VET) in Schools programs.

VET in Schools provide students with workplace learning opportunities, relevant industry skills and experience. VET in Schools can be undertaken through a range of options which include:

- Structured work placement - An agreed period eg. one day/week during school hours;
- Work experience – eg. one or two week block during the school year; and/or
- School-based traineeships and apprenticeships.

These programs enable students to undertake accredited industry-specific training based on qualifications within the Australian Qualifications Framework and competencies endorsed in the National Training Framework. Most importantly for industry, students have access to VET in Schools options which enable them to follow alternative career pathways which provide important employability skills.

Employers want young people to have skills that are relevant to the world of work and exposure to the workplace while still at school will help them obtain those skills. There is employer support for VET in Schools programs and a strong view that for new entrants to the workforce, employability skills are at least as important as technical skills.

VET in Schools programs can enable your business to:

- establish ways to attract potential employees by offering structured work placements and/or school-based apprenticeship/traineeships;
- provide young people with important employability skills while effectively contributing to your organisation's success;
- advance your businesses reputation and provide an important future skills base for your organisation and industry;
- access an employment pool of often highly motivated and enthusiastic job seekers;

- have the opportunity to see how someone performs on the job with choice of employing them on a school-based traineeship or apprenticeship, and/or a full-time or part-time basis once they have completed their schooling;
- assist in addressing skill shortages; and
- promote your industry and career pathways within it.

Some of the key issues Commerce Queensland is working to address include:

The need for all VET in Schools programs to include an on-the-job placement component to meet industry requirements. If this doesn't occur, students are not exposed to the world of work and the opportunity to gain employability skills – which is a contributing factor as to why employers support VET in Schools programs.

In the context of a rapidly changing labour market and increasingly sophisticated student choices, it is essential that systems and schools are able to respond to changing needs and business and community expectations. The achievement of parity of outcomes between the VET and VET in Schools sectors is of critical importance for industry. To achieve this, on-the-job experience (where considered appropriate by industry) must be made available on terms acceptable to industry partners.

The highly skewed pattern of enrolments in School-based New Apprenticeships in particular industry areas, skills shortages and the needs of industry. Flexibility and responsiveness will be required to meet both student needs and also to support the development of programs in emerging occupations.

To discuss Vocational Education and Training in Schools programs, and how you can become more actively involved with these programs, contact Virginia Colton on 3353 7719 or email vcolton@commerceqld.com.au

*In Queensland during 2002, 4237 secondary school students commenced a School-based New Apprenticeships. The top five Queensland industry areas are: Sales and Personal Services; Tourism and Hospitality; Business and Clerical; Primary Industries; Automotive; and Building and Construction. The industry coverage indicates that while the provision of programs ranges across a large number of industry areas, more than 75 percent of students are employed in Sales and Personal Services, Tourism and Hospitality, Business and Clerical, and Primary Industries.

Aussie logo leaps into export



The Australian Made Campaign is set to leap ahead with a \$2 million Federal Government grant to strengthen the profile and marketing effectiveness of the distinctive kangaroo logo in export markets as well as at home.

The Australian Made logo is already one of the most recognised, trusted and best-loved trademarks in Australia, making it a powerful marketing tool to promote our innovative and competitive local products in global markets.

With a 96 percent recognition level (Roy Morgan Research, 2000 and 2002), 96 out of every 100 Australians recognises the Australian Made logo – and 85 percent of Australians are consciously looking for Australian-made goods, and 66 percent will buy Australian made whenever possible.

As Australian manufacturers and service companies become increasingly export focused, adopting the Australian Made logo is an effective and inexpensive way of building customer loyalty and increasing sales.

The logo is already being used in over 30 countries by a broad range of exporters, so there is a strong base from which to build international recognition.

Australian Made Campaign Chairman Robert Gerard said the \$2 million grant, provided through the Department of Industry Tourism and Resources, is to be matched by an equal contribution from the campaign and will fund a range of initiatives during the next three years – including an awareness and profile raising campaign, an export marketing campaign, and strategic research.

Mr Gerard said the Australian Made Campaign will work collaboratively with Austrade, other government agencies and private sector organisations in implementing this program.

As one of the original foundation members of the Australian made Campaign, Commerce Queensland is a strong advocate for Australian made goods and more particularly Queensland manufacturers and suppliers.



Business welcomes Thailand trade agreement

The Australia-Thailand Free Trade Agreement is set to further strengthen Australia's commercial and economic engagement with Asia, and is tangible evidence that Australia is not turning its back on the region.

Australian Chamber of Commerce and Industry Chief Executive Peter Hendy said the FTA is expected to deliver useful economic benefits to both countries, in terms of higher-than-otherwise economic growth and consumer welfare.

ACCI was actively engaged in the negotiating processes, sending a representative to Thailand with the Australian negotiating team to deal with key trade facilitation issues, in particular rules of origin.

"We are working with key Federal Government agencies in an implementation group to ensure the efficient entry into force of these, and other, important areas of the agreement," Mr Hendy said.

The FTA will also cement the culture of trade liberalisation around the Asia Pacific region and, together with the Australia-Singapore FTA, act as a foundation stone for the prospective FTA between the 10-nation ASEAN grouping and the CER partners (Australia and New Zealand).

TradeStart building exports

Commerce Queensland is delighted to partner Austrade in assisting businesses to become exporters under the Federal Government's New Exporter Development Program, TradeStart.

Statistics show that currently four percent of Australian companies and two percent of Queensland companies export. The Federal Government has developed a strategy to double the number of exporters by the year 2006 and TradeStart is an integral part of achieving this aim.

Commerce Queensland Export Advisor Vince Kelly said: "TradeStart is a free service aimed at small to medium enterprises and is about providing the know-how and expertise to businesses to help them get over the line and become successful sustainable exporters."

How does your business get involved in TradeStart?

Interested businesses can get in touch with Commerce Queensland to establish whether you have the capacity to sell your products/services overseas.

To be eligible your business must have:

- a current Australian Business Number
- Australia as your main place of business
- Not completed TradeStart previously or received Austrade's new exporter services during the past three years
- No recurrent export revenue in the same market during the past three years

To find out if you qualify for TradeStart, contact one of Commerce Queensland's Export Advisors by email:

intl@commerceqld.com.au or telephone: 07 3842 2244.

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