



# **LATE ITEMS PERFORMANCE & SERVICE COMMITTEE MEETING**

## **AGENDA**

**26 AUGUST 2014**

*Your attendance is required at a meeting of the Performance & Service Committee to be held in the Council Chambers, 232 Bolsover Street, Rockhampton on 26 August 2014 commencing at 9.00am for transaction of the enclosed business.*

A handwritten signature in black ink that reads "R Chessman".

**ACTING CHIEF EXECUTIVE OFFICER**  
22 August 2014

Next Meeting Date: 23.09.14

**Please note:**

In accordance with the *Local Government Regulation 2012*, please be advised that all discussion held during the meeting is recorded for the purpose of verifying the minutes. This will include any discussion involving a Councillor, staff member or a member of the public.

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## 8 OFFICERS' REPORTS

### 8.6 REQUEST FOR PUBLIC HOLIDAY BEEF 2015

<b>File No:</b>	<b>10486 &amp; 3192</b>
<b>Attachments:</b>	<b>Nil</b>
<b>Authorising Officer:</b>	<b>Ross Cheesman - Acting Chief Executive Officer</b>
<b>Author:</b>	<b>Michael Rowe - General Manager Community Services</b>

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#### SUMMARY

*Beef Australia Ltd. seeking Council support for the allocation of a public holiday for the opening day of Beef 2015.*

#### OFFICER'S RECOMMENDATION

THAT Council advises Beef Australia Ltd that it is unable to support the allocation of a public holiday for Beef 2015 for the following reasons:

1. Competitive disadvantage impact on local business
2. Productivity loss to local business

and encourages Beef Australia Ltd to prepare an evidence based business case for a potential public holiday in 2018.

#### BACKGROUND

Beef Australia Limited has sought Council support in the process to have a public holiday for the opening day of Beef 2015, Monday 4<sup>th</sup> May 2015, based on the economic benefit and public exposure that the event brings to the region.

Council officers have advised of the necessary process to apply for a public holiday pursuant to the *Holidays Act 1983* and sought further clarification regarding area envisaged to be covered by the public holiday and evidence supporting the benefit claimed on a daily basis.

Beef Australia has provided the following responses:

1. Given the de amalgamation we believe given their proximity to Rockhampton that the Livingstone Shire should also be given the same opportunity;
2. The Monday (of Beef Australia 2012) was easily the best attended day for the week over 20,000 people attended including the Premier Campbell Newman.

And an extract from the Invitation to Partner" indicates that the average length of stay in the region was 6 nights with 600 international visitors, 2600 seminar attendees and 900 tour attendees. Actual visitor numbers to the regional council jurisdiction were not supplied but assuming 4100 persons attended from outside the region and applying the multiplier 1.5 for every \$100 of spend \$50 of revenue is generated in regional income it is estimated that the direct spend of \$1.23M per day and an indirect spend of \$615K yielding an impact of \$1.845M on Gross Regional product per day.

The converse to this positive impact are the impacts on the community and productivity which can be summarised as follows:

1. an increased ability to enjoy a time of personal significance due to the protections afforded to public holidays (net benefit)
2. increased wages due to penalty rates where employees choose to work a shift the are offered (transfer)
3. potentially higher costs where businesses opt to levy a surcharge to cover their additional costs (transfer)

4. potentially restricted choices where employers choose not to trade on the public holiday on response to greater staff costs (net costs)

To quantify this impact without regard to the leave loading aspects the following preliminary analysis has been applied.

Total FTE – 44,622

Total Income – 35.15M per day

Total Food, Accommodation and Retail employees - 6390

FTE Employee productivity Food, Accommodation and Retail - \$170.22 per day

FTE All other employees – 38,232

All other employee productivity – \$282.94 per day

Assuming all business other than Food, Accommodation and Retail close the productivity loss is \$10.81M per day

Assuming that Food, Accommodation and retail employees remain employed at penalty rates then the wage differential is increased by \$2.5M per day.

Hence the productivity loss and penalty rate wage impost are both greater than the daily revenue impact of the public holiday and on this basis the benefit of an additional public holiday is significantly diminished.

#### **CONCLUSION**

Given the preliminary economic assessment of the impact of the requested public holiday it is recommended that such holiday not be acceded to until a more detailed cost benefit analysis is provided on the basis of competitive disadvantage and productivity loss to local business.