

Responses To Issues Raised At The 2022 SSAA Victoria AGM

The SSAA Victoria Annual General Meeting (AGM) for 2021/22 was held on Sunday, 18 September. A number of issues were discussed in the reports and general business of the meeting and through questions on and without notice. In the interests of completeness and transparency, details of these issues are published for the information of the broader SSAA Victoria membership.

The Wages Outcome

In assessing the wages outcome this year, it's worth noting the percentage of revenue that goes to salaries, which is a *rule-of-thumb* of financial performance.

The typical percentage of employee cost-to-revenue varies according to industry. Some sectors, such as consulting and legal can be over 50%, government sits at around 40%, banking operates at around 30% and manufacturing sits around 10% to 20%. Notably, a similar organisation to ours sits at 37.3%. The employee cost-to-revenue percentage for SSAA Victoria in 2021-22 was 19.3%. The Association operates at the leaner end of the spectrum.

Other Financials In Focus

With respect to some of the other financials:

In 2011 the Association had **fixed** assets of \$3.0 million. In 2022 **fixed** assets were \$6.9m, more than doubling the Association's investment in bricks, mortar and equipment. In 2011 **net** assets were \$4.0 million. In 21-22, **net** assets were \$14.5 million, having risen 8% that year alone. While the surplus of \$1m is a measure of how well the organisation is operating, our asset base is a measure of how substantial the Association has become.

Reflecting the positive position of the company, **State Office** cash holdings on 30 April 2022 were \$6.8 million, representing an 18% increase from the previous year and a 700% increase from 2011. However, we don't look to accumulate cash *for its own sake*. We implement long-term plans to invest *back into* providing services and facilities for the members. In 2022, we spent \$424k on range capital works and improvements [*cash flow figures*]. Perhaps most notable was the Springvale carpark's redevelopment at \$85k. At Eagle Park, we spent \$70k on repairs and maintenance and \$35k on roads and earthworks. Works to the value of \$150k were undertaken at Wodonga to bring OH&S standards up to compliance, while we invested \$125k to buy land abutting the Laang range to ensure that we protect its future.

Without sufficient cash reserves, we could not have funded these works or bought any land.

Be it a 'war chest' or cash for 'a rainy day', the more we grow and the more financially strong we are, the more we can offer to members and the more influential we become. Eventually, we want to have an Association that represents the majority of shooters in the State. Eventually, we also want to generate more revenue from *external sources than from membership*. Doing this will allow us to offer subsidised facilities and services to members. The days are long gone when we could rely just on the goodwill of our volunteers.

Questions On Notice

Members are invited to submit questions on notice to be answered and discussed at the AGM.

Question

I plan to attend this year's AGM but have noticed on the postal ballot form that there is a preference that I raise any questions that I may have at least seven days prior to this meeting. Would you kindly explain to me and other SSAA members why this is a requirement rather than raising questions at the AGM meeting?

Answer

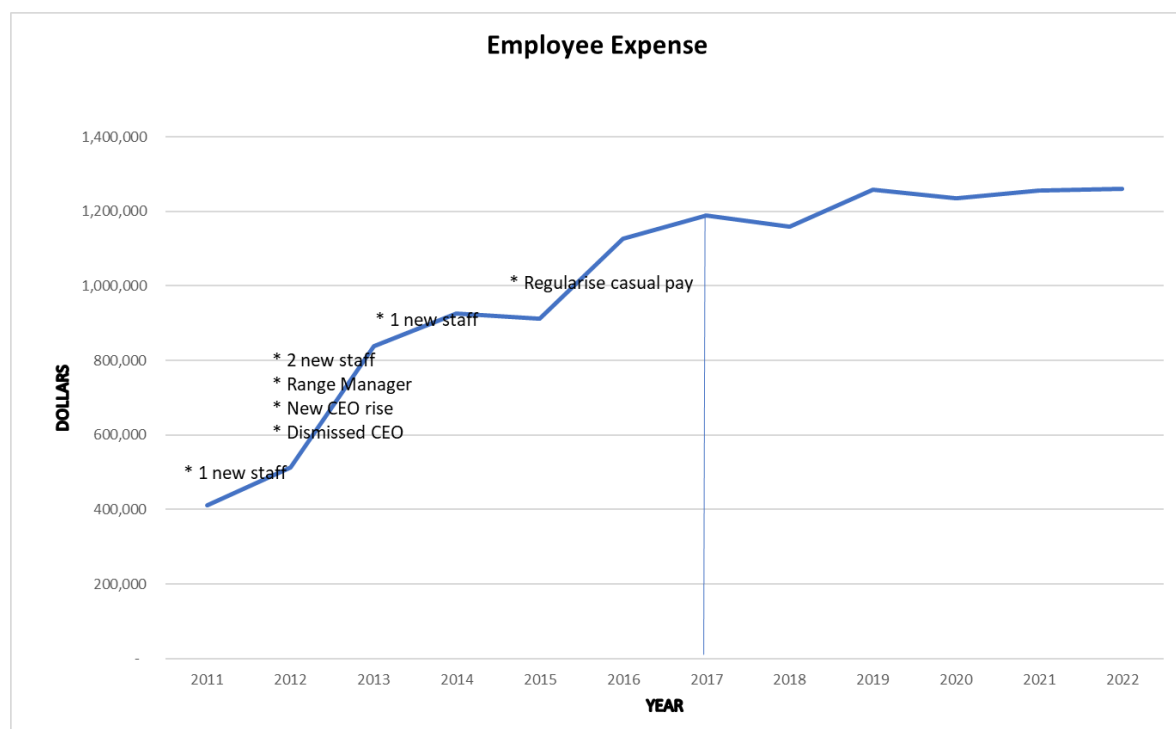
The purpose of requesting questions seven days before the AGM is to give our staff the opportunity to prepare a considered response. Members are entitled to ask questions at the AGM; however, they need to be relevant to the financials and the management of the organisation. Receiving questions before the meeting allows for in-depth research rather than *impromptu* responses. It is a good way to be able to respond at the meeting rather than having to take questions on notice and posting answers on the website at a later time.

Question

I would like to know why the SSAA wages have apparently tripled from \$410,000 in 2011 to \$1.3 million in 2021? Would you kindly explain what appears to be an excessive wage increase over a 10 year period to the floor at the AGM?

Answer

With regard to the growth in staff expenses since 2011, see the graph below.



It shows that the biggest increases were from 2011 to 2013. In the 2011-12 year, one new staff member was put on.

In the 2012-13 year, the year of the most significant wage rise, two new staff were appointed, a range manager was given a backdated pay rise and bonus, and a (now previous) CEO was newly appointed, with a large pay rise (compared to his predecessor).

Notably, however, that year, the Board made a payment to the outgoing CEO after Federal-Court-ordered mediation. It was equivalent to a year's salary after a little over a year's service, when he was dismissed without pay. All these amounts account for most of the \$300k increase in 2013.

In January of the 2014 year, a senior person was appointed, raising salaries by about \$100k.

Between 2015 and 2016, there was a \$214k rise in wages. The rises were due to the need to regularise payments to casual staff – our range officers and range attendants. Prior to 2015, range officers and other casual staff were being paid in cash as contractors, from the till, below the relevant award pay level and without superannuation - a highly questionable practice. In 2015-16 the pay structure was brought into compliance with tax and employment obligations. The cost to the Association has been ongoing at *approximately* \$200k per year.

Between 2016 and 2017, wages rose by \$63k. Most of it was due to a termination payment to a long-serving staff member. It included several years of accumulated holiday pay and long service.

Since 2017, wages have been stable, with the average annual rate increase being 1.91% - slightly more than the inflation rate for the same period, being 1.84%, despite the RO award rising **18%** over the same period.

Now in respect of staff numbers. In 2011 there were five staff at Box Hill. At the end of the 2014 year, there were 7, including a new communications person and a senior hunting person. Eight years later, at the end of the 2022 year, there were still only seven staff. Today there are 8, with the latest being administrative support for our RTO and Training function, which is a major undertaking.

While staff numbers in State Office increased by two, up to the 2022 year, from 2014, the casual workforce significantly expanded to meet the demand for SSAA Victoria facilities and services. Growth in wages since 2017 has simply mirrored organisational growth and/or CPI growth.

Over the last five to six years, there has been a major extension to range operating hours, with Springvale now opening seven days a week, with a consequent increase in RO and range attendant employment costs. For example, in 2014, RO wages at Springvale were \$7.50/hr. Today they are \$28.46. In 2014, Springvale traded for 25 hours per week. Today, Springvale trades for 41 hours per week.

So overall, prior to 2014, staff costs rose due to various one-off events, while in 2015, they rose because of the need to regularise financial compliance. Since 2017, staff costs have been stable. Today, they reflect where the Association is – a greatly expanded operation since 2011 and the premier hunting and shooting organisation in Victoria.

Questions without notice – On the financial reports

Question

What were the changes to inventory in the P&L and Expenses from \$441 to \$11,000?

Answer

Such a small amount is not a material consideration. Overall, the change is due to a variance in stock holdings such as ammunition, targets, shooting accessories and so forth.

Question

There was a change in employee benefits, but employees were stood down due to COVID?

Answer

JobKeeper was received and went straight back out to staff. As many staff as possible were kept employed as much as possible despite range closures.

Question

Regarding Note 13 of the Financial Report, what is the current a \$500,000 lease for?

Answer

It is not a lease, but a capital commitment for the training centre at Eagle Park.

In response to an assertion by the questioner that board members would not know what the \$500,000 is for, C Ryan advised that the board at the time, having authorised the signing of the audited accounts, understood that the amount was for the training centre at Eagle Park.

Question without notice – General

Question

What about the existence of an East Region Deer Control Program that requires accreditation, and whether the SSAA Victoria accreditation applied?

Answer

Of relevance is that there is also a Western Regional Deer Control Plan, which was not mentioned. The Western plan is based on the same template as the Eastern plan, and any implications from one are likely to be the same for the other.

The question was asked about the Association's response to the plan and an expressed concern about mandatory accreditation requirements arising from the plan. The paperwork received after the AGM (provided by the questioner) made reference to specific courses relating to using firearms to control animals, though no specific question was asked in relation to those courses. Apparently, it was believed that those courses would be the accreditation standard required under the plan.

The Victorian Deer Control Strategy (VDCS) does not mention standardised assessment. It does aim, under Goal 3.2.3, to *Develop a Standard Operating Procedure and Code of Practice for the control of deer to assist land managers.*

The precursor to the regional plans, the Peri-urban Deer Control Plan (PDCP) has as action 2.2, *Review role of government in supporting standard accreditation processes for shooters.* That action has been developed from the VDCS objective mentioned above.

SSAA Victoria, along with ADA, are listed as partners for that action. It is expected that significant consultation will occur on this matter. To date, it has not occurred.

The regional plans, both East and West, effectively replicate action 2.2. In both plans, it comes under Section 4.5, Goal 3.4 *Review government role in supporting a standard accreditation process for professional and volunteer shooters.* Under the regional plans, SSAA Victoria is not listed as a partner. That omission will be identified in the feedback provided.

At this stage, there is no indication of what the standard might be, if and when implemented. It is very vague terminology, and the feedback from DELWP indicates that it is simply an opportunity to look at what the government's role might be, if it has one, as far as standardised assessment is concerned. Again, it is expected that significant consultation will be undertaken before any requirements are decided.

Confirmation has been received from DELWP that the development of SOPs is behind schedule, so nothing has been done in that area to date.

It is also possible that commercial and volunteer requirements could be different. It is also important to differentiate between control activities carried out by commercial operators and volunteers involved in organised programs versus recreational hunting. The regional plans make very little reference to recreational hunting, and any reference to accreditation in the VDCS, PDCP and the Regional Control Plans are **not** directed at recreational hunting.

The references provided at the AGM cover two courses: The first is *AMPG306 – Use firearms to harvest wild game.* This is a nationally recognised course, run by the Firearm Safety and Training Council Ltd NSW, and allows for kangaroo harvesting. SSAA Victoria runs a similar kangaroo harvesting proficiency course in Victoria on behalf of GMA. While the SSAA Victoria kangaroo course is not nationally recognised, it has equivalence to the AMPG306 as far as GMA is concerned.

The second course is *AHCPMG304 - Use firearms to humanely destroy animals*. It is a nationally recognised course offered by various providers. The course provides the skills and knowledge required to euthanise animals using firearms and techniques appropriate for the type and mobility of the animal.

As nationally accredited courses, the competency requirements and assessment criteria are listed. There is no specific shooting proficiency standard identified in those requirements. The standard is set by the particular outcome needed in the performance of the role and defined by either the training provider delivering the program or the entity the program is being delivered on behalf of. It is conceivable that those courses **could** be used as a future requirement for standardised assessment. However, there is no conclusive evidence to indicate that they will be. To suggest that those particular courses have been, or will be selected, is idle speculation. The Association has been assured that no decisions have been made.

However, the Association does need to remain vigilant throughout the finalisation and ongoing delivery of the regional deer control plans. The devil is always in the detail with the implementation of government policy. Nonetheless, there is a good working relationship with the key staff at the DELWP Deer Control Program and Biodiversity Division, and the Association is actively monitoring these matters.