



# NATIONAL AUSTRALIA BANK

*Responses to Questions on Notice  
Senate Select Committee on  
Lending to Primary Production  
Customers*

**5 September 2017**

NAB QON: Hansard, p35

**CHAIR:** Banks, as we know are made up of people. A previous witness, Mr Andrew McLaughlin made the comment this morning that some banks are improving and some are not. I look at the figures. Since October 2015, SBS has managed 319 farming groups in financial distress. Of these, only on four occasions was it necessary to appoint receivers. Could we get, on notice, the figures for the last five years, please?

**Mr T Williams:** Certainly.

**CHAIR:** For not only the number of customers but the number farming groups in financial distress, say, at the end of the year, or December, and how many have been appointed to receivers.

**Mr T Williams:** Certainly. We can get that for you.

**CHAIR:** Thank you.

Answer					
	FY2013	FY2014	FY2015	FY2016	Nine months to 30/06/2017
Total customer files managed by SBS	1284	1054	816	844	581
# Agri Farmgate files	163	112	87	95	50
NAB Action	14	6	7	1	1
In response to Third Party Insolvency Action	1	5	1	2	0
Total Receivers appointed to Agri Farming Operations	15	11	8	3	1

NAB QON: Hansard, p40

**Senator SMITH:** I was curious. In your opening remarks, you mentioned 540 front-line agribusiness people. Then in your evidence I heard the number 310 managers. Do the 310 sit under the 540?

**Mr Horne:** No, there are 540 in total. We have got myself, six heads of agribusiness. For example, one is looking after New South Wales. In New

South Wales, we would have another six regional managers so there are 26 regional managers. Under those regional managers, you've got approximately eight to 14 or 15 managers. Some portfolios might have a dedicated analyst. In other towns, two managers might share an analyst so that is why the numbers are not exactly one to one.

**Senator SMITH:** If possible, could you let me know where those locations are across country—not off the top of your head although that would be very good of you on a Friday afternoon. I am interested in better understanding the age profile. The reason I ask NAB this is because you have 30 per cent of the business so I am interested in understanding the age profile. If they are all between 20 and 30, it is hard to imagine they have got lots of agribusiness experience but if they are perhaps between 50 and 60 or 65 plus then I would expect they would bring a lot of expertise and wisdom to the role. I am trying to better understand this idea that people who are talking to agribusiness business people do not actually know a lot about agribusiness. Does that make sense?

**Mr Horne:** It does. I can definitely supply the age and tenure of NAB.

**Senator SMITH:** Age and tenure are probably the most important because even politicians spend a lot of time learning on the job.

**Mr Horne:** Absolutely. We do not have 310 20- to 30-year-old managers. We consistently have managers who after 40 or 45 years are retiring into their 50s and 60s so that is the case. It is a blend between 30s, 40s, 50s 60s and definitely the high 20s.

#### **Answer**

NAB has 540 front line agribusiness bankers across 112 locations across Australia.

This response includes information about average tenure for these bankers at NAB, their average tenure in current role, and the location for both our agribusiness leaders and bankers.

The NAB Agribusiness leadership team includes four State Heads and 25 Regional Managers (see **Appendix A**). The average NAB tenure in this cohort is 20.2 years, with the average tenure in their current leadership role being 3.9 years.

The NAB Agribusiness leadership team is based across 25 locations. These are in Sydney, Melbourne, Brisbane, Perth, Canberra and Adelaide. In regional areas, they are based in Albury, Orange, Tamworth,

Rockhampton, Bendigo, Toowoomba, Shepparton, Armidale, Townsville, Moree, Wagga Wagga, Sale, Roma, Warrnambool, Launceston, Bunbury, Horsham and Bundaberg.

We have broken the structure of our bankers into two categories.

1. *Senior Agribusiness Managers* – These manage the portfolios of larger customers. The average NAB tenure for these bankers is 17.0 years with average role tenure of 4.0 years.
2. *Agribusiness Managers* – These manage portfolios of smaller customers. The average NAB tenure for these bankers is 13.3 years with average role tenure of 3.6 years.

### *Senior Agribusiness Managers*

- Our 91 Senior Agribusiness Managers are based at 53 locations:

Adelaide, Albury, Armidale, Atherton, Ayr, Ballarat, Bendigo, Brisbane, Bunbury, Burnie, Clare, Dalby, Darwin, Dubbo, Emerald, Forbes, Gatton, Geraldton, Goondiwindi, Grafton, Griffith, Hobart, Horsham, Ingham, Innisfail, Launceston, Lismore, Longreach, Longreach, Mackay, Melbourne, Monbulk, Moree, Murray Bridge, Naracoorte, Narrabri, Narrogin, Northam, Orange, Perth, Rockhampton, Roma, Sale, Shepparton, Singleton, Sydney, Tamworth, Toowoomba, Townsville, Wagga Wagga, Warrnambool, Warwick, Yass.

### *Agribusiness Managers*

- Our 212 Agribusiness Managers are based at 103 locations:

Adelaide, Albany, Alexandra, Ararat, Armidale, Atherton, Ayr, Bairnsdale, Ballarat, Beaudesert, Bega, Benalla, Bendigo, Brisbane, Broken Hill, Bunbury, Bundaberg, Canberra, Charleville, Chinchilla, Clare, Cloncurry, Colac, Cooma, Corrigin, Cowra, Dalby, Deniliquin, Dubbo, East Maitland, Echuca, Emerald, Esperance, Forbes, Gatton, Gawler, Gayndah, Geelong, Geraldton, Goondiwindi, Goulburn, Grafton, Griffith, Gunnedah, Gympie, Hamilton, Hastings, Hobart, Horsham, Hughenden, Ingham, Inverell, Jamestown, Kadina, Kingaroy, Kojonup, Kununurra, Launceston, Leongatha, Lismore, Longreach, Mackay, Mareeba, Melbourne, Mildura,

Monbulk, Moree, Mount Gambier, Mudgee, Murray Bridge, Naracoorte, Narrabri, Narrogin, Northam, Nowra, Nuriootpa, Orange, Penrith, Perth, Port Lincoln, Renmark, Rockhampton, Roma, Sale, Shepparton, Singleton, St George, Stanthorpe, Strathalbyn, Swan Hill, Sydney, Tamworth, Taree, Toowoomba, Townsville, Wagga Wagga, Wagin, Wangaratta, Warragul, Warrnambool, Warwick, Yass, Young.

In addition to Agribusiness Managers, NAB has a number of support staff located across the 112 locations, assist in fulfilling customer requirements. Their average tenure is 9.2 years with NAB and 2.9 years in their current position.

NAB also recruits up to 60 graduates annually, predominantly with an agricultural, economic or commerce undergraduate degrees.

## **Appendix A**

# Agribusiness Structure

