



# LATE ITEM AGENDA

## Ordinary Meeting of Council

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Tuesday, 25 January 2011, 6.00 pm

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**C1101-6          PROPOSAL FOR SISTER CITY AGREEMENT WITH LÜSHUNKOU,  
CHINA**

**DataWorks Reference:**            070/002  
**Disclosure of Interest:**        Nil  
**Meeting Date:**                    25 January 2011  
**Previous Item:**                    Nil  
**Responsible Officer:**            Graeme Mackenzie, Chief Executive Officer  
**Actioning Officer:**                Graeme Mackenzie, Chief Executive Officer  
**Decision Making Authority:**    Council  
**Agenda Attachments:**            Letter from WA Premier

**EXECUTIVE SUMMARY**

**Council has been encouraged by the state government to enter into a sister city agreement with Lüshunkou, China. It is recommended that council agree to enter into a time limited agreement that includes resource sharing with the government.**

**BACKGROUND**

In late 2010 the City of Fremantle was contacted by officers from the Department of State Development; by Dr Geoff Raby, Australian Ambassador to China; and Colin Barnett, WA Premier – all requesting that the City considers entering into a sister city relationship with Dalian, China.

After further negotiations the sister city arrangement was refined to an historic part of Dalian previously called Port Arthur, now called Lüshunkou. Lüshunkou is a district in the municipality of Dalian, Liaoning province, China. Further information on Lüshunkou is outlined below.

It is proposed that the City of Fremantle agree to enter into negotiations for a time limited friendship city arrangement with Lüshunkou, China and that this agreement be jointly negotiated with the Department of State Development. Negotiations will include start date, expiry date (most likely 5 years with a joint option for renewal), and an agreement around resource sharing for exchanges and other aspects of the agreement.

**COMMENT**

Council has been approached on a couple of occasions recently to consider entering into a sister city relationship with a province of China. Those requests have been discussed informally with the general feeling amongst elected members that the city has enough international sister city agreements and that the cost of having further agreements is not justified.

However, a recent letter from the Premier of Western Australia and the Department of State Development encouraging council to enter into an agreement suggest that a relationship with an authority in China may be beneficial on a broader scale, given the likelihood of long term trade relationships with China.

In considering a sister city relationship in this instance officers have taken into account comments from elected members about limiting the number of international sister city agreements and therefore recommend an agreement that involves the state government in resource sharing, and also time limits the agreement.

### **Information about Lüshunkou**

Lüshunkou is located at the extreme southern tip of the Liaodong Peninsula and has a population of approximately 270,000. It has an excellent natural harbour, the possession and control of which became a casus belli in the Russo-Japanese War (1904–1905). Japanese and then Soviet administration would continue until 1953. During the first decade of that period, it was world famous and was more significant than the other port on the peninsula, Dalian proper. In Western diplomatic news and historical writings, it was known as Port Arthur.

As one of Dalian's urban districts, Lüshunkou District is situated on the southern tip of the Liaodong Peninsula with the Yellow Sea on the east and the Bohai Sea on the west. To the south, the district faces the Shandong Peninsula across the sea and has a ready access to the vast hinterland of Northeast China. Lüshunkou District covers an area of 507 km<sup>2</sup>, has an average temperature of 10°C, and has a forest coverage of 53%. Being coastal its temperature range is comfortable – neither too cold in winter nor too hot in summer.

Lüshunkou District boasts a long history and rich culture. As early as the Neolithic Period, ancestors started to live and farm here. In the Warring States Period (475BC-221BC), Lüshunkou was already incorporated as an administrative region. Since the Han Dynasty (211BC-220AD), it was named successively as “Jiangjunshan”, “Mashijin”, “Dulizhen”, “Shizikou” and “Lüshunkou (Port Arthur)”. As for its unique geographical location, Lüshunkou has been an important military location in modern and contemporary China. It was the main battlefield of the Sino-Japanese War in 1894 and Russo-Japanese War in 1904.

The year 2010 saw the Lüshunkou District included into the national strategy of the Coastal Economic Belt of Liaoning Province. Seizing this historic opportunity, Lüshunkou is striving to carry out the “Five Functional Areas and One Base” plan, namely Northwest Harbour Area, Tourism & Holiday Resort Area, Scientific & Technological Innovation Area, Historic & Cultural Area, Ecologically-liveable Area and Floral Base of Dalian. The development of Lüshunkou as a green economic district is in full swing.

At present, Lüshunkou District is the home for 3,200 enterprises, including 365 large industrial enterprises (operating income above 5 million Yuan). Up to October 2010, the total output of all the industrial enterprises in the District reached 26.89 billion Yuan, 14.81 billion Yuan of which came from large industrial enterprises. Equipment manufacturing is the region's leading industry, accounting for 84% of the industrial output. Shipbuilding and its ancillary industries, mining and metallurgical industry, crane and transport industry, and auto parts industry all take considerable shares. The Liaoning Provincial Government has allocated Lüshunkou as a Green Economic District. In the future, the district will mainly focus on the development of new energy, new materials and energy-saving industries, as well as health care and urban ecological agriculture industries.

Lüshunkou District is an ideal natural location for ports free of silt and ice and has abundant coastline resources for ports. The Yangtouwa Bay, the Shuangdao Bay and the Dachaokou Bay are all excellent locations for ports. The design capacity for all the ports in the District is over 16 million tons / year and 2 million passengers / year, and 580,000 cars / year. In accordance with the Co-Development Agreement, Dalian will gradually shift its passenger shipping to Lüshunkou New Port, making Lüshunkou the passenger transportation hub of Dalian. In the future, Lüshunkou New Port will gradually become the logistics base serving the Bohai economic rim, connecting China and Japan, Liaoning and Shandong Peninsulas, and transporting ship steel, major equipment, steel structures and mining & construction materials.

Lüshunkou District also possesses five universities including Dalian Medical University, Dalian University of Foreign Languages and Dalian-Jiaotong University.

## **RISK AND OTHER IMPLICATIONS**

### **Financial**

It is anticipated that the major costs associated with this agreement will be borne by the state government.

### **Legal**

Nil

### **Operational**

There is limited operational impact.

### **Organisational**

Nil

## **CONCLUSION**

Entering into a time limited sister city agreement is seen as a way of engaging international communities without the necessity for an ongoing long term agreement. Costs in this instance will be largely borne by the state government and therefore it is recommended that council agree to this proposal.

## **STRATEGIC AND POLICY IMPLICATIONS**

As discussed in this report

## **COMMUNITY ENGAGEMENT**

Nil

## **VOTING AND OTHER SPECIAL REQUIREMENTS**

Simple Majority Required

## **OFFICER'S RECOMMENDATION**

**That Council support the City of Fremantle entering into negotiations for a time limited friendship city arrangement with Lüshunkou, China, and that this agreement be jointly negotiated with the Department of State Development. Negotiations will include start date, expiry date, and an agreement around resource sharing for exchanges and other aspects of the agreement.**

## SUMMARY GUIDE TO CITIZEN PARTICIPATION AND CONSULTATION

The Council adopted a Participation Policy in August 2001 to give effect to its commitment to involving citizens in its decision-making processes.

The City values citizen participation and recognises the benefits that can flow to the quality of decision-making and the level of community satisfaction.

Effective participation requires total clarity so that Elected Members, Council officers and citizens fully understand their respective rights and responsibilities as well as the limits of their involvement in relation to any decision to be made by the City.

<b>How consultative processes work at the City of Fremantle</b>	
<b>The City's decision makers</b>	1 The Council, comprised of Elected Members, makes policy, budgetary and key strategic decisions while the CEO, sometimes via on-delegation to other City officers, makes operational decisions.
<b>Various participation opportunities</b>	2 The City provides opportunities for participation in the decision-making process by citizens via its Advisory Committees and Task Forces, its Community Precinct System, and targeted consultation processes in relation to specific issues or decisions.
<b>Objective processes also used</b>	3 The City also seeks to understand the needs and views of the community via scientific and objective processes such as its annual Community Survey.
<b>All decisions are made by Council or the CEO</b>	4 These opportunities afforded to citizens to participate in the decision-making process do not include the capacity to make the decision. Decisions are ultimately always made by Council or the CEO (or his/her delegated nominee).
<b>Precinct focus is primarily local, but also city-wide</b>	5 The Community Precinct System establishes units of geographic community of interest, but provides for input in relation to individual geographic areas as well as on city-wide issues.
<b>All input is of equal value</b>	6 No source of advice or input is more valuable or given more weight by the decision-makers than any other. The relevance and rationality of the advice counts in influencing the views of decision-makers.
<b>Decisions will not necessarily reflect the majority view received</b>	7 Local Government in WA is a representative democracy. Elected Members and the CEO are charged under the Local Government Act with the responsibility to make decisions based on fact and the merits of the issue without fear or favour and are accountable for their actions and decisions under law. Elected Members are accountable to the people via periodic elections. As it is a representative democracy, decisions may not be made in favour of the majority view expressed via consultative processes. Decisions must also be made in accordance with any statute that applies or within the parameters of budgetary considerations. All consultations will

<b>How consultative processes work at the City of Fremantle</b>	
	clearly outline from the outset any constraints or limitations associated with the issue.
<b>Decisions made for the overall good of Fremantle</b>	8 The Local Government Act requires decision-makers to make decisions in the interests of “the good Government of the district”. This means that decision-makers must exercise their judgment about the best interests of Fremantle as a whole as well as about the interests of the immediately affected neighbourhood. This responsibility from time to time puts decision-makers at odds with the expressed views of citizens from the local neighbourhood who may understandably take a narrower view of considerations at hand.
<b>Diversity of view on most issues</b>	9 The City is wary of claiming to speak for the ‘community’ and wary of those who claim to do so. The City recognises how difficult it is to understand what such a diverse community with such a variety of stakeholders thinks about an issue. The City recognises that, on most significant issues, diverse views exist that need to be respected and taken into account by the decision-makers.
<b>City officers must be impartial</b>	10 City officers are charged with the responsibility of being objective, non-political and unbiased. It is the responsibility of the management of the City to ensure that this is the case. It is also recognised that City Officers can find themselves unfairly accused of bias or incompetence by protagonists on certain issues and in these cases it is the responsibility of the City’s management to defend those City officers.
<b>City officers must follow procedures</b>	11 The City’s consultative processes must be clear, transparent, efficient and timely. City officers must ensure that policies and procedures are fully complied with so that citizens are not deprived of their rights to be heard.
<b>Consultation processes have cut-off dates that will be adhered to.</b>	12 As City officers have the responsibility to provide objective, professional advice to decision-makers, they are entitled to an appropriate period of time and resource base to undertake the analysis required and to prepare reports. As a consequence, consultative processes need to have defined and rigorously observed cut-off dates, after which date officers will not include ‘late’ input in their analysis. In such circumstances, the existence of ‘late’ input will be made known to decision-makers. In most cases where citizen input is involved, the Council is the decision-maker and this affords citizens the opportunity to make input after the cut-off date via

How consultative processes work at the City of Fremantle	
	personal representations to individual Elected Members and via presentations to Committee and Council Meetings.
<b>Citizens need to check for any changes to decision making arrangements made</b>	1 The City will take initial responsibility, via 3 'Consultation Process notifications', for making . citizens aware of expected time-frames and decision making processes, including dates of Standing Committee and Council Meetings if relevant. However, as these details can change, it is the citizens responsibility to check for any changes by visiting <b><a href="http://www.freofocus.com/projects/html/default.cfm">www.freofocus.com/projects/html/default.cfm</a></b> , checking the Port City Column in the Fremantle Herald or inquiring at the Service and Information Desk by phone or in-person.
<b>Citizens are entitled to know how their input has been assessed</b>	1 In reporting to decision-makers, City officers will in 4 all cases produce a Schedule of Input received . that summarises comment and recommends whether it should be taken on board, with reasons.
<b>Reasons for decisions must be transparent</b>	1 Decision-makers must provide the reasons for 5 their decisions. .
<b>Decisions posted on <a href="http://www.freofocus.com/projects/html/default.cfm">www.freofocus.com/projects/html/default.cfm</a></b>	1 Decisions of the City need to be transparent and 6 easily accessed. For reasons of cost, citizens . making input on an issue will not be individually notified of the outcome, but can access the decision at <b><a href="http://www.freofocus.com/projects/html/default.cfm">www.freofocus.com/projects/html/default.cfm</a></b> or at the City Library or Service and Information counter.

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### **Issues that Council May Treat as Confidential**

Section 5.23 of the new Local Government Act 1995, Meetings generally open to the public, states:

1. Subject to subsection (2), the following are to be open to members of the public -
  - a) all council meetings; and
  - b) all meetings of any committee to which a local government power or duty has been delegated.
2. If a meeting is being held by a council or by a committee referred to in subsection (1) (b), the council or committee may close to members of the public the meeting, or part of the meeting, if the meeting or the part of the meeting deals with any of the following:
  - a) a matter affecting an employee or employees;
  - b) the personal affairs of any person;
  - c) a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting;
  - d) legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting;
  - e) a matter that if disclosed, would reveal –
    - i) a trade secret;
    - ii) information that has a commercial value to a person; or
    - iii) information about the business, professional, commercial or financial affairs of a person.  
Where the trade secret or information is held by, or is about, a person other than the local government.
  - f) a matter that if disclosed, could be reasonably expected to -
    - i) impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law;
    - ii) endanger the security of the local government's property; or
    - iii) prejudice the maintenance or enforcement of a lawful measure for protecting public safety.
  - g) information which is the subject of a direction given under section 23 (1a) of the Parliamentary Commissioner Act 1971; and
  - h) such other matters as may be prescribed.
3. A decision to close a meeting or part of a meeting and the reason for the decision are to be recorded in the minutes of the meeting.



# LATE ITEM AGENDA ATTACHMENTS

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**Ordinary Meeting of Council**

Tuesday, 25 January 2011, 6.00 pm

**C1101-6 PROPOSAL FOR SISTER CITY AGREEMENT WITH LÜSHUNKOU, CHINA**  
**ATTACHMENT 1**



**Premier of Western Australia**

Our Ref: D14328

Dr Brad Pettit  
Mayor  
City of Fremantle  
Town Hall Centre  
8 William Street  
FREMANTLE WA 6160

Dear *Brad* Dr Pettitt

CITY OF FREMANTLE	
Date Rec	25 NOV 2010
Class	
Subject	070/002.
DA/Legal	
Property	
Related No	
File No	MAYOR - SA.

**PROPOSED SISTER CITY RELATIONSHIP**

I refer to the letter dated 29 September 2010 from Dr Geoff Raby, Australian Ambassador to China, recommending the formation of a sister city relationship between the City of Fremantle and the City of Dalian in Liaoning Province, China.

Sister cities and sister states are important to underpinning trade relationships and help reinforce our long-term commitment to other countries.

In July 2009, I signed a "Memorandum of Friendship and Understanding" with Liaoning Province. This Memorandum has resulted in a number of high level exchanges during the past year which lend impetus to ongoing trade, investment, cultural and other links between our regions.

A sister city relationship between Dalian and Fremantle would further complement and enhance these linkages.

I look forward to, and support, the ongoing growth of the relationship between these two cities.

Yours sincerely

Colin Barnett MLA  
**PREMIER; MINISTER FOR STATE DEVELOPMENT**  
23 NOV 2010