

Proposal to financially support the Diocese of Bathurst

(A report from the Standing Committee.)

Purpose

1. The purpose of this report is to outline a proposal to provide financial support to the Diocese of Bathurst to enable gospel ministry in its Anglican formation to continue in Western NSW.

Recommendations

2. Synod receive this report.

3. Synod pass the following motion –

“Synod, noting the report Proposal to financially support the Diocese of Bathurst, agrees in principle to provide financial support of \$250,000 per year towards the costs of a Bishop and his registrar for the Anglican Diocese of Bathurst for a period of six years, subject to the Bishop of Bathurst during that time having the written support of the Archbishop of Sydney.”

4. Synod include in its Synod Appropriations and Allocations Ordinance a line item of \$250,000 for the purposes outlined below.

Discussion

5. Australia's first bishop was William Broughton, whose title 'Bishop of Australia' was changed in 1847 to become 'Bishop of Sydney and Metropolitan of Australasia'. In that year the mainland was divided up into four separate dioceses, namely Adelaide, Melbourne, Newcastle and Sydney (Tasmania had become a separate diocese in 1842). In 1870, the Diocese of Bathurst was formed, after the Bishop of Sydney considered the reach of Western NSW was too far for effective episcopal oversight. For the past 130 years this diocese has sought to grow Anglican churches across its vast geographic area through gospel proclamation under the leadership of its bishop.

6. In recent years, Bathurst has fallen on hard times. This has been in part due to the flow of people from the bush to the city, especially among young people, and the lack of employment opportunities in many parts of the State. Drought and bushfire have added to the woes of rural NSW. However, the poor administration of the diocese this century through its ill-advised spending beyond its means, most notably highlighted by its mounting debt with the Commonwealth Bank, plus the scandal of historical cases of child sexual abuse by church workers in the diocese, has brought the diocese to its knees, both spiritually and financially. The diocese is no longer able to pay for its Bishop or its Registrar from central funds, nor can it call upon its parishes to increase the significant contribution they currently make to fund these central services.

7. In February 2018 Bishop Ian Palmer met with the Archbishop and the Diocesan Registrar to talk frankly about the situation, knowing that the Diocese of Bathurst would be unable to fund his successor. From these frank discussions a level of trust developed, which enabled a plan to be developed. The overriding concern of the Archbishop and Registrar, endorsed by the Standing Committee, is that we do not want to see the demise of Anglican ministry in Western NSW. Bishop Barker's vision was to see the gospel expand and grow, with churches committed to Christ and proclaiming Christ in fellowship with their bishop. However, for this to take place, it is necessary that a bishop has the leadership skills and evangelistic passion suitable to foster the spiritual health of each and every parish, which in turn would restore the financial health of the diocese. To this end, it was suggested and agreed that if the Diocese of Bathurst were willing to elect a new bishop, with the approval of the Metropolitan, then this would be a tangible expression of partnership between our two dioceses, breaking down the symbolic 'Great Dividing Range', whereby we would reciprocate by investing in the funding of the Bishop of Bathurst and Registrar for a period of six years.

8. This arrangement requires the approval of both Diocesan Synods. The Sydney Standing Committee has indicated its in principle support of the proposal; and the Synod of the Diocese of Bathurst has enthusiastically expressed its support by resolution and ordinance at its recent session. It is an expensive proposal for the Diocese of Sydney. However, it is a proposal worthy of consideration, as it is probably the only proposal that will enable gospel ministry in its Anglican formation to continue in Western NSW. We have an obligation to our brothers and sisters in the Diocese of Bathurst, and indeed to those who live in rural NSW who are yet to hear the claims of Christ. There are many ways to spend money, but not all are strategic uses of such money. For the sake of the gospel, this proposal comes to the Synod.

Proposed arrangement

9. The proposed arrangement is as follows –

(a) the Diocese of Sydney will provide \$250,000 pa to fund the episcopal and registry functions of the Bathurst Diocese or a period of 6 years, starting 1 January 2019,

- (b) the Diocese of Bathurst has amended its Bishop Election Ordinance 2006 to require that a person may only be elected Bishop if that person has the written support of the Metropolitan (the Archbishop of Sydney) and that the Metropolitan is able to nominate candidates for the position (along with several other related and consequential amendments).

10. The Diocese of Bathurst will continue as an autonomous diocese, retaining its existing structures and hence will continue to be solely liable for claims for redress and/or damages in legal proceedings, which will be met from the assets of the Diocese of Bathurst.

Endorsement of the proposal at the Bathurst Synod

11. Archbishop Davies was invited to attend the Bathurst Synod, held 14-16 September 2018, but was unable to attend due to prior commitments. Bishop Stead attended the Bathurst Synod on Saturday 15 September at the invitation of the Bishop of Bathurst, and participated in the Synod discussion in relation to the support proposal. Another member of Standing Committee, Mr Malcolm Purvis, attended as an observer but did not participate in the discussion.

12. On Saturday 15 September, the Synod of the Diocese of Bathurst unanimously passed (with no abstentions) the following motion –

‘This Synod –

- (a) Commits to proclaiming Jesus Christ as Saviour and Lord and through the Anglican Church in Central and Western NSW.
- (b) Recognises that sustainable Gospel ministry in our Diocese cannot continue without outside financial help.
- (c) Signals its willingness to accept the proposed financial support from the Diocese of Sydney, for the office of the Bishop and Registrar, of \$250,000 per year for six years to help revitalise Gospel Ministry in the Diocese.
- (d) Understands that this financial support is contingent on the Bishop Election Ordinance being amended so that nominees for the position of Bishop of Bathurst must have the support of the Metropolitan, but also understands that the Diocese of Bathurst will retain its independence, identity and integrity.’

13. Following the passing of this resolution, the Bathurst Synod then passed the Bishop Election Ordinance 2006 (Diocese of Bathurst) Amending Ordinance 2018. This was also passed unanimously with no abstentions. Specifically, clause 17 of the ordinance now allows the Metropolitan to nominate one or more candidates for consideration and clause 22(1) ensures that only those nominees who have the written support of the Metropolitan can become the Bishop of Bathurst. Clause 22(1) states –

‘22(1) The names of any persons nominated as candidates shall only proceed to a vote with the written support of the Metropolitan, provided that there must be at least 2 candidates who have the written support of the Metropolitan in order for voting to proceed.’

14. It is worth noting that the mechanism to elect a Bishop in Bathurst is quite different to that in Sydney. Whereas in Sydney, nominations are brought to the Synod and voted upon until an Archbishop is elected by the Synod, in Bathurst, a Bishop’s Nomination Board (consisting of 12 people elected by the Synod and one ex-officio member) elect the bishop.

15. On the final day of the Synod, Bishop Ian Palmer announced his intention to resign as Bishop of Bathurst on 27 April 2019. This will mean that an election for the next Bishop of Bathurst will take place during 2019.

Commitment from the Diocese of Sydney

16. The Synod of the Diocese of Sydney is being asked to consider a motion intended for the first night of Synod, which if passed would express support for the proposed arrangement. The Bill for the Synod Appropriations and Allocations Ordinance 2018 (the Budget Bill) includes a provision of \$250,000 for the purposes of –

‘funding the costs of the Bishop of Bathurst and his Registrar, provided that the Standing Committee is not authorised to apply such an amount unless the person who holds office from time to time as Bishop of Bathurst does so with the written support of the Archbishop of Sydney acting in his capacity as Metropolitan.’

17. The Budget Bill is intended to be considered on the second night of Synod, with the expectation that it be passed in a form consistent with the resolution from the first night.

The Rationale for Sydney to make this commitment

Ministry in Bathurst

18. The Diocese of Bathurst covers approximately 1/3rd of NSW, having 33 parishes, served currently by 17 full time (4 days per week or more) and approximately 8 part-time clergy, led by the Bishop.

19. The Diocese has a population of over 275,000 people, 67.3% (185,000) of whom identify as Christian, with 23.3% (64,000) identifying as Anglican and 16.2% (44,550) identifying as another Protestant denomination.

20. The percentage of “Census Anglicans” (23.3%) for Bathurst Diocese is almost double the percentage of Census Anglican in Sydney Diocese (12.1%). It is more than three times the percentage of Melbourne Census Anglicans (7.7%).



21. The NSW geographical region of “Central West & Orana District” more-or-less corresponds with the region of Bathurst Diocese, and is projected to grow from 285,500 people in 2016 to 308,950 people in 2036.¹

Ministry opportunities

22. The average population per parish in Sydney Diocese is 18,100. This means that the population of the Bathurst Diocese is approximately equivalent to the population of 15 Sydney parishes. This is an opportunity to invest for 6 years in gospel ministry that (we pray) will bear fruit for the Kingdom for decades to come.

23. As a Diocese, we invest \$2,000,000 pa towards the purchase of “greenfields” sites for future parishes in expanding areas of Sydney. For each new parish, we are prepared to spend in excess of \$5,000,000 in order to buy and build just one new church site. In contrast, an annual investment of \$250,000 for 6 years in Bathurst gospel ministry is a fraction of this amount, which has the potential to reach a far greater number of people. The multiplier effect occurs because Bathurst Diocese already owns its land and church buildings.

24. As a Diocese, we have supported the Diocese of Armidale. The Bathurst Diocese has a population 37% larger than Armidale Diocese, and has comparable percentages of “Christians” and Non-religious persons, and a slightly lower proportion of census Anglicans. If it makes sense to support Anglican gospel ministry in Armidale, then it makes sense to support Anglican gospel ministry in Bathurst.

	<u>Bathurst</u>	<u>Armidale</u>
Population	275,690	201,007
Census Christians	67.30%	66.70%
Census No Religion	20.50%	20.70%
Census Anglicans	23.30%	28.70%

25. There is already a precedent for providing financial support to other dioceses. Through our Work Outside the Diocese (WOD) committee, Sydney Diocese currently provides almost \$100,000 annually to support evangelical ministry in the Diocese of Armidale, the Diocese of the Northern Territory, the Diocese of North West WA and the Diocese of Tasmania.

26. The numbers and statistics quoted here are intended to provide a greater sense of the size, need and opportunity of the Bathurst Diocese. But of course, the key reason why Sydney should be prepared to provide financial support to Bathurst Diocese is for the sake of the hundreds of thousands of people who live in this region, and their continuing need to hear the saving message of Jesus. If we do not provide this support, it is likely that Anglican gospel ministry will contract and ultimately collapse in Bathurst – one third of the State of NSW.

“Nineveh has more than a 120,000 people who cannot tell their right hand from their left, and many cattle as well. Should I not be concerned about that great city?” – Jonah 4:11

¹ Source: NSW Government Central West and Orana Regional Plan, https://www.planning.nsw.gov.au/plans-for-your-area/regional-plans/~/_media/9C3DD0CC6D1F4E27A7A6B76AB47092C5.ashx, p.5. The largest growth will be in the Regional Centres (Bathurst, Orange, Dubbo etc).

The implications if Sydney does not provide financial support

27. A recurring objection to the provision of this financial support is that \$250,000 could be spent on mission initiatives, either in Sydney or elsewhere. There is no doubt that there are other ministry opportunities which could be advanced. However, one compelling rationale for providing this funding to Bathurst is found in the long-term implications of not providing this funding. These implications are outlined below.

28. In order to properly consider this matter, the Standing Committee in July 2018 requested the Sydney Diocesan Secretariat (SDS) to undertake a detailed financial review the financial status of the Diocese of Bathurst. The results of that review concluded *inter alia*, that –

- (a) if Bathurst’s annual income and expenses continue in the quantum it has reported over the last three years, it is likely to operate at a moderate deficit,
- (b) with an annual injection of \$250,000 from the Sydney Diocese, Bathurst should cover its costs and also have the ability to –
 - (i) sustain a reduction in contributions from its parishes, and
 - (ii) fund a modest increase in its administration support that its Bishop regards as necessary to assist in operation of the Diocese.

29. The financial review also highlighted a potential shortfall in the ability of the Bathurst Diocese to meet ongoing professional standards claims. It is clear that meeting these claims will continue to be a financial burden upon the Bathurst Diocese. As a result of the expected quantum of claims, it is anticipated that all of the remaining income-producing property in the diocese will need to be sold over time, and some churches and rectories will also need to be sold.

30. Without a significant injection of funds from Sydney or elsewhere, the Diocese of Bathurst will not be able to afford to pay the stipend and other costs of a Bishop as its operational funds will be required for redress claims. Bathurst therefore will not be able to appoint a stipendiary Bishop after the retirement of Bishop Palmer. Thereafter, there are three scenarios for the Diocese of Bathurst –

(a) *Long Term Administrator*

Upon the retirement of the Bishop, the Regional Archdeacon automatically becomes the Administrator of the diocese. The Administrator has the responsibility of convening the Nomination Board to elect the next Bishop, but if they are unable to pay the stipend, then they are precluded from being able to elect a bishop. In this scenario, the diocese will remain in long-term administration.

The Administrator in this scenario will still have the responsibility for running his own parish, and so will have competing claims on his time to provide leadership to the ministry strategy of the diocese as a whole. Given the particular pressures relating to claims for professional standards matters, the already struggling diocese is in particular need of strong leadership over many years. Its absence will likely lead to the slow collapse of the diocese, with a paralysis of ministry and a diminution of assets, without any rethinking and reshaping of gospel ministry. It will also require the regular assistance of bishops from other dioceses to perform episcopal functions in the diocese (ordinations, confirmations, consecrations etc).

Sydney Diocese may still need to step in ‘ten years’ down the track, but with far fewer resources remaining in Bathurst to be able to do anything constructive.

(b) *Unfunded Part-time Bishop*

If, after a period of time, the Nomination Board is unable to elect a Bishop because of funding constraints, it may be necessary to convene a special synod to change the Bishop Election Ordinance so that a Rector in the diocese can be appointed as an unfunded part-time bishop.

Similar to option (a), the focus of such a bishop will be split between parish and the diocese, and is not likely to lead to the kind of strategic leadership and direction that the diocese desperately needs. This is also likely to lead to a paralysis of ministry and a diminution assets, and may still require Sydney’s assistance ‘ten years’ down the track.

(c) *Bathurst “Surrenders” its property to Sydney (or another Diocese)*

Section 45 of the Constitution provides for a mechanism for a diocese to surrender its territorial jurisdiction to its ‘mother’ diocese (or another diocese). In the case of Bathurst, the Bathurst Synod

would need to pass an ordinance authorising the territorial surrender, and the Sydney Synod would need to pass an ordinance to accept the territorial expansion.

According to the Constitution, Bathurst would not automatically revert into Sydney Diocese if it becomes bankrupt, and the Sydney Synod would have the legal capacity to resist assuming responsibility for Bathurst's territory. However, in the event of the collapse of Bathurst (and assuming the likely scenario that no other Diocese was willing to take on Bathurst's territory), Sydney may feel strong moral pressure to prevent the collapse of the diocese, because that would leave survivors of sexual abuse with no avenue for redress.

Because of the historic mother-daughter relationship between Sydney and Bathurst, Sydney may feel particular responsibility for Bathurst, rather than being able to share the responsibility with the other 21 dioceses. This is especially so because Section 45 of the Constitution is the mechanism included in the Constitution for dealing with an unviable diocese, and envisages such a diocese surrendering its territory back to the mother diocese.

In the event that Sydney Diocese did accept the surrender of territory, the parishes of Bathurst would be incorporated into Sydney Diocese, its incumbents and lay representatives would become members of our Synod.

31. These three scenarios indicate that there is no expectation of a good outcome for gospel ministry in the Diocese of Bathurst without support from Sydney. Moreover, these three alternatives all illustrate the likely detrimental impact on the Sydney Diocese in the future if we do not act now, while there is still capacity in the diocese to rejuvenate ministry.

For and on behalf of the Standing Committee.

MICHAEL STEAD
Bishop of South Sydney

18 September 2018