

HOUSE OF ASSEMBLY

Thursday 26 September 1991

ESTIMATES COMMITTEE B

Chairman:

The Hon. T.H. Hemmings

Members:

Dr M.H. Armitage
 Mr S.G. Evans
 Mr T.R. Groom
 Mr P. Holloway
 Mrs C.F. Hutchison
 Mr E.J. Meier

The Committee met at 11 a.m.

The CHAIRMAN: A relatively informal procedure will be adopted. I request that if the Minister undertakes to supply information at a later date it must be in a form suitable for insertion in *Hansard*, with two copies to be submitted to the Clerk of the House of Assembly no later than Friday 4 October.

Minister of Tourism, Miscellaneous, \$6 655 000

Witness:

The Hon. Barbara Wiese, Minister of Tourism.

Departmental Advisers:

Mr P. van der Hoeven, General Manager, Adelaide Convention Centre.

Mr G. Ashman, Administration Manager.

The CHAIRMAN: I declare the proposed expenditure open for examination.

Dr ARMITAGE: I refer to page 12 of the Auditor-General's Report, the subject being the Exhibition Hall. I refer the Committee to the fact that the Auditor-General makes an astounding revelation that the ownership of the Exhibition Hall, situated on land leased from the STA, is unclear and that the State Transport Authority and the Convention Centre are currently attempting to resolve the matter. I note also that the construction of the building, costing approximately \$16.5 million, was financed through the South Australian Government Financing Authority. As nobody knows who owns the Exhibition Hall, is it fair to assume that SAFA financed the loan without having any direct security and, if not, against what security has SAFA provided the loan?

The Hon. Barbara Wiese: I think the situation is not quite as serious as the honourable member might believe at first hand, because the Exhibition Hall is built on land that is owned by the State Transport Authority; that is, the State Transport Authority is the registered owner of the land.

The common law rule applying in a situation like this would be that a permanent building is a fixture to the land and therefore is owned by the owner of the land. Therefore, in the current circumstances, the State Transport Authority, which is a Government instrumentality, owns the building

as well as the land. Now that the Auditor-General has raised the question of ownership and has suggested that perhaps that arrangement should be clarified or changed, I am seeking further advice from the Crown Solicitor about this matter to determine whether or not in fact a change is required or desirable.

If there were to be a change, there might be two options: as Minister of Tourism, responsible for the Convention Centre and Exhibition Hall, and as a body corporate, I could acquire the land for a financial consideration, or perhaps there would be a possibility of transferring the title from the State Transport Authority to the Minister of Tourism who holds this facility on behalf of the Crown. However, whatever is considered to be, shall I say, the tidiest arrangement, the fact is that even under the current arrangement the Exhibition Hall is owned by the Government on behalf of the people of South Australia through the State Transport Authority.

Dr ARMITAGE: So, at present the STA owns the Exhibition Hall?

The Hon. Barbara Wiese: The STA owns the land upon which the Exhibition Hall is built, so under common law I guess that would mean that it also owns the Exhibition Hall. The arrangement is that the Minister of Tourism, on behalf of the Crown, is operating the Exhibition Hall and it was through that arrangement that the loan from SAFA was negotiated.

Dr ARMITAGE: If it is so simple, I wonder why the Auditor-General has indicated that the ownership of the building is unclear. Getting back to the loan, as the liability associated with the loan has not been included in the accounts of the Convention Centre and has just disappeared from view, one could ask: is the Exhibition Hall yet another off balance sheet company?

The Hon. Barbara Wiese: No, it is not an off balance sheet company. The Exhibition Hall and the Convention Centre are operated by the Crown through the Minister of Tourism as a body corporate, having the responsibility to operate those facilities. Currently a lease is paid for the land upon which the Exhibition Hall is situated, and the arrangements are proceeding for the payment of the lease according to the arrangement entered into at the time. So, the arrangement is that this lease is for a 25-year period. It is a low start loan to enable the operators of the Convention Centre and Exhibition Hall to build up business and to pay according to the earning capacity of the Exhibition Hall over time.

Dr ARMITAGE: Whom is the lease payable to?

The Hon. Barbara Wiese: The lease is payable to the State Transport Authority.

Dr ARMITAGE: I note from page 13 of the Auditor-General's Report that on 1 August 1991 the Convention Centre assumed control of the two car parks from a private company. Why is the Government setting itself up in business as a car park operator? What are the figures supporting this decision, for it appears from the income and expenditure accounts of last financial year that the formal arrangement with the private company actually served the centre very well, with net proceeds of approximately \$1.3 million supporting losses incurred in other areas of the centre's operations?

The Hon. Barbara Wiese: Kings Parking Company did not wish to proceed with the management of the car parks. When negotiations were taking place to enter into a five year lease, Kings indicated that it would prefer not to do that. This may have been related to the fact that Kings was winding down its car parking business in Adelaide. Up until about nine months ago, Kings had about four car parks in Adelaide, and by that time the ASER car parking area was

the only one it had left in Adelaide, and it preferred not to carry on. An amicable agreement was reached for the Convention Centre to take over the car parks, and we anticipate that Adelaide Convention Centre business will be enhanced by having direct management of that facility.

Also, the handover did not cause undue inconvenience to members of the staff of Kings Parking Company. All people were offered a job following the transfer of the management arrangements: some were not offered the same positions they had held previously, but all people were offered a position, and the business is proceeding very smoothly.

Dr ARMITAGE: Was there a tender process, was it offered to anyone else in the private sector or did the Government just assume control when Kings indicated that it no longer wanted it?

The Hon. Barbara Wiese: There were no tendering arrangements. The Adelaide Convention Centre board and management indicated to me that they felt they could run this operation as part of the overall operation of the Adelaide Convention Centre and do it without adversely affecting the prime operation of the organisation. That is the way in which we are proceeding, and it is an issue I will be keeping an eye on to ensure that management proceeds in an orderly fashion and that the operation is profitable.

Dr ARMITAGE: What are the financial projections for the car park for this financial year in terms of salaries, wages, oncosts and operating expenses? From where will any award wages increase be paid? Also, may we have a comparison of the financial benefits to be derived by the centre conducting the car park operation this financial year rather than its being conducted through a private company?

The Hon. Barbara Wiese: I do not have with me some of the information that the honourable member has requested, and I will have to undertake to provide at a later time information concerning salaries and other things. But, certainly, I can indicate that it is estimated that the Adelaide Convention Centre operations will profit by at least \$250 000 in this coming year as a result of the takeover of the car park operations.

Dr ARMITAGE: Last year the car parks made a profit of \$1.32 million when run by a private company.

The Hon. Barbara Wiese: This is in addition to the profits made last year.

Dr ARMITAGE: I draw attention to page 12 of the Auditor-General's Report which expresses concern that the Convention Centre has no legal status in its own right, and that all contracts entered into are, as the Minister referred to before, in the name of the Minister of Tourism as a body corporate, and all assets acquired are owned by the Minister of Tourism.

As the Auditor-General has expressed on page 12 of this report the opinion that a more appropriate structure for the centre should be established, is it the Minister's intention to change the present structural arrangements, and does she propose to do so by establishing the centre as a statutory authority, a corporate body, or as an administrative unit under the GME Act? If so, when is that likely to occur?

The Hon. Barbara Wiese: At the time of the establishment of the Adelaide Convention Centre, the Government sought advice from the Crown Solicitor as to the most appropriate management arrangement for the operations of the centre. Obviously, a number of options were available to the Government, one of which was to establish a statutory authority, and another to set up the Adelaide Convention Centre as an administrative unit of government, which would mean that all staff would be public servants under the Government Employment and Management Act. The

other option was the system for which we eventually opted, which was to establish the Adelaide Convention Centre at the direction of the Governor in Executive Council with the Minister of Tourism being the responsible Minister and with arrangements being transacted through the Minister as body corporate, including all the other arrangements that have since transpired, such as the establishment of a board which has delegated powers, and also the arrangements that we have with the senior managers of the Adelaide Convention Centre.

I understand that the Crown Solicitor's view was that this would be a satisfactory way to manage the Adelaide Convention Centre; that it would provide greater flexibility for the operations of the centre; that it would provide greater accountability to the Government to have an operation of this sort rather than to establish a statutory authority; and that there would not be any obvious disadvantages that would stand in the way of the commercial operations of the centre. Indeed, I believe that the structure with which we have been operating has worked very satisfactorily, but now that the Auditor-General has raised this question, I am certainly very happy to seek further advice on the matter from the Crown Solicitor. If it is considered, after some years of operation, that an alternative structure is desirable, or that there are some advantages in moving to another structure, then I will certainly maintain an open mind about that and will be prepared to change it. But I must say that the advice at the time was as I have indicated, and I believe that it has worked extremely well.

Dr ARMITAGE: I have one brief supplementary question. I understood the Minister to say that the original arrangement was drawn up on the advice of the Crown Solicitor, and that now she is going to take the Crown Solicitor's advice as to whether that ought to be altered. Is that what I heard the Minister say?

The Hon. Barbara Wiese: I will ensure that further discussions takes place on this matter. If the Auditor-General has a view that there is a problem with the legal status of the Adelaide Convention Centre I would be very keen for the Auditor-General to have appropriate discussions with the Crown Solicitor and for advice thereafter to be given to me as the responsible Minister. The Government usually relies on the advice of the Crown Solicitor and the Auditor-General in matters of this sort. I would not envisage at this stage the need for independent legal advice. But, if for some reason or other it seemed to me that that was necessary I would entertain the idea.

Mr HOLLOWAY: I note from the budget papers that the total Tourism South Australia budget is \$17.383 million which is a real terms increase when compared with last year's actual expenditure of \$15.8 million. I know that tourism has been identified by the Government as one of five key areas for economic growth in the 1990s, but this is a remarkable achievement in the context of the adverse circumstances under which the overall budget has been framed. Will the Minister provide the reasons for this welcome increase? Will she indicate the priority areas in which this additional funding will be spent?

The Hon. Barbara Wiese: I think the honourable member's question is a little premature in view of the fact that we are looking at the Adelaide Convention Centre lines at this time rather than the Tourism South Australia lines. However, I am happy to answer the question. The honourable member is indeed correct that it is quite a remarkable achievement that we have been able to gain a \$1.58 million increase in the tourism budget in the current stringent economic circumstances. It is worth noting that this is one in a series of increases that has been granted to Tourism South

Australia by the Government over the past four years. The tourism industry has been identified by the Government as one of five key areas of economic activity that is likely to show considerable growth during the next few years.

The increase that has been provided for Tourism South Australia is an indication of the priority that the Government places on this area of Government activity. The vast majority of the increase in resources that has been given to Tourism South Australia this year will be devoted to marketing activity. In particular, about \$1 million of that \$1.58 million will be devoted to television advertising interstate. We recognise that in these tough economic times the tourism industry, along with most other industries, is likely to be affected by the fact that people are concerned particularly about their discretionary expenditure, and it could be considered that having holidays is one of those areas that may suffer when money is tight. The emphasis that has been placed on our marketing activity this year is to encourage people to travel now rather than to postpone their travel to some time in the future.

Whilst we are continuing with our awareness creation style of marketing, the idea is to encourage people to act on that and decide to travel in the near rather than the distant future. Apart from television advertising, there will also be print and radio advertising, much of which will include a retail component, that is, people will be given information about attractive package tours and so on, that are available, and they will be encouraged to purchase those while the favourable prices are on offer. We also intend to improve our marketing thrust in many of our international markets, and we intend to home in on market niches amongst tourism consumers.

In the past few years, we have concentrated much effort in our international market on dealing with people in the travel trade to make them aware of the South Australian tourism product. Now we want to continue that effort, but we also want to put more emphasis on reaching consumers so that we can encourage them to make decisions to travel in the near rather than the distant future.

Presumably, we could talk about a number of programs in greater detail during the course of this Committee. I am pleased that, at such a time when economic conditions are so difficult, we have been able to achieve a budget increase, because it will make the job of Tourism South Australia, working cooperatively with people in industry, that much easier to promote the State and to encourage people to travel quickly.

Membership:

Mrs Kotz substituted for Mr Meier.

Mr HOLLOWAY: It has often been said that the Adelaide Convention Centre was the first purpose-built convention facility in Australia, and it has a number of unique facilities which make it a world-class standard venue. Does the Minister have any examples of how widely its reputation has travelled in a global sense, and can the Minister say what benefits will accrue as a result of such a reputation?

The Hon. Barbara Wiese: The Convention Centre's reputation is growing internationally. It is to South Australia's advantage that our Convention Centre was the first purpose-built convention centre in Australia. It was in the international marketplace a good two years before any of its competitors, which means that it has had the opportunity to promote its facilities and people who are in this business have become familiar with the services and facilities that it has to offer. It has been a real advantage that the Convention Centre has had this chance to promote itself without

any competition in those early days. Of course, the competition is now much tougher and the environment is quite difficult, particularly with the economic circumstances that apply not only in Australia but also internationally.

I will give a key example of the way in which the Convention Centre has impressed itself on the world in this sector of the international economy. Last year, the international organisation known as ICCA, which organises conventions and meetings around the world—the senior people in the industry—held its international congress in Adelaide at the Adelaide Convention Centre. They were very impressed with the facilities that we had to offer.

When that body was asked by the Seattle Port Authority in Washington State in the United States for a recommendation about a convention centre somewhere in the world which provided very good facilities and service and to which they could refer for information in developing their own plans for the establishment of a convention centre, ICCA recommended that they come and look at the facilities offered by the Adelaide Convention Centre. Senior people from that organisation have now visited Adelaide and have had discussions with Mr van der Hoeven and members of his staff about the facilities, about the standard of service offered here and about other matters.

They have been greatly impressed by what they have learned. In fact, they are very likely to use some of the facilities that are in operation here as models in developing their own convention facility. I might say that the fact that this has occurred is not only important in helping to gain a higher profile for Adelaide and for the Adelaide Convention Centre's facilities, but it also gives us the possibility now of networking with the new convention facility in Seattle, with which good relationships have now been established.

One of the things that has become very clear since the Adelaide Convention Centre first set up is that these international contacts that are made with other convention authorities can prove to be very important for future business. International bodies are unlikely to return to a particular location to hold a convention very often, and when they are planning future conventions they will very often take the advice of the operators of the previous convention as to good destinations and good locations. So, to have established this relationship with that organisation could very well provide future business for the Adelaide Convention Centre and, at the very least, it is an enormous feather in the cap of the operators of our Adelaide Convention Centre that the international body thinks so highly of the work that it does.

Mr HOLLOWAY: Can the Minister provide any details as to how the overseas representation of the Convention Centre (and I understand that it has representation in New York and Paris) contributes to the success of the centre?

The Hon. Barbara Wiese: The Adelaide Convention Centre has representatives in New York and Paris. The people who are employed in those locations have been very helpful to the Adelaide Convention Centre both in raising the profile of the facilities and the destination and in providing a number of contacts and bookings for the Adelaide Convention Centre. I can be more specific here and indicate that the company in New York that is representing us has established 535 contacts since it began work with us; it has given us 150 leads, that is, leads that we can follow up here in Australia; and we have 21 tentative and confirmed bookings that have come from its work. The value of the bookings made so far is \$1.83 million and, if we use the usual multiplier effect for expenditure on hotels and other expenditure that a convention delegate will make, the value to the

State overall from the work of the New York office to date is around \$18.3 million.

As to the Paris company, the number of contacts established is 355. It has given us 100 leads in Australia and there have been nine tentative or confirmed bookings. The value of the bookings made is \$675 000, and the potential value to the State is \$6.75 million. So, the investment that we have made in having these representatives overseas has certainly paid off already, and we would expect that the work they will continue to do for us will improve.

Mr HOLLOWAY: I understand that, to gain a competitive edge over its rivals and to sell its venue to the world, the Adelaide Convention Centre relies heavily on its quality of service in addition to its technical capabilities and that the achievement of these would usually result in repeat business coming from satisfied clients. Does the Minister have any statistics on the amount of repeat business or bookings achieved by the Convention Centre, or any evidence of the satisfaction of clients in addition to those that which she has already given?

The Hon. Barbara Wiese: With respect to repeat bookings, it is estimated that, for 1990-91, 55 per cent of all bookings consisted of repeat business, mainly for corporate functions and conventions. The Convention Centre receives letters from many of its clients and contacts, following functions and meetings that are held there, providing both good and, occasionally, bad feedback about various aspects of the work of the Convention Centre. I am very pleased to say that the vast majority of feedback given by clients is extremely positive. Perhaps I can give just three examples of the written responses that have been received from clients about functions held at the Adelaide Convention Centre, and these are a very good representative sample of the impressions the clients have about the work that is done there. The first comes from the 12th International Association of Forensic Sciences Conference, which was held in October last year. They wrote a glowing letter to Mr van der Hoeven following their conference, and I quote from the letter in part, as follows:

We are especially appreciative of the contribution from the Convention Centre. The staff, the service, the quality of the food and the physical accommodation were just simply superb. Probably the two features most commented on were the dinner and the trade display. The conference dinner was a masterpiece which left the hard-bitten, world weary conventionites amazed at the quality of the food, wine and service. The trade display had not just the delegates, but the exhibitors, jumping with enthusiasm. Clearly the combination of the Convention Centre and the Exhibition Hall is a winner.

In the same month, the South Australian Chamber of Commerce and Industry held its annual dinner, and its letter to the Convention Centre people says:

Well, what a performance by the Adelaide Convention Centre staff last Friday, 12 October 1990, on the occasion of our members' annual dinner.

The whole operation, from catering staff to audio staff, was excellent. The Chamber wishes to congratulate all those concerned for their professional attitude and their endeavours for ensuring excellence.

Personally, I would like to thank you both—

that is, the two officers to whom the letter is addressed—for your ease in handling preparations and the attitude you conveyed in catering for our demands.

All the staff are to be congratulated.

The third letter I have received following the Urban Development Institute of Australia's 19th National Congress held in March last year, and it states:

It is with considerable pleasure I write to congratulate the Adelaide Convention Centre on the very professional handling of the Urban Development Institute of Australia's 19th National Congress last week.

The absolute professionalism of your staff in all divisions was awe inspiring and a definite contributor to a very successful congress.

South Australians should be very proud that we have a venue such as yours to host our interstate and overseas visitors.

That is a reasonable indication of the very high regard in which our clients hold the Adelaide Convention Centre and its staff.

Mr S.G. EVANS: I am half tempted to ask the Minister whether she has any brick bat letters, but most probably they are not on file. I refer to page 13 of the Auditor-General's Report with respect to the financial operations of the centre. In answer to an earlier question, I note that the Minister mentioned a lease arrangement between the STA and the operator, which appears to be the Government. What are those lease arrangements? Is the lease payable to STA for only the land, or is it for land and building? What is the expected amount to be paid this year and the formula that is established so that it is an arrangement where a later figure may give a greater return to the STA? What is the Convention Centre's projected total income, total expenditure and possible operating loss this year? Finally, what is the capital value of the land which is leased?

The Hon. Barbara Wiese: With respect to the first question, the lease paid to STA is on the land only. In the last financial year, the lease payment was \$225 000. The arrangement is that that will be indexed for CPI so we expect it will be approximately \$235 000 in the coming year. The projected total income for the coming financial year is \$9.73 million. The expenditure is expected to be \$8.625 million. The gross operating profit, as it will be this year, is expected to be \$1.112 million.

Mr S.G. EVANS: Following on the point about the lease, \$16.5 million has been invested by SAFA in the Exhibition Hall building. Who is paying back SAFA for the building?

The Hon. Barbara Wiese: The Adelaide Convention Centre is repaying the loan on the Exhibition Hall, and during this financial year we expect to pay \$1 million.

Mr S.G. EVANS: What is the Government's planned contribution to operations this year of the Convention Centre? With reference to page 91 of the Estimates of Payments, last year's figure is listed as \$3.9 million. Has the budget been prepared on the basis that the State Government's contribution for operation will ensure that the centre does not accumulate a deficit again this year?

The Hon. Barbara Wiese: This question is a bit difficult to decipher because I am not quite sure what the honourable member is asking me to provide for him. He will see from the budget papers that the Government's contribution to the Adelaide Convention Centre in the coming year is projected to be \$6.655 million. Is that what the honourable member wanted?

Mr S.G. EVANS: That includes everything. I just wanted the operating costs. Last year the Government made a contribution of \$3.9 million towards operations. What contribution does the Government plan to make this year towards operations so that the centre will not accumulate any deficit?

The Hon. Barbara Wiese: Breaking down that figure of \$6.55 million to operations and common areas, the operations contribution would be about \$4.6 million.

Mr S.G. EVANS: As a supplementary question, as the Convention Centre's operating loss last year was \$4.3 million, similar to the loss shown the previous year, what initiatives will be taken this year to reduce the level of operating loss?

The Hon. Barbara Wiese: The Convention Centre in fact makes an operating profit on the work that it does. The figure to which the honourable member refers takes into

account the capital investment in the Adelaide Convention Centre facilities when he refers to the loss figure of, I think, \$4.3 million.

It was always understood by the Government and by everyone else who understands the convention centre business that it would be most unlikely that the Adelaide Convention Centre would ever be in a position to cover all costs involved in the establishment of a convention facility in this State. There are no convention facilities of this sort anywhere in the world that are able to make a profit in the sense to which the honourable member refers. Convention facilities of this sort are usually constructed by Governments or by city council authorities around the world to act as a catalyst for the generation of economic activity within their particular city or State.

The benefit that the Adelaide Convention Centre can bring to South Australia is not so much in the income that can be derived through the direct operations of the centre itself but in the generation of economic activity, the purchase of room nights in hotels, expenditure in restaurants and shops and all the other things that will be generated by encouraging large numbers of people to come to our State to attend meetings and conventions. That is not to say that the Government does not have an interest in and is not pursuing the most profitable arrangement that can possibly be achieved by the Adelaide Convention Centre on its own operations, and that is constantly under close scrutiny, not only by the management of the Convention Centre itself but by the centre's board and by Treasury officials who study the business of the Convention Centre each year to ensure that the centre operates as efficiently and as cost effectively as it can, and that it generates as much business as it can to ensure that its operating profits are as high as possible to offset, to the extent possible, the costs that have been involved by the Government in building this convention facility.

It is important to note that, since the Adelaide Convention Centre commenced business in South Australia a few years ago, it has generated revenue to the tune of \$98.54 million. That is a huge amount of money and demonstrates the benefit of this facility to the South Australian economy. The small amount of money, relatively speaking, that represents what you might call the accumulating deficit because of the arrangements for accounting that are in place through the work of the Auditor-General, etc, is a very small investment to be made by the people of South Australia through their Government to achieve the sort of economic return to which I have just referred.

Mr S.G. EVANS: Will the Minister answer the particular part of my question that relates to what action the Government is taking to reduce the level of loss?

The Hon. Barbara Wiese: I think that I have already answered that question in suggesting that the management, the board and Treasury are all commissioned by the State Government to scrutinise the business affairs of the Adelaide Convention Centre very closely every year to ensure that it operates as effectively as possible, to ensure that expenditure is not higher than it should be and that it pursues business opportunities to the extent that it can, bearing in mind that its primary purpose is to be a convention and meetings facility and, therefore, there are some constraints on just how far it can go in competing in the marketplace.

All these responsibilities the various organisations have in scrutinising the work of the Convention Centre management are taken very seriously by the bodies to which I have referred. The gross operating profits of the Convention Centre during the past few years have been growing—an

indication of its success, even in the difficult economic environment that has impacted on the business of the Adelaide Convention Centre as it has on many other organisations. The figures for the past two years show that in 1989-90 there was a gross operating profit of \$711 000 and for 1990-91 that increased to \$1.4 million, in a very difficult economic climate.

There is stringent control over the operations of the centre and the business that it does, and it is doing the very best that it can. Under the existing arrangements, the setting of lease payments that are paid by the Adelaide Convention Centre for the centre itself is not a matter over which the centre has control. It is arranged by the ASER management, and the Convention Centre is doing as much as it can to assist the Government in paying off the capital contribution that has been made in establishing this convention facility for the benefit of the State.

Mr S.G. EVANS: I was surprised to note from the Auditor-General's Report that again last year the Convention Centre incurred a loss in relation to room hire of \$94 000, which was worse than the \$68 000 incurred in the previous year. What steps has the Minister taken to require the Convention Centre to address the manner in which income is derived from this source so that, this year, the centre records a profit from room hire and not a loss?

The Hon. Barbara Wiese: As far as that question is concerned, I do not have that information. If it is possible for me to provide it, I will. As to the question regarding room hire, I ask Mr Ashman to answer it.

Mr Ashman: We do not ever look upon the room hire as being a potential profit-making area. The room hire is really the means by which we get delegates to come to the centre, but now that the exhibition hall is on line, we anticipate that our room hire will increase for the next financial year 1991-92, and that it will, in fact, provide a slight profit for that financial year. However, I repeat that room hire is really just the means by which we get delegates into the Convention Centre.

The Hon. Barbara Wiese: If I may just add to that: it is considered by the Convention Centre that the profit centre for the organisation is in catering, not in room hire, and that is certainly the area in which we try to maximise our activity.

Dr ARMITAGE: Car parks.

The Hon. Barbara Wiese: Car parks are certainly another profit centre.

Mr HOLLOWAY: It was recently reported in the press that the Adelaide Convention Centre released a series of package conventions providing fixed prices to delegates for holding their conventions at the centre. How widely used is packaging in the convention industry? What types of packages are available? What are the advantages of using packages? What is the response to those packages to date, and for how long do the packages apply?

The Hon. Barbara Wiese: As we understand it, there is no other facility in Australia, and we know of no other facility in the world, that has developed packages like those developed for the Adelaide Convention Centre in cooperation with other transport and accommodation operators in South Australia. Three types of packages have been developed: first, a package for interstate use; another for overseas use; and a third, which is a training package. As I said, as far as we know, this is unique. No other facility has embarked on this course. The advantage of packages of this sort is that any convention organiser will know in advance exactly what the cost will be to delegates who come to the Adelaide Convention Centre. Since this is a very price sensitive area of economic activity, it was considered that this may well

be an initiative that would be welcomed by people who are in the business of organising meetings and conventions. That assumption has proved to be correct and, as I understand it, people from the Convention Centre's sales and marketing area have travelled around Australia notifying people of the availability of these packages, and they have been extremely well received.

Last week when I led an industry mission to Indonesia, where these packages were presented to the members of the industry in the Asian market for the first time, the response there was also extremely positive. We would expect that these packages will be well used during the time that they operate.

We have already received two bookings for the use of these packages, one for November this year for a small meeting of, I believe, 18 people, which will bring some \$52 000 worth of business into the State, and in April next year a larger meeting of some six days' duration for 70 people will bring some \$122 000 worth of business into the State. Therefore, the printing costs alone for the packages now being promoted have already been covered, and they have been in the market place for only a couple of months. We believe this will be a very popular initiative. The particular packages to which I refer will be in place until June 1992, when prices will be reviewed, so we expect big things from this and, as I have indicated, this initiative is unique to South Australia and a tribute to the people who have put it together.

Mrs HUTCHISON: We have heard a lot about the Convention sector being the fastest growth area in the tourist industry of all the capital cities in Australia, either with a convention centre or in the process of actually building one. That places Australia into the international convention market. How does Australia rate as an international convention destination and, what is Adelaide's market share as a percentage of the total of the Australian market?

The Hon. Barbara Wiese: Australia rates extremely highly as a convention destination, and I think that that is partly because Australia rates very highly as a tourism destination *per se*. Most of the surveys undertaken by the Australian Tourist Commission and various other bodies interested in the tourism and meetings market show that many people around the world would like to visit Australia at some time or another. Obviously, if that can be done by combining business with pleasure, they are very happy to take advantage of that opportunity.

The only real statistical information that we have about Australia's rating comes from the body to which I referred earlier, ICCA. Its figures would certainly not include all the major meetings taking place world-wide, but between 1991 and 1996 Australia has 164 international conventions booked and, from the information available, Australia is rated among the 10 most favoured destinations in the world, on average usually behind the United States of America and the United Kingdom. That is an extremely healthy start for Australia's emerging conventions industry.

As far as Adelaide's market share is concerned, we currently have about 11 per cent of the Australian market, and we have 18 confirmed international bookings up until 1996. To give some indication of how we compare with other centres in Australia, Sydney has the highest with 34 per cent of bookings, and 55 conventions booked, and Melbourne 24 per cent with 39 bookings. Therefore, Adelaide is doing reasonably well, bearing in mind the size of our convention facility and the market niches to which we are promoting our facilities.

Mrs HUTCHISON: As reported on page 16 of the Auditor-General's Report, the number of actual events held in

1990-91 was 395. What percentage of those bookings was for conventions, conferences and seminars?

The Hon. Barbara Wiese: Bookings for conventions, conferences and seminars for 1990-91 are as follows: the total number of events held was 395; the number of conferences, seminars and related events was 248, which is 63 per cent of the total functions held; and, the remaining 37 per cent was banquets and other events.

Mrs HUTCHISON: What percentage of the bookings was repeat business?

The Hon. Barbara Wiese: About 55 per cent of all business in the Convention Centre was repeat business, and that consisted mainly of corporate functions and conventions.

Mrs HUTCHISON: What percentage of the bookings would have been from interstate and overseas?

The Hon. Barbara Wiese: Of that 55 per cent that are repeat bookings, 65 per cent were local or intrastate functions and about 35 per cent were interstate bookings. We do not have any repeat bookings so far for overseas conventions. As I said earlier, most people who organise international meetings are unlikely to return to a particular location inside seven to 10 years. So, it will be some time before we start to see return visits from international meetings that have been hosted in Adelaide.

Mrs KOTZ: How much income was generated from the hire of the Exhibition Hall last year, and what is the projected figure for this year? What is the charge for the hire of the Exhibition Hall?

The Hon. Barbara Wiese: As the information that I have with me combines the income for the Exhibition Hall and the Adelaide Convention Centre I will have to provide that information at a later date.

Mrs KOTZ: As a supplementary question, if the entire hall was booked for 365 days of the year what income would be generated?

The Hon. Barbara Wiese: I will provide that information.

Mrs KOTZ: I refer to page 13 of the Auditor-General's Report. I note that last year the total salaries, wages and related payments amounted to approximately \$3.3 million of a total income of \$8.5 million. This represents 40 per cent of the total income derived for the year. Does the Minister agree that the ratio of total salaries, wages and related payments to total income is very high? If so, has the Minister asked the board to give this area further attention in order to reduce costs and ultimately to reduce the level of Government subsidy?

The Hon. Barbara Wiese: The fact is that the Adelaide Convention Centre is an operation that is about providing service. One would expect to have a rather large number of people involved in banquets and so on. The number of people who are employed as the core staff of the organisation is much smaller. I am sure Mr Ashman will have more to add.

Mr Ashman: As mentioned previously, our main profit area is in catering, and in that area we have a percentage of salaries to income probably equal to industry standards, and I refer mainly to international hotels in that regard. That is our major profit centre, and salaries and wages are well within the expected industry standards. Because room hire is very labour intensive and is not a high profit return area, salaries and wages are a bit higher. Overall, 40 per cent is within reasonable bounds of what is expected in the hospitality industry.

Mrs KOTZ: In reply Mr Ashman stated that catering was one of the areas where profits are maintained. Yet, in the Auditor-General's Report (page 13) it is noted that catering fell by \$200 000 last financial year. Obviously, as Mr Ashman stated, catering does provide the best operating margins

for the centre. Does the management propose to maximise the centre's capacity this year by actively seeking bookings for functions of an essentially social nature? What percentage of all business last year comprised banquets and other events compared to conferences, seminars and related events, and what is the projected figure this year?

The Hon. Barbara Wiese: The figures for catering last year—and we would expect during this coming year—reflect the current state of the economy. There is no doubt that people who are holding conventions, banquets and functions are attempting wherever possible to economise. During the past 12 months there has been a trend for meals to be less elaborate and coffee breaks to be fewer, and requests for the type of food and beverage to be cheaper. That partly explains what is happening in this area. The Adelaide Convention Centre is, to the extent possible, trying to ensure that as much of this type of business as possible can be attracted. As well as catering work within the establishment itself there have been some attempts to maximise the outside catering business that can be pursued.

For example, the Adelaide Convention Centre has a contract with SACON to run the catering facilities in Government offices in Victoria Square, in the Education Centre, Wakefield House, in the State Administration Centre and also in the cafeteria at the State Government Netley complex, all of which is designed to assist in improving the catering returns for the Adelaide Convention Centre. Whilst there is a real temptation to rush into the marketplace and maximise that sort of business to its fullest extent, the Convention Centre must also be mindful of its place in the market, the need to maintain high standards and to be reasonably selective about the sort of work that it does in this outside catering area.

It is worth noting, too, that, in order to improve the catering income for the centre, a number of what might be termed entrepreneurial activities have been undertaken by management from time to time, for example, in past few years the holding of Melbourne Cup lunches or New Year's Eve parties and such functions, which are designed to encourage people to use the convention facilities for catering activity and to make sure that we get the best possible use out of those facilities.

So, I feel that a great deal of attention is being paid to this area of activity and that much is being achieved. However, we must bear in mind the state of the economy and what that is doing to the food and beverage industries generally. The Convention Centre certainly is not isolated from the effects of that.

About 37 per cent of all business involves banquets specifically, but that figure does not include the food and beverage component that forms part of the business which comes through meetings and conventions. We do not have a figure that separates that, but that could be provided at a later date.

Mrs KOTZ: Obviously the catering industry can produce profits. Whilst the Minister spoke in a very positive sense, although admitting that the economic downturn will play a great part in the profits maintained, I note that Mr Ashman's reply contained a contradictory statement. If there are problems in a particular area, they should have been reflected in the answers given rather than in a statement that contradicts one the Minister makes later. How many events involving between 450 and 500 people did the industry cater for last year, and what is the projected figure for this year?

The Hon. Barbara Wiese: For the past financial year there were 334 bookings. For this coming year, there have been 149 bookings to date. For the past year, there were 44

bookings above the figure of 500 and to date there have been 38 bookings, that includes bookings between 500 and 999 people. In relation to bookings involving over 1 000 people, there were 17 last year, and to date this year there have been 21.

Mr HOLLOWAY: The Minister mentioned earlier the International Congress and Convention Association annual congress, which was held in Adelaide in November. Will the Minister indicate the ongoing benefits and involvement for the Convention Centre from this convention?

The Hon. Barbara Wiese: As I indicated, our ability to win that convention was a real coup for South Australia, because it is considered to be a prestigious event for the convention industry worldwide. The International Congress and Convention Association has a world-wide membership and is the only recognised association with representatives from the industry on a global scale. Also, it provides the only international database for meetings around the world. It was the first time that that body had ever met in Australia. Some 300 delegates attended from about 45 countries. I met a number of those people during the course of the several days that they spent in Adelaide. Huge numbers of those people had never had the opportunity to visit Australia, so their first impressions of Australia were gained here in South Australia. Many of those people were very impressed with the standards of our convention facilities and the standards of our hospitality industry in general. Many, particularly those from Europe, were surprised that Australia could have such sophisticated facilities. I think those delegates tended to feel that we were a something of a backwater in the world, and they were very impressed by the things we had to offer.

In addition to the delegates who represented the conventions and meetings industry, a very sizeable contingent of journalists and people who write in magazines and trade papers, which are read assiduously by people in the industry, were involved. We have received enormous coverage and feedback from those trade papers. Many complimentary articles have been written about the Convention Centre and about Adelaide as a destination. It is difficult to measure the ongoing benefits that may come from the hosting of an event of this sort.

The fact that it was held here will be of enormous benefit in a promotional sense. It has helped to raise our profile internationally in the international meetings market. I referred earlier to the fact at least one referral has come from the United States through ICCA to encourage people who were establishing their own convention centre to use Adelaide's centre as a model. That will be very helpful. We would expect, too, that referrals and business will flow from the fact that we have had these influential people visiting Adelaide who were impressed with our facilities. It will probably be a couple of years before we really start to have the opportunity to measure the impact that that convention has had on the writing of business, as it were, as opposed to the general promotion and awareness that it created.

Mr HOLLOWAY: My next question refers to page 15 of the Auditor-General's Report and relates to the Exhibition Hall and the loan balance outstanding. The report states:

The loan includes \$190 000 drawn down for the construction of a covered walkway between the Convention Centre and the Exhibition Hall, estimated to cost \$330 000.

Could the Minister provide more details about that project? The Minister might care to take that on notice.

The Hon. Barbara Wiese: As the honourable member would probably be aware from his visits to the ASER Plaza area, the walkway is covered and now links the Exhibition Hall with the Adelaide Convention Centre and then links the Convention Centre with the Hyatt Hotel and the entrance

to the Casino building. This has been provided for the convenience of patrons in that area who previously had to do the best they could in inclement weather and run through rain, usually, to move from one building to another. This now makes the movement of people much more comfortable.

Mr HOLLOWAY: Was the cost as estimated?

The Hon. Barbara Wiese: As I understand it, that project was completed on budget; in fact, it came in just under budget.

Mr HOLLOWAY: My last question also refers to page 15 of the Auditor-General's Report, where it is stated that the Convention Centre is responsible for the day to day maintenance and cleaning of the common areas and 40 per cent of the cost of structural maintenance and replacements. Has there been any need for structural maintenance to date and who is responsible for the other 60 per cent of that?

Mr Ashman: In answer to the second part, regarding who is responsible for the other 60 per cent, that is ASER itself. With respect to any required capital structural repairs, there have been none to date, except ongoing maintenance, which the Adelaide Convention Centre pays as part of the figure shown in the Auditor-General's Report.

Dr ARMITAGE: I want to ask just one question, which I guess could almost be regarded as supplementary to the one I asked previously in which I requested the financial projections for the car parks for this financial year in terms of salaries, wages and so on. I do not recall getting an answer to my specific question, namely, from which line in the budget will any increases or award restructuring and so on in the ensuing 12 months be paid? Usually they come from the round sum allowances, but that is not there this year. I wonder whether all those salaries and wages are frozen for 12 months. If not, where will the award restructurings and so on come from?

The Hon. Barbara Wiese: The money that would be required for the payment of salaries and wages and the usual increases one might be expected to pay during the course of the year as a result of national wage case outcomes and so on, will come from the operating expenses of the car park operation itself.

The CHAIRMAN: There being no further questions, I declare the examination of the vote completed.

Tourism South Australia,
\$17 383 000

Works and Services—Tourism South Australia, \$575 000

Chairman:

The Hon. T.H. Hemmings

Members:

Dr M.H. Armitage

Mr S.G. Evans

Mr T.R. Groom

Mr P. Holloway

Mrs C.F. Hutchison

Mr E.J. Meier

Witness:

The Hon. Barbara Wiese, Minister of Tourism.

Departmental Advisers:

Mr R.I. Nichols, Managing Director, Tourism South Australia.

Mr R. Phillips, General Manager, Marketing.

Mr J. Montgomery, General Manager, Planning and Development.

Mr M. Fisher, Director, Regional Administration.

Ms A. Hooper, Director, Corporate Services.

Mr M. Milln, Senior Policy Adviser.

Mr R. Hand, Development Manager.

Mr D. Biddiss, Accountant.

The CHAIRMAN: I declare the proposed expenditure open for examination.

Dr ARMITAGE: Concerning the management of Tourism South Australia, I understand there is some uncertainty at the moment about the official positions in the upper echelons of TSA's management structure. For instance, I cite Mr Bob Nicholls' appointment as Acting Director-General of the Department of Premier and Cabinet, whilst the Acting Manager in his position will be Mr Roger Phillips, is that correct?

The Hon. Barbara Wiese: Yes.

Dr ARMITAGE: He has been in South Australia since June. I understand also that the Deputy General Manager Marketing TSA (Ms Rozanne Lawton) was placed on the redeployment list last year before eventually returning to fill her current position. The Director of Planning has been seconded to the Planning Review for 12 months. The Acting Director of Planning has left to work with the Department of Industry, Trade and Technology. For an industry which clearly the Government identifies and which is widely accepted as one of the State's five key strategic areas for economic growth, is it proposed that all senior positions currently filled in acting capacities will be filled on a permanent basis, not merely an acting or temporary basis, and when that occurs will the positions be advertised outside the confines of the Public Service?

The Hon. Barbara Wiese: As the honourable member has indicated, Mr Nicholls will be moving to the Department of Premier and Cabinet in an acting capacity for a period of about six months. That is due to commence on 30 September, next Monday. In his absence, Mr Phillips will become Acting Managing Director for Tourism South Australia. During the course of that six months, Mr Nicholls will maintain his contact with officers within Tourism South Australia, meeting on a reasonably regular basis in order to keep in touch with the work of the organisation. As the honourable member indicated, Mr Phillips was appointed to his position in June, and that position is now confirmed.

Mr Montgomery joined Tourism South Australia two or three weeks ago to fill the position of General Manager, Planning and Development. Those positions are filled and are clear. Those officers are conducting their duties and, I might say, very efficiently. It is true that there have been some secondments to other areas of the public sector for the particular officers to work on a number of projects that are under way within Government. I consider that to be a very positive move which, of course, is why it occurred in the first place.

The business of tourism in South Australia and the influences upon the tourism industry in South Australia are not confined only to the work undertaken within Tourism South Australia. Clearly, if the planning system of the State does not take proper account of the needs of the tourism industry, then that is a problem for the tourism industry. If the multifunction polis, for example, does not take proper account of the opportunities for the tourism industry, then that will be a problem for the tourism industry, and so forth.

Therefore, it is in the interests of the tourism industry for officers within our organisation to work very closely when key areas of policy are being determined by the Gov-

ernment. I consider it to be of critical importance that tourism considerations be given proper thought and attention during this period of deliberation on the Metropolitan Planning Review, for example, which is why one of our officers has been seconded for a period of time to work with the team that is now putting together the second stage of the Planning Review's work.

I am sure that the honourable member is aware that there have been some problems in the past with particular tourism development applications. Because they do not sit well within the current planning system, it is important that a revised planning system takes proper account, to the extent that it is possible. Having an officer working in that area on that project will be of major benefit to the tourism industry. When that project is complete, that officer will resume his duties with Tourism South Australia.

Work is currently proceeding on a regular basis by officers within the organisation working with people in other Government agencies on matters that are of significance to the industry. In some cases that is done on a periodic basis and with the officers being based within the organisation. On other occasions, when there is some critical and concerted effort being put into a particular area of activity, it is of greater benefit if that officer is seconded for a period of time. I would hope that that sort of activity can continue into the future because it will be of benefit to the industry. Also, there are occasions when I hope that officers from other agencies will have the opportunity to be seconded to Tourism South Australia to assist that organisation in furthering the objectives of the Government. That is something I encourage and hope will occur. I hope that answers the honourable member's concerns in that area.

Dr ARMITAGE: As a supplementary observation rather than a question, I do not know that I was particularly saying that all those moves were not good ideas. I was drawing the Minister's attention to the fact that there is a state of flux, with acting and temporary positions at the top, rather than questioning whether these people being involved in other policy areas was or was not a good idea. I take it that the answer to my question is that they will not be filled.

The Hon. Barbara Wiese: In respect of the position currently held by Rozanne Lawton, the Deputy Manager in the marketing area, she was never placed on a redeployment list, and that should be clarified. She has been absent from the organisation for a time on maternity leave. She is now back working in a full-time capacity and is doing a very good job in that area.

Dr ARMITAGE: I refer to page 255 of the Program Estimates under 'Resources Summary'. Prior to asking this question I should indicate that I am happy for this to be taken on notice and a response provided later, as I should not be surprised if the information was not immediately available.

What efficiencies in savings were identified as part of the GARG process, in particular, in the areas of total or part agency amalgamation, reduction of middle management and the potential for privatisation and commercialisation? What is the estimate of the cost to be borne by TSA due to award restructuring this year, and has any reserve been established to assist with award restructuring projects? Finally, how many officers are currently on the redeployment list? What is the cost to TSA of this, and what provision has been made for separation packages this financial year?

The Hon. Barbara Wiese: The work of officers within Tourism South Australia on the GARG process is continuing. A timetable has been established for the review of various parts of the operation. Some of those reports have been completed but others will require considerably more

time to do the topic justice. On the question of amalgamation, a fairly cursory report has been prepared. We are of the view that there is likely to be little advantage in any amalgamation with other organisations within Government. The business of tourism seems not to fit very comfortably with any other agency, although there is obviously some benefit in cooperation with other agencies on particular issues.

For example, the Department for the Arts and Cultural Heritage and the Department of Recreation and Sport work on special events, festivals and other things that have significant tourism relevance, and we work very closely with them on those. However, that does not mean that there ought to be an amalgamation of interests, because many other aspects of the work of such organisations are very different. The same applies to Government agencies.

On the question of award restructuring, it is currently estimated that the cost in this coming financial year will be \$116 000, which will be absorbed in accordance with the decisions that have been made on that question. Regarding the question of officers on the redeployment list, at the moment one officer in that category is being employed in an area of the Public Service, so that is not a cost to the agency. At this point, no separation packages have been offered to any officer.

Mr Nichols: With regard to the question of award restructuring and where the money is to come from, which is basically what the honourable member was asking, broadly speaking, we are squeezing a number of programs right across the board, but the way we are squeezing them is not to impact adversely on these programs but to do things more smartly. We really have been working at this in recent months, with some success. For example, there are ways to negotiate with media outlets to get your message into the media more cheaply than you can by the traditional methods of buying media time. You might work harder at advertorial rather than straight purchasing of advertising time, and so on.

Dr ARMITAGE: Advertorial?

Mr Nichols: It is an industry word that means that you get, shall we say, editorial coverage that is in fact advertising for your purpose. You get someone to write you up so that you sound good. We are doing such things as looking at our publications with a view to selective and careful advertising income within those publications, and looking at the possibility of contra deals with various organisations under which we might give them some advertising in our publications and they will give us other benefits that will, in turn, perhaps save us travel money, as an example.

To give you a good example, we have just renegotiated our relationship with the Bureau of Tourism Research and believe that we can save \$50 000 per annum on our payments to that organisation while still getting the same work out of it. That is yet to be ratified at a Tourism Ministers conference. We are doing many things such as that, which will more than cover the cost of award restructuring. A number of other issues are being covered during the course of the GARG discussions, the most significant of which has been the consideration of ways in which the Government can raise money without adversely impacting on any other part of the Government or of groups of media consumers to have that money allocated towards tourism marketing.

Obviously, that is a confidential report, but the question of money raising as it relates to tourism is under very close scrutiny as part of the GARG process. We are doing that in conjunction with Treasury and are in the process of reporting to Cabinet at the moment. Throughout the department we have looked at the issues raised by the honourable

member, such as the number of middle management people, and so on, and there have not been substantial savings. For an organisation with our budget in our sort of market, we are actually quite lightly staffed compared with other organisations interstate that have similar or slightly larger budgets. We have done some reshuffling, which we think will help us to manage our resources a little more effectively.

In relation to privatisation, we are finding that many of our activities can be undertaken more effectively in cooperation with private sector partners, and almost everything that we decide to do now we think of in those terms: who can we work with and how can we share resources to make more marketing impact? That is about as close as I can suggest we are getting to the question of commercialisation or privatisation.

[Sitting suspended from 12.59 to 2 p.m.]

Dr ARMITAGE: The Minister mentioned earlier that the GARG review of Tourism South Australia was not yet completed. Can she inform the Committee when it will be completed, and will that allow her to offer answers to the questions asked, by 4 October, as instructed by the Chairman?

The Hon. Barbara Wiese: As I indicated earlier, a very large part of the GARG review for tourism has already been undertaken, but some parts of it are left. Although I cannot be absolutely specific, I think that it will take approximately 12 months for the full review to be completed.

Dr ARMITAGE: Do you mean 12 months hence?

The Hon. Barbara Wiese: Twelve months from the beginning of the project starting.

Dr ARMITAGE: I draw the Committee's attention to page 231 of the Program Estimates under the item of Tourism South Australia's retail operations. What was the cost of operating each TSA travel centre last year; what is the estimated cost for this year, what was the total value of sales generated at each of the travel centres last year; and what is the forecasted value of sales generated from each of those travel centres for this year?

The Hon. Barbara Wiese: I can answer at least part of that question. First, in relation to the Adelaide travel centre; the total costs, which include everything (salaries, wages, overheads, administration, etc.) were \$1 342 972 less commissions of \$740 693, leaving a net cost of \$602 279; Melbourne had costs of \$455 280 less commissions of \$113 919, leaving a net cost of \$341 361; and Sydney had costs of \$710 853 less commissions of \$124 306, leaving a net cost of \$586 547.

I must add that the value of travel centres cannot, of course, simply be measured in these dollars and cents terms with respect to costs and income through sales because, in addition to our travel centres being retail sales outlets, they are also information centres. It is a service that is not provided by any other private sector organisation and, certainly, although some aspects of the information service can be provided by others, the concentration on provision of information as well as booking services by our travel centres cannot be matched. I think that the members of the tourism industry in South Australia certainly recognise that and appreciate the dual role that those centres play.

Dr ARMITAGE: As a supplementary question through the Chair, what is the estimated cost for this year?

The Hon. Barbara Wiese: The projected total sales for the coming year for all travel centres combined is \$12 488 000.

Dr ARMITAGE: I have not yet received an answer to my question about the forecast for the total sales to be generated this year.

The Hon. Barbara Wiese: The figure that I gave you was the projected total sales for the coming year.

Mr HOLLOWAY: I note that Tourism South Australia is increasing its emphasis on international markets in the coming year. The increased budget allocations were announced by the Minister at her recent industry forum. I am also aware that the Minister recently returned from South East Asia, where new tourism ties were established with Indonesia. Can the Minister outline the reason for the shift in emphasis towards international markets?

The Hon. Barbara Wiese: I think it is important to look at the trends in visitation to Australia and to South Australia over the past few years to assess the directions being taken by Tourism South Australia. If we do that we can see that, between 1984 and 1990, the number of international visitors to South Australia has increased by an average of 16 per cent per year, and the number of nights spent by international visitors has increased by 13 per cent per year.

I admit that that growth has been from a relatively small base, but the growth is strong, it is sustained, it has occurred over the entire six year period to which I referred, and it certainly shows no signs of abating. The Bureau of Tourism Research in Australia has predicted that international visitation to Australia is likely to grow by about 8 per cent per year for the remainder of this decade, and we expect that South Australia will be able to benefit by similar sorts of figures, at the very least.

On the other side of the coin, domestic tourism growth over the past few years has been relatively static. So, if these trends continue in Australia for the next few years, as we would expect, there will come a point in the next 10 to 20 years when South Australia can expect international arrivals to outnumber domestic arrivals. Therefore, it is important that we build on the excellent work that has already been done in our international markets, to capitalise on the future visitation that we are expecting from other parts of the world.

As the honourable member knows, we have representation in a number of overseas markets. There considerable emphasis has been placed on working with the travel trade in establishing a presence for and raising an awareness of South Australia. Over the next few years we want to improve on that marketing performance by becoming more involved with consumer promotion. It is important that we do that in the established markets. It is important also that we take note of the new and emerging tourism markets for Australia and begin now to lay the groundwork in those new markets so that, when large numbers of visitors start to emerge from those areas of the world, South Australia will be well placed to obtain a reasonable share of that market.

We expect that the Asian region of the world is likely to be the biggest growth market for South Australia, as it will be for the rest of Australia, during this coming decade. Already a number of steps have been taken to ensure that we capitalise on that growth. As the honourable member knows, we have recently seen increases in direct access by air from some of those markets—from Japan, Malaysia and Indonesia—and that gives us an ideal opportunity to open up new markets and promote the State. We will be using those opportunities for all they are worth to make sure that we get our share of new business that will emerge.

Mr HOLLOWAY: As a supplementary question, will the Minister give specific details of the likely long-term results in relation to Indonesia which her delegation visited recently?

The Hon. Barbara Wiese: Last week I visited Indonesia at the invitation of Mr Soeparno, who is the President of Garuda Indonesia, the official national carrier for Indonesia. That airline commenced two direct flights per week into

Adelaide a couple of months ago. At its invitation I took a mission of about a dozen key South Australian operators to Indonesia. As the first part of that visit we visited TABS, one of the largest Asian travel trade fairs in Bali, at which a group of South Australian operators were doing business and raising the profile of South Australia. This fair brought us into contact not only with Indonesian agents and wholesalers but also with people from all over the Asian region.

We left Bali and moved onto Jakarta where we had a series of meetings with a number of people in the travel trade and also with Government officials and prominent people in the business community. I had a number of opportunities to address business gatherings where we would expect to find people who are prospective travellers to Australia. Bearing in mind that Indonesia is an emerging market for Australia and that a growing and affluent middle class is emerging there, it is anticipated that by the end of this decade there will be a market of about 20 million people who fall into this category and will have the means and desire to travel. It is important that we establish ourselves in that marketplace as quickly as we can to capitalise on the flights that are now coming into Adelaide.

In Indonesia I had the opportunity to hold some press conferences. We achieved front page stories in the *Jakarta Post*. There was an appearance on television as well as having the chance to talk to people who write stories for some of the travel trade newspapers and magazines. Members of the delegation who are operators in this State were able to form relationships with various people in the industry in Indonesia. Hopefully, some of those contacts will at a later time produce business for those operators.

I believe that the operators felt that being part of a Government-led mission was a valuable introduction for them into a new market; they felt that it gave them greater credibility to be part of a delegation led by the Government and that doors opened for them that otherwise might not have been opened. All in all, I think it was a very successful introductory mission out of which I think we will find new business emerging and much stronger relationships and contacts being formed.

Mr HOLLOWAY: I am aware that the Hawker De Havilland Aviation Training College at Parafield has been successful in attracting cadets from a number of foreign airlines as well from Qantas. Does that have any significance in terms of its impact on our tourism industry?

The Hon. Barbara Wiese: On the face of it one might think that it probably does not, but I think it does in fact have quite an impact on the future of the tourism industry because the work of the aviation college is becoming extremely well known and highly respected internationally. Pilots have already been trained at the college for a number of international carriers. As well as Qantas, pilots from Malaysia Airlines—Air Mauritius, Olympic Airways and Merpati, which is an Indonesian domestic carrier—have received instruction at the aviation college. The college is the largest facility of its kind in the southern hemisphere, so it has considerable potential to become a major force in aviation in our region of the world. The fact that all these pilots are coming to our State and having the opportunity to live here for a period of time during their course means that, as long as their experience has been good, they will go away and become ambassadors for our State.

Referring to the Indonesian experience, already 18 Merpati pilots have trained at the Hawker De Havilland college, and 32 are currently undergoing training. Those pilots go back to their airlines and at some stage or other may be recruited for Garuda, because I understand that it is a recruitment ground for Garuda pilots. Their experience will

be taken throughout the world and, as long as their experience here has been favourable, they become ambassadors for this State.

The mere fact that our college is operating so well and is highly regarded is a promotional tool for us because it is marketing its services internationally and is taking full advantage of the contacts it is making overseas. Hopefully, as well as assisting us with the development of our industry at the college, it will also assist our tourism promotion work.

Mr HOLLOWAY: I refer to the Program Estimates (page 227), in which there is an allocation of \$73 000 for festivals and special events. South Australia has a well-earned reputation as the Festival State. Of course, it is well known that festivals and events provide an important dimension to our tourism image. Will the Minister explain how Tourism South Australia will administer that budget line? What economic benefits will be derived from such an allocation?

Mr S.G. EVANS: On a point of order, Mr Chairman, I think the answers are too long, which is an abuse of the system.

The Hon. Barbara Wiese: I do not agree with that, but I will proceed, anyway. This line is divided into two specific funds: first, a fund which provides assistance for festivals specifically; and, secondly, a fund which provides assistance for organisations that want to bid for conventions. As members would be aware, South Australia is known as the Festival State. A number of important festivals are held in this State in various regions which are beneficial to and important for our tourism image. The objective of the Festival's Assistance Scheme is to assist organisers in making their festivals more attractive to visitors so that the economic benefits from festivals that are held around the State can be maximised.

We have provided assistance on a selective basis to organisers of festivals that have a major opportunity to increase visitation. We have assisted in the preparation of tour packages to encourage people to visit those festivals. This program has been running now for a number of years, and it has been extremely successful. The assistance provided to particular festival organisers does not always carry over from one year to another, although in some cases it has done so.

The fund is used as seeding grant money to assist festivals in the various stages of their development so that they can get the very best from them. The convention loan scheme has been a joint venture between Tourism South Australia and the Adelaide Convention and Tourism Authority to provide assistance to non-profit associations in particular that would otherwise find it very difficult to bid for national and international conferences because they do not have the financial resources to mount the bid.

The scheme allows for those organisations to apply for up-front funding to allow the bidding process to occur and to give those organisations advice about how they might go about bidding for conferences. Organisations can seek interest-free loans of up to \$7 000. The money is paid back once the bid is successful and once the organisation has money flowing into its coffers. That, too, has been a successful scheme since it was established. Twelve conference groups have been funded in this way since the establishment of the scheme, and it is estimated that the conferences that already have been held as a result of the assistance provided have benefited the State to the tune of almost \$77 million in all through conference expenditure and other forms of expenditure on behalf of the delegates who have come here through the work of these organisations.

Mrs KOTZ: In relation to international travel, what are the TSA's projections for international tourist arrivals in terms of country of origin for the years 1992 to 2000? What budget, both operating and marketing, is allocated for overseas operations this financial year, and how will that be proportioned in dollar and percentage terms between various countries in regional areas?

The Hon. Barbara Wiese: It would be helpful if these questions could come separately because two important issues are included in that one question. I note that most of these questions are being asked in that way. However, I will do my best to provide the information sought by the honourable member.

Mrs KOTZ: I am quite happy to take any answers on notice if the Minister does not have the appropriate information.

The Hon. Barbara Wiese: I am sure I have the appropriate information: it is a matter of my trying to keep track of the questions that come in multiples instead of individually. I do not have with me information on the projections of numbers from each of our international markets, so I will provide that information, to the extent that I can, at a later date. I have indicated that we expect international tourism to grow by at least 8 per cent per year for the remaining years of the decade. We hope that South Australia will do much better than that because, as I have also indicated, we have been averaging a growth of about 16 per cent per year in international tourism visitation during this past six years.

As to the budgets for the international marketing, this information is contained in a number of different areas of the budget papers, and I will provide that information on a program by program basis:

	\$
International PR Activities	265 000
North America/Canada	91 000
United Kingdom	48 000
Europe	26 000
South East Asia	40 000
Japan	40 000
New Zealand	20 000
International Advertising	472 000
North America/Canada	100 000
United Kingdom	116 000
Europe	28 000
South East Asia	100 000
Japan	100 000
New Zealand	28 000
International Familiarisations to S.A.	140 000
North America/Canada	22 000
United Kingdom	23 000
Europe	25 000
South East Asia	30 000
Japan	30 000
New Zealand	10 000
International Contingencies	50 000
North America/Canada	20 000
United Kingdom	10 000
Europe	10 000
South East Asia	2 000
Japan	5 000
New Zealand	3 000
Information and Sales	808 000
North America/Canada	180 000
United Kingdom	15 000
South East Asia	265 000
Japan	250 000
New Zealand	98 000

	\$
Exhibitions and Displays	198 000
North America/Canada	35 000
United Kingdom	16 000
Europe	20 000
South East Asia	60 000
Japan	45 000
New Zealand	22 000
Literature Production	197 000
North America/Canada	50 000
United Kingdom	50 000
Europe	40 000
South East Asia	20 000
Japan	25 000
New Zealand	12 000

I think that is the full extent of the amounts that we will be spending in those markets. Unfortunately, I do not have the amounts for each market tabulated to give a total for each, but I am sure that those sums can be done by the honourable member at a later date.

Mrs KOTZ: I thank the Minister for taking the time to go through and give me that information. As a supplementary question, are indicators used to gauge the productivity of each of TSA's overseas officers or representatives, and how did each office or representative perform with respect to these indicators in the past financial year?

The Hon. Barbara Wiese: The officers who are employed by Tourism South Australia in our international markets are in regular contact with the head office of Tourism South Australia and provide regular reports to head office on their marketing and other activities in our international markets. At least one meeting per year is held when the officers from these markets come to Adelaide to meet the people in head office to discuss their activities and plans for the coming year, so there is a framework within which they work, and there are objectives, which are established for each of those markets that they are asked to fulfil. I am sure Mr Nichols can provide further information about the detail of the way those people work and the checks that are in place to ensure that they fulfil their functions on behalf of our organisations.

Mr Nichols: The application of traditional indicators to the performance of people in these sorts of roles does not really make all that much sense. We can measure the visitation from specific markets, but we are dealing here with potential and with some markets that have huge complications compared with others. If we were to relate the expenditure we put into the UK and European market and the amount of visitation from that market, which is 54 per cent of our overseas visitation, one would say that we are under-resourcing that huge amount of visitation, but there are different problems in Asia from those in UK and Europe, and different problems in Japan, associated with the cost of operating there. So, the approach we adopt to the performance of these people is very much as the Minister suggested in that we expect them to prepare what they feel is a reasonable set of achievements—a marketing plan—for a year, then we police accordingly. We have to agree with that, we look at it in comparison with other States' performances and this becomes the method for assessment.

Mrs KOTZ: It is certainly not my intention to cause any distress to the Minister with the content of my questions, so I do apologise; certainly, it was not that intent. I refer to the extension to the international terminal facilities. I understand that the Federal Airports Corporation has revived its scheme to upgrade the Adelaide international terminal. Has this important project—I am sure we all recognise that it is extremely important for Australia—been approved on

the corporation's schedule of works for next financial year and, if not next year, when will it be?

The Hon. Barbara Wiese: As I understand it, during the past financial year the Federal Airports Corporation spent about \$1.8 million on various upgrading work at the existing terminal, and expenditure has been approved for the coming financial year to the tune of about \$5 million, to do further work that will be of assistance at the international terminal. The sort of work it has in mind during this coming 12 months includes improvements to the aerobridges and aircraft parking facilities, as well as a number of other projects that are on the drawing board.

I believe that requests have also been made for considerably more money than this, something of the order of \$11 million or \$12 million, to undertake further works to improve the apron and taxiways for the international terminal, and various other works. Whether or not that will be approved is not yet known, as I understand it, but as to the proposal that came forward some time ago for a complete rebuilding of the international facilities, that matter was left in abeyance for a time because I believe that the Federal Airports Corporation at the national level was not very well disposed to that scheme.

The Adelaide FAC officials are very keen to see further work undertaken and have recently reconvened a consultative group to work on the proposals for a new terminal. Tourism South Australia has been invited to participate in the work of that group, and I certainly hope that it will be successful in convincing the Federal Airports Corporation Board that a new terminal is warranted in Adelaide.

However, in view of the timetable in front of this group, it is unlikely that we could expect to see any work undertaken before the 1992-93 financial year. I understand that a proposal has been received by the FAC here for a new international terminal to be a joint venture between the private sector and the FAC. That is at a very early stage. I imagine considerable work has to be done in assessing a proposal of that sort, as to whether it would be an appropriate way to go, but it is certainly another option that may well be something that the Federal Airports Corporation can consider.

Mrs KOTZ: I refer to page 230 of the Program Estimates in relation to cooperative advertising campaigns. Last year, what funds were allocated to this initiative; which individuals, companies and organisations received a grant for this purpose; and how much did each receive?

The Hon. Barbara Wiese: A cooperative marketing campaign was launched in February this year into which Tourism South Australia contributed some \$200 000. This scheme was to run over the course of two financial years. To date, all but \$13 000 of that amount has been allocated. A total of 26 applications were made. Four were rejected and three were withdrawn, leaving us with 19 applicants who have received funding for joint promotional work. On the dollar-for-dollar basis upon which this funding was allocated, I understand that to date in excess of \$500 000 worth of advertising has been achieved through various means. Some of the recipients have advertised on television; others have advertised in print and in various other ways. For an outlay on the part of Tourism South Australia, we have achieved in excess of half a million dollars worth of advertising to this point. We consider that to be a very successful outcome. As to the individual companies that have received funding, I do not have that information with me but I can provide it.

Mrs KOTZ: As a supplementary question, the Minister spoke about 'this year'. That was last year's budget that the

Minister was talking about. What funds are available for this year?

The Hon. Barbara Wiese: I indicated that that \$200 000 scheme was to be allocated over two financial years, so some of that money is coming out of this year's budget, whilst some came out of last year's budget. That is not the full extent of the cooperative advertising that is being undertaken by Tourism South Australia. Some work is also being done through the Regions Division of the organisation, whereby money is being granted to regional tourist associations on a joint funding basis for various forms of advertising to take place on behalf of regional organisations. In fact, an amount of up to \$10 000 per region will be allocated during the coming financial year to assist individual regional associations to undertake marketing activities over and above the sorts of programs that are already in place.

As the honourable member may be aware, some very successful television and other advertising programs were undertaken by particular regions during the past 12-month period which returned at least double the amount expended jointly by industry and Tourism South Australia. We consider this to be a very effective way of using our marketing dollar and ensuring that we get the very best possible value from it. I might say that operators around the State also appreciate this cooperative approach because it gives them the opportunity to promote their product in a way that otherwise would not be available to them.

Mrs KOTZ: On a point of clarification, the Minister mentioned the advertising program throughout the different areas of the media in this budget. Is there a proportional division between each of the television, print or radio and, if so, what is that proportion?

The Hon. Barbara Wiese: I do not have that specific information about the marketing activities of Tourism South Australia with me, but I can provide it at a later date.

Mr HOLLOWAY: Taking into account the likely effects on travel to and within Europe following deregulation in the European Community in 1992, will the Minister detail the marketing plans that Tourism South Australia has for Europe?

The Hon. Barbara Wiese: The United Kingdom and Europe traditionally have been a very strong market for South Australia. It will be very interesting to see just what will be the effects of the deregulation in Europe and the formation of the European Community in 1992 on European travel plans. Certainly it will mean that more Europeans will be able to travel, but it will also mean that many more will want to travel to new destinations within Europe. So, what impact that will have on areas of the world outside Europe is yet to be seen.

As I said, Europe has been a strong market for us. It is growing steadily, and we believe that it is time to put more resources into that market. Currently, we are investigating the possibility of extending our representation in Europe. As the honourable member is probably aware, we have a representative working for South Australian tourism out of the Agent-General's Office in London. Her job is to attempt to service the travel trade, in particular, as well as doing consumer advertising in both the United Kingdom and Europe. This is an enormous task, and very difficult to achieve.

As there has been significant growth in recent times, particularly out of Germany, Switzerland and Scandinavia, we believe that the time has come to think about improving our representation in the European market, and currently some opportunities are being pursued. We may appoint a public relations company to represent us. We are looking at opportunities for shared resources with other States, and

whatever appears to be the most appropriate arrangement will be chosen at the end of the day. We believe that it will be possible for us to become more involved in direct marketing to particular market niches in Europe. We have tried this successfully in other international markets, and it should be possible to achieve it also in Europe and to target our promotion much more effectively than if we were simply trying to buy general media time in promoting South Australia to consumers. I hope that we will be able to take a number of new measures over the next year or two that will significantly boost our presence in Europe and lead to greater visitation.

Mr HOLLOWAY: Incentive travel appears to be a strong growth industry, particularly in the United States and Europe, and I understand that many incentive packages have been developed or are being prepared for the Asian market. I note that Tourism South Australia is supporting ACTA's attendance at the Incentive Travel and Meeting Executives Show in the United States this year. What does Tourism South Australia plan to do to capitalise on the growing incentive travel trends in the coming year?

The Hon. Barbara Wiese: As the honourable member indicates, this is a growing market: incentive travel has been a common feature in the United States and Europe for quite a long time. However, it is now emerging as a new and significant market in Japan and Asia. This year, Tourism South Australia has provided additional funding to the Adelaide Convention and Tourist Authority to attend the Incentive Travel and Meeting Executives Show, which will be held in Chicago, where the ACTA representative will be supported by our own Tourism South Australia representative as well as the United States representative for the Adelaide Convention Centre.

This is the most influential meetings and incentive travel trade show in the United States, so it is important to have a presentation there. Considerable effort will be made to have representation there and to make the right contacts. In addition, Tourism South Australia is planning the production of a special incentive travel and motivational publication with actual incentive travel products and programs being developed by South Australian based tour operators. As I indicated in an answer to a question asked earlier this morning, special convention packages have been developed here in South Australia that are being promoted nationally and internationally, and I am sure that they will be very successful and will help to raise the profile of South Australia as an incentive travel destination.

Mr HOLLOWAY: I am aware that the Adelaide Planning Review has released its *2020 Vision, Ideas for Metropolitan Adelaide* brochure, and it is now in the public consultation and consolidation of concepts phase. This will include the drafting of integrated legislation covering planning, building, land division, property and heritage. In the past, several tourism projects have been delayed by the current planning system, which appears to lack appropriate vision and direction for tourism.

I note that \$194 000 and 2.8 full-time equivalent staff are proposed for the 'Analyse and communicate directions for tourism' line. How much of this has been committed to ensuring the integration of tourism issues with the strategic directions and legislative changes proposed in the Planning Review?

The Hon. Barbara Wiese: As I indicated this morning in response to a question about the secondment of officers from Tourism South Australia to other agencies to work on particular projects, this project is considered by me and by Tourism South Australia as being very significant for the future of the tourism industry. It is extremely important

that the new plans for metropolitan Adelaide and any changes that emerge from the current Planning Review that lead to changes in our planning system take proper account of the needs of tourism.

Very shortly after the ideas report was released by the Premier, we moved to become involved in the next stage of the work that the Planning Review is undertaking. One of our senior officers was seconded to work with the Planning Review team to do a number of things. Among the issues on which our officer will be working is the need to develop tourism plans that highlight as essential for strategic planning such areas as greater metropolitan Adelaide, Adelaide CBD, metropolitan coast, the Barossa Valley, the Adelaide Hills and the Fleurieu Peninsula, which cover the major part of the State that is currently being examined by the Planning Review process, as well as the need to ensure that tourism planning and development issues are taken into account in the new directions being taken.

Other members of Tourism South Australia's Planning Branch are involved in this process and assisting as required; \$15 000 has been allocated in this year's budget to undertake research and community consultation to back up the work of the review on tourism issues specifically. Already, at least one workshop has been conducted to examine tourism issues of importance, and there will be various consultations with industry bodies that have an interest and involvement in this matter. I am sure that, through the work of these officers, the ideas that come from the planning review will be much more sensitive to tourism needs than has ever been the case in any previous State Planning review.

Mrs KOTZ: In relation to the production of brochures, which the Minister touched on in a previous answer to a question, can the Minister say what is Tourism South Australia's policy; which industry associations were the beneficiaries of cooperative funding last year; and how many brochures were produced for each of the associations?

The Hon. Barbara Wiese: I am not sure that we have with us the specific details which the honourable member has requested, although I have part answers to that question. Rather than venturing to provide partial information, I will take the question on notice and provide the answer at a later date.

Mrs KOTZ: I thank the Minister for taking that question on notice and for offering to supply the individual details. I have a supplementary question which has many component parts and which, obviously, would be far better taken on notice as well. What was TSA's total contribution to cooperative brochure funding last year in terms of production, grants, staff time, travel, photography, copywriting, design, layout, printing, and the launch and associated publicity? In respect to all those costs, what was TSA's contribution to each funded association?

The Hon. Barbara Wiese: I will undertake to provide that information at a later date.

Mrs KOTZ: In relation to superannuation, it was announced in the Federal Budget that businesses with payrolls of over \$500 000 will be liable for another 2 per cent superannuation contribution in July next year, with the smaller employers to follow a year later. Does the Minister agree that the tourism industry, with its high personnel content, will be amongst the hardest hit by this announcement, and has the Minister or TSA conducted an assessment of the impact of the superannuation contribution on the tourism industry in South Australia?

The Hon. Barbara Wiese: Tourism South Australia has not undertaken a study on this matter. I am not aware that any inquiries or requests have been made by members of the industry to officers of Tourism South Australia regard-

ing this question. Therefore, I am not able to provide information about what might be the attitudes of members of the industry to this subject. I can say that, by far, the majority of representatives of the industry in South Australia are very small operators. Very few operators would fall into the first category that the honourable member mentioned and, therefore, I would expect that the superannuation payment requirements for most operators in this State would be for people who fall into the second category, that is, people who will be asked to contribute to superannuation payments at a later date.

I am sure that the industry associations which represent the tourism industry will take this up at an appropriate time as an issue of significance to their members, and that they will provide information and assistance to their members, should they consider it a matter that requires that sort of attention. However, in general, I am sure that people within the tourism industry, and people generally, would accept that it is very important for the future of Australia that employers should begin to play a role in providing superannuation for the Australian work force. If we do not begin to move down that path in Australia, in 10 or 15 years' the country will be in a very difficult position in trying to finance the pensions superannuation requirements of our aging population.

Therefore, I think that there is a general agreement on the part of industry in Australia that there must be some sort of shift towards the provision of superannuation payments for Australia's work force, and I would expect that, over time, as and when these requirements have to be met by individual groups of employers, the details of the various schemes will be discussed and appropriate measures taken to ease the introduction of these new schemes.

Mrs KOTZ: On a point of clarification, is the Minister then saying that she is quite happy to allow the industry to look at any assessment on impact on the industry rather than taking any initiative from the Minister's position?

The Hon. Barbara Wiese: In the past it has not been the practice of the industry in South Australia to request that Tourism South Australia become involved in industrial issues or issues that relate to decisions taken by the Federal Government. On occasions representations have been made to me or to Tourism South Australia on particular points and, in those circumstances, we have certainly taken up those matters on their behalf.

But, in instances such as this, I would expect that members of the tourism industry would take the view that their own industry bodies are best placed to take up the matter with appropriate Government authorities, if that is what they believe is appropriate, or to provide research, information, or advice as to how they might best implement these schemes when the time comes for them to be involved in it. As I said, I would expect that this will be the way that they will handle this matter over the next couple of years. If, for some reason, there should be requests made to me or to Tourism South Australia on any aspects of it, then obviously we would try to assist in whatever way we were able, but we are not the best placed agency to deal with this particular question.

Mrs KOTZ: I refer to page 232 of the Program Estimates. Nearly a year ago, on 10 October 1990, the Minister provided the Parliament with a list of tourism projects valued at \$5 million or over as part of a \$650 million package of projects that were either under construction or in the planning stage. What is the current total value of tourism projects either under construction or in the planning stage, and what is the nature and status of each of the projects valued at \$5 million or over?

The Hon. Barbara Wiese: As at September 1991 the value of tourism development under construction or committed in South Australia stood at \$255.7 million, which is a decline from the peak that occurred in the State around February 1989. I am sure this reflects the general trends that are taking place in the property market nationally, where much less investment is taking place across the board. In particular, less investment is taking place in the tourism sector, partly because of the state of the economy but also because a number of major financial institutions made what are now recognised as being some rather poor investment decisions during the 1980s and had their fingers burnt as a result of it.

The total value for South Australian tourism accommodation proposals greater than \$5 million that are under construction or committed is \$182 million, representing an additional 820 units of serviced accommodation. Developments valued at under \$5 million would add a further 341 units, which would be worth around \$25.9 million. I do not have information about the individual projects that comprise the above figures, but to the extent that I am able to provide that information I will do so at a later time.

Mr HOLLOWAY: My question refers to regional planning. I have seen press reports which indicate that quality development will be undertaken at Tandanya, on Kangaroo Island and on the foreshore at Glenelg. The tourism plan which was released earlier this year stressed the importance of quality in development to ensure economic and sustainable tourism. I am aware that, in order to ensure that this is achieved in places like Glenelg and Kangaroo Island, local governments throughout the State need to develop strategic plans to guide developers and to reassure residents that tourism developments will enhance their lifestyle. What is Tourism South Australia doing to assist local governments develop these strategic plans or to provide tourism advice for their districts?

The Hon. Barbara Wiese: Tourism South Australia officers have over a number of years been working with individual local government authorities to assist them in developing tourism plans for their council regions and in some cases also working with councils in the development of supplementary development plans which will take account of tourism needs. It is not possible for TSA to work with a large number of councils at any one time. So, in recent times work has also been undertaken to provide information that can be more generally used by any council that wants to become involved in this activity. For example, a couple of years ago we produced a publication called 'Planning for Tourism', a handbook which is of considerable benefit to councils, planners and developers and which provides general information about tourism planning. Some case studies have been documented, and they can be used as an aid to councils on tourism issues. These documents aim to give councils strategic direction.

In addition, the agency is giving advice on how to develop a consultant's brief for this type of strategic planning, because many councils will want to employ their own consultants to do these things; how to select consultants; and how to modify consultants' proposals if the proposals are not particularly realistic or cost-efficient. So, a number of general publications have been produced.

Our officers have been working with individual councils on the development of supplementary development plans. During this coming financial year \$10 000 has been allocated to Kangaroo Island so that the two island councils can continue their work to amend their own supplementary development plan in line with the Kangaroo Island tourism policy that has been developed over the last year or so.

Other council areas where work will be done during the coming year include Burra, Murray Bridge and Kapunda.

As a part of the work that is taking place with the Metropolitan Planning Review, there will be input into plans for the metropolitan coast, the City of Adelaide, the Fleurieu Peninsula, the Barossa Valley and the Adelaide Hills regions. In addition, work has already been undertaken with the Mount Lofty Ranges review project, the Robe council on a tourism policy, and the council representing Kapunda, where a tourism policy has been produced in association with TSA officers.

Mr HOLLOWAY: In the Program Estimates (page 234) reference is made to the very successful media campaign that the Regional Division initiated in Adelaide for 1990-91. Will the Minister indicate what activities the Regional Division has undertaken this financial year? Has there been a similar campaign and, if so, with what costs and what will be the benefits to the State?

The Hon. Barbara Wiese: During the past financial year, the division, in cooperation with various regional tourist associations, achieved over \$3 million in marketing activity. That is considered to be a fairly conservative figure in terms of the total media coverage that was obtained by way of the various cooperative advertising campaigns, to which I partially referred earlier. It has been calculated that we have been able to achieve this rather extraordinary amount of media coverage at a total cost to the industry of \$350 000 and to Tourism South Australia of \$108 000, plus salaries of divisional staff. This is a relatively new way of going about the activities of regional promotion. It is increasingly becoming the desired way for regional promotion to be undertaken. I will provide some examples of campaigns that have been initiated by a regional association. First, Operation Overlord, which was initiated by the Eyre Peninsula Tourist Association last year and which consisted of a media campaign in Adelaide and country areas, utilising both print and electronic media, encouraged people to visit Eyre Peninsula. The total cost of that campaign was \$63 000 and it received over \$145 000 in additional media coverage.

As a result of this campaign, the Eyre Peninsula operators reported that caravans and motels in the industry received increased visitation to the tune of 9 per cent following the running of that campaign. Following inquiries about that campaign, about 4 500 information kits about the attractions of the Eyre Peninsula were distributed.

In addition to that, operators in the South-East of South Australia during the past year have come together to advertise on television in the country regions of Victoria. That campaign, too, has been successful. Operators with whom I have spoken over the past couple of months has indicated to me that, through querying visitors themselves, they have experienced considerable business from the advertising, and the cost to the individual operators has been small because it has been a cooperative effort. Numerous campaigns of that sort have been run on radio and on television in Victoria.

A no-cost promotion was negotiated during last year with Kodak in which we received about \$55 000 worth of free media coverage for the participating operators. In addition, a television advertising campaign was run by the Caravan Parks Association and the Caravan and Camping Industry Association, which received about \$500 000 worth of coverage for an outlay of \$12 000 by Tourism South Australia and \$150 000 by the industry associations. I consider that these joint marketing efforts are an extremely effective way of using both Government funds and industry resources. As I indicated earlier, further resources will be devoted to this sort of effort during the coming year.

Mr HOLLOWAY: On page 227 of the Program Estimates, it is indicated that Tourism South Australia intends to spend \$672 000 on infrastructure development in the current financial year as part of its program for encouragement of tourism development. The provision of suitable public infrastructure is extremely important in supporting the South Australian tourism industry and enhancing the visitor's experience of our State. Will the Minister indicate what her agency achieved in 1990-91, and what it intends to do in 1991-92?

The Hon. Barbara Wiese: Under the Tourism Development Fund, which Tourism South Australia has been operating now for a number of years, numerous projects have been undertaken around the State to improve visitor facilities. The main aim of this fund is to assist in establishing new attractions and facilities in particular regions of the State and to encourage the development of new product. The funding is provided to councils and other local authorities, and we give priority to giving assistance in areas of key tourism significance. During the past 12 months, about \$580 000 was allocated for this purpose. The major projects undertaken last year included work on the Kangaroo Island facility development program which was a \$1 million infrastructure development program that began about five years ago and which is now coming to an end.

The other major area of expenditure during the last year was the Flinders Ranges, as part of a three-year infrastructure development program. As I said, the bulk of the funds have gone to those two areas of the State, but some other smaller projects have been financed in other regions of South Australia. For the coming financial year, approximately \$528 000 will be spent on projects of this sort. About half the money this year will go towards completing the Flinders Ranges development program, which will include at least two projects. In addition, a range of other projects, which will be funded as part of this infrastructure development program, will be spread across the State.

Dr ARMITAGE: I refer to page 233 of the Program Estimates, which relates to encouragement of tourism development. Does Tourism South Australia hold the title to Estcourt House? What are the holding costs and what is the current value of the property? Also, did TSA accept either of the two tenders submitted for development of the site by the closing date of May 1990?

The Hon. Barbara Wiese: The Estcourt House property is held by the Department of Lands on behalf of the Government. Holding costs on the property are being met by Tourism South Australia. I do not have the amount of those holding costs, but I will provide that information later.

When registrations of interest were called for the development of the Estcourt House property, a number of proposals were received. None of them were conforming tenders but two proposals came close to meeting the tender requirements. Subsequently, further negotiations took place with those two proponents. However, both proponents withdrew their proposals, after some months of discussion and negotiation. As far as Tourism South Australia was concerned, the main concern with the two proposals that came closest to the ideal development for that site was that they had too much of an accommodation component, as opposed to a tourism component, to realise the potential of the site for tourism purposes.

Rather than accepting one of those proposals and achieving a less than optimum development, it was decided that further feasibility work would be undertaken to test whether or not the marketplace considered that the aspirations that we had for that property were realistic. Indeed, further work was undertaken along those lines. The pre-feasibility studies

that had been undertaken prior to the calling of registrations of interest were worked on some more and, since that time, an approach has been made by another developer who may be interested in undertaking a development on the site. Although I am not in a position to discuss that at this time, because we are still waiting for further information from those people as to whether or not they wish to proceed with an offer, I am certainly hopeful that a satisfactory proposal will be forthcoming and that it will be possible to achieve a tourism development on that site, which is currently owned by the Government.

I should say in general terms that Tourism South Australia considers this property to be of prime significance for tourism along the metropolitan coastline, because it is the only sizeable piece of land left along the metropolitan coastline that has not already been developed for housing or some other purpose. It is the view of our agency that some form of tourist accommodation, particularly a small resort style of accommodation, on the metropolitan coast is an attractive proposition and that there will be a market for such a development. If it is at all possible for us to achieve that, then that would be our first objective but, of course, we must also take into consideration the holding costs on the land and whether or not it is possible for the Government to achieve a reasonable return by holding this land at this time.

I understand that there is no problem in that respect but, of course, we must take into consideration that if we hold onto this land for a very long period of time, we may find ourselves in a position of not being able to recover our costs once a development takes place, whatever shape or form that development might take. So, I am very mindful of the costs that are involved here and, as I say, negotiations are taking place with a developer at this time. I hope that before very long we will know one way or the other whether they are interested in pursuing a development. If they are, well and good; if they are not, we will have to reconsider our position with respect to whether we hold onto the land or sell it for some other purpose.

Dr ARMITAGE: I am conscious of the time and following votes and, while there are other questions we could ask, we will defer them and put them on notice.

The CHAIRMAN: There being no further questions, I declare the examination of the votes completed.

Public and Consumer Affairs, \$17 835 000

Chairman:

The Hon. T.H. Hemmings

Members:

Mr T.R. Groom
Mr P. Holloway
Mrs C.F. Hutchison
Mr G.A. Ingerson
Mrs D.C. Kotz
Mr W.A. Matthew

Witness:

The Hon. Barbara Wiese, Minister of Consumer Affairs.

Departmental Advisers:

Mr C. Carter, Director, Corporate Services, Department of Public and Consumer Affairs.

Mr G. Weir, Director, Office of Fair Trading.

Ms J. Taylor, Secretary to the Minister of Consumer Affairs.

Mr W. Lewis, Deputy Liquor Licensing Commissioner.

Ms J. Worrall, Public Trustee.

Mr D. Ayling, Principal Registrar, Births, Deaths and Marriages.

The CHAIRMAN: I declare the proposed expenditure open for examination.

Mr INGERSON: I refer to page 242 of the Program Estimates and the reference to restructuring of the Government Casino Inspectorate. What is proposed; how will this improve the ongoing coverage of the casino; by what performance standards will the improvement be assessed? Does this also envisage departmental involvement in inspecting video gaming machines in hotels and licensed clubs if legislation passes Parliament? If so, what departments may be involved?

The Hon. Barbara Wiese: I will ask Mr Lewis to respond to the questions with respect to the Casino Inspectorate functions.

Mr Lewis: The proposal to restructure the Casino Inspectorate is a proposal to introduce an intermediate level of supervision into the inspectorate between the Chief Government Casino Inspector and the casino inspectors. It is a concept that will provide for shift supervisors. The proposal is to introduce shift supervisors and abolish the position of Senior Casino Inspector so the shift supervisors will report directly to the Chief Government Casino Inspector. It is hoped that this proposal will improve the complaints procedure and provide, if you like, effective on-the-floor authority. At the moment, casino inspectors liaise with either the Senior Inspector or the Chief Inspector. The position of shift supervisor just introduces a level of supervision into the inspectorate so that teams will have a supervisor to respond to complaints at any stage during the operation of the casino.

The Hon. Barbara Wiese: It is not possible to say at this stage whether the Liquor Licensing Commissioner and his officers would be involved in policing the video gaming machines in licensed clubs and hotels because the Parliament has not yet spoken on this matter. As the honourable member would be aware, the Government is intending to introduce legislation some time during this session following an affirmative motion from the House of Assembly in support of the idea of the extension of video gaming machines into hotels and clubs. The form of the legislation has not yet been finalised, and what happens and who polices such a measure is a matter for the Parliament ultimately to decide.

It seems to me that the Liquor Licensing Commissioner would be in a position to take over such a function should the Parliament deem it an appropriate thing to do, in view of the experience gained in the supervisory functions that the Liquor Licensing Commissioner and his officers undertake at the Adelaide Casino. There is not much more I can add to that. It is a matter that the Government currently has under consideration, and ultimately it will be a decision for Parliament, first, as to whether video gaming machines or poker machines are introduced into clubs and hotels and, secondly, what the administrative arrangements should be.

Mr INGERSON: I refer to the statement on page 242 of the Program Estimates:

Expand the facilities for closer hands-on control of ongoing financial transactions and security of video gaming machines.

What is envisaged by this, and how does the Minister see it being implemented?

The Hon. Barbara Wiese: This relates to the video gaming machines that have been introduced already into the casino. I will ask Mr Lewis to respond to this question.

Mr Lewis: The program relates to the development of software to enable the effective scrutiny of video gaming machines at the Adelaide Casino. An analyst is looking at the development of software to test programs. I commented on the second part of the question first. The first part of the question relates to the Commissioner's ongoing role in approving any contract that involves expenditure of over \$100 000 in any period of 12 months. As members can understand, quite a number of items of expenditure are of that magnitude, and the proposal is to ensure a closer scrutiny of this documentation so that the Commissioner can fulfil his role under the Casino Act.

Mr INGERSON: As a flow on from that answer, I understood that there was very significant security in relation to the monitoring of video gaming machines and that that was part of the setting up of these machines. In his reply, is Mr Lewis saying that the department or the monitor is not satisfied with security and, as a consequence, we have to upgrade it?

Mr Lewis: It is an ongoing developmental process. Machines have been introduced now since March, and the Commissioner was quite satisfied with the level of scrutiny at the time, but it is a developmental process to continue to improve the system of scrutiny relating to the electronic gaming machines.

Mr INGERSON: Have there been any major problem areas in the security functions of the video gaming machines and, if so, what are they?

The Hon. Barbara Wiese: In asking Mr Lewis to answer these questions, I should point out that my role as Minister for Public and Consumer Affairs in this area is simply to provide administrative support to the Liquor Licensing Commissioner and his staff in the functions that they undertake under the terms of the Casino Act with respect to their supervisory role at the casino. If it seems that I am not responding to the honourable member's questions, it is not because I am attempting to duck them but simply that I am not the Minister responsible for this area of activity; the Minister responsible for the Casino Act is.

It is in my line because I provide administrative support. I do not provide policy direction to the Liquor Licensing Commissioner with respect to his supervisory role in the Casino. It is inappropriate that I should, and the honourable member might recall that this matter was canvassed to some extent during the Estimates Committees last year. Mr Lewis and his staff have the direct functional role in this area, and I am sure that he can respond to the questions asked by the honourable member.

Mr INGERSON: But my question was, have there been major changes in security or major concerns about the security that have required this extra money to be spent? I understood that in setting up this whole process the security procedures and monitoring of the games, etc., was a major aspect that had already been completed.

Mr Lewis: That is the case. The Commissioner was and continues to be satisfied with the scrutiny over the operation of the Casino, including the video gaming machines. In fact, the surveillance and security is adequate, but there is a developmental process that requires ongoing development.

The Hon. Barbara Wiese: Essentially, the point is that the security surveillance at the Adelaide Casino is considered to be appropriate, but there is an ongoing process of refinement. As far as I know, no major shortcomings have been identified in the surveillance of the new machines. Naturally, with any new system that is introduced, as the process develops, people involved in that process will find ways of improving the system to make it not only extremely good but possibly excellent. That is the sort of thing that

officers in the Liquor Licensing Commissioner's office are striving for.

Mr GROOM: In the 1990 Auditor-General's Report it was noted that eight landbrokers cost the Agents Indemnity Fund some \$3.7 million, with total claims amounting to \$9 million. In 1991, the Auditor-General's Report noted outstanding claims of \$4.5 million, with \$5.3 million being paid as a result of default by six brokers. In August 1987, a report to the Attorney-General recommended the abolition of dual representation except in very limited circumstances in relation to land brokers, and the figures illustrate the danger of having brokers who have control over the transaction acting for both parties and investing the proceeds of the transaction.

I note that that proposal is under consideration by the Minister. What is the present position of the proposal to limit dual representation, and what is the proposed content of any reform?

The Hon. Barbara Wiese: The honourable member is correct that this matter is under active consideration at the moment. I intend to outlaw dual representation for land brokers but, before that can occur, appropriate consultation needs to take place with industry bodies. One of those industry bodies is the Law Society. I understand that members of the Law Society have some difficulties with some of the issues that have been raised. Those matters are being discussed at the moment and, I hope, will be resolved very soon. Once that has happened, the appropriate action will be taken to introduce that reform.

Mr GROOM: As a supplementary question, what is the time frame on which the Minister is working?

The Hon. Barbara Wiese: As soon as possible is the time frame I am working on. As I indicated, discussions are taking place, and I hope that they will lead to a satisfactory resolution very quickly.

Mr GROOM: I want to deal with the Shop Trading Hours Act and the Landlord and Tenant Act. In 1990, amendments were made to the Shop Trading Hours Act to enable trading up to 5 p.m. on Saturday afternoon. The Landlord and Tenant Act was appropriately amended to allow for retail tenants to have a say in whether shopping hours should be extended at a shopping complex on Saturday afternoons. It was an important corollary of the amendment to the Shop Trading Act and to the Landlord and Tenant Act to ensure that the rights of retail tenants to run the business as they see fit are appropriately protected. I have received a number of complaints with regard to the practice at shopping complexes.

Shopping centre managers are going around collecting proxy forms from the tenants with regard to extended trading on Saturday afternoons, and these proxy forms appoint the shopping centre manager the person to vote for the tenants. Of course, the net result is that one of the corollaries of the Act, according to the complaints that I have received (and these are fairly general) is that, really, tenants are sort of being stood over in this process. The net result is that the shopping centre manager is voting at these meetings pursuant to the proxies.

First, is the Minister aware of this practice and, if it has come to her attention, is anything contemplated to ensure that the rights of retail tenants to run their businesses are respected as much as possible, bearing in mind the voting requirements of the Act.

The Hon. Barbara Wiese: I have certainly not received any complaints from tenants about practices such as the ones the honourable member has outlined. I am advised that the Office of Fair Trading, likewise, has not received any complaints along these lines. I would be very concerned

to hear that this sort of thing is taking place, and I would want to draw to the attention of landlords and tenants the rights and obligations now contained in the law following the amendments that were passed through the Parliament last year, which were designed specifically to bring about equity and protection for tenants in these circumstances.

If the honourable member has evidence of any breaches of the legislation, as he sees it, that he would like to draw to my attention, I will certainly have those matters investigated.

Mr MATTHEW: I would like to start my questioning where my colleague the member for Bragg finished, and that concerns page 242 of the Program Estimates, where it states:

Expand the facilities for closer hands-on control of on-going financial transactions and security of video gaming machines.

I specifically ask the Minister what problems have been detected to necessitate the expenditure line in these papers?

The Hon. Barbara Wiese: I think that the reply to the previous question should have provided the answer that the honourable member is looking for, in that Mr Lewis indicated that specific, serious problems had not been identified with respect to this issue but, rather, matters have been identified which would streamline the administration in this area. It is to that question that officers will be paying attention during the course of this financial year. Is there something more that you would like to add, Mr Lewis?

Mr Lewis: I do not think so, but I suppose that both of those comments made in that point go together. For instance, there are agreements for the servicing of machines, etc., so that the security of the video gaming machines does not just include the writing of software, etc. The Commissioner for Liquor Licensing is required to approve contracts, particularly in this case relating to service agreements, so it is a broad issue in respect of the ongoing security of the machines. It refers not only to the machines themselves, but to contracts, etc.

The Hon. Barbara Wiese: May I also add that the amount of money that is being voted in the budget in this area covers the new staffing requirements brought about by the introduction into the Casino of video gaming machines. New staff have been employed to fulfil the supervisory functions. As the honourable member will recall, a decision was taken by the Adelaide Casino to introduce 24-hour trading, and that also had an impact on the work of the Commissioner for Liquor Licensing. These are matters in addition to the improvements in the computer system, which have already been referred to.

Mr MATTHEW: I have a further supplementary question. The statement that I read earlier specifically includes the words 'closer hands-on control'. That indicates to me that there either has not been a close enough control, or there is a fear that a security breach could occur through an insufficient control, or that it already has already occurred. I ask the Minister: why were the words 'closer hands-on control' used; and why has that control not been close enough?

Mr Lewis: I think that the question has been answered, but I suppose that there should not be a negative interpretation of that word. It simply means that, as part of the development process, the commissioner is obviously concerned about his role in the ongoing scrutiny of the casino. The word 'closer' does not mean that it has not been close enough. The Commissioner is satisfied with the scrutiny, but it is a developmental process.

Mr MATTHEW: As a further supplementary question; I ask the Minister whether this particular statement in the budget papers would, in any way, relate to a recent event

that occurred in the Casino where a person with technical knowledge, in the presence of an inspector and with that inspector's concurrence, removed an Eprom chip from a gaming machine, reconfigured it, and replaced it in the machine in front of the inspector—to his horror, I may add.

The Hon. Barbara Wiese: I am not aware of any such action. Are you aware of it, Mr Lewis?

Mr Lewis: No, I am not aware of that, Mr Chairman.

Mr MATTHEW: I ask whether the Minister could follow up that matter and perhaps report back at a later date.

The Hon. Barbara Wiese: If the honourable member would provide details of this alleged incident, I would be very pleased to have it followed up.

Mr MATTHEW: I simply ask the Minister to investigate it. I do not think that I need to provide any more detail than that.

The Hon. Barbara Wiese: It is very easy to make broad allegations about improper actions taking place, but unless the honourable member can give me information about when, where, and by whom it is alleged that such actions have taken place, it is very difficult for anybody to conduct an investigation or to follow up the matter. These are very serious allegations which the honourable member is making and, unless he has some real evidence that something like this has occurred, I ask him to either withdraw or agree to provide whatever information he has.

Mr MATTHEW: Mr Chairman, if the inspector has not reported to the Minister of that event occurring, I am happy to provide, outside of this place and after referral to my notes, the details of when this occurred and who was involved.

I have a further supplementary question. The Minister also made mention, in part of her answer, of 24-hour trading within the Casino. It was my understanding that that 24-hour trading has actually been curtailed, so I was surprised to note also on page 242 of the Program Estimates papers that it states:

Increased recurrent expenditure is mainly due to additional inspectorial costs associated with the proposed introduction of twenty-four hour trading into the Casino.

With that in mind, I ask if 24-hour trading will again be resumed on a regular basis and, if so, when will this occur and for how long will it occur?

The Hon. Barbara Wiese: As I understand it, there was an agreement that there would be additional staff to cater for the introduction of video gaming machines and also the introduction of 24-hour trading. As the honourable member indicates, the Casino has since changed its mind on the question of 24-hour trading so, as far as the staffing arrangements were concerned, not all staff related to these two activities had been employed. Some staff had been taken on when the 24-hour trading decision was taken, and an agreement was reached to allow those staff to continue on after the 24-hour trading decision was rescinded, to be redeployed into the area of the increased activity brought about by the introduction of video gaming machines.

As I understand it, that has been the staffing arrangement. I am informed that there is some possibility that the Adelaide Casino may reconsider this question of 24-hour trading in the near future, in which case staffing arrangements for the Liquor Licensing Commissioner's Office will have to be reviewed again.

Mr MATTHEW: Page 243 of the Program Estimates, under 'Issues/Trends', states:

The fiduciary default by a number of land brokers acting as mortgage brokers has again required the allocation of additional resources to detect breaches of legislation and to process claims on the Agents Indemnity Fund.

What procedures are now in place to detect breaches of the legislation relating to land agents, brokers and valuers?

The Hon. Barbara Wiese: As the honourable member indicates, a number of brokers were found to be defaulting in this area, and as a result a program of close auditing of brokers' accounts was initiated by the Office of Fair Trading. The auditing procedure was undertaken with the full cooperation of the Land Brokers Society. A well-known firm of chartered accountants has been involved in designing the auditing program for the process that is being undertaken with all land brokers around the State. As I understand it, this has been a very successful program, and it will be an ongoing program to ensure that the problems which were identified a few years ago with respect to defaulting land brokers do not recur.

The fact that this auditing program has been initiated has had a very significant effect on the industry as a whole. It has lifted its game considerably. The accounting systems employed by land brokers have been improved considerably, to the extent that we are able to be sure about this. The auditing process itself uncovered one more serious case, which has subsequently been brought before the Commercial Tribunal. A number of minor accounting issues with other brokers have been identified through the process, and these matters have been properly attended to.

Mr MATTHEW: Supplementary to that, how many trust accounts were audited or spot audited in 1990-91?

The Hon. Barbara Wiese: I understand that about 112 audits have been fully completed. Currently 130 are in various stages of progress, and something like 30 to 40 are yet to commence.

Mr MATTHEW: As a supplementary question, and still relating to these audited accounts—

Mr GROOM interjecting:

Mr MATTHEW: Well, this is a very important line of questioning. I think it is important to get all the details on the record.

The CHAIRMAN: If any member of this Committee is not satisfied with the decisions of the Chair in relation to the proceedings of this Committee, Standing Order 273 clearly states the opportunities that are open to members. However, I remind members that when we go down that track we will all be seeing each other at 10.30 a.m. tomorrow. I will closely follow the line of supplementary questions of the member for Bright, and remind him that in addition to the two questions he has now asked he has asked seven supplementary questions.

Mr MATTHEW: What is the current state of the winding up of each of the defaulting agents and brokers in relation to the number of claims that have been made against the Agents Indemnity Fund?

The Hon. Barbara Wiese: I will run through the list of claims that have been made on the Agents Indemnity Fund and the state of those claims. The first relates to P.F. Warner. A number of claims are subject to appeal in the High Court. However, the total amount of those claims will not exceed \$51 000. With respect to K. Bowling, a claim for \$55 000 was recently heard by the Commercial Tribunal and \$31 000 of that was determined to be a valid claim. It is possible but highly unlikely that this may open the way for further claims on the fund. Subject to the \$31 000 determination, an appeal has been lodged by the Commissioner. With respect to R.J. Nicholls, there are three claims totalling approximately \$14 000 yet to be determined by the Commercial Tribunal. With respect to B.S. Winzor, there are six claims totalling \$617 000 currently outstanding. It is anticipated that the Commissioner will accept one of these for payment.

The remaining five claims have been rejected and will be referred to the Commercial Tribunal for determination. In the case of Swan Shepherd, claims totalling about \$3.5 million, including interest made on the fund on account of Swan Shepherd, have been rejected by the Commissioner for Consumer Affairs. A test case involving some claims from this group has been referred to the Commercial Tribunal. The tribunal has heard this case, but to date it has not handed down a decision, although I believe one may be forthcoming very soon.

The matter involving Mr B.N. Gilbertson is still under investigation. To date, no charges have been laid against him, but there may be possible claims on the fund. With respect to L.A. Field, the claim, amounting to \$6 500, that had previously been rejected has now been recommended for payment.

On those cases on which I am able to provide information—and there is one case on which there is a suppression order—I can indicate that for Field, \$638 169.68 has been paid. For Neagle, \$20 000 has been paid and \$20 000 has been recovered. For Hodby \$5 349 828.39 has been paid, of which \$1 570 832.68 has been recovered. For Lawrence, \$10 577.95 has been paid. For Schiller, \$2 237 521.77 has been paid. For Swan Shepherd, \$994 500.28 has been paid, and there are contingent liabilities of about \$3.5 million.

For P.F. Warner, \$82 217.17 has been paid, \$5 639.95 of which has been recovered, and there are contingent liabilities of \$51 000. In the case of Vin Amadio, \$202 504.90 has been paid. In relation to Boomerang Estates, \$32 094.56 has been paid. In the case of E. Zogopoulos, \$6 254.81 has been paid. In the case of R.J. Nicholls, \$827 350.56 has been paid, \$7 875 of which has been recovered and there are \$14 000 in contingent liabilities. In the case of B.S. Winzor, \$4 488 753.86 has been paid, of which \$765.39 has been recovered, and there are contingent liabilities of \$617 000. In the case of K. Bowling there are contingent liabilities of \$180 000. For B.N. Gilbertson, there are contingent liabilities of \$60 000. All up, the payments total up to \$15 067 414.47. A total of \$1 710 907.39 has been recovered. The total contingent liabilities amount to \$4 422 000.

Mr MATTHEW: In relation to the Agents Indemnity Fund, when is it expected that all claims in each matter will be resolved? I note from page 241 of the Auditor-General's Report that some \$6.623 million is still outstanding as at 30 June 1991.

The Hon. Barbara Wiese: In excess of \$6 million in claims are outstanding, the bulk of which are related to the Swan Shepherd case. I am not in a position to say when those claims might be made because that depends on the outcome of Commercial Tribunal hearings and findings.

Mr GROOM: In relation to the commercial tenancies provisions of the Landlord and Tenant Act, many tenants relate to me problems that really should be matters of conciliation rather than full-scale hearings. For example, one problem related to me involved operating expenses at a shopping centre. An amount of \$100 000 was put down as an administrative expense and, when this was queried by the tenants, the shopping centre owners (who were a family) refused to give any details. A search of the company's office revealed that the \$100 000 administration fee was really paid to a company, of which the owners of the shopping centre were also the director and shareholders. The owners blatantly refused to give the tenants any details. The cost per tenant was spread.

Another example involved tenants who had paid about \$50 000 for advertising, and no advertising had occurred for 18 months. When the tenants inquired why no money was in the advertising fund, they were told that there was

no money there because it was used to pay out the previous owner of the shopping centre. However, the cost per tenant was quite small because, again, it was spread over a number of tenants. Ultimately, they found \$25 000 to resume advertising.

Last year, I met with the Retail Traders Association, with small retailers and with North Adelaide traders. Has the Minister received any complaints similar to these? In meetings I have had with the various trade associations, they appear keen to have a compulsory conciliation jurisdiction similar to the industrial jurisdiction. At the present time, conciliation can be only by consent of both parties. Many of these sorts of small matters warrant not a full-scale hearing before the Commercial Tribunal but a compulsory power on the part of the Registrar or judicial presiding officer simply to call a compulsory conference in chambers in an informal way with the parties not needing legal representation. Has the Minister's department received any complaints similar to these? Has any consideration been given to amending section 68 of the Act to provide for compulsory conciliation?

The Hon. Barbara Wiese: The honourable member has drawn this matter to my attention in the past. I have undertaken to examine the question whether or not the tribunal should have the powers to which the honourable member refers. It is my understanding that the Commercial Tribunal is in a position to make assessments about the sorts of issues discussed by the honourable member and to vary such costs if the tribunal deems that an inappropriate figure has been struck.

As to complaints, I do not recall receiving complaints of the type that he has outlined, and I am advised that officers cannot recall complaints along these lines, either. As I said, I am having this matter examined at the moment and the honourable member and other members of the Parliamentary Labor Party will be amongst the first to be consulted, when decisions are being taken in this area.

Mr GROOM: As the Minister has correctly assessed, I have had an interest in this for some time. The difficulty with the full-scale hearings is that many tenants do not want to go into them. The tribunal does have that power in a full-scale hearing, but many tenants just do not want to get into that but would rather have a more informal approach and resolve it in a conciliation hearing where they can still at least retain some good offices with their lessor, so they do not fall out when it comes to renewals and so on. Has that really proved to be a difficulty, or is it just one aspect that has been raised; that it is possible to have a full-scale hearing and therefore there is no need for a conciliation jurisdiction? Just how serious is the objection to the proposal?

The Hon. Barbara Wiese: I am not sure that there is a serious objection to the proposal at all. The matter will be canvassed with appropriate bodies, including the industry bodies as well as with the Chairman of the Commercial Tribunal, the Law Society and other people who may have an interest in this matter. We can then ascertain the views of the relevant players as to what might be an appropriate way of dealing with the sorts of problems that the honourable member has outlined.

Mr GROOM: I noticed in the Auditor-General's Report that the Commercial Tenancies Fund held \$759 000. In 1990 the interest earned was \$129 000 and, in 1991, \$107 000 was earned in interest. Under section 70 of the Act there are various objects with regard to the dispersal of the income earned from the fund which, while not as big as that earned by the Residential Tenancies Tribunal, is still a substantial contribution towards administering the Act. Some of the

objects under section 70 are the cost of administering the Act, programs designed to improve the management of business in this State or to the benefit of the landlord and tenants in such manner as they may appear desirable. Is the interest earned appropriated towards any particular object, or does the money go into a pool from which it finds its way through other avenues to assist and improve the management of small business in South Australia?

The Hon. Barbara Wiese: It is considered that at this time there is not sufficient cream on the cake in this fund for there to be a need to consider in a general sense other areas for payment from the fund. It is important that the fund should be established at a level that will cover possible claims on it, as a first step and along the way. Apart from the administrative expenses to which the honourable member has referred, at this point some money is being used from the fund to provide education programs for members of industry related to the new legislation that has been passed to ensure that people are aware of the terms of the legislation and what are their rights and responsibilities under that legislation. Beyond that, it has not been deemed necessary to give very much thought to ways in which the fund might be spent over and above that until it has reached a level where we can be satisfied that the purposes for which it has been established are fully covered.

Mr HOLLOWAY: I am aware of some recent publicity in the South-East concerning a visit to the area by the Department of Public and Consumer Affairs and the imposition of trader infringement notices for breaches of the trade standards legislation. Also, a constituent of mine has received a trader infringement notice in relation to the sale of a children's foldup chair which, I understand, did not comply with standards. I was concerned with that case because the proprietors had only recently purchased the shop and the offending chair was part of the acquired stock. The new owners were not aware that the chair was banned from sale. Since the issue of the notice, my constituent has received from Consumer Affairs a notice indicating that the supply of a toy cap gun known as 'super cap gun', which lacks a blocking plug securely affixed to the end of the barrel, was temporarily banned. My constituents sent that notice to me with the following comments:

We received this notice two weeks ago and immediately removed the offending product. Why weren't we issued a notice for the child's folding chair instead of being imposed a fine?

What is the policy of the Government in relation to the issue of notices for this sort of infringement and what education programs are undertaken by the department to ensure that traders are aware of those standards?

The Hon. Barbara Wiese: I am aware of the cases to which the honourable member has referred, and I can indicate to the Committee that it is the policy of the Department of Public and Consumer Affairs to place strong emphasis on the question of education and monitoring before any resort is taken to impose trader infringement notices and prosecutions. In the recent case of traders in Mount Gambier, I am aware that a number of traders received trader infringement notices for various breaches of information standards or safety standards, particularly in relation to care labelling and, in the past couple of weeks, stories have appeared in the local newspapers in the South-East about this matter, with traders expressing their dissatisfaction that this should have taken place.

I should emphasise that these actions were taken by officers as part of the ongoing monitoring program that is carried out across the State. There was certainly no intention in that case to pick on people in the South-East, as some traders suggested was the case. The fact is that this is a State-wide program and, from time to time, officers will

visit traders in various parts of the State. They have been operating at various times in the South-East area since February last year. During that visit a number of breaches were also detected and, on that occasion, verbal and written warnings were issued to numerous traders.

Since that time there has also been an ongoing education program. The manager of our South-East office recently appeared on television promoting a care labelling course that was being organised by TAFE and, in the metropolitan Adelaide area, from time to time there have been seminars on care labelling that have also been organised in conjunction with TAFE. Letters inviting participation in the seminars have been sent to retail organisations and directly to the individual businesses.

The seminars resulted in TAFE courses for the drycleaning industry in particular but, unfortunately, there was insufficient response from retailers to justify running a retail traders course in Adelaide. The TAFE course on care labelling courses was held in Mount Gambier last year and a further course for drycleaners was held in September of this year and it is intended that there will be a further course for retailers in Mount Gambier in October.

With respect to that, about 100 letters were sent to appropriate retailers in the South-East advising of the course, but unfortunately the response was so poor that it is unlikely that the October course will be held.

During this year, an officer from Adelaide has addressed approximately 100 builders in Mount Gambier at a Housing Industry Association trade night. A Mount Gambier-based officer spoke at the Annual General Meeting of the South-East Motor Traders Association, and the department took part in the Mount Gambier show with a display in the department's caravan to bring information to the attention of relevant people about their obligations under the legislation.

The department has recently introduced a register of products for which there are safety or information standards, and has sent that list to toy shops in particular who, during the course of previous visits, have appeared to be unaware of the legislation and the standards in place that affect their particular line of business. As I understand it, the honourable member's constituent was a proprietor of one of these toy shops.

Whilst these operators have not been particularly targeted for education programs, I understand that some publicity has been given to incidents of children suffering severe hand injuries as a consequence of this type of chair collapsing. In the 18 months or so since I have been Minister of Consumer Affairs, I have issued press releases on a number of occasions with respect to safety standards for children's toys and other matters, and further statements have been made by officers of the department, drawing people's attention to these matters.

In relation to care labelling, legislation has been in force since 1983. Some minor amendments in 1990 did not affect the basis of the standards. In relation to children's fold-up chairs, standards had operated since 1985. The point I want to make is that it is the responsibility of traders working in this area to inform themselves about the obligations that they have with respect to merchandise that they may wish to sell. There is a limit to the work that can be done by the Department of Public and Consumer Affairs in educating people about legislation that is in place. I hope I have indicated that the department is active in this area and doing a great deal to educate and monitor the work of particular traders.

In the first instance, it is the preference of officers to issue warnings and provide information, but if a trader does

not heed those warnings or does not inform himself or herself about the obligations that exist within the legislation, it is also the responsibility of officers of the department to take appropriate action against those traders in order to protect the public, particularly when children are involved.

Mr HOLLOWAY: As a supplementary question, is it normal that a warning would be given in instances like that? Can the Minister give any idea about the proportion of cases that would involve a warning for a first contact?

The Hon. Barbara Wiese: In the past financial year, there were 47 prosecutions; 32 disciplinary cases in the Commercial Tribunal; 37 objections in the Commercial Tribunal; 252 trader infringement notices issued; 89 assurances sought; three substantiation notices issued; and 1 811 written and verbal warnings. Those figures indicate that the officers of the department would prefer to warn or educate traders in preference to taking stronger action. It is not necessarily the case that in all instances a trader will be given a warning prior to a trader infringement notice being issued or a prosecution being brought. However, in very many cases that will have been the first approach.

If prosecutions were laid in all these matters, then a trader could be fined anything up to \$10 000 for a breach of this legislation. I am sure that any trader would agree that receiving a trader infringement notice is a preferable line of action to that, because the trader infringement notice only carries a fine of \$200. That is an important distinction to make. The issue that must be borne in mind through all this is that, once the Parliament has passed legislation relating to matters of this sort, traders have a responsibility to ensure that they know what is in that legislation and particularly what actions have been taken to issue warnings or to ban particular products or whatever it might be that relates specifically to the business in which they are operating.

Mr HOLLOWAY: As a final supplementary question: in the case I mentioned, the shop and stock were sold. Would that mean that the original vendor of that shop was also guilty of an offence in selling that stock which included the banned item?

The Hon. Barbara Wiese: Of course.

Mrs KOTZ: In dealing with the Agents Indemnity Fund, in 1990-91, \$178 000 was paid out for accounting and legal fees compared with \$208 000 in 1989-90. To whom were these amounts paid and for what services? In deciding that such amounts would be paid, what was the basis for such decisions?

The Hon. Barbara Wiese: I will take on notice the question with respect to the amounts of money allocated for legal services during the year. As to the decisions on how legal services will be acquired, that decision is the responsibility of the Commissioner for Consumer Affairs. I will provide further information on the basis for decision-making in this area as well.

Mrs KOTZ: As a point of clarification, the question also included the area of accounting fees. Is there a different answer to the basis for those amounts being paid out in the area of accounting from the amounts paid out in legal fees?

The Hon. Barbara Wiese: I am sorry; I misunderstood the question and thought it related only to legal fees. The same applies in the area of accounting fees, and I will also provide that information.

Mrs KOTZ: In 1990-91, \$247 000 was paid out for administration costs compared with \$285 000 in 1989-90. Will the Minister give itemised details of each of those amounts and to whom they were paid?

The Hon. Barbara Wiese: I will provide that information later.

Mrs KOTZ: Supplementary to that, who determines what is a reasonable amount for administration costs and what is the basis for that determination?

The Hon. Barbara Wiese: In these circumstances, the Commissioner for Consumer Affairs is responsible for making the judgments as to how money will be spent. However, from time to time, the Commissioner seeks the advice of appropriate consultants, with respect to particular matters, to be sure that any moneys being taken from the fund are being spent appropriately and in line with the requirements laid down.

Mrs KOTZ: In answer to a previous question, the Minister spoke about education programs within the industry. In 1990-91, \$240 000 was paid out for education programs compared with \$259 000 in 1989-90. What amount is proposed for 1991-92 and, specifically, why was there a decrease when organisations such as the Land Brokers Society and the Real Estate Institute of Australia are expanding their educational activities?

The Hon. Barbara Wiese: On the latter point, the Commissioner for Consumer Affairs, in assessing the submissions made from time to time by the Land Brokers Society and the Real Estate Institute of Australia requesting that moneys be provided for educational purposes, must have regard to the capacity of the fund to pay such amounts. The prime purpose of the fund is to protect consumers in the case of members of these professions defaulting, and it is important that proper regard be given to whether or not the fund can withstand such payments. In any one financial year, regard must also be had to the possibility or probability of particular cases currently before the Commercial Tribunal being finalised, and assessments on those issues must also be considered.

Finally, of course, the applications from the relevant bodies must be assessed for their appropriateness as to the purposes for which these bodies want to apply the funds they are requesting. These are the matters to which the Commissioner will have regard when making assessments and, ultimately, recommendations as to how much money should be taken from the Agents Indemnity Fund for education purposes. As to the request for information about how much money is likely to be devoted to this purpose during this current financial year, I am not in a position to provide that, because the applications that have been received from the bodies to which I earlier referred are still under consideration.

Mrs KOTZ: As a point of clarification, from assimilating the information that the Minister has just provided, I understand that the funding in the Real Estate Institute's 1990 achievement is still in dispute, but that appears to be despite a special audit of the institution's accounts, which was done at the request of the department, being lodged in July 1991. Is it true that the results of this special audit have been ignored and, instead, the department is assessing the 1990 submission on the basis of aggregated accounts prepared for other purposes?

The Hon. Barbara Wiese: I am not able to answer that question in detail. Obviously, I am not a party to the negotiations that are taking place. The Commissioner for Consumer Affairs is involved in those negotiations, but she is not with us today on account of illness, so I am not able to talk about the specific detail of the claim or the studies that have been undertaken already. I can say that the Commissioner has commissioned further work to assist her in making the appropriate assessment of claims received by these industry bodies, because it is not a simple matter of taking the submission made by an industry body, deciding

whether or not there is sufficient money in the fund and paying it out.

We must also have a system that assesses whether or not the submission being put forward is for appropriate purposes, as well as whether the fund can sustain such payment.

The other issue to which I wanted to refer is the question of accountability. It is important that these associations must be accountable for the moneys coming out of the Agents Indemnity Fund. The fund is there to protect people against any judiciary default, and a reasonable system must be in place to assess claims and to ensure accountability. The Commissioner for Consumer Affairs is currently working on those questions, and the findings of her investigation will be used in her assessment of the claims currently before her from the Real Estate Institute. Hopefully, the matters that are currently outstanding can be resolved in the reasonably near future.

Mrs KOTZ: I ask your indulgence, Mr Chairman. I would like to pursue a point of clarification with a further question. I understand the Minister's point that appropriate submissions are necessary in this area, but I also understand that the REI's application was consistent with past applications approved and paid by the department. Is the Minister then saying that there is an area of change in the format of the application of submissions?

The Hon. Barbara Wiese: I am suggesting that these applications that have come from industry bodies have started to emerge only over the past couple of financial years, and it is not accurate to say that previous claims have been paid in their entirety—they have not. On previous occasions assessments have been made of the claims being lodged by industry bodies, assessments have been made of how much the fund can withstand, and a figure has been decided upon. The same procedure will be adopted this year. Not only the Real Estate Institute, but the Landbrokers Society this year made a claim for the first time. The current Commissioner quite rightly believes, and I agree, that in assessing such claims a formal procedure ought to be adopted. A formal accountability structure ought to be set in place for those claims, so that everyone understands the rules by which we are working and any disputes can be resolved within that framework.

Mrs HUTCHISON: As the Minister would probably be aware, a number of dry areas have been declared in my electorate, and I believe that there are applications for more such areas. Can the Minister advise the Committee what applications for dry areas have been considered or are currently under consideration by the Commissioner of Liquor Licensing, and what is actually happening to those applications?

The Hon. Barbara Wiese: The honourable member would be aware that the Government recently adopted a new policy for the assessment of dry area applications, which have now been in place for some time, and the new policy has led to considerable discussion in local government circles, in particular, because I believe that there has been something of a misunderstanding on the part of many councils about exactly what is being asked of them when they apply for dry areas.

The Government believes that dry areas can be one useful tool in dealing with the social and community problems that arise from abuse of alcohol, but that dry areas, in themselves, are not the only way to deal with those community problems. It is not sufficient just to stop people from drinking in a public place and expect the problem to go away—it will not. If there is a problem with abuse of alcohol, the experience since these dry areas have been in place in a number of council areas, is that, by declaring a

dry area, the problem is simply shifted from one location to another. Therefore, the Government is saying with its new policy that, when local councils are considering their applications for dry areas in particular locations, they should also develop a plan of action which will assist in addressing the underlying social problem of alcohol abuse.

That is not to say by any means that the Government expects councils to be totally responsible for solving these problems. It means that councils must give this consideration and call on the community and Government agencies which may be of some assistance to help them develop a local strategy for dealing with the problem. Through the Commissioner of Liquor Licensing work is currently under way with some councils in South Australia where dry areas are currently in place and where such areas are soon likely to expire. The Commissioner of Liquor Licensing, has chosen the Ceduna area and the Glenelg council area as what might be termed 'pilot programs', and he is working closely with the councils that cover those two districts in the development of an overall strategy and plan for dealing with the liquor problems that exist in those areas.

The reason for the choice of those two locations is that they provide very considerable contrast in the range of alcohol abuse problems that exist in our society. By and large, at Ceduna the problem with public disorder and abuse of alcohol is a problem with the local Aboriginal community. In the case of Glenelg, the alcohol problem is largely associated with young people from various parts of the Adelaide metropolitan region coming into the Glenelg area, particularly during the warm summer months, and creating community disturbances.

The response to those two types of problems is likely to be very different. By working with those two individual councils, the Commissioner of Liquor Licensing hopes to establish something of a model, or he will at least attempt to demonstrate that it is possible for local councils to develop appropriate plans. In some cases, this may mean retaining dry areas, at least for a time; in other cases, it may mean not having dry areas declared at all.

Each case must be considered on its merits, because each problem around the State has its own peculiar characteristics, and I believe that, through the work that is being done by the Commissioner of Liquor Licensing working with other Government agencies including the Crime Prevention Unit, the Department for Family and Community Services, the South Australian Health Commission, State Aboriginal Affairs, and various other agencies, we should be able to develop a much more appropriate response to the issues relating to alcohol abuse and public disorder.

I am very well aware of the honourable member's interest in this matter, because there are dry areas in place in her electorate, and I know that the council in Port Augusta, in particular, has been very concerned, very vocal, and very active in trying to seek solutions to the problems that exist in that area. There is already a considerable amount of work being done with community organisations to try to deal with the social problem that exists there. I know that the honourable member is very much involved in the discussions that are taking place.

Mrs HUTCHISON: Supplementary to that, when does the Minister anticipate that the pilot projects will be completed at Ceduna and Glenelg?

The Hon. Barbara Wiese: For the Glenelg project, it must be completed very soon because the current dry area proclamation expires in December this year. The one in place at Ceduna and Thevenard expires in March next year. During this next few months I hope that both those councils will have a scheme in place for consideration by the Gov-

ernment. In the case of the city of Glenelg, I understand that work has been completed and that an assessment of its proposed strategy is currently taking place.

Mrs HUTCHISON: My second question relates to a matter that has caused some concern in my electorate, that is, misleading employment advertising, and I know that there has been some publicity recently about this. Given the current economic climate and the number of people, particularly young people, now seeking jobs—and in my electorate that is quite a large number of people—can the Minister advise what action is being taken to ensure that advertisements for employment are genuine rather than misleading?

The Hon. Barbara Wiese: I am sure that the honourable member has noted that over this past few months the Commissioner for Consumer Affairs has issued a number of warnings to members of the public about some of these job schemes which have recently been advertised in the press for employment in places like Kuwait, Indonesia and various other parts of the world. At times like these when the economy is in recession and employment is very difficult to come by, I guess we can expect an increase in schemes of the sort to which I have just referred offering people employment. People who are unemployed as a result of the current economic conditions are particularly vulnerable to some of these schemes.

It is of considerable concern to me, and it is of concern to the Department of Public and Consumer Affairs, that we identify those schemes that are not *bona fide* as quickly as they appear and ensure that these people are stopped from undertaking this activity if we can determine breaches of the legislation that is currently in place. The various newspapers in Australia are also very concerned about this matter, and try not to accept inappropriate advertising.

The Department of Public and Consumer Affairs is working very closely at the moment with the Trade Practices Commission in setting up a pilot project in Adelaide on preventing, monitoring and dealing with misleading job advertisements. Discussions have already been held with the *Advertiser*, and guidelines for the placement of employment advertisements have been drawn up. The *Advertiser*, as I understand it, actually approached the department with respect to this matter, and that is highly commendable. The cooperation that is emerging between the *Advertiser* and the department is very good to see.

The department will continue to investigate any complaints relating to any type of misleading advertising that emerges and will advise people of their rights. As I have indicated, the Commissioner for Consumer Affairs has in the past warned people about various schemes. Where appropriate, the Commissioner will also name particular companies that are operating such schemes where it is considered that what is happening is inappropriate. I hope that that, coupled with the work which is currently being undertaken with newspapers on the nature of advertising and the guidelines which they might follow when they receive submissions on advertising, will ensure that we can reduce the number of these bogus employment advertising schemes that seem to have emerged in recent times.

Mrs HUTCHISON: Page 171 of the Auditor-General's Report for the year ended 30 June 1991, under the heading 'Liquor industry licences (Liquor Licensing Act 1985)', states:

Revenue collected under taxation for publicans and other licences amounted to \$42.6 million, and was \$1 million below budget. The budget variation was due mainly to:

- greater demand for low alcohol beer (which is not subject to assessment), together with a fall in the sale of normal strength beer; and
- licence fees paid to 30 June for the July quarter were down by 18 per cent (approximately \$560 000).

What actually caused the shortfall?

The Hon. Barbara Wiese: In relation to the matter of low alcohol beer, which the honourable member would be aware is not subject to a franchise fee, I can advise that the actions that have been taken by the Government in this respect have been extremely successful. Over the past four financial years the total volume of beer sales has remained relatively stable overall. However, the proportion of low alcohol beer to normal strength beer sold has varied markedly. There has been a marked increase in the consumption of low alcohol beer in our community. In 1987-88, 8.7 per cent of all beer sold was low alcohol; in 1988-89 it was 14.6 per cent; and by 1990-91 it had risen to 21.2 per cent of total sales.

This indicates that the Government's policy objectives in encouraging people to consume low alcohol beer is very successful. However, because there is no excise tax it means that revenue in this area is falling. That partly accounts for the impacts that have occurred on Government revenue with respect to the amounts of money that are contained in the budget for the Department of Public and Consumer Affairs.

Regarding the shortfall in licence fees of approximately \$560 000, it was estimated that 20 per cent of licence fees for the July 1991 quarter would be paid prior to 30 June. However, this year only 15 per cent of those fees were received prior to the end of the financial year, and that was due to a quirk in relation to the days in the week. The fact is that the end of the month fell on a weekend, and one would normally expect to receive some of those moneys in the last couple of days of the month. On this occasion those moneys actually were received on the first day of the financial year. That explains the shortfall in receipts for that month which, of course, would be accounted for in the July figures.

Mr INGERSON: In relation to the previous answer that the Minister gave in relation to payments to REI, I understand that in the year 1990 the application for payment had not been made. I understand also that the payment for 1991, which is nearly over, also has not been made. Will the Minister clarify that? I believe that the Land Brokers Society and the REI have been attempting to negotiate for a proportion of the funding for these education programs in advance. Further, I am advised that the current system of payment in arrears, indeed now some 12 months after the event, causes cash flow problems for both organisations and difficulties in planning future programs. I understand that has been put to the Minister before. Will the Minister indicate the reason for delay in payment, and why a more reasonable cash flow process cannot be negotiated?

The Hon. Barbara Wiese: In relation to the past financial year, on 20 December moneys were paid to the REI for various purposes. An amount of \$65 700 was paid for advisory services and \$131 000 was paid for professional development as outlined by the REI. Of course, that was not the total amount of money requested by the REI: considerably more than that was requested. An assessment was made on the submission provided at that time, and that amount of money was eventually offered and received by the REI.

As to future payments, I have had at least one meeting with representatives of the REI about payments from the Agents Indemnity Fund. The Commissioner for Consumer Affairs and the Acting Commissioner before her appointment during this past 12 months have had numerous meetings with representatives of the REI concerning their requests for funding. As has already been discussed, there have been disagreements about the amounts of money that can or

should be paid from the fund to the REI for the purposes requested.

Also, I have indicated that these matters are currently being resolved. The Commissioner is undertaking further work to establish an appropriate framework for the assessment and payment of moneys from the fund for educational purposes. At the time that the last payment was made to the REI, it was made clear that this study would be undertaken and that it would be expected that systems would be put in place for the proper accountability of the expenditure of the moneys that come from the fund. I do not think I can say any more than that. The matter is under active consideration, and I hope it will be resolved very soon and that the current submissions for funding can be assessed and paid as appropriate.

Mr INGERSON: In relation to the labelling offences, the Minister recently said that on her behalf some 1 080 warnings had been given in the past financial year. Were those warnings to the same people who were subsequently given expiation notices or summonses, or is there no relationship between warnings and people subsequently being given expiation notices or summonses? If a warning system does operate, should it not require a warning to a person to whom an expiation notice is subsequently given to be fair?

The Hon. Barbara Wiese: There were actually 1 811 written and verbal warnings during the past 12-month period, I just wanted to clarify that figure. It is difficult to say how many of those people or companies that subsequently received trader infringement notices had previously received warnings. Certainly, some of them would have received warning; others might not have. A number of the warnings that were issued during the course of the last financial year were for breaches of the trade measurements legislation. Currently, there is no provision in the legislation relating to trade measurements for trade or infringement notices to be issued. In those cases, it is necessary to issue a warning and hope that the trader will act responsibly. That is one of the matters that is likely to be dealt with under the proposed uniform trade measurements legislation which will come before Parliament some time in the next 12 months.

As to the judgments that are being made by officers of the Office of Fair Trading as to whether a warning or a trader infringement notice should be issued or, indeed whether a prosecution should be launched, it depends very much on the seriousness of the breach and the assessments that are made about that matter.

Mr INGERSON: Some time ago, a member of the South Australian public, Mr Murray Willis, made a significant claim against one of the tribunal officers in relation to the conduct of one of the officers whom he went before in the Residential Tenancies Tribunal. There has been a considerable amount of communication between the Minister and Mr Willis. The general thrust of his complaint to me—and consequently to the Minister today through this Committee—is that it was his understanding that the Consumer Affairs Department principally took up matters on behalf of consumers and made sure that the representations on behalf of consumers was fair and reasonable. In his complaints to the Minister Mr Willis has clearly requested on several occasions that he be interviewed as part of this case and that his point of view be considered by the Minister and/or representatives on behalf of the Minister.

In every case that opportunity for him to appear and put his point of view has been, if not ignored, suppressed as far as the department is concerned. On his behalf I request that, instead of his getting a blatant knock-back and your saying that, as Minister, you are not prepared to go any further, in the interest of social justice and fairness, which

your Government clearly represents, at least he be interviewed and his side of the case, which is not necessarily without its point, be investigated properly. In several letters to you he has said:

I find it very hard to believe that a proper investigation could be carried out without having the person investigating the matter interview myself [the complainant] as the person who lodged the complaint against the tribunal member.

I think his argument is fairly valid, particularly when the department rightly and in most instances argues very strongly in favour of consumer rights.

The Hon. Barbara Wiese: I do not remember the full circumstances of the matter that has been raised by Mr Willis, but I do recall correspondence on this matter. As I recall, the previous view has been that Mr Willis's case has been clearly stated and assessed appropriately. However, he has recently written to me again and that matter has been referred to the Chair of the Residential Tenancies Tribunal, who now advises that she would be prepared to meet with Mr Willis and discuss the matter further. So, very shortly, correspondence to that effect will be sent to Mr Willis and I hope that through those discussions a satisfactory outcome will result.

Mr INGERSON: I thank the Minister for that, because who is right and who is wrong is not important; what is right is that both sides of the argument should be clearly put so that the person who makes the final decision, that is, the Minister, has a balanced argument in making the decision she has to make. Whether in the end we agree with that is another point, but the argument Mr Willis has been putting now for some nine months is that, having made the complaint, at least he should have been interviewed.

Mr HOLLOWAY: On page 247 of the Program Estimates reference is made to the anticipated review of the Places of Public Entertainment Act being deferred in 1990-91 but due to commence in 1991-92. Will the Minister advise the Committee whether this review has commenced, and will she say what it will address?

The Hon. Barbara Wiese: The review has commenced. Public submissions have been called for and various concerned bodies and individuals have been contacted and submissions sought from them. In general terms, the review of the Act will examine the scope and operation of the Act. We must bear in mind that this is a very old piece of legislation and there may very well be some aspects of it that are no longer desirable in the 1990s.

Generally speaking, the issues that will be addressed relate to the licensing of places of public entertainment and amusement devices; public entertainment on Sundays, Good Friday and Christmas Day; licensing of occupational groups, such as theatre firemen and cinematograph operators; overlapping legislation; and the degree of uniformity that exists between the States and the Commonwealth in this area of activity.

Mr HOLLOWAY: Supplementary to that, can the Minister provide any information on the investigation into the playground called Puzzle Park, and can she say what the outcome of that investigation was?

The Hon. Barbara Wiese: I can provide further information about this. In fact, I was asked a question on this topic in the Legislative Council some weeks ago. It followed an assessment of Puzzle Park that had been made by an officer of the South Australian Health Commission. Officers of the Department of Public and Consumer Affairs initiated further investigations into the Puzzle Park playground equipment and, particularly, the Manager of the Playgrounds Unit of the Department of Recreation and Sport was asked to assess Puzzle Park and report on the findings. I understand that the report identifies some areas of concern

in respect of some of the equipment in use at the park. Items have been categorised as being of low, medium or high priority and range from relatively minor repairs and maintenance to modifications or replacements.

The Manager of the Playgrounds Unit has concluded that he considers that this park is no more of a threat to public safety than many other community accepted activities. He continues that he thinks that, with the incorporation of the suggestions that are contained in the report and suitable management, Puzzle Park should remain in operation. The proprietors of Puzzle Park have been consulted about the findings of this report and have agreed to act on its recommendations. I understand that all the required work will be completed shortly. The Inspector of Places of Public Entertainment will then inspect the park again when the work is complete and make a decision at that time as to whether this facility should be licensed under the Places of Public Entertainment Act. So, I think that so far the outcome of the investigations on Puzzle Park are very satisfactory, and I am sure that many thousands of children who have had the opportunity to spend many happy hours at Puzzle Park over the past few years since it opened will be very pleased to hear that it is likely to remain open.

Mr HOLLOWAY: Will the Minister advise the Committee of recent developments with uniform credit legislation?

The Hon. Barbara Wiese: This seems to be a matter that is on the agenda of not only Estimates Committees but meetings of Consumer Affairs Ministers year after year. The first suggestions for introducing uniform credit legislation date back to about 1972, but it has been since 1986 that very serious attempts have been made among the States to negotiate and decide on the terms of appropriate uniform legislation in this area. It would be true to say that possibly during this past 12 months more progress has been made than has been made in the past 10 years.

At a meeting of Consumer Affairs Ministers last year, most of the major outstanding policy questions were resolved, and a meeting in August this year dealt with a few remaining outstanding matters. Draft 7 of the Uniform Credit Bill has now been circulated to interested parties for consultation. The consultation period is due to close on 29 November. I cannot imagine that there could possibly be too many more serious matters for discussion by Ministers with respect to this Bill. I hope that the consultation period will be successful so that by early next year Ministers will be in a position to meet again and approve the final draft of this Bill with a view to introducing such legislation in the autumn session of next year.

Mr HOLLOWAY: On page 244 of the Program Estimates, under 'Issues/Trends', reference is made to the anticipated decline for new commercial and private agents' licences not occurring as dramatically as expected. Indeed, they increased. Will the Minister give an explanation for that, and say what action is being taken to ensure that bouncers or 'crowd controllers', as I understand they are called, who work in hotels or entertainment venues, are appropriately licensed?

The Hon. Barbara Wiese: Over all, the numbers of commercial and private agents licences which, as the honourable member indicates, include crowd controllers, security guards, inquiry agents, etc., has risen from 2 079 in 1987, when most of the new Act came into operation, to 4 501 this year. Part of this increase is due to the requirements of some categories of occupations to be licensed for the first time. It was expected that there would be a decline in applications during the past financial year, as the industry evened out after an initial rush to obtain licences, but this

has not occurred. In fact, quite the reverse has been the case.

I understand that this area of employment is becoming more popular, particularly where other avenues of employment are not available. With respect to crowd controllers, the department has been active in working with the industry, unions, TAFE and the police to look at this area, and a consultative committee has been formed with representatives from three groups to make recommendations on issues such as training and the effectiveness of the current legislation. This committee's working party consulted with the police attached to the Liquor Licensing Branch, the Bank Street Police Station, interstate licensing authorities, the Australian Hotels Association and other bodies. I understand that a report will be produced to the full committee in the near future about the issues that they have been looking at.

In addition, the Commissioner for Consumer Affairs has continued to institute disciplinary action and lodge objections to licence applications where it is considered appropriate to do so. From July 1990 to 30 June 1991, 102 objections were lodged by the Commissioner, and six complaints against existing licensees have also been lodged. In addition, the police and the department have continued the program of checking venues for unlicensed crowd controllers, and I understand that all liquor licensees have been contacted and advised of their responsibilities to employ only people who are licensed.

Further monitoring work will continue, and liaison with the police, industry and training organisations will also continue. Through these on-going activities, I hope we can ensure that people who are inappropriate for participation in this industry can be weeded out, and that appropriate standards of behaviour can be established in the various places of public entertainment where these people have been employed.

[Sitting suspended from 6 to 7.30 p.m.]

Membership:

Mr S.G. Evans substituted for Mr W.A. Matthew.

Mr INGERSON: I understand that some lightning raids have taken place in Mount Gambier of recent times. A Mount Gambier storekeeper has called to complain bitterly about the way in which he has been treated. Last week, he received expiation notices totalling \$1 435 for not having warning signs on octopus straps and a car puller. He received seven notices each of \$200 plus the \$5 victims of crime levy, one notice for each of the six different types of octopus straps and one for a hand puller used for pulling four-wheel drives out of bogs. He also sells surplus Government clothing and second-hand clothing, and has been told that he must have care labels on each item and a label identifying the sort of material from which the item is made.

He has had no warning, and says that if he is now to label everything he may have to close down. Three people work in his shop. What is the basis for these so-called blitzes on retailers in the South-East? Does the department now have a policy for these lightning raids where the issue of expiation notices is concerned and, if so, for what reason?

Mr HOLLOWAY: On a point of order, that is the question I asked before. The question I asked included the South-East, and I thought that the Minister gave a full answer.

The CHAIRMAN: I do not think that it is a point of order. I am sure that the Minister can go either way if she wishes to.

Mr INGERSON interjecting:

The CHAIRMAN: It is very general. The Chair is in no position to direct the Minister—so, Minister?

The Hon. Barbara Wiese: Thank you, Sir, for your flexibility in this matter. I will not cover too much of the ground I covered earlier in the evening when the previous question was asked. In my response then, I referred to the general policy being pursued by the Office of Fair Trading with respect to education, warnings, prosecutions and trade infringement notices. I talked a little about the Mount Gambier situation and about the policy in general. I will not cover the same ground again, but simply refer the honourable member to my response to that question.

I can provide a little further information on the Mount Gambier situation. I indicated that there had been an earlier visit to Mount Gambier, and a task force had previously visited the South-East in February 1990. During the course of the visit, 170 businesses were visited and 24 breaches of the legislation were detected. Seventeen verbal and three written warnings were given, and many traders took the opportunity of taking advice about their responsibilities under the law. On that occasion, trader infringement notices were given for four serious breaches.

During that same visit, under trade measurement and trade standards legislation a range of weighing instruments and products were monitored, and these included sunglasses, care labelling, weighing instruments, packages, petrol pumps and snorkel tubes. Many hundreds of problems were identified on that occasion. In the majority of cases, the matters were discussed with the traders, warnings were given and a number of people took the opportunity to seek advice about the things they ought to be doing. The most recent visit was a follow-up to the original visit, and a number of trader infringement notices were issued, many of which were issued to traders who had previously had some contact.

During the intervening period, warnings had been issued in the newspapers, education programs had been organised by TAFE and traders had ample opportunity to learn of their obligations under the law. The legislation that relates to the matters that were the subject of trader infringement notices has now been in place since 1983 in one instance and since 1985 in the other cases. There is an obligation on the part of traders to be aware of the provisions of legislation that affects their businesses. At the same time, I believe that there is also an obligation on the part of the department to educate people about the terms of legislation.

The department attempts to do that by way of publicity, of seminars, of education programs and of these monitoring visits, where issues are raised with traders. When all else fails, however, it is also acceptable and desirable for the department to take stronger action, where that is considered appropriate. As I said earlier, under the legislation breaches, if prosecuted, can bring fines of up to \$10 000, so traders who are seriously breaching the law and who receive a trader infringement notice are, in fact, being let off very lightly, since it involves a fine of only \$200. Certainly, these measures have been taken in some circumstances by officers of the department, and the matter is very serious, particularly where the safety of goods is concerned and particularly in cases such as the one raised by the member for Mitchell, where the safety of children must be of prime importance, in relation to toys.

Mr INGERSON: Supplementary to that, I am surprised that such things as octopus straps and special four-wheel drive towing mechanisms fall within this category. What sorts of product were concerned in the South-East, so that we can gain some idea of the relevance of this Act? Whilst most retailers accept that they might have been outside the

letter of the law, they wonder whether Big Brother is there in the best interests of the community, or whether it is just a flow-on from the intent of the law.

I do not think there is any question about that, but many of the retailers are saying that some of these things are so petty that they should not be in the system. What sort of things that were really important were caught up in this argument about octopus straps and towing mechanisms?

The Hon. Barbara Wiese: For example, due to possible danger of straps rebounding and causing serious eye or other facial injuries, the labelling of elastic luggage straps was made an information standard in October last year by regulation under the Trade Standards Act. That standard requires that elastic luggage straps be permanently labelled with the following warning:

Warning. Avoid eye injury. Do not overstretch. Strap may rebound.

The word 'Warning' must be printed in upper case, red letters of not less than 5 mm in height on a white background, and the remaining words must not be less than 2.5 mm in height. An elastic luggage strap is defined as an elastic strap or cord, or two or more elastic straps or cords permanently joined, having a hook, buckle or fastening device at each end of the strap, and designed to be used for securing luggage or other objects. As I said, such a provision has been made because there is a danger, and there have been injuries in the past. It is appropriate that these matters be covered, and it is the responsibility of traders to be aware of their obligations under these pieces of legislation.

It is not a frivolous matter being pursued here or in the other instances. As I indicated earlier, with the figures that I quoted with respect to the number of warnings both verbal and written, compared to the number of trader infringement notices and the number of prosecutions that have been taken in the past year or two, I think that any reasonable minded person would agree that the officers of the Office of Fair Trading have been reasonable in pursuing their compliance obligations. They have tried to take the road of education and provision of information as the first and preferred step but, where that does not succeed, these other measures that are provided under the law which was passed by this Parliament are available and should be used.

Mr INGERSON: How many inspectors are employed by the department; in what areas do they operate; and what qualifications and training do they have in this particular area of inspection as it relates to these particular instances?

The Hon. Barbara Wiese: I will ask Mr Weir to answer that question.

Mr Weir: There are approximately 15 offices of Fair Trading in the trades standards group, including the offices in the country regions. A comprehensive training program provides training in not only trade measurements—which is the weights and measures aspect of their work—but also on product safety standards to which you have referred. In addition to that, inspectors attend compliance training courses, which are also attended by other officers of the division of the Office of Fair Trading which give instruction on the law relating to prosecutions, expiation notices, and so on.

Mr INGERSON: In relation to the office in the South-East, how long has it been open and operating in that area; what was the cost of the staff, the time and general expenses in going through this whole exercise; and is it true that the Director of the Office of Fair Trading has said:

The reason for the fuss was that it was the first time the South-East office had been effective in doing its job.

The Hon. Barbara Wiese: I cannot be certain about the year in which the department opened an office in Mount

Gambier, but I think it was around about 1976. I can check on that if the honourable member wishes me to. As to costs for operations of the office, I do not have that information with me, but I can provide it at a later time.

As to comments that were made by the Director of the Office of Fair Trading, I cannot confirm whether or not those comments were made, but perhaps the Director would like to inform the Committee about the interview that he gave to members of the press in the South-East in relation to this matter. Before handing over to him, can I just say that I am sure that, if he indicated such a thing, he would not have meant to indicate that the office in the South-East has not been doing its job since it was established, because I think the truth would be otherwise, as far as anyone who knows the work of the office is concerned. There may have been some reference to this particular form of compliance work, but I am sure that the Director can speak for himself on that matter.

Mr Weir: I believe that that comment followed a telephone conversation that I had with a journalist from the South-East, and I cannot confirm or deny that they were the words that I used, but what I intended to say and mean was that it was the first time that the office had been approaching this problem in the way that Parliament had intended, that is, by way of the expiation notices. I was really saying that we have put a lot of effort into education and information, and that was the first time that the organisation was approaching this issue in the manner in which it did a couple of weeks ago—by using the trader infringement powers under the various Acts of Parliament.

Mr INGERSON: As a supplementary question: is it therefore not true that it was purely and simply a revenue raising exercise?

The Hon. Barbara Wiese: It certainly was not a revenue raising exercise. I think that 30 trader infringement notices were issued on that occasion at a revenue of \$200 a piece, and I do not think that, in anyone's view, that would be considered a large amount of money. It is certainly not my intention, as Minister of Consumer Affairs, nor the intention of the Commissioner for Consumer Affairs, that the powers contained in the Act should be used in this way. Our prime aim in using the provisions of the Act of Parliament which, as I indicated, was agreed to by all parties in both Chambers, is to ensure that people understand their rights and obligations under the respective pieces of legislation, that goods are as safe as they should be, and that they are labelled appropriately.

There are numerous ways of achieving that, as have been laid down in the legislation. It is our first preference for education to bring about appropriate changes where breaches are discovered but, where that is not a successful way of approaching the issue, the other powers in the Act should be used and will be used.

Mr HOLLOWAY: Page 251 of the Program Estimates refers to the program supporting consumer education in schools continuing to be a priority. The Minister spoke to us earlier about education for traders. What programs have been developed with schools and young people in mind?

The Hon. Barbara Wiese: This is a key area of the department's work. Particularly through the Education and Resource Centre of the Department of Public and Consumer Affairs a number of programs have been undertaken recently to inform young people about their rights and obligations as consumers. Over the past year or two a number of issues have been taken up. Perhaps the best way of illustrating the department's work is to give examples of some of the programs that have been conducted.

First, there is the ongoing Credit Education Consultative Committee which has representatives on it from the Education Department, Legal Services, Family and Community Services, the Office of Youth Affairs, the Australian Finance Conference, the Australian Bankers Association, the Insurance Council, the Building Society Association and the Department of Public and Consumer Affairs. Its aim is to assist students in developing knowledge and skills to use credit wisely, to develop a sense of responsibility in using money, as well as providing a forum for discussion on relevant issues.

The most recent initiative of the committee has been the production of a leaflet promoting the careful use of credit when purchasing clothing. That leaflet will be publicly released very soon. We recently launched a credit pack which has a video that uses a game show format to teach young people about the pitfalls as well as the advantages of using credit. That kit, which includes teaching materials and exercises for young people to do themselves, is being distributed to all secondary schools around this State. Shortly it will be released nationally for use in schools elsewhere.

More recently we released a video and education pack on residential tenancy issues, because clearly many young people before or after leaving school are likely to get into the rental accommodation market. This pack is called 'Your Place or Mine', and the video is a dramatised documentary that considers the nature of residential tenancy agreements and the operations of the Residential Tenancies Tribunal. The video is accompanied by various teaching and other support materials, and that is also being distributed to secondary schools around the State.

Officers of the department are also involved from time to time in numerous other general education programs. The Education and Resource Centre staff have been involved in putting together all the material to which I have already referred, and in the last four to five months they have given 38 talks to schools and TAFE groups on a variety of issues. In addition, a newsletter entitled *Consumer News* is produced four times a year. This publication is directed specifically towards teachers in schools and provides information about consumer education and other developments which are taking place and which can assist teachers in putting information together in various courses that are brought before young people. In summary, the department plays a very active role in education, in producing material and in assisting with the development of programs that will teach young people about their rights and obligations under consumer laws.

Mr HOLLOWAY: My next question relates to page 246 of the Program Estimates and concerns the national uniform Trade Measurements Act. One of the significant initiatives for 1990-91 is that the Minister has signed an agreement to introduce the national uniform Trade Measurements Act. One of the objectives for 1991-92 is the adoption of national uniform trade measurements legislation. What consequences does the Minister envisage will result from this agreement?

The Hon. Barbara Wiese: The agreement on uniform trade measurements legislation has come after some years of negotiation at the national level, with all States and the Commonwealth being involved in the drawing up of uniform legislation. The idea generally is to simplify and modernise our legislation in this area. In South Australia it affects both the Trade Measurements Act and the Packages Act which deal with standards for weights and measures, including measuring equipment and packaging. It is also likely to bring about changes to the licensing system for inspection of equipment and the operation of public weigh-

bridges. It is designed to set standards for servicing and verification of measuring equipment, including weigh-bridges, and to standardise powers of inspectors.

Generally speaking, I think it has been recognised across Australia that in some areas there has probably been too much regulation; that the lack of uniform legislation has imposed an unreasonable burden on many sectors of industry which must understand and comply with differing requirements in various parts of Australia. This is obviously not desirable. So, we can expect that certainly administratively it is likely to provide greater efficiencies for people involved in industry and hopefully a reduction in some costs, and that should also be the case for the Department of Public and Consumer Affairs, which has played a role for a number of years in administering the legislation that has been in place up to this time.

Mr HOLLOWAY: My next question concerns the Industry/Occupational Licensing and/or Regulation program, in particular, secondhand vehicle dealers. I note on page 238 of the Program Estimates that there is to be an increase in recurrent expenditure from last year's actual expenditure of \$133 000 to a proposed \$161 000 this year. I note also that employment is to increase from 1.8 to two full-time equivalents. Will the Minister explain what that increase in resources signifies?

The Hon. Barbara Wiese: I cannot be absolutely specific about the entire amount of the increase, except to say that some of it is related to salary increases. The very small increase in employment is related to a rationalisation of staffing arrangements in this occupational licensing area generally, and I think it also reflects the increased activity that has occurred recently with respect to claims relating to used car dealers who have come into financial difficulty. If some other reasons have brought about this change, and I have not drawn them to the attention of the honourable member, I will provide that information at a later date.

Mrs KOTZ: I understand that the Land Brokers Society and the Real Estate Institute have been attempting to negotiate for a proportion of funding in advance for their education programs. I am advised that the current system of payment in arrears, indeed 12 months after the event, causes cash flow problems for both organisations and difficulties in planning education programs in advance. Will the Minister indicate whether she is planning any action to assist both these organisations with the processing of applications? Is it true that the current Commissioner for Consumer Affairs has placed a freeze on any further payments from the fund?

The Hon. Barbara Wiese: I have already answered this question in as much detail as I can. I am well aware, as is the Commissioner for Consumer Affairs, of the views of the organisations to which the honourable member has referred about the timing of payment from the fund. I am aware of the view that has been expressed by the REI—I am not so sure about the Land Brokers Society—that it would be preferable for funding, as far as its budgeting is concerned, to be provided in advance rather than at some other time. These are among the issues to which the Commissioner for Consumer Affairs is currently paying attention.

I indicated earlier that the Commissioner has notified the organisations concerned that work is being done to establish a proper procedure and framework within which decisions can be made about payments from the fund and methods of accountability can be established. Certainly, I am sure it would not be the Commissioner's intention to process current applications until those mechanisms have been decided

on and are in place. I am sure that any reasonable person would agree that that is an appropriate way to go.

I remind the honourable member that the Commissioner for Consumer Affairs is the guardian of a fund which has been established for certain purposes under legislation, and decisions about expenditure from that fund ought not be taken lightly. Proper guidelines ought to be established for payments from the fund, and that is the work that the Commissioner is currently undertaking. I am sure that that matter can be resolved soon. I hope it will be and that appropriate agreements can be reached with the relevant organisations.

Mrs KOTZ: It has been indicated from several sources that the Minister's department appears to be frustrating the efforts of organisations—in this case the two I have mentioned before—to run education programs for agents, brokers and the public. During 1990-91 major changes were made to forms 18 and 19 under the Land Agents, Brokers and Valuers Act, and these affect every real estate transaction in South Australia.

I understand that the Real Estate Institute organised free seminars for real estate agents and the Landbrokers Society on the understanding that they would be funded from the Agents Indemnity Fund. Does the Minister accept that, if the Real Estate Institute did not run the seminars, the department would have an obligation to do so? Is it true that the department appears to be quibbling with the Real Estate Institute over funding for the development costs of these seminars? I remind the Minister that these expenses were incurred in 1990.

The Hon. Barbara Wiese: As I recall, an agreement was reached that funding would be provided for the education programs that were envisaged to notify members of the industry about the new forms to which the honourable member refers. I am not able to indicate exactly the nature of that agreement or, indeed, what stage discussions on payment for those forms of education have reached. As I indicated earlier, I am at a disadvantage since the Commissioner is unable to be with us this evening, and she has conducted the majority of the discussions with the Real Estate Institute. However, if I can provide any further information to the honourable member about this matter, following discussions with the Commissioner for Consumer Affairs, I will be happy to provide it.

Mrs KOTZ: It would appear that the Real Estate Institute has been advised that funding for its advisory service will now be on the basis of funding for public calls only. I am led to believe that 11 per cent of all calls to the advisory service in 1990 comprised inquiries from Government officials. Does the Minister in this instance expect the Real Estate Institute to refuse to take calls from members and other agencies seeking to clarify their obligations to the consumer? Why should these calls not be funded from the AIF, given that many relate to Government legislation?

The Hon. Barbara Wiese: I will take that question on notice. Presumably, it is one of the issues that has been raised with the Commissioner for Consumer Affairs in the ongoing negotiations that are taking place with the Real Estate Institute on what is or is not appropriate expenditure for education purposes from the Agents Indemnity Fund.

Mrs HUTCHISON: I refer to page 248 of the Program Estimates, which deals with Public Trustee services. One of the objectives for 1991-92 is for increased emphasis to be placed on service excellence, including the implementation of the market survey. What are the market survey and the service excellence that are mentioned in that item?

The Hon. Barbara Wiese: In a moment I will ask the Public Trustee to elaborate on the comments I am about

to make, but a market survey has been undertaken to gain first-hand information about the work of the Public Trustee and the way the Public Trustee and its services are perceived by the community as the first step in giving the organisation the information it needs to provide the very best possible service to the public and to provide the sort of information that the public requires in making decisions about which of the available organisations in our community are the ones they wish to do business with. Certainly this survey has also provided useful information about the standards of service that are expected and the standards that should be pursued within the organisation. This is something that the new Public Trustee, Judith Worrell, has been working on in the past few months since her appointment. I am sure she would like to elaborate on the comments I have already made.

Ms Worrall: A market survey has been done with members of the public by a consultant and it includes a survey and consultation with the staff in relation to the way in which the service has been perceived. Out of that we have received a number of recommendations, particularly in terms of our providing a service to the public, that is regarded as being competitive, of a high standard and one that will satisfy the public in terms of relating to the organisation. We have also taken steps in reorganising the organisation towards a client service direction where our officers will provide a much more direct service to the client rather than having a back-up service, so it will be on a one to one basis, much more like the services provided by other trustee company solicitors and so on who work in this field. So, in that way we believe that people who work with Public Trustee will receive a better service.

We will also be conducting training courses relating to client service and service excellence and we have already taken steps in changing the public image of Public Trustee in terms of the building and the way in which the reception areas and so on, can be made much more attractive for people who come to the Public Trustee. We believe that the service we provide should be acceptable to the whole range of the community, although we recognise the community service obligations we also have.

Mrs HUTCHISON: When is it anticipated that the implementation will be completed?

Ms Worrall: I would think that it would take us most of this financial year to carry out things like appropriate training programs and to bring our staff into a full multi-skilled mode. We are integrating a number of the support services to our general client service, such as property services, insurance, will making and so on, into an integrated service and that means that there is a considerable amount of specialist training as well as general training with respect to how to deal with clients. I would plan to do that this financial year.

Mrs HUTCHISON: My next question deals with Births, Deaths and Marriages Registration services and on page 249 of the Program Estimates I note that there are still some district registries to be closed. Where are those registries that are still to be closed, and when is it anticipated that that will be completed?

The Hon. Barbara Wiese: As the honourable member indicates, a decision has been taken to close a number of the remaining district registries in stages between now and March next year. The district registries at Gawler, Balaklava, Kapunda, Clare and Burra were closed on 30 August. The remaining offices at Mount Barker, Angaston, Kadina, Port Pirie, Port Augusta, Port Lincoln, Berri, Murray Bridge and Naracoorte will be closed by April next year. All the people who are involved in running these registries have been informed of the decision to close them, and I think they

generally accept the Government's view that this should occur.

In speaking on this matter I should indicate that only a very small proportion of the certificates that are issued by Births, Deaths and Marriages are issued through these district offices. In fact, in the case of birth certificates, for example, only 5 per cent of the entire number across the State are issued from district registries. In almost all cases these days, people around the State use the services of the Adelaide office; the district registries are in effect a hangover from previous days when communication and transport were very difficult and when it was therefore a problem for people to make appropriate arrangements for registrations.

Now, either by visiting directly or by applications by mail, most people would prefer to deal with the Adelaide office and are doing so. So, there will be very little disruption, I would suggest, to the people of South Australia from the closure of these registries. In most cases, too, the staffing arrangements are such that offices of other Government departments or other organisations take on the responsibility for the work of these district registries in addition to other work that they undertake, so there will not be any loss of employment through this measure.

Mrs HUTCHISON: I refer to page 251 of the Program Estimates, which refers to support services. Can the Minister advise what is happening with the community resources pack? Has that actually been distributed to the community workers yet?

The Hon. Barbara Wiese: As I understand it, work on this community resources pack is under way, and it has not as yet been distributed to community workers.

Mr INGERSON: The Hon. Mr Griffin raised a question in the Legislative Council about the extraordinary haste of the Government in making regulations to bring into operation sections 7, 10, 11, and 17 of the Landlord and Tenants Act relating to commercial tenancies. Those particular sections relate to minimum terms of contract and disclosure statements between landlords and tenants. Notice was given to some professional bodies on the evening of Monday 26 August that these sections would be gazetted on Thursday 29 August, to come into effect on Sunday 1 September. Such haste has caused considerable cost to professional advisers, landlords and building managers, when that need not have happened. In reply to the Hon. Mr Griffin's question, the Minister said:

Over a period of time there has been extensive consultation with industry, with the Chairman of the Commercial Tribunal and various other interested parties about the legislation and the progressive proclamations that have flowed from it.

That was on 11 September. On 13 September, two days later, the Chairman of the Commercial Tribunal made a statement that the proclamation made it virtually impossible for parties to comply with the amendments on the date of their operation. In a public press release on 13 September, he said:

It is important that the Commercial Tribunal be seen to be completely fair and impartial in everything it does. As some of the new regulations are in the nature of what would normally be called rules of court, it might be thought that the tribunal was responsible for them and was involved in a procedure which was plainly unfair. This is certainly not the case. I therefore wish to dissociate the tribunal and myself from the decision to bring these amendments into operation without proper notice being given to landlords, tenants and their advisers.

Mr GROOM: They had 12 months.

Mr INGERSON: Two days.

Mr GROOM: This has been on the statute books for the best part of 12 months.

The CHAIRMAN: Order! This is not a debating society between the member for Bragg and the member for Hartley.

Mr INGERSON: Why did the Minister mislead the Legislative Council by giving the impression that the Commercial Tribunal was party to the short notice? Will she acknowledge now that the short notice was unfair? Will she now reconsider her decision not to grant compensation to those adversely affected by the short notice when reasonable notice of at least a month would have avoided any of these problems?

The Hon. Barbara Wiese: As to the question of compensation, I certainly will not reconsider the statement I made at the time I responded to the Hon. Mr Griffin's question on this topic. I certainly did not intend to give any impression either that the Commercial Tribunal did or did not agree with the proclamation date for this legislation. I did not refer to that in any way at all. What I did say was that the Chairman of the Commercial Tribunal, along with many others, had been consulted on the particular provisions of the legislation that had yet to be proclaimed. The Chairman had been very helpful to the department in assisting with the drafting of appropriate forms that would have to be used with respect to these provisions and in giving advice as to administrative procedures and other matters. It is not true to suggest that the industry bodies which would have an interest in this matter were given only a few days notice about the proclamation of this legislation. At least one month's notice—and I think in some cases more—was given to the industry peak bodies, including the REI, the Law Society, BOMA, and the Small Business Association, notifying them that proclamation day would be 1 September.

As I indicated in my response to the Hon. Mr Griffin, I was advised by my officers that administrative arrangements were in place for this legislation to be proclaimed, and that the matter should be able to be dealt with. I am aware that the Chairman of the Commercial Tribunal did not agree with the date of proclamation. All I can say about that is that I disagreed with his position on this matter. The legislation has now been proclaimed, and I am sure it will work satisfactorily. The interjection by the member for Hartley is worth highlighting, when he says that this legislation has been known to interested parties for a long time. It was passed through the Parliament last year, and in varying stages it has been proclaimed as administrative arrangements and other matters have been dealt with. So far, that has occurred in an orderly fashion.

Mr INGERSON: There are many in the real world of commercial reality who do not necessarily agree with that statement.

Mr GROOM: Mr Griffin usually gets his facts wrong.

Mr INGERSON: That is a typical nonsense statement from the member for Hartley. It is the sort of thing that normally happens when he comes out of his sleep. If he goes back to sleep again we will be okay.

The CHAIRMAN: Order!

Mr INGERSON: In relation to this type of regulation, can the Minister give a guarantee to the community that is directly involved in the landlord and tenant area that this sort of rapid undertaking of very important regulation changes will not happen again in the future?

The Hon. Barbara Wiese: The undertaking that I can give to members of the community is that all appropriate steps will be taken by officers of my department in preparing for the proclamation of any legislation for which we are responsible.

Mr INGERSON: I refer to page 248 of the Program Estimates, and in relation to the Public Trustee, what notional tax and special dividend was paid in 1990-91, what is expected to be paid in 1991-92, how was each amount calculated, at what rate and on what amount?

The Hon. Barbara Wiese: The notional tax which is paid by Public Trustee to the Consolidated Account is equivalent to the company tax rate, which I believe is 39 per cent, after an allowance for community service obligations and a special dividend. During the past financial year, the Public Trustee Office paid a special dividend which totalled \$657 000. During this coming financial year, the estimated net notional tax will be \$493 000 plus the balance of the 1990-91 tax of \$159 000 and the special dividend from that same financial year of \$905 000.

Mr HOLLOWAY: This question also relates to the Public Trustee. One of the issues listed on page 248 of the Program Estimates states that assets with a total book value of \$284 million are held as trust funds for administration. How are those trust funds invested? Do any guidelines apply to the investments? How are the funds made up? Who makes investment decisions, and so on?

The Hon. Barbara Wiese: There are guidelines for the investment of those funds and I will ask the Public Trustee to elaborate.

Ms Worrall: Funds are invested under the guidelines specified in the Trustee Act. Section 5 of the Act is quite specific about the types of investment that can be made, and identifies about 15 different types of investment that can be entered into by the Public Trustee. We comply with those in terms of not only our common funds but also the individual funds of estates that we manage. It includes fixed deposits, equities and so on but, in specific types of institutions, as far as our shares are concerned, for example, a company must have paid a dividend for 10 consecutive years or must be a company specified in a schedule by regulation. So, the investments are quite specific.

With respect to monetary investments such as fixed deposits and so on, those investments are made by the Public Trustee, and I have the authority to invest. With respect to equity investment, according to the Trustee Act it must be made in consultation with appropriate specialists, and the Public Trustee has a panel of four senior brokers from four individual firms of brokers around Adelaide to provide advice. I, with several of my senior staff, meet with them about every six weeks, when we review the portfolio investments with respect to the equities common fund. With respect to individual portfolios held for individual estates that we manage, each of those estates is reviewed annually, again by a panel of different brokers who receive a number of those estates to assess.

Mr HOLLOWAY: As a supplementary question, are there any real estate holdings?

Ms Worrall: There are no real estate holdings, although we hold a small amount of funds on first mortgage. Again, that complies with the regulation, where the first mortgage must not exceed 60 per cent of the Valuer-General's valuation of the property. Often, it is very much less than that.

Mr HOLLOWAY: This question relates to the registration of births, deaths and marriages. I note from page 249 of the Program Estimates that one of the achievements for the past year was that hardware and operating software was installed for the new computerised systems of registration, certificate production, cash handling and application tracking. Will the Minister provide some detail as to what benefits will accrue from systems?

The Hon. Barbara Wiese: In general terms, the objective of the computerisation of births, deaths and marriages is to provide a much more efficient system of processing requests, applications and the provision of certificates and other information to members of the public. Assessments have been made as to how much time is likely to be saved after

full computerisation, but I am sure that Mr Ayling can provide the detail of that program.

Mr Ayling: Essentially, the computerisation program consists of two stages that are interrelated but quite distinct. The benefits of the computerised registration system are, essentially, long term. It has been established that it is not economically feasible to key in old registrations dating back almost 150 years. We will be entering on the computerised record all new registrations from the beginning of 1992.

We have stored on computer tape at the State Computing Centre the last 10 years of new birth registrations, and they will be entered on the system. What must be appreciated is that very few birth certificates are sought before the age of 16 or 17, so we will not start to gain very much in the way of real benefit from that part of the project until about nine or 10 years hence. It will probably be two decades before we have on computer all the birth registrations of people up to about age 30, when it would make a real impact on the speed with which we can retrieve and print out birth certificates. It must be appreciated that that is the large part of our business.

Death certificates, of course, are mostly required very soon after registration, for estate purposes, so we can anticipate that they will be produced rather more quickly than they are at present. The second stage of the computerisation project, which will not come into operation until about the end of next year, will enable us to keep better track of mail applications for birth certificates, in particular, so that we can more readily answer queries from people concerned as to where their request is in the system. It will also improve our receipting, cash handling and banking operations. A bit further down the track, when we are gaining the full benefit, we anticipate that this will substantially speed up the delivery of certificates. The end objective is to provide an over the counter service, but I would have to state that that is a good way away.

Mr HOLLOWAY: I note from page 245 of the Program Estimates that the number of price fixation applications for 1991-92 is estimated to fall from 19 last year to 14, and that the number of price justification and monitoring notifications is estimated to fall from 41 last year to 29. What is the reason for that?

The Hon. Barbara Wiese: I think that part of the answer to this question relates to the fact that some adjustment has been made in the categories of price control during this past year. For example, there has been a shift in some categories of goods that were previously subject to price control into the categories of justification or monitoring. However, I do not think that that is a complete answer to the question, and I will have to take it on notice and provide information as to the other reasons that may relate to that fall in number.

Mr INGERSON: As far as I can ascertain, the Second-Hand Motor Vehicles Act does not bind the Crown. The report of several days ago that the Government proposes setting up its own second-hand vehicles yard, and the report that the Government proposes to seek licences under the Act raises a number of questions: how can the Government legally seek a licence, or how does it intend to do it; will the Government bind itself to comply with the Act in every respect and pay all fees for licences and so forth; and does the Minister agree that the Government will not be able to be prosecuted if it commits offences under the existing Act?

The Hon. Barbara Wiese: I would have to refer the honourable member to the replies given by my colleague the Minister of State Services with respect to this matter when she appeared before the Estimates Committee two days ago but, in general, I think that she made very clear to the Committee that this idea is just that, at this stage—

it is an idea that the State Services Department (or it could have been the State Supply Board) is currently considering. As I understand it, it is a matter in the very preliminary stages of consideration. The Minister also indicated that she expected that if, after assessment, the State Supply Board considered this a desirable move to make, appropriate warranty conditions and other matters would apply in the same way as would apply for second-hand motor vehicle dealers in the private sector.

I do not think that there is more that I can add at this point. As far as I am aware, no approaches have been made by officers in the Minister's department to officers in the Department of Public and Consumer Affairs regarding this matter. I am sure that such an approach will be made at some stage, and all the issues that would need to be considered under the Second-Hand Motor Vehicles Act could be canvassed and considered in assessing the merits of a proposal of this sort.

The CHAIRMAN: There being no further questions, I declare the examination of the vote completed.

Minister of Consumer Affairs and Minister of Small
Busin.: ss, Miscellaneous, \$1 062 000

Chairman:

The Hon. T.H. Hemmings

Members:

Mr S.G. Evans
Mr T.R. Groom
Mr P. Holloway
Mrs C.F. Hutchison
Mr G.A. Ingerson
Mrs D.C. Kotz

Witness:

The Hon. Barbara Wiese, Minister of Consumer Affairs
and Minister of Small Business.

Departmental Adviser:

Mr R. Flavel, General Manager, Small Business Corporation.

The CHAIRMAN: I declare the proposed expenditure open for examination.

Mr INGERSON: Does the Minister support the recent statements of the member for Hartley that we should disband the Small Business Corporation?

The Hon. Barbara Wiese: I have recently read public statements that are attributed to the member for Hartley. I do not recall actually reading that he suggested that the Small Business Corporation should be disbanded. More particularly, I think the honourable member put forward his views on the way that business advice, or at least business support, may be provided through the public sector and in particular through the Chamber of Commerce and Industry, and bodies of that sort. I suggest that the matters that have been raised by the honourable member do not represent a criticism of the Small Business Corporation or a calling for its disbandment.

Mr INGERSON: Apart from the small payroll tax relief which will only benefit small businesses with 15 to 20 employees, what specific benefits or initiatives are contained in the State budget to assist small business?

The Hon. Barbara Wiese: I think numerous benefits for small business are contained in the State budget. The honourable member has referred to the payroll tax decisions taken by the Government and seems to cast those aside as

being not particularly important or relevant. In fact, I think it is important to acknowledge that the decisions that have been taken are very significant because, for the first time since payroll tax became the province of the State Governments in 1971, this year there has actually been a reduction in the rate of payroll tax; it has come down from 6.25 per cent to 6.1 per cent this year. Benefits will accrue to business to the tune of \$13.5 million as a result of the decisions that have been taken. The thresholds have again been lifted this year, and this means that a new group of businesses will not be drawn into having to pay payroll tax. I consider that to be a very significant decision which is in the interests of small business in our State.

It is also important to acknowledge that real limits have been placed on the growth of land tax receipts which very specifically impact on small businesses. It would be the view of the State Government that if we could do away with taxes of this sort, and payroll tax, that is the sort of thing that we would prefer to do. However, in the absence of new forms of revenue being identified, it is not possible for the Government to do that. In the absence of a decision of that sort the Government has chosen, over a period of years, to limit the impact on business of such taxes to the extent possible, and this year's decisions, which will limit the growth in land tax receipts, will certainly be of benefit to small businesses and I am sure have been well received by many of those businesses.

Continuing a long-standing policy of the Government, we intend again this year to keep increases in major fees and charges to the CPI or below. There has also been an attempt in various other programs to limit costs that are imposed on businesses. For example, small businesses will achieve real savings if they are in the sectors of industry that use South Australian ports because growth in Government charges for port facilities is being limited to 3.3 per cent, which is significantly below CPI in South Australia. There are numerous other programs, and among them are the moneys that are provided through the Department of Industry, Trade and Technology for the South Australian Economic Development Fund where direct grants, loans and guarantees are provided to businesses in South Australia that want to expand or move into new activities. This year something like \$28.6 million is being devoted to that function.

I hope that we are here discussing the lines of the Small Business Corporation, and this year, as the honourable member would be aware, in excess of \$1 million is being provided to its budget. There has been an increase in the Tourism budget of \$1.58 million this year. It should be borne in mind that the many hundreds of tourism businesses around the State are, in the main, small businesses that will benefit from the work of Tourism South Australia in promoting tourism for this State.

Numerous other issues are contained within the lines of other Ministers, and I will not go into all those particular measures; suffice to say that across a range of Government programs there are significant benefits this year that will accrue to small business by way of limitations in costs or by direct programs that are designed specifically to assist the growth of small businesses.

Mr INGERSON: The increase in land tax on buildings worth more than \$10 million is effectively \$4 000. In other words, in a shop in such a building with an assessable value of \$250 000 could be hit for an additional \$1 000 in land tax. Has the Minister estimated how many small businesses will be affected by the increase in land tax?

The Hon. Barbara Wiese: Are you referring to the top marginal rate?

Mr INGERSON: I am referring to buildings that are worth \$1 or more. It is all transferred through.

The Hon. Barbara Wiese: Strictly speaking, this question should be directed to the Treasurer, since land tax matters are his responsibility under the Treasury portfolio. However, as I understand it, the increase from 1.9 per cent to 2.3 per cent for site values in excess of \$1 million is likely to have minimal impact on business this year.

I cannot be specific about individual businesses, because I do not have that information before me. As I understand it, the majority of businesses that would fall into that category are located in the central business district. The property values in the CBD have fallen during the past 12 months, so I expect that any increases that otherwise would have accrued through the increase in the percentage rate on land tax are likely to be offset by the fall in property values. It is likely that very few businesses will be affected by this decision.

I understand that the Treasurer was asked a question about this matter when he appeared before the Estimates Committee, and he undertook to provide whatever information was available about the number of properties that would be affected in this category. I can suggest only that the honourable member refer to the reply that is given when it appears in *Hansard*.

Mr GROOM: I would like to set the record straight in relation to the member for Bragg. I said that the fundamental direction of the Small Business Corporation needs to change, and so does that of the private sector industry-based organisations. I think that has been misinterpreted.

Recently I asked a question of the Minister of Ethnic Affairs in the House of Assembly. The Minister confirmed that involvement in trade and commerce would become an increasingly important objective for the Ethnic Affairs Commission and, as a consequence of that, encouragement would be given to various ethnic-based industry groups. For instance, the Italian Chamber of Commerce is highly successful; the Chinese community has formed the Chinese Chamber of Commerce; the Greek community has just started to form an Hellenic Chamber of Commerce; there is a Netherlands Chamber of a Commerce; and there is a Middle East Australian Chamber of Commerce. It appears to me that a Small Business Corporation has an important role to play in this process.

I was rather disturbed to receive from my Victorian colleagues a report of the Small Business Development Corporation of Victoria relating to South Australia. The South Australian Small Business Development Corporation (meaning the Small Business Corporation), the Tasmanian Development Authority, the ACT Office of Industry and Development and the Northern Territory Department of Industries and Development all see no need for the provision of services targeted to ethnic small businesses. The report states that the South Australian Small Business Corporation does see the need for small business people to have a good grasp of English for business survival and, therefore, does have a back-up interpreter service available if required. I ask members to note that an exclamation mark appears after the words 'if required'. This report has reached ethnic communities. Will the Minister comment on the suggestion of the Victorian Small Business Development Corporation that the South Australian Small Business Corporation sees no need for the provision of services targeted to ethnic small businesses?

The Hon. Barbara Wiese: I do not agree with the statements that have been attributed to representatives of the Victorian Small Business Development Corporation that it is not the business of agencies of Government that deal

with business issues to take an interest in the needs of business people who come from various ethnic groups. I think that the role of small business corporations—and indeed any Government agency—is to take a keen interest in the affairs of any small business proprietors, whatever their ethnic origin. The Small Business Corporation has had some experience in this area with respect to the experience that it has provided from time to time through the business migration program in assisting people to establish businesses in South Australia.

Also, some research has been undertaken here amongst ethnic business people about their attitudes and needs in the area. As I understand it, one of the findings of this research is that primarily people in these groups are more likely to seek advice from, say, fellow countrymen, on business matters rather than going to some of the established, officially recognised business organisations. I am sure that Mr Flavel has further information about that research program that has been undertaken and other matters. I ask him to expand on my remarks.

Mr Flavel: A number of issues relate to the question asked by the member for Hartley. The first is the links we have with some of the chambers. For instance, as the member would probably know, we have already established links with the well-established Italian chamber. The second issue is with respect to the business migration program. Currently, in conjunction with the Department of Industry, Trade and Technology, we are looking to see whether there is a need for a person, not necessarily full time, to be employed at the corporation to assist Asian business migrants coming for help, advice and assistance.

With respect to research, I can only support what the Minister has said. People of ethnic origin starting out in business firstly, and almost invariably, seek advice from members of their own community, rather than from us, and, secondly, they have excellent support from the ethnic communities. If Australian business networks were as good as the ethnic business networks, far more businesses run by Australians would be successful.

Mr GROOM: I must say that the ethnic small business program of the Victorian Small Business Development Corporation is quite impressive and, in relation to assistance to ethnic chambers of commerce, it states:

In the case of established ethnic chambers of commerce it is both logical and resource-effective to deliver SBDC programs to small business through those chambers.

Equally, where they do not already exist, it will again be effective to expend time and resources in assisting the respective communities to establish such business organisations.

So, it is quite clear that the Small Business Corporation of Victoria will target funds to assist ethnic industry based organisations. Is there any intention for the South Australian Small Business Corporation to target funds to assist ethnic industry based groups in the same way as is contemplated in Victoria?

The Hon. Barbara Wiese: There is no intention in this coming financial year to target specific funds towards this activity. Certainly, as Mr Flavel has already indicated, links are already established with some ethnic chambers of commerce, if I can put it that way, as well as a strong interest and willingness on the part of the corporation to undertake further work in this area with relevant industry groups. Indeed, it is very much in keeping with the philosophy of the Small Business Corporation to work through existing industry organisations in providing advice and assistance to people in business.

One of the key features of the work of the corporation since its establishment is that it has worked through established organisations to reach small businesses who may need

advice and assistance. That also extends to working with other providers of business advice so that, since its establishment, the Small Business Corporation has worked assiduously to develop links with other professional bodies, companies and individuals—people such as accountants, lawyers, financial institutions and others who come into contact with small businesses—so they can be made fully aware of the specific needs of people in small business enterprises and so they are equipped to provide the sort of advice that those people specifically need in order to be successful in business. So, there is a keen interest in pursuing the work of the corporation in this way. Working through the various ethnic chambers of commerce is certainly one of the steps that the corporation would be keen to pursue. As and when the opportunities arise, I am sure that work will be undertaken.

Mr GROOM: In moving from dealing with more localised advice, and so on, the Victorian program contemplates export assistance by the Small Business Development Corporation to the ethnic communities. That program states:

The idea is to utilise the skills of our immigrant entrepreneurs in the area of language and culture-specific business practices, to improve our performance in international trade and tourism.

Can the Minister say whether anything is contemplated on the part of the Small Business Corporation to provide these sorts of services to ethnic based industry groups in areas such as assisting with staging expos, export-import related opportunities, trade delegations and so on? Trade delegations will be coming from Italy in November, and a program must be put together at fairly short notice. The Minister will appreciate my asking these questions, as I have the highest—30 per cent—ethnic component of any electorate, so I am very interested in the Small Business Corporation's moving into these areas, if it is possible.

The Hon. Barbara Wiese: I think it is important to recognise that much of the work in establishing incentives for people in business, in leading trade missions to other parts of the world and in hosting business delegations from other parts of the world here in South Australia is a key part of the role of the Department of Industry, Trade and Technology. I know that my colleague, the Hon. Lynn Arnold, who is both Minister of Industry, Trade and Technology and Minister of Ethnic Affairs, keenly appreciates the role that can be played by the Government in the way that the member for Hartley has outlined.

Some trade missions are planned during the course of this financial year, and they will be led by the Department of Trade and Technology. Certainly, that department will be involved in hosting and developing programs and activities for delegations that will come from other parts of the world to South Australia during the course of this year, and work of that sort is also supported and assisted by such organisations as the Centre for Manufacturing, for example. So, numerous organisations within Government play a role in these areas. To the extent that the Small Business Corporation needs to, it does and will become involved, but I think the prime role in this area is currently being played by other agencies of Government and is being undertaken quite effectively. I am sure it is the view of the Government that this is the way we should proceed.

Mrs KOTZ: There are over 55 000 small businesses in South Australia, and that represents nearly 50 per cent of the private sector work force. However, I cannot find anywhere in the Program Estimates or budget documents a reference to the Government's policy for issues relating to small business. Why do this Government and the Minister continue to overlook this considerable industry?

The Hon. Barbara Wiese: This line of questioning is very reminiscent of the line of questioning that is pursued in the

Legislative Council by the Hon. Legh Davis, almost on a daily basis. It is a line of questioning to which I have responded on many occasions. The fact is that the Government does have a well developed policy for the development of small business in South Australia. It is also a fact that the responsibility for various aspects of the development of this policy resides with numerous ministries, because a multi-disciplinary policy approach is required to cater for the needs of the small business sector. So, if the honourable member cares to cast an eye over the various sectors of the Program Estimates and other budget papers, she will find across the programs of Government numerous programs that have been designed specifically to assist the small business community within our State.

Our Government recognises that the small business sector is an extremely important part of the South Australian economy. We recognise the important role that small businesses play in providing employment here and all the industrial development policies that the Government is pursuing are designed to assist in providing the opportunity for growth in this sector to enable those businesses to prosper and for those businesses to employ as many people as possible. The various programs, as I have said, are contained within my own areas of responsibility in Tourism South Australia, in the Small Business Corporation, and in some of the lines of the Department of Consumer Affairs, for example, where emphasis is being placed on deregulation and on reviewing occupational licensing and other issues.

All these matters relate to the health and welfare of people in the small business sector. The Ministry of Industry, Trade and Technology has numerous programs. The Ministry of Employment and Further Education also has numerous programs that impact on the education and training needs of people in business, and so forth and so on. There are numerous programs. I invite the honourable member to read her budget papers carefully. If she does, I am sure she will find a very strong commitment on the part of this Government to the growth and welfare of the small business sector in this State.

Mrs KOTZ: With reference to page 96 of the Estimates of Payments, there is an increase in expenditure, albeit a very puny increase, of \$18 000 for the Small Business Corporation, from \$1.044 million to \$1.062 million, a 1.7 per cent increase. I know that the Minister has just outlined her support for the small business area, but when one looks at the insignificant increase of 1.7 per cent as compared with the significant budget increases for tourism (because I believe that the Minister believes that is an extremely important area for the South Australian economy) it still seems to point out the difference between the Minister's feelings for tourism as opposed to small business. It seems that the Minister cannot accept that small business is an important contributor to the South Australian economy. Why did the Small Business Corporation receive only a 1.7 per cent increase, which is much less than for many other Government agencies?

The Hon. Barbara Wiese: I have already responded to the questions asked by the honourable member about the significance that the Government places on small business in this State. I would hope that she would have accepted my explanations about the Government's commitment and the various programs designed to assist small business and the funding that is being made available in various budgets across Government that are of assistance to small business.

The fact is that there has been a maintenance of funding for the Small Business Corporation during this coming year, and I am advised by Mr Flavel, its General Manager, that in his view and based on the strategic plan that has been

developed for the work of the Small Business Corporation, the funding that has been provided will be adequate for the Small Business Corporation to maintain its programs.

I reiterate the point I made earlier: one of the prime objectives of the Small Business Corporation in pursuing its activities is to establish links and a strong working relationship with people in the private sector so that the needs of small business can be met by a range of advisers within the community. The Small Business Corporation has a philosophy which is supported very much by the Government that it should not be the only body within the South Australian community capable of giving appropriate business advice and assistance.

An enormous amount of effort has been placed on making direct links with other professional groups, such as accountants, lawyers, financial institutions and others throughout the community who can develop the appropriate skills to extend the network of advisers around the State to give adequate support to people in small business. Over the years a network has developed of many hundreds of people who are now providing advice and assistance to small business people not only in the metropolitan area but throughout all regions of the State.

This is an outstanding achievement, and it is a credit to Mr Flavel and his team of staff at the Small Business Corporation that they have been able to achieve these results and to do so with what might be considered a relatively small budget, particularly if the South Australian Small Business Corporation's budget is compared with that of the corporations that have grown in other States of Australia where, I would suggest, they have not placed the same emphasis on the need to develop networks.

Mrs KOTZ: I refer to page 324 of the Auditor-General's Report. Why were no loan guarantees for small business approved or executed during 1990-91? Does the Minister believe that the scheme is working? Will the Minister take on notice the following question: how many loan guarantees for small businesses have been approved in each financial year since the inception of the scheme?

The Hon. Barbara Wiese: I will certainly take that last question on notice; I do not have that information with me. As to the first question, no loan guarantees were provided during the last financial year because no applications for loan guarantees were received. As to the second question on whether the scheme is working I think it would be true to say that it is the view of the board and management of the Small Business Corporation that this scheme has not been as effective as it was envisaged it might be when first established.

The board prefers not to receive applications under this scheme in future. The provision for assessment of applications for loan guarantees is still in place, and the board will, no doubt, receive and assess applications should they come forward. Over time, however, it has become clear that most businesses that require this sort of support are more likely to go to recognised financial institutions for that support, and that the scheme is, perhaps, not as necessary as it once was thought to be.

Mr GROOM: My view is that loan guarantees should not be given by the Government: they should be given by industry based groups, as they are in Europe. But a number of people fall between two stools: they cannot get finance from traditional sources, and this scheme is on the books as purporting to give loan guarantees. We should be fostering industry based chambers of commerce, as they have in Europe. However, people who go to the Small Business Corporation and with whom I have contact later, who are in that category of falling between two stools, cannot get

start-up finance from traditional houses and are discouraged from making applications. What are the criteria for a successful applicant under the Government loan guarantee scheme as it stands?

Mr Flavel: The criteria are clearly documented and are board policy. First, loan guarantees will be considered only for established businesses, not for people starting up in business. Secondly, there needs to be a public benefit in the provision of the guarantee, considering that it is risking taxpayers' money. That benefit could be considered in the broad terms of employment creation, the maintenance of key technology to the State or some other similar benefit.

The actual applicant should be able to demonstrate management competence and, indeed, we can look back on the scheme and say that it has not been as successful as it may originally have been envisaged, but that essentially is because the management of these firms that have applied and have not succeeded once the guarantee has been given has shown shortcomings, both in the breadth and in the depth of managing the company. If we look at financiers and, in particular, at equity investors, they look for two things before lending money: first, strong management, both in breadth and in depth and, secondly, a good market spread of company products and/or services. Almost invariably, small to medium enterprises that are seeking funds fall down in one or both those matters. Therefore, I can only repeat that the risk, considering it is public funding, is far too high, given the likely returns to be made from some of these smaller businesses.

Finally, I will make some observations, if I may. Where long guarantees have been made and the management of the enterprise has not been strong and those funds have been used for further expansion, I have found that it hastens the demise of the business, because it expands and creates a bigger management problem for people who do not have the competence to manage at the current level.

Mr GROOM: As a supplementary question, have there been any losses in the past five years, say, under this scheme?

Mr Flavel: Yes, there have. Again, I would need to look closely at the figures, but I can give you some estimate. Of the six loan guarantees that have been approved, one has been successful, in that the money was finally repaid to the bank and, therefore, the guarantee lapsed; four have failed financially, costing the State on average \$50 000 to \$60 000 per failure; and the final loan guarantee is due to lapse or expire in October. We can, therefore, count that as a success, in that the State did not lose any money. However, if we turn that around and say that the question is whether the final business will contribute something significant to the State in terms of employment, wealth creation or whatever, the answer is no, it is about the same level as it was when they took out the loan guarantee four years ago.

Mr HOLLOWAY: My question relates to the Beddall report on small business that was issued early in 1990. This resulted from the first comprehensive inquiry into small business ever undertaken by a Federal parliamentary committee. The brief was to make Government aware of and more responsive to the special needs of small business. Amongst its many recommendations was the suggestion that a Federal/State ministerial council be set up to coordinate measures to assist small business. I am aware that the Minister has attended meetings with her State and Federal counterparts. Will she provide the Committee with a summary of the issues currently under consideration?

The Hon. Barbara Wiese: I can provide further information on this matter. As the honourable member has indicated, one of the recommendations of the Beddall committee was that a ministerial forum should be established

where Federal and State Ministers with responsibility for small business could meet regularly and discuss issues of relevance to small businesses in Australia. That ministerial council was formed last year, and it has now met twice. The second and most recent meeting was held in Darwin, and at both of the meetings it was acknowledged very, very clearly by all ministers present, based on the information that they gathered in their respective small business constituencies, that the question of taxation reform is the matter of highest priority in the minds of the small business sector. The majority of the taxation issues of concern to small businesses are Commonwealth taxation issues.

At the most recent meeting the Commonwealth Minister agreed to undertake work on a range of matters of interest to small businesses, particularly in the area of taxation. Some examples of that which may be of interest to the Committee are: a case is being developed and will be presented to support the introduction of capital gains tax roll-over provisions; work is being done to support a case for the inclusion of training costs as allowable taxation deductions; work is being done on a rationalisation of the thresholds exempting small businesses from various forms of taxation; a review of the sales tax system will be completed by the end of this year; a series of case studies is to be undertaken by the Australian Bureau of Statistics aimed at eliminating unnecessary paper work and reducing reporting costs, which is another issue that has been identified as a high priority for people in the small business sector; and, of course, numerous issues are currently on the agenda of the Premiers Conferences that relate to taxes and charges and their impact on small business, into which information is being fed through the small business industry and Government networks.

There were a number of other matters on the agenda about which decisions were taken, relating to matters such as training for people in the small business sector, and support was given by Ministers for the establishment of a national small business sector which will be established by the Federal Government and which will provide a focus for small business data and analysis, and numerous other matters.

Some decisions were taken in the Federal Budget this year to provide a three-year, \$14 million small business program of initiatives, which will assist the Federal Minister for Small Business and other relevant Ministers to pursue some of those matters to which I referred, and to make sure that progress is achieved. It was also heartening to hear at the meeting some of the reactions of other Ministers of Small Business to work that is being undertaken in South Australia in numerous areas of significance to small business.

In particular, Ministers congratulated the Small Business Training Centre of the South Australian College of TAFE on the production and marketing of its small business management external course which I launched on its behalf in March this year and which was developed in conjunction with people in the Small Business Corporation. The work that has been undertaken by the Small Business Corporation in developing techniques which have been used to implement the national information and awareness program in this State and which are now being picked up by other States was also a source of much praise by Ministers in other jurisdictions.

These last two meetings have provided very fruitful discussions on matters of high priority for small business. Already, considerable progress is being made in pursuing the main recommendations in the Beddall committee's report, and future Ministers' meetings will be devoted to keeping the pressure on the Federal Government, in partic-

ular, because most of the desirable reforms are matters that come within the responsibility of the Federal Government.

Mrs HUTCHISON: My question relates to business management expertise. It has been a concern to me, and I am sure to the Government, that the reason for failure in a lot of businesses has been the lack of that sort of expertise. In fact, research studies have highlighted that the relatively high failure rates associated with small business are due to that. The corporation's 1990-91 annual report identified a need to address the problem of 'unrecognised management incompetence', which is a primary cause of failure. Will the Minister outline what business skills development activities are being undertaken by the corporation in 1990-91 in conjunction with the State's educational institutions? Also, will the Minister provide information on the initiatives planned for the current year?

The Hon. Barbara Wiese: This question of unrecognised management incompetence, to use the honourable member's words, is a matter that is of considerable concern to advisers and educators in the field. There is some concern that the response rate amongst people in small businesses to the courses and other information that is already available is not as high as it should be. The prime reason for that is that very often small business operators are unaware that they have this problem in management expertise, and they need to be made aware of the training options and just how relevant they can be to them and to the needs of their business.

As the honourable member knows, the corporation provides a whole range of advice to people in business, and has been very active in helping people in the private sector to develop appropriate skills to pass on to small businesses. There has also been active intervention at all levels of the education system. So, the Small Business Corporation has been working with tertiary institutions in the development of lectures and courses on various topics related to business activity. During the past financial year a total of 320 students benefited from some of those courses.

There has been the establishment of the small business centre at the Adelaide College of TAFE in which the corporation has played an active role. The corporation has also been an active sponsor of enrolments. The Workers Education Association, encouraged by publicity through the corporation, had 1 421 enrolments in business subjects, a 6 per cent increase on the previous year. There has been inclusion of the business management skills segments within the apprenticeship training programs, with the corporation being involved directly in providing support to trainers for that activity. During the past year 110 apprentices have benefited from those courses.

Assistance has been provided in the course curriculum materials for secondary school students undertaking business related studies. Support has been given in assisting with the judging of the 1990 youth business award scheme for year 12 small business management and marketing students. Visits were made to 28 school classes, and 17 schools submitted entries to this award scheme. Active support has also been given to the young achievement Australia program for year 11 students, with 15 South Australian companies, 90 of their staff members and nearly 400 students being involved, with the help and support of the Small Business Corporation. In all, contact was made with approximately 900 secondary school students during the course of the year.

During this coming year, these programs will be actively continued and several new initiatives are planned for the coming year. An offer of assistance has been made to the SACAE Magill Campus for the re-establishment of its small business management elective. Follow-up and assistance

will be given to the SAIT School of Accountancy for planning of its small enterprise courses. Assistance will be given to the Construction Industry Training Council and the Department of TAFE for the inclusion of business management components within the building trade apprenticeships. Also, a new commerce booklet will be developed for secondary school teachers, providing appropriate information for people in the secondary school sector interested in business studies. A number of issues are planned to be developed during the course of the year, and the Small Business Corporation has always played an active role in education on small business matters.

Mr S.G. EVANS: Does the corporation or the Minister's offices provide any help, by way of materials or in other ways, with the production of the ALP Small Business Newsletter?

The Hon. Barbara Wiese: The Small Business Corporation certainly has no role whatsoever in providing information to the Australian Labor Party on any matters relating to small business. The Australian Labor Party is one of the bodies that is on the mailing list for all the press releases that I send to various interested members of the community. I know that much of the information that I provide

to the ALP through that source finds its way into the newsletter, because I am familiar with the material that has been included, and it is a direct lift from some of my press releases. It is free to do that, as is any other member of Parliament or members of another political Party, and I am certainly happy to provide such assistance. I congratulate the Australian Labor Party office on the excellent publication that it is now producing and distributing to people in the small business sector. I have had excellent feedback from various small business people about the value of this newsletter, which provides information about State as well as Federal Government initiatives. I certainly hope that that publication continues.

The CHAIRMAN: I declare the examinations completed. I lay before the Committee a draft report, which has been circulated.

Mr GROOM: I move:

That the draft report be the report of the Committee.

Motion carried.

The CHAIRMAN: That completes the business of Estimates Committee B.

At 10.1 p.m. the Committee concluded.