

## HOUSE OF ASSEMBLY

Thursday 20 September 1990

## ESTIMATES COMMITTEE A

**Chairman:**

Mr M.J. Evans

**Members:**

Dr M.H. Armitage  
 Mr T.R. Groom  
 Mrs D.C. Kotz  
 Mr C.D.T. McKee  
 Mr W.A. Matthew  
 The Hon. J.P. Trainer

*The Committee met at 11 a.m.*

**The CHAIRMAN:** The Minister will have an opportunity to make a brief statement in relation to the portfolio under consideration. I will then extend the same courtesy to the Opposition spokesperson. Three questions will be allowed from members on each side of the Chamber. If the Minister intends to submit any written material, if any questions are taken on notice or if the Minister wants to provide any further written evidence for the Committee it would be appreciated if that could be provided by 5 October to allow for its incorporation in *Hansard*.

The Standing Orders have been varied to allow the Committee to ask for explanations on matters relating to the Estimates of Receipts as well as the Estimates of Payments. I would appreciate it if members could refer to the relevant documents when asking questions. I declare the proposed expenditure open for examination.

Works and Services—Adelaide Convention Centre,  
 \$490 000

**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 Hon. Barbara Wiese:** I would like to make some opening remarks. In order to expedite the business of the Committee I will refer to tourism issues as well as convention centre issues, if that is considered appropriate. It certainly seemed to me to be appropriate to review some of the more important things that have happened in our industry during the past 12 months—things which seemed to be worth raising because of their likely ramifications for many years to come.

Without doubt, the most dramatic and significant event during the course of the year was the domestic pilots dispute. South Australia was better off than those more isolated States and regional destinations which rely heavily on air passengers for their tourist income. However, some of our operators, mainly those catering for the business traveller and the business meetings market, suffered from a sharp drop in trade with serious financial consequences. Despite

this, indications are that South Australia continued to record overall growth during this period. The downturn in tourist arrivals by air was more than matched by increasing arrivals by alternative transport, with many regions experiencing increasing visitation. The Bureau of Tourism Research released figures at the beginning of September which showed that during 1989 the number of international visitors to Australia fell by 8 per cent; however, the number of international visitors to South Australia rose by 3 per cent. The number of international visitor nights spent in the State increased by 4 per cent compared with a national decrease of 2.5 per cent.

As far as South Australia's domestic tourism growth is concerned, indications are that we are back on track following a pause during the 1987-88 Expo year. Compared with 1988, in 1989 South Australia recorded an overall increase of 6.9 per cent in trips to and within the State and a 12.8 per cent increase in nights. Both these increases are above the national average. Trips from interstate rose by 12.5 per cent with interstate visitors spending an additional 1.3 million nights in the State—an increase of almost 22 per cent. Regarding intrastate travel, the number of trips by South Australians rose by 5.3 per cent and nights spent rose by 6.8 per cent.

During the dispute, Tourism South Australia rescheduled its overseas marketing activities to obtain maximum impact when airline services were returning to normal. Both Tourism South Australia and the Adelaide Convention Centre participated in the Australian Tourist Commission's special international and domestic marketing recovery program. All things considered, South Australia came out of the dispute in the best possible shape and in a good position to win back at least some of the business which had been lost. Domestically, the outlook for the coming year is challenging. It is expected that economic conditions will continue to pressure disposable income. This may lead more Australians to defer major trips and take shorter breaks nearer home. Tourism South Australia will take this into consideration in its marketing programs for 1990-91.

One of the outcomes of the pilots dispute that no-one foresaw was the effect it would have on the way in which tourism is perceived by the community at large. Ironically, increased media attention to tourism industry losses attributable to the dispute resulted in the realisation of the role the industry plays in the economic well-being of the country. As a result, there has been an accelerated increase in the everyday awareness of the value of tourism during the past 12 months.

There is another aspect: with increased knowledge about tourism comes an increased ability to discuss and analyse it. Tourism projects are now being subjected to very close scrutiny. This includes their social and environmental impacts as well as their economic prospects. As the industrialised world continues to take on a more 'green' perspective in relation to its natural environment, we are moving away from the notion of mass tourism to a real concern about social and environmental responsibility. The debate is now about product gaps, tourist carrying capacities and environmental sustainability.

Tourism can no longer be taken for granted as an industry which is vaguely seen as a 'good thing'. Over the past two years, Tourism South Australia has built the planning capacity to forge stronger links with key agencies and organisations to encourage both economically and environmentally sustainable tourism development in this State.

During this period, Tourism South Australia has also produced a series of planning and policy documents that provide a clear framework for the kind of tourism that will

give South Australia a competitive advantage. A great deal of work this year has gone into South Australia's new three year tourism plan which will be released before the end of the year. Its mission statement is to 'achieve sustainable growth in the net value of tourism activity to South Australia', which underlines its economic thrust.

The signs are that 1990 could be another good year for international visitation for South Australia bearing in mind that the Middle East situation may have some impact. Direct flights will play an important part. A second Auckland to Adelaide service is due in October with Malaysian Airline Systems planning a flight into Adelaide in November. Thai Air is proposing a direct flight in February 1991. Garuda and Cathay Pacific are also expressing keen interest in Adelaide as an international destination. These direct flights together with good planning and good cooperation will continue to be essential if South Australia is to get full value from its continuing investment in the industry.

In relation to the 1990-91 State budget, Tourism South Australia's budget allocation from the previous year has increased by approximately \$750 000, which is very heartening in view of the very difficult budget task which faced the Government. This allocation should be viewed in the context of a planned strategy to increase South Australia's competitive tourism position. In 1987-88, the total tourism budget was just over \$10 million. This year's allocation of \$15.8 million represents a 56 per cent increase since that time. In 1987-88, Tourism South Australia spent \$6 million on its marketing programs. The equivalent figure for this year is \$10.1 million—a 68 per cent increase and equal to the agency's whole budget of three years ago.

With respect to the Adelaide Convention Centre, the 1989-90 budget outcome was very pleasing in view of the adverse effects of the domestic pilots dispute. The centre returned an operating profit of \$730 000 rather than the loss which might have been expected due to the pilots dispute. This was achieved through the efforts of the convention centre staff securing alternative business to replace revenue lost during the dispute. For 1990-91, the centre is aiming to improve its operating surplus, although this may be difficult in the current economic climate. Such an increase would offset expected increases in lease payments and reduce the amount of the State Government's contribution.

**Dr ARMITAGE:** On page 18 of his report the Auditor-General notes that the net deficit for the operations of the convention centre for the year ending 30 June 1990 amounted to \$710 000. Did the convention centre budget for a deficit last year and, if so, how much, and what is the explanation for the deficit? Whilst I have heard the Minister talk about the pilots strike, I know that up until this time the centre had an accumulated deficit of \$1.469 million since it commenced operations. As the Auditor-General also notes that the centre's accumulated deficit at 30 June 1990 was \$2.179 million, will the Minister clarify how this deficit will be funded, and will she identify the measures being taken to contain costs and to enhance the revenue generating activities of the centre in order to reduce the accumulated deficit? Finally, does the Government require that the centre act to eliminate this accumulated deficit and, if so, what plan is being developed and what is the time frame?

**The Hon. Barbara Wiese:** It would be helpful if questions could be taken a little more slowly, because some of these issues are quite complicated, especially when one is trying to interpret the Auditor-General's approach to accounting for the Adelaide Convention Centre and the centre's accrual accounting methods of keeping its books.

When the Auditor-General produces his statements on the financial outcomes for the Adelaide Convention Centre,

he includes, for example, a figure for depreciation which is not a sum that is taken account of in the convention centre's accounts as required by Treasury. So, often the figures that we quote do not always seem to match up, but there is an explanation for them. As I have indicated, last year the Adelaide Convention Centre made an operating profit of \$730 000. That figure excludes the amount allocated for depreciation, other book entries that are taken into account and adjustments, such things as money which is held as deposit for future events and so on. So, if those amounts of money are excluded, the operating profit for the Adelaide Convention Centre last year was \$730 000.

As I have indicated, the figures quoted by the Auditor-General include some of those issues, and the State Government contribution towards the deficit for this coming year is indicated at the bottom of page 18 of the Auditor-General's Report. It would assist me considerably if the honourable member could repeat some of the questions that I have not replied to in my remarks.

**Dr ARMITAGE:** I am happy to do that, but before doing so, I wish to come back to that question. I understand what the Minister is saying when she says that the profit and loss account of the Adelaide Convention Centre indicates a profit, but does the Minister not realise that every business must take into account depreciation? That is the way businesses are run. To say that there is no accounting for depreciation is putting one's head in the sand. Depreciation must be taken into account. The Auditor-General did that and indicated an accumulated loss of \$2.179 million.

**The Hon. Barbara Wiese:** I was trying to explain that, whilst the Auditor-General takes that figure into account in his accounting for the Adelaide Convention Centre, the Treasury funding for the Adelaide Convention Centre does not. Therefore, an apparent discrepancy will appear in the figures in the Government budget papers as compared with the Auditor-General's assessment of the deficit or the accumulated loss.

**Dr ARMITAGE:** Supplementary to that, does the Minister believe that it is important to take depreciation into account when running a company and presenting books at the end of the year?

**The Hon. Barbara Wiese:** Of course, and if we were doing that, that would be how we would present our accounts. However, the Adelaide Convention Centre is asked to present its accounts in a particular way for Treasury purposes, so that is what we do. Figures relating to the capital expenditure of the centre itself and other matters are not dealt with in the way that one would expect them to be dealt with if it were a private enterprise operation. In other words, a difference can be found in the figures presented by the Auditor-General as opposed to the figures that may appear in the budget papers.

**Dr ARMITAGE:** According to the Auditor-General's figures, if this was being run as a private business (which is what the Minister just said), since its operations began it would have lost \$2.179 million.

**The Hon. Barbara Wiese:** I think the essential difference here again is that, for the accounting purposes for the Adelaide Convention Centre, a very major part of the expense and the major part of the deficit funding is attributable to the funding for the common areas of the Adelaide plaza development. A good part of that is paid by the Adelaide Convention Centre as part of the commercial agreement between the participants in the Adelaide plaza development. They are not areas which relate in any way to the commercial operation of the Adelaide Convention Centre. Nevertheless, a component of the capital costs and maintenance is shared by the Adelaide Convention Centre. Therefore,

when I refer to operational profits, I am trying to separate the common areas funding from the operational funding for the convention centre.

**Dr ARMITAGE:** According to the Auditor-General's Report, for 1989-90 bookings for the convention centre totalled 443 events covering 354 days, including 207 fully booked days. What was the mixture of functions or events constituting the total number of bookings? Of the total number of bookings last year, how many of the events covering how many days, including those fully booked days, were associated specifically with conventions? In respect of the 203 bookings for the centre for 1990-91 as at 30 June 1989, how many are specifically associated with conventions? Of the total number of conventions last year, how many would the centre classify as international, national or State conventions?

**The Hon. Barbara Wiese:** For the last financial year, the number of conferences, seminars and related events was 296, which is 67 per cent of the total number of functions held. The remaining 33 per cent of the business comprised banquets and other events. Something like 55 per cent of all business during the year was repeat business consisting mainly of corporate functions and conventions. That is a pretty good indication of the reputation that the convention centre has developed since it opened its doors some three years ago. We are already achieving considerable repeat business.

The percentage breakdown of the destination source for conventions is as follows: 7 per cent of business was international, accounting for 21 events; 45 per cent represented interstate business, accounting for 133 events; and 48 per cent of business was intrastate business, representing 142 events.

**Dr ARMITAGE:** I refer to page 18 of the Auditor-General's Report: on the subject of income, which of the convention centre's activities, other than carparks, generate the best operating margins; and, if catering provides the best operating margins, does the management propose to maximise the centre's capacity to generate business by actively seeking bookings for functions of an essentially social nature, such as luncheons, dinners, cocktail parties, product launches, trade days, and so on?

**Mr van der Hoeven:** The convention centre's main purpose is for conventions—that is why we built the place—to help fill the beds in Adelaide. That is the main charter in the outcome. On the operational aspect, catering is the most profitable area for the convention centre. Having taken that into consideration, we want to make sure that, when we are catering for international or interstate conventions, and so forth, the catering component plays a main role. We do not want to be too competitive with the banqueting rooms of the various hotels. For that reason, we are catering as much as possible for events above 450 and 500 to substitute that type of revenue. We are very active in that role, and I am pleased to say that we are getting great results.

**The Hon. J.P. TRAINER:** Following the member for Adelaide's second question about bookings taken in the past three years, can the Minister advise the Committee about booking activities at the convention centre over the next three years and indicate the number of bookings made in the new exhibition hall which opened recently?

**The Hon. Barbara Wiese:** For the convention centre in this current year we have actual bookings for 242 events and 262 actual days. Our forecast for the year was 320, so we still have some business activity to find. For 1991-92, we have actual bookings of 79 and 195 actual days booked. Our forecast for that year is 325 bookings. For 1992-93 we

have 38 actual bookings and 69 actual days booked. We forecast bookings of 330.

For the exhibition hall, this year we have 22 actual bookings and 120 actual days booked. Our forecast bookings are 23, so we have already reached our forecast for bookings for this year, which is the exhibition hall's first full year of operation. For 1991-92 we have 22 actual bookings and 143 actual days booked. We forecast 30 bookings, so we have already almost reached the forecast for 1991-92. In 1992-93 we have seven actual bookings, 35 actual days booked and we have forecast bookings of 38.

**The Hon. J.P. TRAINER:** Mr van der Hoeven mentioned the emphasis that is placed on the capacity of the catering side of the convention centre. In more general terms can the Minister advise what overseas and interstate marketing and promotional activities and strategies the convention centre engages in to attract national and international conventions to Adelaide?

**The Hon. Barbara Wiese:** The convention centre is very active in marketing its product and, in doing that, it is very active in marketing Adelaide as a destination. Therefore, the convention centre not only promotes its particular product but also is of considerable benefit to the tourism industry as a whole in South Australia. We now have representation in two overseas locations. Since 1 July this year we have had an agent representative in Paris to promote our interests in the European market, and we also have an agent representative in New York who has been working on our behalf since July last year. In that short time he has been successful in attracting three international bookings of major significance. One of them is an international convention with 750 delegates, and the other two will have 2 500 delegates and 1 250 delegates respectively. So, they are major international meetings, and certainly the money that we pay to that representative has already well and truly been worth the effort. We expect the same sort of results from our representative in Paris.

A new advertising campaign commenced recently, using the trade publications media to sell the product with the destination. An ongoing public relations program to maintain a high profile is proceeding with feature articles and editorials supporting advertising space. Two overseas visits by officers of the Adelaide Convention Centre are planned for this year to raise the profile of the Adelaide Convention Centre. The first will be in October to the Chicago Incentive Travel and Meeting Executives Show and the second will be in May next year to Geneva for the European Incentive and Business Travel and Meetings Exhibition.

Both of those convention/travel trade fairs are considered to be the most important in their respective parts of the world, so it is important for us to be represented at them. In fact, during this past financial year I visited the European trade fair as part of a visit that I undertook to Europe, and there is no doubt in my mind that it is a very important trade fair at which to be represented. People from all over Europe and large and increasing numbers of convention facilities and buyers are represented at that relatively new trade fair on the international scene. So, for the Adelaide Convention Centre and the Adelaide Convention and Tourist Authority to have been represented there is of considerable importance to the State's convention industry.

Further, a number of visits to interstate locations are undertaken by people in the convention centre to meet existing and potential clients, to maintain a profile on the convention centre and to encourage continuous bookings and repeat business. It should be borne in mind that the convention industry in Australia has become extremely competitive since the Sydney, Canberra and Melbourne

centres opened their doors. However, South Australia has been extremely well placed in the convention business, having been the first on the scene with a purpose-built convention facility. We were out in the market place promoting our centre for at least two years before any others entered the market place, and that is extremely important for Adelaide. We have had the opportunity to establish our profile internationally and have had many prestigious conferences in our facility already, which means that we not only have a profile but we have a track record which stands us in very good stead for achieving new business and gives us something of an edge over the other centres that have opened subsequently.

**The Hon. J.P. TRAINER:** Before directing a fairly general question to the Minister on the economic benefits that accrue to the State from convention delegate spending, I will refer to a specific international convention that I helped to organise and in which I have a personal interest. The conference, to be held in Adelaide in October, is for members of The Friendship Force, of which I am the patron of the Adelaide Club. In case the member for Adelaide is concerned, the Friendship Force Club of Adelaide does not relate to his electorate at all but simply to the Adelaide metropolitan area.

I realise that most members will have very little knowledge of the organisation as it relies mainly on publicity by word of mouth. It was established in Atlanta (a city which, having won the right to stage the 1996 Olympic Games, is very much in the news at the moment) by Dr Wayne Smith under the patronage of Rosslyn Carter (the wife of former President, Jimmy Carter) in order to encourage international peace and friendship by having people visiting other countries and living in one another's homes around the world.

Over the past five or six years, the Adelaide Club has billeted and provided free accommodation for about 1 000 international guests. Of course, during their stay in Adelaide they would not have spent much on accommodation, other than a gift for the host family with whom they stayed. Nevertheless, each of them would probably have spent a great deal of money on tours, gifts and souvenirs while they were here—perhaps \$1 million or so in total based on an average of \$1 000 each. So this small band of volunteers in the Adelaide friendship group would have been responsible for injecting perhaps \$1 million in tourism money into South Australia through the people whom they hosted.

As well as those exchanges, the organisation also has an annual international conference. In odd numbered years it is held in the United States and in even numbered years it is held outside the United States. During and after my visit to Atlanta in 1988 I personally lobbied for the conference to be held in Adelaide in 1988, since that was our bicentennial year. However, the organisation was already committed for 1988 so the Adelaide Club successfully lobbied instead for 1990. Mr van der Hoeven will be familiar with the difficulty that was encountered in securing the convention centre as the venue for this conference as the Friendship Force organisation was unable to provide the two-year lead time that was appropriate in the circumstances to be able to book the convention centre.

In any event 450 people will be staying instead in the Hilton in the period 11-13 October. The Minister and her advisers would be much more aware of the expenditure patterns of people closely connected with conventions and conferences actually held at the convention centre, but I am sure the same principles would apply in respect of a conference held elsewhere in Adelaide such as this one. Through this budget discussion we can determine readily

what the State Government contributes to the convention centre in terms of deficit funding. However, can the Minister tell us what the State receives in return by way of spin-offs in accommodation and other revenues such as transport, entertainment, gifts, souvenirs and general spending by convention delegates attending conventions or conferences in Adelaide?

**The Hon. Barbara Wiese:** That question highlights a very important point which is very often missed by people when they look at the convention centre and the Government contribution that is made to it. There is no doubt whatsoever that the convention centre well and truly earns its living, if you like, by the business that it generates for the State. Indeed, the annual Government contribution to its operation is very small when compared with the benefits that flow to various businesses in our State and the jobs and other economic spin-offs that the work of the convention centre provides for our economy.

We are certainly keeping a very close watch on the benefits that flow from the business of the convention centre and, to date, we estimate that total revenue to the State amounts to some \$80.73 million since it opened its doors. It has been responsible for 131 000 room nights booked for delegates. If you take the accommodation bookings, based on an average of \$130 a night, accommodation income amounts to some \$17.03 million, with expenditure by delegates amounting to some \$14 million. Using the appropriate multiplier effects that are recommended by the Bureau of Industry Economics, the total benefit to the State exceeds \$80 million since the convention centre opened its doors. Of course, that has provided many jobs for South Australians both in the convention centre itself and in hotels, restaurants, souvenir shops and all the other places that delegates patronise while they are in South Australia. I think that the money spent on building and operating the convention centre is very worthwhile for this State.

**Mrs KOTZ:** What is the convention centre's projected income and expenditure this year? Has the budget for 1990-91 been prepared on the basis that the State Government's contribution of \$3.414 million for operating costs will ensure that the centre does not accumulate a deficit, as reported by the Auditor-General again this year?

**The Hon. Barbara Wiese:** If I can take the last question first, we anticipate that again this year there will be a Government contribution to the Adelaide Convention Centre. I think it is quite unrealistic to expect the convention centre to be in a position to fully fund all aspects of the centre. I say that because, to my knowledge, no convention centre in the world is fully self-supporting.

Convention centres, unlike other operations that are in the convention business—hotels and other commercial operations—do not have the same range of opportunities to supplement their revenue in order to maximise their return. They do not have the capacity to provide accommodation and a broad range of catering opportunities that, say, a hotel would to achieve the sort of mix that will make it commercially profitable.

We went into this operation knowing that was so, knowing what the international experience is in this respect. The purpose of a convention centre, and the reason why so many cities in the world want to have a convention centre of the type we have, is to achieve economic spin-offs for the city or the State at large. In that regard I have just outlined the economic return that has come to South Australia because we have a convention centre facility located here in Adelaide. That is not to say that the Government would not like, over time, to be able to minimise, and

certainly reduce, the contribution that it makes to the operations of the convention centre.

Every year there is very close scrutiny of the work of the convention centre to identify whether or not there are ways in which costs can be cut and, therefore, over time, the Government contribution reduced. At this point in the development of the convention centre, when it has been operating as a full facility for only four or five months since the addition of the exhibition hall, we can say that we have a facility that now gives us the capacity to attract maximum business to the State by using all the features of the convention centre and the exhibition hall combined.

Over time, I anticipate that the business to be attracted by this combined facility will add to the benefits for the State, but in the foreseeable future I do not anticipate that we will have a situation where the State Government will not make a contribution to the convention centre.

In relation to the Government's expected contribution, this year we anticipate, as I said earlier, that the convention centre will make an operating surplus. In fact, we have budgeted for an operating surplus of \$1.57 million, which is considerably more than the surplus of this past year. That leaves a total deficit to be funded by the Government of \$3.4 million, which is comparable to the funding contributed by the Government last financial year. In order to achieve that, we expect our income to improve quite considerably. During the past financial year the centre's income amounted to \$7.8 million, and this year we hope to achieve \$9.04 million.

**Mrs KOTZ:** For well over a year there has been a series of muggings and thefts in and near the ASER area. I notice that security officers now patrol the area with dogs. What are the terms, conditions and costs of that security arrangement? Was the contract let for public tender and, if not, why not? What is the centre's annual contribution towards the cost of that security contract?

**The Hon. Barbara Wiese:** I will ask Mr van der Hoeven to respond to this question, because he is one of the operators in the North Terrace precinct who is concerned about the growth of undesirable activity in this area, which is important for tourism. We do not want any situation to arise that may affect the number of visitors coming to this State, so Mr van der Hoeven has met with other operators in the area and with the police to develop appropriate mechanisms to handle some of the undesirable activities in this region.

**Mr van der Hoeven:** During the construction period of what was then called the ASER development, now referred to as the Adelaide Plaza, the construction companies desired to have the area secured because of activity already in the casino and the Festival Centre. All the components—the casino, the Hyatt Hotel, the Festival Centre and the Adelaide Convention Centre—have since formed an Adelaide Plaza Committee. It was felt that, because of the parking facilities available at this end of town, we needed to look after our patrons, in particular those who visited the Festival Centre and the casino, who had to walk in the dark to the car parks during the construction period. Tenders were invited by the four components on an equal sharing of costs basis, so that each component pays one-fourth of the costs involved.

We involved the Bank Street police station as corporate assistance in this area, because there was not enough staffing to provide 24-hour security control. This security control has been in existence since 1985, and the entire area is well patronised and one can walk safely from one component to another without being harassed by unwanted elements. As

I said, the security company involved is employed by the four components.

**Mrs KOTZ:** What are the conditions and costs associated with this contract; was it let out to public tender; and what is the centre's contribution towards the cost?

**Mr van der Hoeven:** The total cost is \$20 an hour for 10 hours a day when the area is patrolled, and the centre pays one-fourth of that cost. There are no other specific conditions of which I am aware.

**Mrs KOTZ:** Was a tender called for the contract?

**Mr van der Hoeven:** Yes, it was a tender by invitation. The tender was called initially by the construction group and the centre joined in that tender.

**Mrs KOTZ:** What is the centre's marketing budget for this year and what proportion of it is to be allocated to national and international marketing initiatives; and what was the centre's marketing budget for last year and what proportion of that was allocated to national and international initiatives?

**The Hon. Barbara Wiese:** During the past financial year, the marketing budget for the convention centre amounted to \$839 000 and this included a one-off sum of \$100 000 to promote the exhibition hall and its grand opening. For the current financial year, the marketing budget will be \$841 000, of which we will devote \$115 000 (13.6 per cent) to overseas activities in comparison with last year's allocation of \$87 000 (10.3 per cent).

**Mr McKEE:** The airlines dispute affected the whole of the tourism industry in this country. What business was lost by the convention centre and what involvement, if any, did it have with the recovery program in conjunction with the Australian Tourism Commission?

**The Hon. Barbara Wiese:** As I indicated in my opening remarks, considerable business to the value of about \$375 000 was lost by the Adelaide Convention Centre during the course of the domestic pilots dispute. In the first two weeks of the dispute, two large conventions were cancelled because, at that stage, there was no air activity to speak of at all. So, two conventions were lost that would have catered for 540 people.

Following the first two weeks of the dispute, when airlines were able to provide a minimal air service, convention organisers decided, in most cases, to continue with their conferences, but many people had difficulty travelling around the country, so numbers were dramatically reduced. In the following period, four conferences were affected and, in total, about 540 people who had originally planned to attend those conferences did not attend. So, there was considerable financial impact on the Adelaide Convention Centre, which flowed through to accommodation houses, which would have lost bookings from many of those people who had intended to travel here from other parts of the country.

We were very concerned that, in relation to overseas markets in particular, there would be lasting impact of the domestic pilots dispute once people learned of it, and that they might decide that South Australia, or Australia in general, was not a reliable destination and would, therefore, be less inclined to book conventions in Australia in the future, bearing in mind that the lead time for these functions is extensive, being at least two years and in many cases more than that. Something that happens may have an impact well and truly down the track.

We were concerned about that, but we discovered from our overseas representatives that there was little or no knowledge amongst the professional conference organisers as to the dispute that was taking place in Australia. We would expect now that the long-term effects would be minimal. Of course, domestically the effect was felt far more

and had devastating effects in some regions of Australia, particularly those that rely extensively on air travel to get people in and out.

We are now participating in the Australian Tourist Commission's recovery program and I think that will be of considerable benefit to us. The terms of the recovery program provide for a 50 per cent subsidy from the Australian Tourist Commission for planned and endorsed advertising and promotional activities. The scheme will run from the beginning of this year through to the end of the year. So far we have claimed only \$2 500 from that scheme but, by the end of the year, we anticipate that we would have achieved an additional \$20 000 worth of activity through the joint promotional scheme with the Australian Tourist Commission.

**Mr McKEE:** Now that several purpose-built convention centres have been opened interstate, enabling comparisons to be made, how does the Adelaide Convention Centre measure up to its competition, particularly the interstate centres?

**The Hon. Barbara Wiese:** The easiest way to answer this question would be to refer to a survey that was published recently by the *Australian Business* magazine. The Adelaide Convention Centre was ranked seven of 47 centres listed in the survey, and it came in behind six hotels, the first four of those being located in Queensland. The Adelaide Convention Centre, as I have just indicated and as members would be aware, was the first purpose-built convention facility in Australia so, certainly at this point, it stacks up as number one amongst the convention facilities located in Australia. The next competitor in that same survey ranked at number 33, and that was the Darling Harbor convention facility in Sydney, so I think that those figures and that assessment speak for themselves. The Adelaide Convention Centre is rated highly and, I might say, this survey was conducted amongst business people around Australia who attend or run conventions on a regular basis in this country.

**Mr MATTHEW:** I note from page 188 of the Estimates of Payments that the allocation for purchases of equipment and vehicles has been increased by more than 100 per cent. What extra equipment and vehicles are being purchased to account for that enormous increase?

**The Hon. Barbara Wiese:** In relation to capital works, the major new expenditure this year will be for a covered walkway between the Adelaide Convention Centre and the exhibition hall, which will amount to about \$200 000. Also, an additional \$60 000 will be spent on security lighting in the plaza area.

**Mr MATTHEW:** Have tenders been called for that work?

**The Hon. Barbara Wiese:** Not as yet.

**Mr MATTHEW:** When will that happen.

**The Hon. Barbara Wiese:** By the end of the year.

**Mr MATTHEW:** I still seek further clarification on those moneys; how much will actually be expended on vehicle purchase in this coming year?

**The Hon. Barbara Wiese:** The sum is \$49 000.

**Mr MATTHEW:** Are there any other major items of equipment to be purchased? There still seems to be quite a shortfall there.

**The Hon. Barbara Wiese:** The money will be spent largely on office equipment. Various pieces of technical equipment will be purchased during the year, the most expensive of which is a scissor lift, which will cost about \$85 000. In addition, such things as a new video projector, an air-conditioner monitoring unit, a lighting control board and various computer software will be purchased. The total for technical equipment purchases will be \$118 000. A sum of \$25 000 will be spent on purchase of office machines and

equipment; and \$38 000 will be spent on the purchase of catering equipment.

**Dr ARMITAGE:** In relation to my original question about the apparent difference between the operating report of the convention centre and the Auditor-General's Report of income and expenditure, the Minister, in explaining the difference between the \$730 000 profit, as reported on the operating budget, and the \$710 000 loss, as reported for the year ended 30 June 1990 in the Auditor-General's Report, made mention of expenditure on common areas. I draw the Minister's attention to page 18 of the Auditor-General's Report, which indicates that expenditure on the common areas included a lease rental and a general maintenance totalling \$1.549 million, but the State Government made a contribution towards the common areas of \$1.551 million, which, even in creative accounting terms, indicates that the common areas accounted for a \$2 000 profit for the Adelaide Convention Centre. Will the Minister clarify how that ties up with her previous statement about the common areas contributing to the difference in the two sets of accounts?

**The Hon. Barbara Wiese:** I thought that I had answered that question when I indicated that the essential difference between the Auditor-General's method of accounting and our own is largely the figure for depreciation and the other book entries to which I refer. Depreciation is not built into our accounts, because the Treasury chooses to provide for them in another forum.

Depreciation on equipment for the Adelaide Convention Centre is accounted for in some other way so far as Treasury is concerned. The calculation of the Auditor-General's deficit for the year on the convention's operations and our own is slightly different. He indicates that the deficit for the year was \$4.3 million, towards which the Government contributed \$3.6 million. You could say that those figures meant that there was a profit of \$700 000. Using our methods of accounting and excluding such things as depreciation and some of the other book entries to which I have referred, we say that our operating profit was around \$730 000.

**Dr ARMITAGE:** The Minister made that clear in her previous answer and I understand what she is saying. However, she also mentioned the common areas. I seek clarification about those figures. Did the common areas contribute \$2 000 profit to the convention centre for the year ended 30 June 1990, bearing in mind that I do not have the *Hansard* report of her original answer? Is that the case from the Auditor-General's Report?

**The Hon. Barbara Wiese:** That is roughly correct.

**Dr ARMITAGE:** Roughly correct?

**The Hon. Barbara Wiese:** Yes; it is around \$2 000.

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

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Tourism South Australia, \$15 802 000

**Chairman:**  
Mr M.J. Evans

**Members:**  
Dr M.H. Armitage  
Mr T.R. Groom  
Mrs D.C. Kotz  
Mr C.D.T. McKee  
Mr W.A. Matthew  
The Hon. J.P. Trainer

**Departmental Advisers:**

Mr Bob Nichols, Managing Director, Tourism South Australia.

Ms Anne Hooper, Director, Corporate Services.

Mr David Biddiss, Accountant.

Mr David Riley, General Manager, Marketing.

Mr David Crinion, Acting General Manager, Planning and Development.

Mr Michael Fisher, Director, Regional Administration.

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

**Dr ARMITAGE:** I refer to page 246 of the Program Estimates and the line 'Development of tourism potential'. In the past week the Minister for Environment and Planning has issued two interim supplementary development plans banning new building developments throughout the entire length of the Mount Lofty Ranges from Kapunda to Victor Harbor and the wider area of the Barossa Valley. I know that from time to time the Minister has been most critical of what she described in the *Advertiser* on 26 May 1988 as 'an increasingly vocal minority who wants to put a glass dome over South Australia and preserve it the way it is now'. In the context of the Minister's concerns about the 'glass dome' mentality of a vocal minority in South Australia, what is her assessment of the impact of the two interim SDPs on the operation of the tourism industry in South Australia and on tourism investment in particular?

**The Hon. Barbara Wiese:** I fully support the action taken by the Minister for Environment and Planning in recent weeks involving both the Mount Lofty Ranges area and the Barossa Valley. I do that because those two areas of our State are critical for future tourism development and potential for South Australia. It is very important to recognise that the essential value of those areas for tourism resides basically in their rural character and ambience. It is therefore important in tourism terms that we preserve as much of the character of those parts of our State as we possibly can to maintain the interest that visitors will have in those regions.

It seems to me inevitable that there will be considerable controversy when actions are taken like the actions taken recently with respect to the Mount Lofty region and the Barossa. However, to preserve the long-term character of those two regions, it seems appropriate that there should be a pause in development at this time while the long-term planning for the area is considered.

That is not to say that there is going to be a total freeze on development in the intervening period in either of those two regions of the State. As I understand it, the Minister for Environment and Planning expects that planning applications currently in the pipeline would continue to be assessed by the appropriate authorities. In some cases, even during the course of the interim freeze, there is an opportunity for people to put forward applications for development (I presume largely small-scale development) which in that interim period would be assessed by the Planning Commission where in other circumstances the local councils would be the planning authority.

It is certainly not a problem that this pause in development should take place at this time in those two critical areas of the State. I believe that the inconvenience in the short term that may be caused to some people will be in the long-term interests of the State—those two regions in particular—and of the tourism industry generally.

**Dr ARMITAGE:** I asked for the Minister's assessment on tourism investment particularly in relation to those SDPs:

does the Minister believe that it will have no effect on tourism investment at all?

**The Hon. Barbara Wiese:** I suppose that depends on the outcome of the supplementary development plans, if that is what you mean. If I am asked what impact the new supplementary development plans will have on future tourism development or investment, as I do not have my crystal ball, I cannot say, because we do not know what the contents of the new supplementary development plans will be. We know that the overall objective is to preserve the inherent character and protect the watershed areas of the Mount Lofty Ranges in particular. In the Barossa Valley, it is largely to preserve the rural nature of the region. Those things are in the long-term interests of the tourism industry. I would anticipate that appropriate tourism development will be allowed under the new SDPs in each of those regions and we will be in a position to exclude inappropriate development and over-development which would not be in the interests of the tourism industry.

It is important to remember that, at least in this State, there is a fairly strong commitment to the view that we are not interested in having developments at any cost all over the State. We want the right sort of development for particular locations. All tourism research now shows that people are more interested in areas which are under rather than over-developed. People are increasingly interested in the environment and enjoying the natural aspects of particular locations. The extent to which it is possible to marry the two objectives—providing appropriate accommodation and other things for people whilst preserving the natural environment—will be in our long-term interests.

**Dr ARMITAGE:** I was talking about interim SDPs, not future SDPs. The Minister will undoubtedly be aware that the interim SDPs ban new building developments. In relation to those interim SDPs, which ban new developments, what is the Minister's assessment on tourism investment of interim SDPs, not any SDPs in the future?

**The Hon. Barbara Wiese:** I have already covered that in my reply. I understand that any applications which are already in the pipeline will be assessed and approved or rejected in the appropriate and usual way during the interim period. There are very few tourism planning applications of which I am aware in those two locations which would be affected by the interim measures now in force. I understand that in both cases new supplementary development plans will be in place in the very near future.

**Dr ARMITAGE:** As a visitor to Kangaroo Island, I share the Minister's zeal and wish to seal the south coast road from Kingscote to Flinders Chase. Therefore, I was interested to note, on page 188 of the Estimates of Payments, the sum of \$200 000 identified as expenditure for the south coast road; yet page 54 of the capital works program reveals these funds are to be used for the preparation of 'a detailed feasibility study including an economic evaluation of the upgrading of the south coast road'. Why is \$200 000 being used for the preparation of a feasibility study and not for sealing a further section of the road, no matter how short that length may be; does the preparation of the study confirm that the Federal Minister of Road Transport has rejected the detailed submission prepared by the State Government in April/May seeking a special one-off grant to seal the south coast road; and, lastly, does the Minister still have access to funds for allocation as tourism road grants; and, if so, will any of these moneys be allocated like last year to sealing a portion of the south coast road?

**The Hon. Barbara Wiese:** There is still a tourism road grants fund. It is intended that in this financial year about \$300 000 of that will be devoted to the Kangaroo Island

south coast road, as it was during the past financial year. The \$200 000 is an additional amount which we have secured through the Minister of Transport's budget. That amount is being provided to enable us to undertake a proper feasibility study involving the major part of the south coast road. Rough estimates have been made in the past of what it would cost to seal that road, and some years ago it was estimated to be about \$10.5 million. However, there has never been a detailed study of the road and what the cost would be to seal it or even to explore other options for upgrading the major part of the road. It may be that the cost of sealing the road in 1990 dollars is so enormous that some other option might be a better way to go. It may be possible or more cost effective for us to upgrade the unsealed road. There may be some new considerations to be borne in mind when we study the road and the needs for it.

We may find that, in order to seal the road, we would have to remove considerable areas of foliage along the side of the road in particular places, which may be to the long-term disadvantage of the tourism appeal of the southern part of Kangaroo Island. I am flagging a number of issues which have never been studied in any depth and which ought to be studied before we make final decisions on what is desirable for the south coast road and, indeed, before we put detailed submissions to the Federal Government in particular, which is one of the matters that I would like to pursue.

**Dr ARMITAGE:** I understood that the State Government had already made a submission to the Federal Minister of Road Transport seeking a one-off grant. Is the Minister saying that this did not occur?

**The Hon. Barbara Wiese:** A detailed submission has not been forwarded to the Federal Government at this stage because after I had indicated to people on Kangaroo Island that this was the course of action that I wanted to pursue, and after we had more detailed discussions with Highways Department officers, we decided that the first and most appropriate course of action would be to undertake the detailed studies to which I have just referred so that any submission for funding would be the very best possible case put before the Federal Government in order to maximise our chances of attracting funds from that source.

**Dr ARMITAGE:** What then was the submission in April/May to the Federal Minister of Road Transport? I understand that it did not have much detail because a feasibility study has not been done. What was in that submission?

**The Hon. Barbara Wiese:** I announced in April/May that it was my intention to place a submission before the Federal Government. I have not actually done that yet.

**Dr ARMITAGE:** I refer to 'Improvement of regional tourism' on page 248 of the Program Estimates. In relation to the proposal to launch a major interstate media campaign emphasising South Australian products in western Victoria, will the Minister confirm the budget for the campaign including the funds TSA will contribute and the funds which each region has been asked to contribute? Do the funding levels match the levels as recommended by the consultants who prepared the initial outline and budgets for the campaign, a budget which I understand amounted to some \$120 000 and included a contribution from all regions of \$4 000? If not, what is the explanation for the difference in the funding levels, and what are the revised forecasts in terms of visitations?

**The Hon. Barbara Wiese:** During this coming financial year it is intended to build on the work that was undertaken last year in mounting a regional radio campaign. The format of this year's program will be very similar to that which was pursued last year. As the honourable member indicates,

it will be based in western Victoria and will focus on the Ballarat hinterland, and we will be using Radio 3BA in particular. The cost to the industry and to Tourism South Australia will be approximately \$50 000 and it will be supported by individual operators buying advertising time to supplement the work of the campaign itself. Of course, considerable assistance will be provided by the radio station so that all up we would expect to have a campaign worth some \$250 000. Jointly running with that campaign in Victoria will be a media campaign to cover the metropolitan Adelaide region which also builds on the very successful radio campaign conducted during the past financial year.

Although the exact terms of that campaign are yet to be determined between Tourism South Australia and the regions with which we will be working, the format of the promotion will be very much the same and the regional areas will also undertake their own individual campaigns to direct attention to their specific markets that have been identified as perhaps unique to those particular regions. For example, the Mid-North and Yorke Peninsula regions of this State are planning to undertake an Outback to the Ocean campaign in Broken Hill because many Broken Hill residents choose Yorke Peninsula for their summer holidays. So, that is a particular market to which they will be directing specific attention, and other regions will conduct their own activities.

In general, as I understand it, some of those regional campaigns will be supported by Tourism South Australia on a dollar-for-dollar basis to the value of \$30 000. With the assistance that will be forthcoming from radio stations and others, we expect the campaign to have a value of about \$250 000, and in total we should have a regional campaign worth about \$500 000.

**Mr McKEE:** During my previous job as organiser of the Labor Party I used to travel around the State from the South-East to the West Coast and Coober Pedy and other places. I used to drop in to local information offices to obtain information on the areas I was visiting. My question relates to the State's country tourist information offices. Are there any organised training activities to ensure an overall information structure throughout the State?

**The Hon. Barbara Wiese:** Most of the tourist information offices in this State to which the honourable member refers are run by local authorities, in most cases by local councils. I guess some training occurred in the past in individual offices, but to my knowledge a training program has never been mounted for all the people who work in tourist offices in the State. There has never been an opportunity for all those people to come together in one place to discuss their various interests and needs.

During the course of this coming financial year, we plan to rectify that and for the first time we will be conducting a training seminar and workshop which will be held in the Flinders Ranges in November this year. The cost of the seminar will be borne by Tourism South Australia and it is hoped that, by having staff from in excess of 40 offices around the State, we will have the opportunity to assist in improving the skills of people working in those offices in respect of providing information to tourists. The seminar will also cover such issues as computerisation needs, the effective dissemination of literature, servicing the customer and discussions about regional tourism product and product knowledge.

If this proposed seminar is successful, it may lead to many more regular seminars of that kind being held, perhaps on an annual basis, in order that the skills of the operators in the regions can be improved to the extent that



that is necessary in the interests of servicing tourists in this State.

**Mr McKEE:** Obviously television is the best media form to use in tourist promotion. However, recently there has been considerable concern about the real value of television advertising. There seems to be an increasing number of television programs about Australia, as opposed to advertising. In particular, I recall a series on the ABC a couple of years ago which included some excellent segments on parts of South Australia. Is it likely that such a series will return to the ABC and, if so, is South Australia likely to be included?

**The Hon. Barbara Wiese:** In fact, the ABC recently approached Tourism South Australia following the very successful program that it ran some two years ago. We have agreed, as have other States in Australia, to participate again in a new ABC holiday series that is due to go to air all around Australia on Sunday nights at 6.30 p.m. for one hour. The program is planned to be screened over 13 weeks from February to May next year. Numerous tourism destinations around the country will be covered in the series. We have agreed to contribute \$61 000 to the production of the television program, and that will give us some 90 minutes of exposure in total. The other States and Territories of Australia are contributing similar amounts of money, and the ABC is contributing the remaining \$600 000 towards the series which will cost, in total, \$1.1 million. In turn, we will receive a copy of all the footage that is shot during production, and we expect production to commence in September.

I think that the South Australian tourism operators who participated in the last ABC series would say that they found it a very worthwhile activity. Gypsy Caravans on Yorke Peninsula, for example, experienced a considerable increase in bookings and inquiries as a result of its appearance on that program two years ago; and we also received many more inquiries about South Australian tourism product in our interstate travel centres. We believe that it is a very worthwhile program to be involved in and, for a fairly minimal cost, we can achieve considerable exposure.

**Mr MATTHEW:** As a representative of a southern electorate I was pleased to note that on page 244 of the Program Estimates there is mention of the expansion of the Aussie Drive holiday packages. I believe it is an excellent initiative, although because I represent a southern electorate I fail to understand why the Fleurieu Peninsula, including the stunning tourism areas between Wellington, Goolwa, Victor Harbor, Cape Jervis, right through to Second Valley, was left out of the self-drive options. Why was the Fleurieu Peninsula drive option omitted in the promotional literature? Will this option be included in the proposed expansion of the Aussie Drive holiday packages?

**The Hon. Barbara Wiese:** Following the release of the brochure for the Aussie Drive holiday packages in May this year, I received complaints from tourism operators in the Fleurieu Peninsula area who were concerned that attractions in their part of the State were not included in this promotion. However, I believe that the decision taken at the time for the composition of the Aussie Drive packages was appropriate. What we were trying to do was build on the three already identified main routes that are used by people travelling from Melbourne to Adelaide, by encouraging people using those three routes to consider taking a more leisurely drive to South Australia. We drew to their attention the many attractions and places to stay along the way, thereby encouraging them to stop, stay and enjoy, some of those attractions rather than driving straight through, as many people tend to do.

The three main routes that are covered by people moving from east to west have traditionally been, first, the coastal drive that takes people up through Mount Gambier and on to Adelaide; secondly, the inland route via Bordertown; and, thirdly, the route that takes people up along the Murray River, through Mildura and down through Renmark to Adelaide. We were building on the views of the tourists as we know them already, and encouraging people who drive to South Australia along those roads to stop and experience some of the things along the way instead of just driving straight through.

To encourage that sort of activity, included in the packages, as the honourable member would appreciate, were various concessions for meals, accommodation and other things which would act as an incentive to people to make these suggested stops. Trying to change people's perception of the way that they would normally think about driving to South Australia was really not the aim of the game in this particular promotion. Once the campaign has been active in the market place for some time, we will examine its success and gain some appreciation of whether or not there is scope for other routes and other areas of the State to be promoted in a similar way.

**Mr MATTHEW:** Do I take it that, while you have received complaints, and quite rightly so, from southern tourism operators, you are not yet in a position to say that you will extend the packages to include that excellent tourism area, that you will just think about it and, after a while, something will be done?

**The Hon. Barbara Wiese:** We can certainly look at that but, as I said, the aim of this exercise was to build on the travel patterns of tourists as we know them. Not many visitors travelling from Victoria to Adelaide actually make that diversion down through the Fleurieu Peninsula before coming to Adelaide. As part of the Aussie Drive campaign we have tried, through the brochure and through tourism offices, to suggest to tourists that they should also inquire about the other regions of the State that are nearby and seek information about the attractions that exist in those places. So, hopefully, through this campaign, which has a specific purpose, people might also inquire about the attractions of Fleurieu Peninsula and other parts of the State and, therefore, become better informed and decide to travel on to those regions once they have arrived in Adelaide.

**Mr MATTHEW:** My next question refers in part to a statement that was made in April this year by Mr Rod Hand, the Development Manager of Tourism South Australia. I understand he advised a tourism seminar that South Australia has a poor tourism image, and in fact said:

Research interstate has revealed that South Australia is not seen as a tourism State, that it lacks image and activities.

Bearing that statement in mind and as it is now effectively three years since the Minister announced (in October 1987) that the logo 'Enjoy' had to be replaced as a slogan to promote the South Australian tourism industry, what progress, if any, did Tourism South Australia make over the past year to develop a marketing logo that catches the essence of South Australian tourism?

**The Hon. Barbara Wiese:** During the past 12 months there was no activity towards developing a tourism logo for South Australia, because we decided that we should divert our energies into more productive activities in the interest of promoting South Australia. As the honourable member has indicated, three years ago an attempt was made to explore the options in this area and material was produced, which was tested ineffectively in the marketplace. Therefore, we were not prepared to use any of that material as

tourists and potential visitors to the State had not responded well to it.

One of the difficulties in attempting to adopt a suitable logo or brand image for this State is that the essence of South Australian tourism—that is, the locations, attractions and opportunities in this State—is extraordinarily diverse. To capture these diverse activities in a slogan or a logo is extremely difficult when attempting to provide something with which people will identify immediately. So, rather than continuing with that activity which, we believed, would consume a lot of time and which might very well not produce the sort of thing we were looking for, we decided that it would be a better use of time to continue the development of our marketing programs, and that is what we have done during the past two years.

We know from our market research, which is improving and providing better information about the marketplace, that people know and identify with particular things about this State, and we have built our images and those sorts of activities into the marketing campaigns that have been developed during the past two years. The honourable member is probably aware that for the past two years a campaign known as the Classic South campaign has been operating interstate and has included television, magazine and newspaper advertising. That is helping to strengthen South Australia's image in our interstate markets and has been a very successful campaign, as is evidenced by the growth in tourism which has occurred in South Australia and which has not been the sort of thing that other States have necessarily enjoyed during this same period.

During the course of this year whilst we have been revising our tourism plan for the State, many industry representatives have been involved and out of the various discussion groups that took place we had feedback from people in the industry—which I think is supported by our own market research—that we need to project a different image in different markets. The tourism market is becoming more highly segmented and we need to be aware of this when producing marketing material. So, when looking at producing material for overseas markets, the sort of thing that we would do in Japan would be very different from what we would do in other parts of Asia, in Europe or the United States. We have to become more specialised in our approach and therefore tourism promotion is moving away from the simplistic notion that all we need is a logo and a slogan and we are there. This is not what tourism promotion is about any more and we have to be a lot more sophisticated in the images we project.

**Mr MATTHEW:** What was the marketing budget for Tourism South Australia last year; what is the proposed budget for this year; and what percentage of marketing expenditure is committed to the five main areas of salaries, brochure production, creative and production costs, print advertising and electronic media advertising?

**The Hon. Barbara Wiese:** The total budget for the marketing program this year is \$10.1 million and the amount allocated last year was \$9.5 million. Of that \$10.1 million, the amount spent on marketing promotion and advertising activity was about \$6 million with the remainder being made up of the other support costs referred to by the honourable member. I will take the remainder of the question on notice and provide a detailed response later.

*[Sitting suspended from 1 to 2 p.m.]*

**Dr ARMITAGE:** I trust that the Minister is aware that a senior member of staff of Tourism South Australia has been reported to senior management for alleged sexual har-

assment when conducting job interviews recently. What disciplinary action has been taken in relation to this officer?

**The Hon. Barbara Wiese:** If the honourable member is referring to a Tourism South Australia officer as far as I am aware there has not been any such complaint.

**Dr ARMITAGE:** I ask the Minister to look further into this matter and report back to the Committee.

**The Hon. Barbara Wiese:** I certainly am prepared to make further inquiries, but my information is that no formal complaints have been made about sexual harassment occurring in job interviews in recent times or, according to my memory, ever.

**Dr ARMITAGE:** Referring to the Program Estimates (page 246) in relation to development of tourism potential, as tourism is a seven day a week service, does the Minister agree that if customers want service—whether it be accommodation, food or beverages—on Saturdays, Sundays, public holidays, or after 7 p.m. such services should be available? Does the Minister accept that, because the tourism, hotel and hospitality industry is labour intensive, service industry penalty rates restrict the capacity of operators to meet the expectations of visitors? Finally, does the Minister believe that the recent agreement reached between retailers and unions on the issue of penalty rates for Saturday afternoon trading can and should be used as a catalyst for a sensible compromise to be reached on the issue of penalty rates in the tourism, hotel and hospitality industry.

**The Hon. Barbara Wiese:** The effect of penalty rates is an issue about which there is a fair amount of disagreement within the industry generally, disagreement as to what extent penalty rates have had an adverse effect on the cost structure of the industry. Although there would be general support within the industry for a restructuring of the awards applying in the hospitality sector, bearing in mind the 24 hour a day, seven day a week nature of that industry, the majority view of people who have had vast experience in the industry would be that, although there needs to be considerable flexibility built into the system, they would not expect that that would lead necessarily to significant reductions in the amounts of money that are paid to individuals.

I think there is also a fairly broad recognition that there needs to be some compensation or some account taken of the fact that people may be asked to work unusual hours and at unusual times. So, in any restructured system—and this is accepted by the key players—account must be taken of those matters. However, as long as there is a system which provides flexibility for staffing and rostering and other such things, the two issues can be combined. Overall, if that sort of change can take place it should be of great benefit to the industry as a whole.

The honourable member may be aware that, as part of the general award restructuring that is taking place in most industries across the country at the moment, this is one of the questions being dealt with by the unions and employers in the hospitality sector. Already, some structural efficiency adjustment payments have been made and agreements reached in the various sectors of the industry. As I understand it, the agreement in that area is that in about three months the question of penalty rates itself is on the agenda for discussion as part of the whole question of award restructuring. So, hopefully out of those discussions and the movements that will take place in the various appropriate awards that affect the hospitality industry we will see a system emerge which is fair to both employers and employees and which provides the sort of flexibility that employers need to deal with their rostering and staffing problems

during the course of a 24 hour a day, seven day a week operation.

**Dr ARMITAGE:** Are there any plans afoot to open the TSA office seven days a week, and to provide facilities such as money changing?

**The Hon. Barbara Wiese:** Tourism South Australia is currently open seven days a week. Christmas Day is the only day of the year that it is not open. TSA provides a limited money changing service on weekends. It is not considered the role of TSA to do that sort of activity during the week when financial institutions and other organisations are available. There are very few people who do not change their money at the appropriate places and at the appropriate times and get caught short. Certainly, it came to our attention that some people who, for one reason or another, had difficulty on weekends. So, in July last year we started a limited money changing service. It has been used rarely, but at least it is there for people who are in trouble.

**Dr ARMITAGE:** Following advice from the Secretary of the Liquor Trades Union, Mr Drumm, that about 80 per cent of the people employed in the tourism and hospitality industry in South Australia are employed on a casual basis, which undermines the morale of people who have undergone training courses in order to provide a higher standard of professional service, what is the Government's policy in relation to the restructuring of awards to provide for a greater ratio of people working in the hospitality and tourism industry to be employed on a permanent, part-time basis attracting pro rata benefits to superannuation, long service leave, sick leave and so on?

**The Hon. Barbara Wiese:** I am not sure that the Government *per se* has a policy on this matter, except in a very general sense. It would be the view of the Government to encourage as much full time and permanent employment in the community as possible. That is preferential to casual employment. Certainly, that is a view that I hold as Minister of Tourism, as it relates to employment within the hospitality and tourism industry. I think we are more likely to achieve a higher degree of professionalism within the industry if we can encourage permanent employment, and we can build career paths within the industry for young people, particularly, who may want to become part of the industry. If they see that there is a clear career path, people will take the industry more seriously as an industry for employment, and they will also take their training opportunities much more seriously.

Overall not only will individuals have greater satisfaction and reward from being involved in the industry, but we will also have a more professional industry, which will be able to provide the sort of service we need to have an edge over our competitors internationally.

**Dr ARMITAGE:** In relation to page 247 of the Program Estimates and tourism projects, in his speech opening this session of the State Parliament His Excellency the Governor stated:

Tourism projects totalling more than \$65 million are either under construction or in the planning stage.

What projects have been included on that list? What is the value of each project and what is the status of each project in terms of construction or planning?

**The Hon. Barbara Wiese:** As I understand it, that question is on notice and is likely to be responded to in the usual way.

**Dr ARMITAGE:** Do you have a time frame for that?

**The Hon. Barbara Wiese:** As soon as we can. I do not usually take terribly long to respond to questions.

**The Hon. J.P. TRAINER:** It appears that for some time we have not had any representation in Western Australia.

I cannot find any reference in the Program Estimates for an upgrading or for establishing representation in Western Australia. The program information and sales services reference contains various figures for expenditure and for full-time equivalents. However, I cannot find any cross-reference on page 245 for the actual program description. There does not seem to be any reference to Western Australia.

I would hope to be able to display a little more competence in handling the book, if I may digress momentarily, than was shown in the article by Jenny Brinkworth which appeared on page 2 of the *Advertiser* on Monday, and which attributed \$45 million to the cost of the Parliament. I located an obvious error where \$18.2 million was incorporated in the legal counsel line for the Parliament. I found that figure absolutely amazing until I discovered that the journalist had mistaken 18.2 full-time equivalents for \$18.2 million.

What has been put aside by way of funds and FTEs to encourage tourism from Western Australia?

**The Hon. Barbara Wiese:** We do not have a Government owned and operated travel centre in Western Australia. However, we have an arrangement, which has existed now for the past few years, with a private sector company. The company acts as our agent in Western Australia and operates under the banner of a company which is a subsidiary of Proud Australia Cruises. The operation in Western Australia is known as the South Australian Travel Centre, and specialises in promoting and booking South Australian holiday experiences.

Over the years we have provided resources to that organisation to assist primarily in promoting South Australia as a destination, and in turn that encourages people to book holiday travel to South Australia through that travel centre. During the last financial year, we installed two Atlas computer terminals in that office in Western Australia to ensure that it had access to all the information about South Australian tourism products contained in our computer here in South Australia. It is now in a much stronger position to provide information and make immediate bookings for people when they enter the Perth office.

We also pay a representation fee for the service the organisation provides for us. Earlier this year in Perth we participated with the South Australian Travel Centre in a joint television and press advertising campaign to promote a 12-day celebration tour of the State. That campaign ran on Channel 7 in Perth from March until August of this year. The travel centre has reported a response rate of about 25 inquiries a week as a result of that campaign, which was certainly a worthwhile activity.

We have also participated in Perth in the 'Way to Go' holiday and travel show, an annual consumer promotion that takes place in Perth. That has been a very successful venture and this year we were successful in winning an award for the best stand at the show. We made a considerable impact in the Perth market in that promotion for consumers.

In the coming financial year, we are planning to spend around \$100 000 in the Western Australian market on representation and promotional activities. The honourable member asked a question about staffing, but that is not relevant since we have that representation arrangement with a private company.

**The Hon. J.P. TRAINER:** Is it just a matter of upgrading that representation, not establishing employees?

**The Hon. Barbara Wiese:** Yes, under planning this year.

**The Hon. J.P. TRAINER:** From time to time reference has been made in the media to a national grading system for accommodation to be introduced by State tourism bodies to assist domestic and international travellers. The only

one that I am aware of at the moment which exists on a fairly wide scale is that of the RAA, in association with the NRMA and the RACV. Which States have their own accommodation grading systems and what is the position in South Australia with regard to future developments in that area?

**The Hon. Barbara Wiese:** A grading system for accommodation has been of concern to all tourism Ministers around Australia for some years. It is highly desirable that we have a consistent grading system for accommodation across the country. The debate about that issue has tended to revolve not around whether we should have one, but how we can best achieve a consistent grading system across Australia. It is quite complicated to grade accommodation and make it consistent everywhere.

As the honourable member knows, most of the automobile associations around the country have their own grading systems, at least of some accommodation. In South Australia the Royal Automobile Association covers those matters and has done so for a number of years. In recent years we have had discussions with the RAA about building on its grading system. Originally its system covered only hotels and motels, and the information was available only to association members. Recently it has extended that availability of information to non-members and, since about last September, that information has been incorporated in the material and services provided by Tourism South Australia.

We have also been working with the RAA on extending that service to cover what might be called alternative forms of accommodation around the State, including farm stay, home-style bed-and-breakfast type accommodation. That project is now well under way and hopefully will be completed by the middle of next year.

The RAA is very diligent in the work it does in this area, and it grades the properties that it has included in its publications, at least on an annual basis and sometimes more frequently if complaints are received from consumers. It is a grading service in which I think we can place some confidence. I think that in time a national grading system will be based on the work being done by automobile associations like the RAA. For example, I think that already the Northern Territory and Tasmania have adopted the grading systems which are undertaken by their own automobile associations. The next step, when all the accommodation in each of these areas has been graded, will be to ensure consistency across the States. Then we will have a national grading system in which we can place some confidence and which will be extremely helpful not only to Australian tourists but to people coming here from other parts of the world.

**The Hon. J.P. TRAINER:** There has been an extensive television and press campaign in Adelaide for short holidays in South Australia. The call to action in this advertising is for respondents to obtain a copy of the 'South Australian Shorts' brochure of holidays, including package holidays. What level of business is being generated and from what source are most of the bookings coming?

**The Hon. Barbara Wiese:** The 'South Australian Shorts' campaign has been extremely successful. The idea behind the 'shorts' campaign came from our market research, which showed that South Australians were more inclined than people in other capital cities in Australia to have major breaks outside their own State and that when South Australians holidayed within their own State they were more likely to take short breaks of two to three days. In order to capitalise on that and to educate South Australians about the growth in tourism opportunities here and to encourage them to enjoy the things which are available within their

own State, we pursued this 'shorts' campaign. In its first year it was largely a television campaign encouraging people to seek further information. In its second year we added to the television campaign by producing a brochure which included package holidays, mostly based on self-drive motoring style holidays, but providing a broader range as well, to encourage people to book as well as seek information.

We asked an experienced wholesaler, Destinations Australia, to produce the package holidays brochure and to work with the operators around the State. It is important to remember that most tourism operators in South Australia are very small. Very few of them have had any involvement in packaging previously. Therefore, it is a fairly new concept and it was important to have experienced people working in this area. Destinations Australia worked with the operators and produced the brochure of package holidays. That, working in conjunction with the television campaign, has been an extremely successful way of raising the profile of South Australian tourism destinations in the minds of people in this State. We produced 55 000 copies of that 24-page brochure, and they were distributed through travel agencies nationally, because we recognised that many of the packages would be suitable not only for South Australians but for other people as well. Since then, a further reprint of 30 000 brochures is currently under way. Early next year we will be releasing the next package holiday brochure, which will contain an increased number of packages.

Since the release of the program with the package holidays in March to the end of August about 349 passengers were booked on holidays at a total cost of \$56 633. About 10 per cent of those people came from Victoria, 77 per cent were South Australians, 10 per cent were from New South Wales and 3 per cent came from other parts of Australia. Of those bookings, about 70 per cent have been made through South Australian travel centres and the remainder have been booked through various travel agencies. It has been a successful program in raising the profile of South Australian tourism and increasing awareness among our own people within the State, and I understand that about 80 per cent of the bookings that have been made are for accommodation packages. We are pleased with the results of that campaign, particularly as it has been running during what is considered to be an off-peak part of the tourism year. In that respect it has also been very successful in helping to boost some of the difficult times of the year for many tourism operators.

**Mrs KOTZ:** I refer to page 246 of the Program Estimates relating to video poker machines, of which I believe about 800 may shortly be installed in the Adelaide Casino. What is the Minister's response to concerns by the Australian Hotels Association that, if such machines are allowed to be installed in the casino, they must also be available to hotels and clubs to ensure the balance and viability of the tourism and hospitality industry in South Australia?

**The Hon. Barbara Wiese:** I do not necessarily see that that argument follows. Obviously, it is not a policy decision that I would make in any case. The extension of such issues would ultimately be a Cabinet decision, and I presume that in the first instance the Premier would be responsible for bringing forward a recommendation to Cabinet on a matter of that kind. From a tourism perspective, in the first instance at least it seems to me that it would be desirable for the Adelaide Casino to have access to the machines, which is one of the reasons why such a proposition has been brought forward by the Government. Many people in South Australia during the past few years have taken their hard-earned money outside the State by taking coach tours across the

border into other States to play the poker machines. Over many years a number of people have told me that they felt that South Australia should act in this area and keep money within the State by introducing such machines so that they could follow their leisure pursuits within their own State.

The Government's attempt to introduce these video gaming machines into the casino will be popular amongst people in the State and will help to keep money in South Australia that otherwise might have left the State. I do not necessarily believe that members of the AHA will be seriously adversely affected by the introduction of these machines, but I do recall when the debate was taking place in South Australia about whether or not we should have a casino that the same sorts of arguments were put forward by members of the AHA, the Licensed Clubs Association and various other people within the hospitality sector. They suggested that the casino would draw enormous amounts of business away from their operations and would probably mean that many people would be ruined.

I do not think that that was the impact of the casino at all. Certainly, the casino has provided considerable competition for many people in the hospitality sector, but that has led to a diversity in the experiences that are offered by various people in the hospitality sector. They had to think about upgrading their catering facilities, they started providing other forms of entertainment and things of that kind in order to compete with the new opportunities for entertainment and leisure that had been provided by the casino. The effects of the introduction of these things are rather difficult to predict, but I do not really think that the introduction of video gaming machines into the casino will have a sizeable impact on AHA members at all.

**Mrs KOTZ:** Since this is the tourism portfolio and with regard to the Minister's comment that this measure will probably be taken to Cabinet, I would have thought that under this particular area if there was a promotion to assist in the tourism area, which obviously the AHA is also looking at, it would be the Minister's responsibility to take that recommendation to Cabinet. I take it from what the Minister has said that she will not make the recommendation on behalf of the association to extend the area of video games into the hospitality trade to help it to promote tourism.

**The Hon. Barbara Wiese:** As a member of Cabinet, I do not have the responsibility for the licensing of gambling and other activities. That is a matter which is the responsibility of the Premier. Therefore, the Premier would bring any such recommendation to Cabinet. That is not to say that other Ministers, including me, do not have a point of view on the issue or, indeed, are not in a position to put forward a point of view on behalf of certain industries over which they might have some coverage. Inevitably it would be the case that, if sectors of the industry with which I work had a point of view on the matter, I would put that point of view before Cabinet. However, as far as I am aware the AHA has not made representations to me on this matter.

**Mrs KOTZ:** With reference to page 239 of the Program Estimates, is the Minister aware that the Queensland Travel and Tourism Commission recently conducted a study to assess its performance in respect of both its prospective costs and results, and does the Minister believe that a similar initiative to review the operations of Tourism South Australia would be a positive exercise, and does she have any plans to implement such a review?

**The Hon. Barbara Wiese:** I am aware of the review that is being undertaken into the Queensland Travel and Tourism Commission. It would not be my intention to establish a review in the same way, but the operations of Tourism

South Australia are constantly reviewed. As each budget period becomes tighter and more difficult, the operations of the organisation come under closer scrutiny. As the honourable member will be aware, during the course of this coming financial year Tourism South Australia, along with every other Government agency, will be very carefully reviewed.

Statements have been made by both the Premier and the Minister of Finance in the past few weeks that indicate that all areas of Government activity will be intensively studied during the course of this financial year to find ways of making the Public Service more efficient, where possible ceasing to undertake certain activities if there is another agency in the community that is better able to fulfil that activity, and to perhaps think about amalgamating certain functions of Government and other matters. Tourism South Australia, as a Government agency, will be subject to the same sort of scrutiny as all other agencies, and, if it is considered desirable to make appropriate changes to any part of our organisation, we will do so if it can be proven that a more efficient service can be provided to the tourism industry and if improvements can be made to the aims of the Government in promoting the tourism industry.

**Mrs KOTZ:** On page 246 of the Program Estimates I note that the third draft of the tourism plan 1990 to 1993, released in July, assigned an agency to be responsible for each of the initiatives identified. Will the final version of the plan also incorporate predetermined goals against which implementation of the initiatives identified in each section can be measured? When will the final tourism plan be released?

**The Hon. Barbara Wiese:** The final tourism plan, which will be released within a month or two, will have not only goals and objectives but will designate the agencies that would take prime carriage of the implementation of various goals. Included in that plan will be a timetable for implementation. The plan itself, as some members would be aware, has been produced over a period of many months during the course of this year and there has been very extensive consultation with a wide cross-section of people from the tourism industry during the course of the preparation of this plan.

There have been a number of workshops, seminars and other opportunities for individuals and organisations to participate in the drafting of this plan. I think at the end of the process there will be general support from people in the industry for the plan itself. It will give us guidance in the development of tourism during the course of the next three years and, in fact, will set our direction for the remainder of the decade.

**Mr MATTHEW:** Further to the Minister's earlier statement about the review of structural change, is she aware that in July the Victorian Minister of Tourism (Mr Crabb) announced that the Victorian Tourism Commission had agreed in principle for the commission's retail travel business, which is located in Collins Street, to become part of the Statewide chain of 30 booking offices operated by the Royal Automobile Club of Victoria? At the time he also argued that Victour and the RACV were doing exactly the same job and that it therefore made sense to join forces to improve efficiency, save costs and avoid duplication. Bearing that in mind, has the Minister considered the potential and relevance to South Australia of that initiative announced by her Victorian tourism colleague, and has she canvassed with the RAA in South Australia the option of either transferring Tourism South Australia's retail outlet or developing closer links with the RAA's booking office?

**The Hon. Barbara Wiese:** In fact, we already have very close links with the RAA in South Australia and, over a number of years, the level of cooperation between TSA and the RAA has increased. However, the role of the two organisations is, to some extent, rather different. The role of Tourism South Australia's Travel Centre primarily is to encourage people to visit the State and to stay within its boundaries. The RAA's major role is to service the travel needs of its members, and a large part of that involves booking holidays for people to travel outside the State.

Although there is some overlap in the functions of the two organisations, there is also a considerable area of activity that is very different. That is not to say that the question has not arisen from time to time as to whether we could pursue the idea that has now been put in to practice in Victoria. However, if we were to consider such an option we would need to study it very carefully. In fact, we may find that to combine the two styles of operation would, overall, not provide the sorts of savings that presumably the Victorian Government anticipates will come from the action that it has taken.

We must always be open to new ideas and new opportunities, always with the idea in mind that our role as a Government is to increase to the best of our ability the amount of tourism within South Australia. I will be very interested in receiving an assessment of the Victorian experience and in seeing whether or not there is the view, after it has been in operation for some time, that this move has provided improved service for consumers and benefits to the tourism industry. In the meantime, I think it is likely that we will stick with the arrangement that we have in this State.

**Mr MATTHEW:** Will the Minister at least undertake to investigate that option as part of any structural change?

**The Hon. Barbara Wiese:** Obviously it is the sort of issue that we would have to look at very carefully in any assessment of the operations of Tourism South Australia, and I have indicated that I do have and must maintain an open mind on these questions. However, my primary concern will always be to ensure that we can provide the very best possible service to consumers and to the industry.

**Mr MATTHEW:** On page 37 of the Estimates of Receipts, I note an amount of \$870 000 for commissions. Does Tourism South Australia retain all this commission or is part of that money returned to general revenue? What amount and/or proportion of Tourism South Australia's annual sales last year (of the \$10.846 million) was related to earnings from Government travel?

**The Hon. Barbara Wiese:** The whole amount of \$870 000 initially goes into consolidated revenue, but we have an arrangement now with Treasury that allows us to have about \$500 000 of that money returned to us which we use for marketing purposes.

**Mr MATTHEW:** What amount of gross sales last year was related to earnings from Government travel?

**The Hon. Barbara Wiese:** It was \$320 000.

**Mr MATTHEW:** What proportion of the budget for regional tourism this year will be spent on salaries? What funding will be provided to each region for their discretionary marketing activities? Does the Minister consider that the money allocated for regions this year reflects the commitment she made at the Regional Tourism Association Conference in Clare in 1988, and that was to provide regions with a significant proportion of any future increase in Tourism South Australia's funding?

**The Hon. Barbara Wiese:** If I can take the second question first, at the regional conference in Clare and on a few other occasions when I had the opportunity to speak with

people from regional tourism centres during the past 12 months, and in fact during the Estimates Committee last year as I recall, I expressed the hope that in this budget period there would be an opportunity to improve the resources that are allocated to the needs of regional tourism. When I made those comments I made it very clear that whether or not it would be possible to provide significant increases in resources would depend on achieving similar sorts of increases in our overall budget, as had been achieved during the previous two years. It has not been possible to achieve that this year.

The increase in the tourism budget this year has not been as extensive as it was in the previous two years, although we have been able to hold the line with it and have achieved a \$750 000 increase, as I said earlier. So, the increases in the regional tourism budget that I would have liked to provide have not been possible. However, I believe that the amounts of money that are apportioned to regions provide a reasonable budget and basis upon which Tourism South Australia can work to assist regional tourism organisations.

As to the specific question in respect of the breakdown of the regional tourism budget, of the \$1.170 million total budget, \$570 000 is attributable to salaries. As the honourable member may be aware, this sort of breakdown, which in other cases might be considered to be a very high proportion, is the result of a review into regional tourism which took place a few years ago and which indicated that people in the regional tourist associations wanted staff support rather than marketing, financial support. They indicated that they preferred to have professional people out in the field working with them in order to work on their marketing campaigns rather than money for promotional campaigns. So, the organisation of regions was restructured to provide that sort of support, and that is the way things have operated for the past few years, although in recent times in some regions there has been a change of thought and people are now saying that they would rather have the money to assist their promotional campaigns and they will provide staff support through their own resources.

So, the department has adopted a very flexible approach to the sort of support given to regions. Every region is different, needs a different response and is at a different level of professional development. We are responding to those needs in the most appropriate way for each particular region. So, \$570 000 of the \$1.1 million is devoted to salaries and about \$150 000 is used on a dollar-for-dollar subsidy basis for promotional activities in each region. I strongly caution the honourable member not to think that that is the only support we give in a promotional sense to the regions, because it is not the end of the argument. Although it does not appear under the lines relating to regions in the budget papers, there is considerable support for regions over and above the sum available through our marketing budget. For example, I referred earlier to the radio campaign and the extensive value that will come from that and from various other joint activities that will be pursued during the year using funds from our marketing budget. Those activities are of benefit to regions and ought to be added into the overall effort when making a reasonable assessment of the support that we provide. Much support is given in the form of material for motivational brochures and posters, television advertising, and a range of activities which actually support regions and which come under our marketing budget.

**Mr MATTHEW:** It almost sounds as if the Minister is being apologetic for that small amount of \$150 000. I noted her earlier remark that she had hoped for more funding to honour the commitment that she made in 1988, and I

wonder how much more funding the Minister would have liked to see in the tourism budget.

**The Hon. Barbara Wiese:** As I indicated to the honourable member, I hoped that it might have been possible to have an increase in the tourism budget this year at least commensurate with that in the previous two years, but that has not been possible, for one reason or another. This means that the increases I would have made to some of the supports provided for the regions—perhaps in the form of better subsidies for tourist information offices—has not been possible. However, this does not mean that the support we give to regions is inadequate; in the best of all worlds, it could be better. The support we give is extensive and the record—the growth in tourism that has occurred in most regions of South Australia over the past couple of years—shows that that support has been extremely worthwhile, very beneficial and is very much appreciated and supported by people in regional tourism.

**Mr McKEE:** It was good news to hear that in 1989 the State of South Australia won six national tourist awards, more than any other State or Territory. Following last year's success at a national level, will the Minister give details of this year's State awards and the costings and benefits to this State?

**The Hon. Barbara Wiese:** We were extremely pleased that last year South Australia won six national tourism awards, more than any other State. The tourism operators involved in the national awards were up against some of Australia's best known and most popular tourism attractions and operations. So, South Australia's success was an enormous achievement. As a result of this success and the benefit that individual operators have been able to achieve through marketing their products as national tourism award winners, other operators around the State have begun to see real value in being involved each year in the tourism awards. So, this year there was a record number of 230 entries in 15 categories in the State tourism awards.

The process, which began in February of this year, culminated in a gala dinner which took place in July and which attracted more than 700 people, with a huge waiting list of people wanting to be part of the presentation of the State awards. The benefit to the State of the tourism awards is that they encourage people within the industry to pay attention to and improve the standards of service provided by their individual operation. Also, the awards strategy raises industry and public awareness of tourism operations and is a relatively inexpensive and effective way of achieving promotion of tourism in the State. I say that it is relatively inexpensive, because this year's awards have cost the State Government very little. We provided \$25 000 for the employment on a contract basis of the coordinator of the tourism awards. Also, we provided office facilities for that officer at a probable cost of about \$20 000 a year. So, for \$45 000 a year we achieve extensive publicity for tourism.

Also, there is sponsorship of \$23 000 from the State Bank, and the awards presentation dinner, which is held each year, is a self-funding event. So, it is an inexpensive operation, but it provides enormous exposure for the tourism industry generally and for individual operators. For that reason, operators around the State increasingly want to be part of this awards presentation and are joining in every year.

**Mr McKEE:** I have noticed in the press over the past month or so reference to a promotion by TSA called 'Aussie Drive'; it seems that some regions have been excluded from this promotion. What form does the Aussie Drive promotion take, and how does it come about? Why have some regions been excluded?

**The Hon. Barbara Wiese:** Perhaps the honourable member was not present earlier when another member of the Committee asked a similar question. Rather than covering the same ground, I invite the honourable member to refer to *Hansard* for an answer to that question.

**Dr ARMITAGE:** I refer to the Program Estimates (page 246) in relation to tourism potential. Whilst the Minister has been successful in gaining additional airlines and flights to utilise the Adelaide international terminal (and I acknowledge that work), has she considered or pursued the potential for Adelaide to be common-rated with Melbourne, Sydney and Brisbane, if not Perth, in terms of international flights to Australia? If not, would the Minister be prepared to investigate such an option, because for passengers who are not able to fly directly into Adelaide from overseas, the add-on cost of the flight to Adelaide acts as a positive disincentive to those people. With the imminent deregulation of the domestic airlines, I suspect that the airlines would be more receptive to such a proposition than at any time in the past.

**The Hon. Barbara Wiese:** This is an issue that has exercised our minds extensively. In fact, the Government's air access group is working vigorously with the Commonwealth Government and with airlines on that very question. We recognise that South Australia will be in a much stronger position if we can reduce costs wherever possible. So, not only are we working on the question of common-rated fares (and I might say we have made some considerable progress in this regard) but also our TSA representative in Singapore has been working closely with Singapore Airlines and Qantas officials in that market on that very issue. A few years ago the cost of a flight from Singapore to Adelaide was considerably more than the cost of a flight from Singapore to Sydney and Melbourne. This seemed to us to be quite unreasonable and unfair, but considerable progress has been made in reducing the differential. We are continuing to pursue this matter, because there are other routes on which the differential is still too great.

In addition, we are also working with the Federal Airports Corporation in pursuing more advantageous ground costs for airlines, that is, the ground charges that airlines pay. If we can build in some cost advantages for aircraft to land in South Australia as opposed to some of the other gateways into Australia, we will be in a stronger position to attract airlines. All these issues are clearly identified and are being actively pursued by the Government.

**Dr ARMITAGE:** Has a submission been made to Qantas to consider the possibility of pairing Adelaide with Perth for services to and from the Pacific, and with Hobart for services to and from Singapore so that there could be a service to the South Island of New Zealand via Hobart? Given the major congestion problems at Sydney airport, has the encouragement of movements between Adelaide and Cairns, leading potentially further north or on into the Pacific through Cairns from Adelaide, been explored?

**The Hon. Barbara Wiese:** Briefly, the answer to all those questions is 'Yes'. Over the years we have pursued with all the airlines with which we have had negotiations every possible option we could think of that might be attractive to an airline in making a flight as economically viable as possible. We have always recognised that, except in a very few circumstances, South Australia is unlikely to be the sole destination for a flight from Asia, Europe or the United States, and that there would be a much greater likelihood of achieving direct flights, or flights from foreign ports, if we could couple the flight to Adelaide with a flight to some other city within Australia. At one time or another extensive discussions have occurred as to links with Perth, Melbourne,

Sydney, Cairns, Brisbane, Darwin and Hobart, and some of the new flights that have emerged in the past few years have had a configuration along those lines. They have been linked with some other port in Australia, and, therefore, have been more successful than they otherwise might have been if we had tried to suggest that Adelaide be the sole destination of the flight.

**Dr ARMITAGE:** I refer to the Program Estimates (page 240) in relation to the development of tourism identity. For the past two years the grant from Tourism South Australia to the Adelaide Convention and Tourism Authority has remained at \$140 000, with no adjustment being made for the escalating costs associated with the production of marketing campaigns, let alone for inflation. In determining ACTA's grant for this year, has Tourism South Australia and the Minister taken these factors into account? What is the level of the grant that ACTA is to receive?

**The Hon. Barbara Wiese:** This year ACTA will receive \$170 000 from Tourism South Australia as a direct grant. The increase is attributable largely to the fact that we will be funding in this year's budget the employment of a full-time tourism promotions officer for ACTA, whose role will be to fulfil the Adelaide region tourism promotional responsibilities that ACTA holds. Of course, that is not the full extent of the support that Tourism South Australia provides to ACTA and the work of promoting tourism in the Adelaide region and the convention centre business market for the Adelaide region. I say that because I was concerned to read some of the public statements that were made by representatives of ACTA earlier in the year; they really gave the wrong impression of the true picture of funding for these activities and Tourism South Australia's contribution to those activities.

One would have thought, after seeing some of those reports, that we were not terribly active in the business of promoting conventions. In fact, that is not so and, in addition to the direct grant that Tourism South Australia provides to ACTA, we must also take into account the extensive work that is undertaken by the Government through the Adelaide Convention Centre and its marketing budget in promoting conventions and the meetings market for South Australia, and also the other one-off amounts of money that are provided from time to time for cooperative work that is undertaken by ACTA working with Tourism South Australia.

To give you some idea of the work which has been undertaken during the past year, \$15 000 was provided to ACTA to assist the promotion of the launching of the new body when the Adelaide Convention Visitors Bureau and the Adelaide Tourist Association merged to become ACTA. We provided about \$10 000 for a joint initiative by ACTA and Australian Airlines to produce a promotional brochure on convention and business meetings facilities in Adelaide. We have provided a further \$15 000 to the Adelaide Convention Centre as part of a \$30 000 contribution to the joint Qantas and Australian Tourist Commission promotional video on major convention facilities in Australia. We also provided \$50 000 to assist an Adelaide-based organising committee chaired by David Hall from ACTA to promote the very prestigious International Congress and Conventions Association international convention which will be held here in Adelaide later this year. That and a number of other smaller projects total an additional \$92 500 worth of activity undertaken jointly with ACTA in pursuit of the conventions and business meetings which Adelaide convention facilities need.

On the tourism side of the agenda, it could be said that almost all of the promotional material produced by Tourism

South Australia assists ACTA in promoting the Adelaide region. Adelaide, of course, is the focus for most of South Australia's tourism promotion in one way or another. To be specific and provide some examples in that area, it is important to note that Tourism South Australia participated in a national magazine advertising campaign last year which featured a full two-page colour spread highlighting the cultural attractions of Adelaide, including the biennial Festival of Arts, and the work there is conservatively estimated to have been worth close to \$150 000. We have produced various publications and things like the Adelaide touring guide, the Adelaide accommodation guide, the Adelaide map and Adelaide promotional posters which specifically add to the promotion of Adelaide.

In addition, we have produced copies of the Grand Prix visitors guide and the Adelaide festival guide and Tourism South Australia also contributed to the economic impact study on the benefits of the Adelaide festival. We have allocated funds to the filming of Adelaide highlights and the festival. We have also done various things through our travel centres in Sydney and Melbourne to promote Adelaide and a whole range of other activities totalling many tens of thousands of dollars worth of additional work towards helping ACTA in its role to promote Adelaide as a destination for tourism and conventions. Cooperatively we are able to achieve a great deal, and certainly the contribution of Tourism South Australia and that of the Government generally is well above the \$170 000 attributable to the direct grant.

**Dr ARMITAGE:** With regard to page 244 of the Program Estimates and the line 'development of tourism identity', one of Tourism South Australia's achievements for the past year is noted as the extensions of the television advertising campaign 'Australia's classic south' in Melbourne and Sydney. What level of success did that marketing campaign achieve? What measures were adopted to gauge the impact of that campaign?

**The Hon. Barbara Wiese:** Tourism South Australia estimates that the campaign has been very successful. The honourable member is probably aware that one of the features of that campaign was that we encouraged people to respond to the advertisement by dialling a telephone number in order to seek further information. Through that measure we have some idea of its success. We now have a list of in excess of 10 000 people who responded directly to those advertisements. We will be able to use their names and addresses in subsequent direct marketing campaigns in future. That is a very specific measure. In addition, we will have opportunities to conduct further market research to gauge how people have responded to those advertisements. We also know, from the information from our travel centres and from individual tourism operators, that the campaign was successful, because large numbers of bookings resulted directly from the campaign.

#### Membership:

Mr Becker substituted for Mr Matthew.

Mrs Hutchison substituted for the Hon. J.P. Trainer.

**The Hon. Barbara Wiese:** There is one other thing that I can add to that. Following the first run of those 'classic south' advertisements, a telephone poll of 400 people who had sought information having seen the advertisement was undertaken to try to get an idea of the proportion of people who, having sought information, actually converted that interest into bookings. I believe that we will have an opportunity to work further on that kind of activity which will provide good feedback on how successful the campaigns have been.



**Mrs HUTCHISON:** My first question concerns the metropolitan Adelaide planning review. Given the importance of tourism to Adelaide's employment and economic base and the crucial role that Adelaide plays in the tourism industry Statewide, what input is Tourism South Australia having to the Premier's planning review, and has the agency provided for that in its budget?

**The Hon. Barbara Wiese:** Tourism South Australia is not specifically represented on the review steering committee, on the executive or on the reference group. That is consistent with the Government's policy on that matter. We decided specifically that we wanted community and professional organisations to be involved in the work of those groups rather than having Government departments and agencies represented there. However, we have nominated an officer from our organisation who is working closely with the review and keeping up to date with the review's work. We have already had early input into the evolution of the issues paper which the review has produced.

We will have representation at all the relevant workshops and information sessions which will take place during the review, and officers of Tourism South Australia have met organisations with related interests in the areas of heritage, the arts, recreation and tourism to discuss and agree on the sort of approach that people from that perspective should be pursuing during the review's work and also to ensure that everyone is cooperating.

We have representation on the Heritage Act Review Steering Committee, which is undertaking its work concurrently with the planning review. To be brief, our involvement is reasonably extensive, but we do not have direct representation on the review committees themselves. We have provided \$10 000 within our budget to enable appropriate analysis and communication to take place and also for the development of policy in this area. It is built into our work program for this financial year, and Tourism South Australia will be playing an active role.

**Mrs HUTCHISON:** My next question relates to the tourism plan. I understand that Tourism South Australia is in the final stages of reviewing the State tourism plan. What purpose does the plan have for the tourism industry and what involvement has the industry had in the review process?

**The Hon. Barbara Wiese:** I have already answered one question today on the tourism plan. To be more specific about the purpose of the plan, I believe that it is extremely important that we have a tourism plan, and South Australia has been working by a tourism plan since 1982. They have generally been three-year plans. The real advantage of the South Australian plans is that they have been jointly produced by tourism industry representatives working with the Government, so there is that dual commitment to the contents of the plan. Although in the past the industry has not usually played much of a role in the implementation of the plan—most of that has been left to Tourism South Australia to achieve—in the coming three years there is likely to be a greater commitment by industry bodies to fulfilling the tasks allocated to them for implementation.

Discussions are taking place with those relevant bodies now to identify who should be responsible and what should be the time frame for implementation. A number of very extensive meetings and workshops have been undertaken during the year to identify issues and to work on drafts for the document, so by now people will be familiar with its contents. I hope that the final plan will be ready for release within a month or so.

**Mrs HUTCHISON:** The regional tourism bodies had an input into that as well?

**The Hon. Barbara Wiese:** They certainly did. All the regional tourist associations were invited to the numerous sessions that were held, and individual operators within those regions attended some of those sessions, too.

**Mrs HUTCHISON:** Finally, a lot has been said about the need for the tourism industry in South Australia to maintain its high quality standards. In fact, I believe that the tourism plan 1990-93 includes a specific objective on the quality of the agency's service. How does Tourism South Australia monitor the quality of service provided by its own travel centres; and is the service considered to be satisfactory, or is there a need to improve it?

**The Hon. Barbara Wiese:** We place great emphasis on the need for very high standards of service in our travel centres. To get some reaction from consumers as to how they perceive our services, in the last few years we have conducted exit surveys from our travel centres. The results of those surveys are very heartening, because they are extremely satisfactory. The most recent surveys took place between 28 May and 3 June this year in Adelaide and Melbourne. The Sydney centre survey will take place during this month.

To give the honourable member some idea of the results of those surveys, in Adelaide we undertook the survey for the third successive year. It comprised 400 random interviews. Among those interviewed, 58 per cent were South Australian residents, 22 per cent were interstate residents and 20 per cent were overseas visitors. Of those people, 98.5 per cent said that their travel consultant fully understood the nature of the query, which was a similar result to the last two years before; 96.3 per cent were satisfied with the consultant's knowledge; 85 per cent were very satisfied. That is also similar to the last two years, but the very satisfied proportion was much higher than last year's 54 per cent. Some 98.6 per cent were satisfied with the consultant's helpfulness, and 96.5 per cent of the sample were satisfied with the overall efficiency of the service received from the travel centre. All those results are similar for the last two or three years, so we are maintaining a high standard of service, and satisfaction is being expressed by consumers who use our services.

We conducted a survey this year in Melbourne for the first time. There were 255 random interviews. Almost one in four respondents was an overseas tourist. Some 99 per cent of respondents stated that their travel consultant fully understood the query; 99 per cent were satisfied with the consultant's knowledge; 89.1 per cent were very satisfied; 99.1 per cent were satisfied with the consultant's helpfulness; 93.7 per cent of those were very satisfied; 99.1 per cent were satisfied with the overall efficiency of the service received; and 93.2 per cent were very satisfied. Those are all very high and pleasing results. They are a tribute to the dedication and enthusiasm of our travel consultants in each of our travel centres around the country. They are also a tribute to the success of the training programs that we conduct.

**Mrs HUTCHISON:** So now we are aiming for 100 per cent?

**The Hon. Barbara Wiese:** Indeed.

**Mrs KOTZ:** In respect of the Premier's statement in his budget speech on 23 August that all Ministers and CEOs will be responsible for determining areas in which far-reaching and fundamental structural change will be required, what opportunities has the Minister or the Director identified to date as potential areas for restructuring which will meet the Premier's stated objective?

**The Hon. Barbara Wiese:** We are in the process of beginning our review of Tourism South Australia's operations.

As I indicated in response to an earlier question, we must keep an open mind about all the operations of the organisation, as I think all Ministers must do in reviewing their respective operations, and be prepared to consider all options which may be available. Whilst at this stage I cannot be specific about the kinds of changes that we might consider in Tourism South Australia, because it is too early in the process, I think that in general terms we must be open to all opportunities, and certainly every part of our operation will be under scrutiny.

**Mr BECKER:** What levels of blue asbestos have been discovered in the travel centre building? I understand that there have been some claims that there is a dangerous level of blue asbestos in that building. Were the contractors, Instant Scaffolding, not told of the danger, and was a shop steward, who started to make representations, told to back off? Is the Minister aware of those allegations?

**The Hon. Barbara Wiese:** I will ask Anne Hooper to respond in greater detail to this question, but in general terms it has been known for a number of years that there was asbestos in the Travel Centre building. In the past few years (I have forgotten over what period) the asbestos has been removed, floor by floor, from the ceilings of the Travel Centre. As to specific issues about allegations, I am not aware of those, but if there have been any I am sure Ms Hooper will know about them.

**Ms Hooper:** There is a possibility of some asbestos being present in the Travel Centre buildings. For that reason a policy has been adopted that whenever a contractor does any work at all on the building he is informed of that possibility. The asbestos monitoring unit in Sacon has been informed and monitoring devices are installed in all areas of the building whilst work is carried out to ensure that, if asbestos does become airborne, it is within the appropriate safety limits.

Similarly, if any contractors work in the building the asbestos monitoring unit ensures that appropriate safety equipment is used by all workers. If there is a possibility of the work leading to airborne asbestos, that work is carried out at a time when no staff are in the building so that there is no danger to either staff or members of the public. To the best of my knowledge there have been no situations where shop stewards have raised queries about safety in relation to asbestos and subsequently have been told to withdraw those queries. The shop stewards in the department are kept fully informed of the situation in relation to asbestos and any monitoring that is carried out.

**Mr BECKER:** Has the department or the Government been approached by a company called Southern Cross Airlines, which is a group of people proposing to operate a new airline following the deregulation of the Australian airlines industry? I understand that this new airline is looking at establishing its headquarters in South Australia.

**The Hon. Barbara Wiese:** I have not received any approach from this company, but I understand that the Managing Director of Tourism South Australia has, so perhaps he can respond to this question.

**Mr Nichols:** This airline has written an identical letter to all tourism authorities in Australia and has received an identical response from us all at this stage. We are not really interested in the proposition suggested. However, as deregulation comes on stream we will look at every opportunity possible to increase tourism within South Australia.

**Mr BECKER:** Has the Minister been advised whether Cathay Pacific proposes to operate in and out of Adelaide? I understand that currently there are 22 international flights per week in and out of Adelaide International Airport. Some years ago representations were made to Cathay Pacific. At

the time the company was not very receptive, but I understand that it is now likely to become more receptive about operating in and out of Adelaide on the way to Melbourne or Sydney or to have flights terminate here.

**The Hon. Barbara Wiese:** There is no doubt at all that over the past couple of years Cathay Pacific has changed its attitude in respect of Adelaide as a destination. When I visited Hong Kong about two years ago I called on Cathay Pacific officials to discuss the possibility of the airline's coming into South Australia. At that stage, of course, they did not have landing rights into South Australia, and to be perfectly honest, although the officials were reasonably polite, I do not think they were particularly interested in South Australia as a destination.

I visited them again in May this year and had a meeting with the Managing Director of Cathay Pacific and received a very different response altogether. In fact, this year Cathay Pacific is very interested in South Australia and, as a result of discussions that took place in London in June this year when a number of issues that had been standing in the way of increased flights between Australia and Hong Kong were resolved between Qantas and Cathay Pacific, the prospects of Cathay Pacific sponsored flights coming into Adelaide from Hong Kong has improved considerably.

Out of those discussions Cathay Pacific was granted landing rights into Adelaide and is very keen to take up those landing rights at a time suitable to it in its overall plans for increasing connections with Australia. So, Cathay Pacific has landing rights as from April 1991 and I predict that some time within the next 12 months the airline will have flights into South Australia. At this stage I doubt whether Cathay Pacific has actually firmed up on a date, but it is certainly keen and I think that we will see it here by 1992 at the latest.

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

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Minister of Tourism, Miscellaneous, \$5 165 000—Examination declared completed.

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Works and Services—Tourism South Australia, \$450 000—Examination declared completed.

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Public and Consumer Affairs, \$16 732 000

**Chairman:**

Mr M.J. Evans

**Members:**

Mr H. Becker  
Mr M.R. De Laine  
Mr T.R. Groom  
Mrs C.F. Hutchison  
Mr G.A. Ingerson  
Mrs D.C. Kotz

**Witness:**

The Hon. Barbara Wiese, Minister of Consumer Affairs.

**Departmental Advisers:**

Mr P. Young, Acting Director General, Department of Public and Consumer Affairs.

Mr A. Martin, Acting Director of Corporate Services.

Mr L. Webb, Acting Director of Office of Fair Trading.

Mr D. Kavanagh, Public Trustee.

Ms S. Errington, Senior Legal Officer.

Mr D. Ashfield, Acting Secretary, Minister of Consumer Affairs.

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

**Mr INGERSON:** When did the department first receive complaints about Medindie Car Sales? How many complaints have been received per year and what was the nature of them? How were those complaints resolved?

**The Hon. Barbara Wiese:** As the honourable member is probably aware, Medindie Car Sales has been operating now for some three years, but in fact probably longer than that in one guise or another. It depends very much on what the honourable member is looking for. Complaints about this company date back to 1987, and there have been a number of complaints each year since then, culminating in an acceleration of complaints in the first half of this year which, I think, coincides with the period during which the company began to experience financial difficulties.

**Mr INGERSON:** How many complaints have been received each month since 1 January 1989? How do those complaints compare with the complaints received about all other second-hand vehicle dealers? What are the categories of complaints?

**The Hon. Barbara Wiese:** I do not think we have with us a breakdown of the month by month complaints that have been received over the past two years, but I can indicate that, for the full year of 1989, 26 complaints were received; and up to July this year 24 complaints were received. To put that into some sort of context, in 1987 there were 13 complaints in total and in 1988 there were seven complaints for the year. I think it would be fair to say that that is not a large number of complaints on an annual basis for a company of the size of Medindie Car Sales, which was selling somewhere between 80 to 100 vehicles per week and which is reputed to be one of the largest three used car dealers in Australia.

**Mr INGERSON:** How do those complaints compare with the complaints received about all other second-hand vehicle dealers?

**The Hon. Barbara Wiese:** We do not have with us the figures that would enable us to compare the number of complaints against this company with the number of complaints against other used car dealers in South Australia. However, I should point out that it is not so much the number of complaints that is a measure of how good or how bad a company is for our purposes but the ease or degree of cooperation that is forthcoming when complaints are brought to our attention and pursued with individual car dealers. Going on the evidence of the past few years, the experience of officers of the Office of Fair Trading has been that the operators of Medindie Car Sales, by and large, have been very cooperative whenever complaints have been drawn to their attention and, in the majority of cases, complaints have been dealt with quickly and to the satisfaction of the complainant. That is an important measure to be taken into account when looking at these things.

**Mr INGERSON:** As the Minister does not have the information sought in my previous question, will she provide a report for insertion in *Hansard*?

**The Hon. Barbara Wiese:** Yes, I can take that question on notice and provide the information at a later date.

**Mr INGERSON:** Did the Office of Fair Trading receive any complaints in relation to Medindie Car Sales from the Federal Trade Practices Commission in the period following

1 January 1989; if so, how many complaints were received, what was done with them and to what did they relate?

**Mr Webb:** The Trade Practices Commission passed information onto us that indicated that Medindie Car Sales was engaging in what is called 'bait advertising'. An investigation was made of these allegations that had been passed to the Trade Practices Commission, I believe, by the Motor Trade Association following an investigation by a private inquiry agency. We were unable to adduce evidence sufficient to prosecute the company for bait advertising, but the company entered into an assurance under section 79 of the Fair Trading Act to cease the kind of advertising procedures that it had used in the past.

Whilst the Office of Fair Trading receives a great deal of information, rumour and innuendo about all kinds of traders—not just motor vehicle traders—what we need to prosecute them under the criminal system before a court of law is sufficient evidence. If we do not have the evidence, we cannot prosecute. On numerous occasions, the Crown Solicitor has, even in the case of Medindie Car Sales, simply said, 'You do not have sufficient evidence to prosecute.'

**Mr INGERSON:** What is bait advertising?

**Mr Webb:** Bait advertising occurs when a vehicle is advertised at a special rate, but when a person comes to buy it the vehicle is not available; they are asked to look at a similar vehicle, which is usually at a higher price, and they may buy that vehicle. What needs to be proved is that the first vehicle was not available in the first place.

**Mr BECKER:** Have the proprietors and directors of Medindie Car Sales been the same since 1987?

**Mr Webb:** Medindie Car Sales has had the same director since about 1983.

**Mrs HUTCHISON:** My question relates to the Unleaded Petrol Act which was introduced in 1985 to ensure smooth transition from leaded to unleaded petrol. Are the Minister and the Government satisfied with the level of availability of unleaded petrol and the effectiveness of the Unleaded Petrol Act which, I understand, expired last year?

**The Hon. Barbara Wiese:** In short, the answer is 'Yes'. Surveys undertaken by the department indicate that 98.8 per cent of petrol resellers now stock both leaded and unleaded fuel. The small percentage of resellers who do not stock both fuels are generally situated in country regions and in areas where unleaded fuel is readily available elsewhere.

The honourable member is probably aware that, when the Unleaded Petrol Act was introduced in 1985, there was a strong desire on the part of the Government and the Parliament to ensure a smooth transition from the use of leaded to unleaded petrol, so the Act covered four areas of activity in particular that needed to be watched carefully. When the Bill was drafted it was anticipated that the sales of new vehicles and the demand for unleaded petrol would increase, so a sunset clause was included to enable the legislation to expire in December last year.

When the expiry date was looming, I received representations from the Minister for Environment and Planning, the Motor Trade Association and the RAA expressing concern that the legislation was about to expire. However, following consideration of the comments of those organisations, I was advised that the Act should be allowed to expire but that we should continue monitoring to ensure that undesirable practices did not emerge. So, a monitoring program was established to ensure the availability of unleaded petrol at a price not exceeding that of leaded petrol. That monitoring program in metropolitan and country regions took place from January to March of this year when only one instance of unleaded petrol being sold at a

price exceeding the price of leaded petrol was identified. During May this year, three further instances were reported in the metropolitan area. The Office of Fair Trading has not received any further reports of unleaded petrol being sold at a price exceeding that of leaded petrol from any other source, so the department is satisfied that the aims of the legislation have been fulfilled and that the transition has been achieved in an orderly way.

**Mrs HUTCHISON:** One of the broad objectives listed on page 257 of the Program Estimates under the heading 'Consumer Services' refers to consumers' awareness of their rights and obligations under legislation administered by the department. I am concerned that people from non-English speaking backgrounds might have some difficulty in obtaining information on basic consumer issues and could be disadvantaged in making informed choices and decisions. I am aware also that the department runs an education and resource centre. Is that centre addressing the important issue of migrant education and, if so, in what way?

**The Hon. Barbara Wiese:** Some time ago, the United Ethnic Communities of South Australia presented the Department of Public and Consumer Affairs with a submission seeking support for the establishment of a joint consumer education project aimed specifically at South Australia's ethnic communities. During the last financial year an education officer was appointed to carry out this project, which in brief was set up to accomplish a number of objectives. First, it was designed to establish a database on the specific needs of ethnic groups from non-English speaking backgrounds in South Australia. Secondly, it was designed to identify from within the general migrant population those groups who are most vulnerable and disadvantaged and who, therefore, need to be targeted.

The goal of this project was to work directly with specific ethnic communities on developing preventive and remedial education programs. There is a need to coordinate planning, monitoring and assessment within each division of the department to ensure that the needs of these communities are being met adequately by departmental officers when people seek information about their rights as consumers. Also, there is a need to review the current range of legislation to ensure that it meets the needs of these groups.

The idea was that there would be a series of workshops and seminars designed to train information officers so that they would be better able to provide appropriate information to members of the ethnic communities. In addition, officers of our organisation have been involved with people at Commonwealth level in the development of programs designed to address the needs of newly arrived migrants from non-English speaking backgrounds, and we are working with the Adult Migrant Education Service to develop preventive consumer education modules to be integrated with English as a second language classes.

That program is being treated as something of a pilot program and may become a national program in time. So far, formal consultations have been undertaken with seven of the major ethnic groups within this State. Each of those communities has agreed in principle to have a bilingual community liaison officer trained and appointed to work among its people. That officer will be responsible for disseminating information within the communities, conducting workshops and seminars to educate people about their rights and acting as something of an advocate on their behalf. We expect to have the selection process for that person concluded by the first week in October, and we hope to have some of the formal training sessions under way by that time.

**Mrs KOTZ:** In the Program Estimates (page 257) in relation to consumer services under 'Issues/Trends' reference is made to consumer education in schools. How active has the department been in that area?

**The Hon. Barbara Wiese:** The department has been very active in the area of consumer education, recognising that it is important to educate people, as early as possible, as to their rights as consumers and also their responsibilities. The work of the department has been in three areas. First, our education officer has gone out and spoken to groups of students in schools. During the past year some 80 school groups were visited as well as another 20 educational community groups, including TAFE colleges, retail training centres and the Skillshare groups.

The Education and Resource Centre has also been involved in the production of resources that can be used for teaching within schools. A major part of that was the development in the last year of a credit kit, which is being used by teachers. It is a low cost resource which allows teachers and students to gain the necessary skills and knowledge to use credit widely. It has been distributed to all secondary schools and, in addition, we have had to provide another 200 or so copies of the material for teachers who wanted it for their own purposes and for community groups who saw the information as being useful.

The Education Resource Centre has also produced a newsletter and classroom exercise resource material focusing on fair trading matters. It provides information for teachers and articles for classroom use, and covers topics such as credit and secondhand cars. It outlines the aspects of the Fair Trading Act, the pitfalls of direct mail scams, World Consumer Rights Day, product safety and green consumerism. These resources have also been distributed to all schools.

In addition, the centre has been involved in the production of two videos with the help of the South Australian Film Corporation. One is entitled *Your Place or Mine?*, which is a dramatised documentary on the nature of residential tenant agreements and the operation of the Residential Tenancies Tribunal. That video is accompanied by a comprehensive kit of support materials which has been distributed to all secondary high schools. The second video is entitled *The Credit Game* and it provides the basis for credit activities using a game show format, which is a unique approach to this form of education. It has been distributed to all schools and was funded by the Government Film Committee, the ANZ Bank, the Federal Bureau of Consumer Affairs and DEET. We hope that, too, will become a national resource over time.

The department has also been involved in developing curriculum for use in schools, and has been an active member of the Credit Education Consultative Committee, which was convened during the course of last year and which has representation from education authorities, legal services, the credit industry, and so on. Largely, it is designed to teach young people the wise use of credit and what their responsibilities are in those areas, and it provides a forum for the development of additional resources. Also, work is being done at the national level to produce resources for use in primary schools. Generally, there is close liaison between our education officer and people within the Education Department to produce information and material as and when required.

**Mr INGERSON:** In relation to Medindie Car Sales, has the Office of Fair Trading received any complaints since 1 January 1989 in the following categories referred to in the public notice in the *Advertiser* and the *News* of 13 September 1990: first, registration, transfer, third party insurance or

stamp duty might not have been paid on a vehicle; some consumers might have unwittingly executed finance contracts with two different financiers by filling out more than one form; people might have sold vehicles to Medindie Car Sales on the basis that the company would pay out finance on their behalf but, in fact, found that it had not been paid out; some insurance schemes offered by the company as part of its contract might not have been paid to the relevant insurer; some consumers might have placed their vehicles for sale on consignment and had their vehicles sold, with the company failing to pass on any money to the owners?

**Mr Webb:** The vast majority of complaints that we receive from car dealers relate to warranty repairs not being completed. We made sure that particular information referred to went into the newspaper because the company actually collapsed in the end, and we were concerned that a number of people might be driving vehicles that were not registered or insured, had not been paid out or whatever. I cannot say whether some of the complaints since 1989 might have contained a component that, for example, the vehicle had not been paid out. I can say that, if there were any cases of vehicles not being paid out in the early stages, and if they came to our attention as consumer complaints, those matters were resolved. I am not aware of any case where anyone was sold a vehicle that was not registered and, indeed, even after all the complaints and inquiries we have received about this company since its collapse, in only about half a dozen cases is there some question about whether the registration of a vehicle may be expiring shortly.

There is no question that, after the final collapse of the company, there were a number of matters relating to vehicles that had not been paid out and to registrations that might have been taken out where the transfer had not taken place. There are very few instances where comprehensive insurance has not been paid. There are some instances where the extended warranty company, Forte Car Care Pty Ltd, has not received its premiums in relation to the commitment by the company. In respect of all these matters, there has been a general agreement between the finance companies involved, Arthur Andersen and Co. and the department to make it as easy as possible for everyone involved.

I imagine that about 200 matters will have to go before the Commercial Tribunal. In all of the cases, there appears to be a linked credit provider, and the linked credit providers in general have agreed to pick up the tab for consumers. That is the general outline. Taking the honourable member's question back to the beginning of 1989, those kinds of concerns were not in our mind in those days. They were not the kind of complaints that we were getting.

**Mr INGERSON:** Was Medindie Car Sales properly and continuously licensed under the Second-hand Motor Vehicles Act?

**Mr Webb:** Yes, Bosun Proprietary Limited was the licence holder and it was properly licensed.

**Mr INGERSON:** Why did the department not prosecute Medindie Car Sales for breach of the Second-hand Motor Vehicles Act in relation to the yard across the road from the main premises in view of the fact that that yard was not licensed?

**Mr Webb:** I cannot answer that question, but I will certainly take it on notice. However, the yard itself does not have to be licensed: it simply has to be registered.

**Mr INGERSON:** All right, I mean registered instead of licensed.

**Mr Webb:** I do not know whether it was or not. If you are saying that it was not and cars were sold from that yard, it should have been. If that is the case, we will look into it.

**Mr INGERSON:** Since the infringement notices were first permitted to be issued for breaches of the Act, how many have been issued to Medindie Car Sales and for what offences? In relation to the infringement notices, after how many issued to the one operator does the department then prosecute?

**Mr Webb:** Between four and six trade infringement notices have been issued against Medindie Car Sales, for Bosun Proprietary Limited trading as Medindie Car Sales. I will have to check that figure, but the question as to whether or not the Office of Fair Trading prosecutes someone does not necessarily have any bearing on how many trade infringement notices have been issued. In other words, since about March 1989, the Office of Fair Trading, which is an amalgamation of three former divisions—commercial licensing, consumer affairs and residential tenancies—has been striving to go through what we call a trader awareness program. In doing that, the emphasis on prosecuting people diminishes and the emphasis on advising people as to what they should be doing increases. There has been a fairly marked increase in consumer complaints because of the way in which we now deal with things. If we look at our main clients as consumers, we look at obtaining redress for consumers as our first priority and issuing sanctions, if sanctions should be issued, to companies as a second priority.

**Mr INGERSON:** There does not seem to be a statement of the operation of the Second-hand Vehicles Compensation Fund in the Auditor-General's Report. Can the Minister explain why that is? What are the details of the fund's operation and the amounts standing to its credit as at 30 June 1990?

**The Hon. Barbara Wiese:** I will deal with the second part of the question first and comment on the state of the fund as at the end of the most recent financial year. The funds held at 1 July this year amounted to \$494 000. The honourable member would have to ask the Auditor-General why he did not include information about the fund in his report: I cannot answer that. However, I understand that the Auditor-General did not include that information in his previous report, but I cannot say why he did not do that. However, the fund has been properly audited and there can be no concern about that.

**Mr INGERSON:** Can the Minister supply the Committee with the audited report?

**The Hon. Barbara Wiese:** Yes, we can provide that information.

**Mr De LAINE:** With reference to page 258 of the Program Estimates, the Second-hand Motor Vehicles Compensation Fund was established under the Second-hand Motor Vehicles Act to meet claims from purchasers of second-hand vehicles arising from the failure of dealers to honour warranty commitments or other contractual obligations. Will the Minister provide a breakdown of payments of claims from the fund in 1989-90?

**The Hon. Barbara Wiese:** In the financial year ended 30 June 1990, payments in respect of claims from the fund totalled \$53 000. The breakdown is as follows:

	\$
Airport Car Sales Pty Ltd .....	145.00
Anderson I.A. ....	1 460.24
Baqua Pty Ltd .....	13 640.00
Crowther J.M. ....	2 659.41
Tri Star Motors .....	3 843.90
Turner V.C. ....	29 823.21
Velocie Pty Ltd .....	480.95

That represented 24 claims, totalling \$52 052.71, and there was a refund of \$1 000 so that the balance was \$53 052.71. The average amount of each claim was \$2 168.86. The \$1 000 to which I referred represented a refund of contri-

butions to the fund by a second-hand vehicle dealer which was paid in error and was therefore returned.

**Mr De LAINE:** With reference to the performance indicator table under the heading 'Consumer Services' on page 257 of the Program Estimates, can the Minister inform the Committee of the reasons for the increases in telephone inquiries and consumer complaints investigations in the Office of Fair Trading?

**The Hon. Barbara Wiese:** First, it needs to be remembered that during the financial year the Office of Fair Trading was restructured. There are two probable reasons for the increase in telephone inquiries. First, we introduced a new telephone system and increased the number of incoming lines from 32 to 50. We were aware of some consumer criticism about the inadequacy of the capacity of the telephone system and the difficulties that people were having in getting through to officers to make complaints, so that had an impact on the increase in calls. The reorganisation in September brought about the disbanding of the former inquiry unit and relocated the inquiry function into each operational group as was deemed appropriate. That has meant that a significantly increased number of officers are now available to handle telephone traffic.

Secondly, there has been a change in the way that we deal with complaints. Formerly, new complaints were accepted only after the complainant had been interviewed by an officer and a complaint had been effectively screened. This process rationed investigation services to the articulate and the educated among consumers. We felt that that was an inappropriate way of handling those issues, and things have been reorganised so that the office is now able to make investigation services readily available without unnecessary and bureaucratic red tape and to fast track the investigation of complaints, wherever possible. There has been an increase of 1 800 complaints this year. All those factors to which I have referred have had some bearing on the matter. It means that we are now providing a much better service to the public.

**Mr De LAINE:** I refer to page 262 of the Program Estimates. I understand that computerisation of the Public Trustee Office was completed in November 1989. Was the project completed on time, within budget, and is any post-implementation review being carried out?

**The Hon. Barbara Wiese:** The project was completed in November; it was on time, and it was completed within the budget allocation of \$1.6 million. The Public Trustee Office is already experiencing the benefits of the improved system. The cost of the computer implementation was funded by the Public Trustee Office from income adjustment reserves. It is also proposed to upgrade the word processing facilities at branch offices during the current financial year. A formal implementation review will then be undertaken of the new system by an independent consultant at a cost of \$8 625.

#### Membership:

Mr McKee substituted for Mr De Laine.

**Mr INGERSON:** Has the Office of Fair Trading received any complaints about ghost advertising of cars not on the premises to attract customers; and, if so, what has the office done about such complaints?

**The Hon. Barbara Wiese:** I think that Mr Webb has already answered that question, but perhaps he will rephrase it and the honourable member may be better satisfied with his reply.

**Mr INGERSON:** The reason I said 'ghost' rather than 'bait' was that I assumed they involved two different types of vehicles: a vehicle being there to bait people and a ghost

vehicle not being there. I thought there was a difference between the two. I asked the question earlier because I was not sure that I heard the right word used.

**Mr Webb:** I do not think that there is any difference between the two. If somebody advertises a vehicle that does not exist and it can be proved that it does not exist, then to prosecute for that offence becomes easy. If a person advertises a vehicle that does exist and he sells it very quickly because of its reasonable price, it is difficult to prosecute for bait or ghost advertising. If another half dozen people come in within an hour or so and say, 'We rang up and you said that this car was for sale,' the fact that the person had the car and sold it makes it difficult to mount a prosecution. If a vehicle never existed in the first place, it would be very easy to prosecute. I am not aware of any cases where ghost advertising has taken place. That does not mean that they have not occurred: it is just that I am not aware of them.

**Mr INGERSON:** I understand that the department has received complaints about an interstate magazine carrying advertisements from South Australians for the sale of South Australian cars where the vehicle, engine and chassis numbers have not been included, thereby breaching the law which requires South Australians advertising cars in South Australia to include such information in the advertisement. Why has no action been taken in relation to these breaches of the law?

**The Hon. Barbara Wiese:** It would be helpful if the honourable member would give the name of the magazine to which he is referring.

**Mr INGERSON:** I will supply the Minister with that information later because I do not have it with me.

**The Hon. Barbara Wiese:** If the honourable member will do that, I am sure that we shall be able to provide some information.

**The CHAIRMAN:** Then the question and answer will be taken on notice.

**Mr INGERSON:** In yesterday's *Advertiser* there was a story about Mr Ron Frederick, alias Roddy Farrow, alias almost any other name one cares to put. It referred to the Commissioner of Consumer Affairs having publicly warned about Mr Frederick's activities and prosecutions under the South Australian Companies Code and the Trade Practices Act of the Commonwealth. It also refers to the disappointment of investors that Frederick was placed on a two-year good behaviour bond and ordered to undertake 360 hours of community service on six Companies Code convictions instead of being imprisoned. Does the Minister know whether the Attorney-General proposes to appeal that lenient sentence; when did the Office of Consumer Affairs first receive complaints about Frederick and his activities; how many complaints have been received; what was the nature of those complaints; were there any recommendations for prosecution or other action against Frederick and, if so, what were they?

**The Hon. Barbara Wiese:** I do not know whether the Attorney-General is planning to appeal. I will ask Mr Webb to provide information about the department's involvement with Mr Frederick. There has been extensive involvement with investigations in relation to his affairs.

**Mr Webb:** The investigations relating to Mr Frederick, as far as the Office of Fair Trading is concerned, have nothing to do with the investigations undertaken by the Trade Practices Commission, the Corporate Affairs Commission, the New South Wales police or the national taxation authorities. Our only involvement with Mr Frederick related to his involvement in Ace Mechanical Repairers. When we began to get consumer complaints about Ace

Mechanical Repairers, we warned the public about the firm and the fact that the person behind it was Mr Frederick, Farrow, Bonaldo, or whatever one wants to call him. In effect, people chose to remove their vehicles from the premises and Ace Mechanical Repairers was forced to close. I cannot comment on what has happened to Mr Frederick in the courts but, like anyone else, I can have an opinion on it.

**Mr INGERSON:** Did the Minister receive a report from the Attorney in relation to the first question? Is the Minister saying that the Office of Fair Trading was involved only with Ace Mechanical Repairers?

**Mr Webb:** No. We also issued a warning under the provisions of the Wrongs Act in respect of Mr Frederick's activities when he was dealing with a company called Quick Power Pty Ltd. That is the company that led to the convictions through the Trade Practices Commission. That warning, in fact, was simply to advise investors and consumers to stay away, but we had no involvement in the investigation of the company.

**The Hon. Barbara Wiese:** I recommend that the honourable member asks one of his Upper House colleagues to pursue any corporate affairs issues with the Attorney-General and seek information about any action that he or his department has taken on that matter.

**Mrs HUTCHISON:** On page 265 of the Program Estimates under the Support Services Program 1989-90 specific targets and objectives, it states that a revised draft Uniform Credit Bill 1989 would be presented to Ministers in July 1990. Can the Minister advise the outcome of that Ministers' meeting and whether any progress has been made towards uniform legislation?

**The Hon. Barbara Wiese:** There has been considerable progress in achieving uniform credit legislation in Australia in very recent times. This matter has been on SCOCAM agendas now for some 20 years and there has been a considerable difference of opinion amongst State Ministers on issues relating to uniform credit legislation, although I think there has always been a view amongst the States that uniform legislation is desirable. The stumbling point has been the terms of the legislation and what it might cover. Over the past two years in particular, since South Australia has been chairing a working party looking at the question of uniform legislation, considerable progress has been made in bringing the States closer together on the major issues of disagreement to the extent that, by the time we reached the SCOCAM meeting in July this year, there was already considerable agreement, although there were some fairly fundamental questions on which States were still disagreeing.

In a fairly unusual process at SCOCAM, over a period of a couple of hours we were able to thrash out those outstanding issues and to reach a compromise. We did that by breaking the official meeting and locking Ministers in a room alone to work through the outstanding questions. The situation now is that the working party has been asked in the intervening time to work on two or three matters that required detailed work in order to reach a final agreement and to continue work on the draft Bill. We would expect that to be ready by the end of this month.

Following the production of the draft Bill and the outstanding issues having been worked through by the working party, Ministers will then be able to meet again to put their final seal of approval on the proposal. I would expect that some time during the course of next year all States in Australia will introduce uniform consumer credit legislation for the first time. There are considerable benefits for Australia in achieving this because the cost to finance companies, banks and other financial institutions due to the lack

of uniformity has been very significant, and those costs invariably are passed on to consumers. It will mean that in future all practices, training programs, computer programs and other things will be standardised across the nation. Therefore, the costs involved in running financial institutions should be considerably reduced, providing benefits to consumers. The outcome of the agreement will also provide considerable protection and benefits to consumers when they are dealing with financial institutions on matters relating to credit. So, all in all it is a very satisfactory outcome but, of course, it is long overdue.

**Mr McKEE:** The matter of licensing of crowd controllers under the Commercial and Private Agents Act 1986 was drawn to my attention by a Channel 7 news report earlier this month. Will the Minister provide the Committee with details of this scheme?

**The Hon. Barbara Wiese:** As from 31 August this year all persons who are either carrying on the business of, or employed as, crowd controllers are required to hold a suitably endorsed commercial agents licence under the Commercial and Private Agents Act 1986. This requirement follows considerable concern that has emerged over some period amongst the community generally and the police that perhaps unsatisfactory persons were employed in this industry, and that perhaps there have been occasions when unnecessary force or violence has been used by people engaged in the industry in pursuit of their work as crowd controllers.

In order to ensure that suitable people are employed, that they are both fit and proper persons with appropriate training for the position, the idea of licensing emerged and legislation to that effect has been passed. The regulations have now come into practice and in future we should see a higher standard of performance by representatives in this industry.

**Mrs KOTZ:** I refer to page 256 of the Program Estimates. Why was the Liquor Licensing Commissioner given a Cabinet direction to apply for a change in the operating conditions for the casino and who initiated the course of action to introduce video poker machines into the casino?

**The Hon. Barbara Wiese:** As I indicated earlier today, policy issues relating to the casino were formerly a matter that came within the purview of the Premier. In recent times, responsibility for the casino legislation has been transferred to the Minister of Finance, so the policy decision about the introduction of video gaming machines into the casino has emanated from that Minister. It was a Cabinet decision that we would pursue this as a matter of policy. In order to achieve that certain steps needed to be undertaken: first, producing a change to the regulations and, secondly, pursuing the action taken by the Liquor Licensing Commissioner.

**Mrs KOTZ:** I refer to page 256 of the Program Estimates. Under '1990-91 Specific Targets/Objectives' it states:

Provide input into any inquiry held by the Casino Supervisory Authority into the desirability and feasibility of the introduction of video gaming machines into the casino and, depending on the outcome, oversee their introduction.

I would have thought that under this line that question would have an affect on your area.

**The Hon. Barbara Wiese:** Certainly there is some involvement by the Department of Public and Consumer Affairs in this matter because the Casino Inspectorate comes under the umbrella of that department; but it is only the activity of the Casino Inspectorate that has any relationship to my portfolio. The overall policy issues are the responsibility of the Minister who has carriage of the Casino Act. So, there is a dual responsibility, but it is very clearly designated.

**Mrs KOTZ:** Has the Casino Supervisory Authority commenced its inquiries into the possible introduction of video gaming machines at the casino and, if so, how far has that inquiry gone? Is the Liquor Licensing Commissioner assisting in that inquiry?

**The Hon. Barbara Wiese:** I will ask for an actual report on exactly what the Casino Supervisory Authority has done here. However, Peter Young can respond to this because he is a member of that authority and is very familiar with the work that is undertaken in this area.

**Mr Young:** Yes, an inquiry has been commenced by the Casino Supervisory Authority; submissions are being received from all interested parties; a hearing has been held; and the authority is currently considering those submissions. In fact, the Liquor Licensing Commissioner is the eyes, ears, arms and legs, if you like, of the authority, and does all the necessary footwork to ensure that the information that is required by the authority is before it. In that way the Liquor Licensing Commissioner has been a very great help to the workings of the authority.

**Mrs KOTZ:** If the Liquor Licensing Commissioner is involved to that degree, could not that involvement of the Commissioner in assisting the Casino Supervisory Authority be seen as being in conflict with any application for a change in operating conditions?

**Mr Young:** I do not perceive any conflict with the Liquor Licensing Commissioner's assisting the work of the authority.

**The Hon. Barbara Wiese:** Does the honourable member have a particular concern that she thinks would create a conflict?

**Mrs KOTZ:** I would have thought that there would be a conflict with regard to looking at the changes that obviously would have been looked at within the operation of the casino and, by being on that particular board and looking at the introduction of video gaming machines, it would be seen as a conflict of interest.

**Mr Young:** I am sorry, but I cannot see any conflict. The administration of the Casino Act, as the Minister has already said, is committed to the Minister of Finance. As a matter of procedure, only two people can get something before the authority: one is the Lotteries Commissioner and the other is the Liquor Licensing Commissioner. One of those two people can bring forward a matter for consideration before the authority and then, once again, as a matter of procedure, someone is required to assist the workings of the authority. It seems to me that the Liquor Licensing Commissioner is the appropriate and the best qualified person. Under a section of the Casino Act the Liquor Licensing Commissioner is responsible for the constant scrutiny of the operations of the casino and, by being responsible for the constant scrutiny of the operations of the casino, he is intimately familiar with the workings of the casino and, I would have thought, best placed to put this information before the authority.

**Mrs KOTZ:** Page 256 of the Program Estimates under 'Issues/Trends' states:

Complaints received from patrons . . .

Then it records the years and the number of complaints received. What was the nature of those complaints by patrons in 1989-90? How were they resolved and with what result?

**The Hon. Barbara Wiese:** We do not think we have a list of all the complaints that were made by patrons, but Mr Young can provide general information about the nature of the complaints.

**Mr Young:** The casino opened in December 1985, so in 1986 and 1987 the community of Adelaide was unfamiliar with casino games and therefore an education process was

needed. Also, inspectors, systems and procedures in the casino itself needed to be crystalised and streamlined. As the workings of the casino have become better regulated and patrons better educated in their table games, the number of complaints has decreased each year.

With respect to the type and nature of complaints, generally speaking players dispute winnings being paid to the wrong person or someone not understanding the rules of the game. As I said earlier, as people have come to know the rules of the games the number of complaints have accordingly decreased. That is a general observation on my part, but I can do some research on it if the honourable member wishes.

**Mrs KOTZ:** The adviser said that over the years the number of complaints has decreased but, from the figures that appear on page 256 of the Program Estimates, it looks as though they have actually averaged out, especially taking into account the fact that the estimated number of complaints for 1990-91 is also an average. That page states:

Continued close scrutiny over the Adelaide Casino's operations is required.

Does that not suggest that there should be a strategy to look at this to try to determine a better effort for the coming year rather than again averaging the complaints.

**Mr Young:** With the introduction of a new type of game, complaints arise. Another factor is the increased patronage that may be expected at the casino in the next 12 months. So a number of factors need to be taken into account, but the main one is the introduction of new games until patrons become familiar with the rules.

**The Hon. Barbara Wiese:** From comments made to me on a number of occasions by the casino management, it is apparent that the personnel regard their responsibility to their customers as fairly critical to the casino's long-term survival and performance. Therefore, they do their best to ensure that the facilities and operations of the casino are provided at a standard that ensures satisfaction for its clientele. They are not interested in receiving large numbers of complaints but, from the comments made by Mr Young, it appears that the complaints received are largely the result of lack of knowledge of people involved rather than any shortcoming on the part of the casino management in providing the service or facility. So, it is rather difficult for the management to put in place strategies designed to overcome these problems.

**Mr BECKER:** How many consumer inquiries have been received by the department in the past 12 months; how does the level compare with that of the previous 12 months and what is the present trend?

**The Hon. Barbara Wiese:** For the entire year, 209 231 inquiries were handled by the Office of Fair Trading, an increase of 7 000 on the previous year. Most inquiries related to residential tenancy matters—114 207 this year compared with 113 396 the year before. The largest increase related to other matters—95 024 this year compared with 88 915 the year before. These figures begin to reflect the improved system of recording inquiry data which came into effect towards the end of the reporting period and the changes in the procedures now undertaken by the Office of Fair Trading to which I referred in response to an earlier question.

There were 12 001 consumer complaints handled during the course of the year, a marked increase on the 10 379 complaints in the previous year. The largest increase occurred in the traditional area of motor vehicles—1 474 this year compared with 893 for the previous year. There were 1 029 complaints relating to building work received this year compared with 826 the year before, and 904 complaints in relation to clothing, footwear, drapery and manchester were



received this year compared with 742 the year before. The category in which the largest number of complaints was made was real estate and accommodation, but the numbers remained static; a total of 6 669 complaints were received this year compared with 6 619 the year before. They were largely residential tenancies matters.

**Mr BECKER:** The figure of 209 000 reflects a considerable number of complaints. Either a very large percentage of the population is making complaints or a few people are making a lot of complaints.

**The Hon. Barbara Wiese:** It is important to distinguish between inquiries and complaints, which is why I separated the numbers. Many of the 209 000 people did not complain but merely sought information about their rights and responsibilities.

**Mr BECKER:** A large number of contacts were made with the department. I refer to a classic example in which a constituent of mine on 17 June this year ordered a panel fold door from Stan Bond (SA) Pty Limited to be installed between the lounge and dining-room, but it still has not been fitted. These people were quoted \$705 and paid a deposit of \$255. They have contacted the company on many occasions and have given me a list of the names of individuals to whom they have spoken, but the job has not been completed because the frame was supposed to be manufactured in bronze, but was manufactured in silver. This example gives an idea of the difficulties being experienced by people in relation to some manufacturers and suppliers of normal household goods. Is there an alternative way in which the system could be streamlined instead of pressure being brought to bear on the department?

**The Hon. Barbara Wiese:** The Department of Public and Consumer Affairs is placing greater emphasis on consumer education to encourage consumers to know more about their rights in cases where they are having difficulty with a particular trader. Very often, if the consumers are better informed about their rights in such situations, they are able to negotiate a satisfactory conclusion to a difficult problem, such as the one outlined by the honourable member, without the need to seek outside intervention.

The Office of Fair Trading is experimenting with new procedures aimed at speeding up the dispute resolution process once an inquiry comes before an officer of the department. Under these procedures, more immediate contact is being made with traders concerning disputes. In many cases, consumers who visit the department to obtain assistance receive immediate satisfaction and leave after their dispute is resolved on the spot. This is one of the things that we have been able to achieve since the inquiry and information office was established on the ground floor of the GRE building: people come to the office and often an officer is able to resolve the problem with a telephone call directly to the trader, and a satisfactory outcome is achieved on the spot.

Under our old method of operation that would not have been possible. Previously, there was a fairly bureaucratic system whereby a file was opened and detailed negotiations took place at some later time, and consumers were left with a problem which they had tried to resolve themselves unsuccessfully but which remained unresolved for some time. Some procedural steps are being taken by the Office of Fair Trading that will be of considerable help to consumers, but the consumer education program is of importance in teaching people more about their rights.

**Mr BECKER:** Has the Minister or the Government been approached to consider the deregulation of milk? In this morning's *Advertiser*, there appears an advertisement by Bi-Lo, which takes up these causes and claims that it could

sell milk cheaper if it were not for the regulation of milk prices. In the interests of consumerism in this State, is it possible that the price of milk could be reduced? Has the Minister received representations from this company? What action does the Government propose to take?

**The Hon. Barbara Wiese:** The Metropolitan Milk Board is the body that determines metropolitan milk prices, so we do not have jurisdiction over that matter. It is certainly in the interests of the consumer that milk prices be as low as possible, but the Department of Public and Consumer Affairs, or the Prices Commissioner, does not have direct jurisdiction in this area.

**Mr INGERSON:** In the Program Estimates (page 257), reference is made to defaulting by a number of land brokers. Who are the land brokers in respect of whom payments are still due to creditors? How much in respect of each broker remains to be paid out, and when are these payments expected to be made? What is 'the appropriate audit program' referred to?

**The Hon. Barbara Wiese:** As the honourable member is probably aware, a number of cases were brought to the attention of the Commissioner for Consumer Affairs where land brokers were also acting as mortgage brokers and a number of cases of fiduciary default by those agents were discovered. As a result of that, it was determined that a careful examination of the trust account records of the mortgage financiers should occur, and that survey has been undertaken by examiners employed by the Office of Fair Trading assisted by two private consultants, Mr Tony Hele and Touche Ross Services Pty Ltd. The task was completed at the end of April this year, and initially the survey took the form of a questionnaire which was sent to all licensed agents and brokers seeking information as to whether they were involved in mortgage financing. A standard audit program was developed in consultation with consultants to be followed by the examiners who would later go in and examine the accounts of those people who acted as mortgage financiers.

In the development of this program consultation took place with the Real Estate Institute, the Land Brokers Society and the Finance Brokers Institute. There was also consultation to identify any mortgage financiers of which those bodies were aware. In addition to the examination of the trust accounts of those people, there was a sample of land agents and brokers who were not engaged in mortgage financing activity and who were targeted for examination. So, in total 22 land agents and 40 land brokers were identified as mortgage financiers; 44 other land agents and 45 other land brokers were also examined. In addition, 22 agents and brokers who failed to respond to the questionnaire have been targeted for urgent examination. The examination of the trust accounts detected numerous cases where mortgage financiers were failing to keep adequate accounting records, and action is being taken in relation to that. However, there was no evidence of any further fiduciary default by any of the brokers examined.

**Mr INGERSON:** I also asked who were the defaulting brokers and what amount is still outstanding in relation to them.

**The Hon. Barbara Wiese:** At the end of the financial year the balance of the fund stood at approximately \$6.6 million. Payments to claimants and the cost of administration during the course of the financial year amounted to \$3.9 million. During the year payments were also made for education programs, and that amounted to \$254 000. Also, \$7.17 million was received in interest from agents and brokers trust accounts, interest to the investment of the fund and recovery of claims. At the end of the financial year outstanding

claims on the fund, including matters yet to be determined by the Commissioner and/or the Commercial Tribunal, totalled approximately \$9 million. We cannot be specific about that, because some of those claims have not yet been properly investigated and an accurate figure can be determined only once those matters have been investigated appropriately.

**Mr INGERSON:** What was the conclusion of the needs analysis and the problem definitions? What functions will the occupational licensing system perform? When will it be implemented? At what cost? What are the savings and other benefits that might be achieved?

**Mr Martin:** The department processes its occupational licence applications and such on a system which operates on the State Computing Centre's Cyber computer, which is due to be decommissioned in the next few years. The department has embarked on the development of a computer system which will replace the system presently operating on the State Computing Centre's Cyber computer. The estimated cost of the project cannot be predicted at the moment. The needs analysis and problem definition have been completed and the next stage in the process is to develop a feasibility study and business case which will contain an estimate of the total cost of the project. As near as we can estimate at the moment, the system will cost in excess of \$1 million, but not in excess of \$2 million. However, the approximate cost will be clearer once the feasibility study and business case have been finalised.

**Mrs KOTZ:** With regard to page 258 of the Program Estimates and the broad objectives, how does the Government propose to maintain stability within the liquor industry, and what is the stability referred to?

**The Hon. Barbara Wiese:** In general terms, the reference to the maintenance of stability within the liquor licensing industry relates to the granting of licences and the fact that one of the key considerations in the granting of licences is the need for additional licensed facilities in a particular location and to ensure that proper consideration is given to questions of unnecessary competition within the industry.

**Mrs KOTZ:** Page 167 of the Auditor-General's Report refers to the 'potential to earn... \$800 000 per annum from improved cash inflow of licence fee collections... review and revision of operational processes of traditional standing'. In what way would savings be made? Why did the Government not adopt those recommendations and, most importantly, what would be the impact on licensees?

**The Hon. Barbara Wiese:** The Auditor-General has suggested that, by adopting a system of half-yearly rather than quarterly licence fee instalments, \$800 000 could be saved. He also stated in his report that the department has advised that considerable resource savings would be achieved. The department advised the Auditor-General that work would be saved within the department if a move was made to half-yearly rather than quarterly licence fee instalments. The department has estimated that the resource savings would probably of the order of one clerical officer, which would save around \$25 000 by having to perform the task twice a year instead of four times a year. However, the Auditor-General's argument about forgone interest is certainly sound. We should consider that as liquor licences, like water rates, are already paid in advance we have access to the licensees' resources, in some cases for a considerable period.

An analysis of the past four quarterly instalments shows that on average a total of 195 licensees failed to pay licence fees within the statutory period. Although the Government does not lose from that as there is also a 10 per cent late payment penalty when payments are not made, it indicates

that already a number of licensees are finding it difficult to meet their quarterly payments. We would probably find an increase in the number of licensees not being able to meet their payments by the due date if we were to move to half-yearly payments. However, the proposal for a shift to half-yearly payments has been considered in the past. As a result of the issue being raised again by the Auditor-General, it will be considered further during the course of this financial year.

**Mrs KOTZ:** Reference is made (on page 168 of the Auditor-General's Report) to a greater demand for low alcohol beer as a reason for lower licence fees. What was the demand for low alcohol beer and normal strength beer respectively in 1989-90, 1988-89 and 1987-88? What licence fees were paid in each of those years in respect of each strength beer? Does the Government have any plans to impose licence fees on low alcohol beer?

**The Hon. Barbara Wiese:** We do not have those figures with us, but we believe that they are probably available and, to the extent that I can satisfy the honourable member's request, I will attempt to do that in due course. As to the honourable member's question about a licence fee on low alcohol beers, that is not a matter upon which I would make a recommendation to the Government. That would be a matter for the Treasurer to determine whether there was a desire to move in that direction. I would be very surprised if that occurred because the Government, in general policy terms, supports the move in the community towards a greater consumption of low alcohol beer as opposed to other kinds of beer. We would not want to interfere with that trend.

**Mr INGERSON:** On page 258 there is a reference to a deputy chairman and support staff being appointed to the Commercial Tribunal. How many support staff have been appointed, and what is the current delay in the Commercial Tribunal in each area of its jurisdiction?

**The Hon. Barbara Wiese:** The Commercial Tribunal has a Chairman and there are now five deputy chairmen. A new one was appointed yesterday. By and large, the deputies are scheduled to handle any matters before the tribunal that the chairman is unable to handle for whatever reason. In addition, there is a secretary and a hearings clerk who support the work of the tribunal.

As to the scheduling of hearings, a considerable build-up of matters to be heard by the tribunal has occurred in recent times. I do not have that information with me, but I understand that until now the delay has probably meant that matters are not scheduled to be heard until about the end of November. However, with the appointment of a new deputy yesterday, some matters are likely to be able to be brought forward for hearing, although this could be complicated to some extent by the new issues which have emerged as a result of the Medindie Car Sales problem. The Chairman of the Commercial Tribunal has undertaken to hear those matters himself and to give them priority, so that may mean that other matters will have to be heard by deputies as a result of the work that has emerged in that area.

**Mr INGERSON:** If the Minister does not have information on the types of delays, will she give a report to the Committee at a later date? There seem to be many people there. What is the actual cost of the Chairman and deputy chairmen? It seems quite staggering to have six commissioners. What is the actual cost?

**The Hon. Barbara Wiese:** I shall be happy at a later time to provide the information that I was unable to supply relating to delays in hearings. As regards salaries, it should be noted that only the Chairman of the Commercial Tri-

bunal is paid a full-time salary. The deputies are paid on a sessional basis as and when required.

**Mr INGERSON:** Could we also have that information?

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

**Mr INGERSON:** In relation to the problem definition of the computerisation of the Office of the Liquor Licensing Commissioner, what is the conclusion of this work; is the work to be computerised and, if so, when and at what cost?

**Mr Martin:** A needs analysis and problem definition for the computerisation of a wide range of aspects of the operations of the Office of Fair Trading was carried out. However, the department has given priority to the development of the liquor licensing system as that is the most pressing need at the moment, for the reasons that I outlined earlier in relation to the decommissioning of the Cyber computer at the State Computing Centre. The occupational licensing system is being developed in such a way that it can form part of a broader computer system to service other requirements of the Office of Fair Trading if the department decides to go down that path at a later time. That would have to be justified in the normal way as a computing project in terms of the business case and cost benefit. The occupational licensing part of the project is proceeding, but the broader question of computerisation of the Office of Fair Trading's operations is on hold while we give priority to the other project.

**Mr INGERSON:** Does the review of all occupational licensing legislation involve a one-stop shop for all Government licensing requirements for a business?

**The Hon. Barbara Wiese:** No, not specifically. The review of legislation relates to the licensing provisions in separate pieces of legislation covering a number of different occupations. In many cases quite different provisions apply to those varying occupations. Many of those provisions could be standardised across all occupations. The review of the legislation is designed to achieve that goal by simplifying the requirements for licensing of the occupations presently covered by the department. That review of legislation is scheduled to commence some time next year. I hope to introduce legislation which will consolidate all those matters. The question of a one-stop shop for licensing information has been under consideration by the Government for some time now. Generally speaking, the office of the Government Management Board and the Small Business Corporation have had the carriage of it.

It has taken quite some time to consider all the matters that need to be taken into account and to consult with the various Government agencies that would need to provide information to the people who would put together the one-stop shop computer program. Those negotiations and discussions are still taking place. Hopefully, during the next financial year the Government may have the capacity to provide the financial resources to establish the one-stop shop which we expect to be located in the Small Business Corporation.

**Mr INGERSON:** What is the waiting time for matters to be heard in the Licensing Court?

**The Hon. Barbara Wiese:** Matters before the Licensing Court are heard very expeditiously. There are currently no outstanding matters and usually it takes a very short time for matters to be heard once they arise.

**Mrs KOTZ:** Under-age drinking is a major problem for hotel licensees. Does the Government propose to introduce any form of youth ID card on a voluntary basis, as apparently is used in Queensland at this time, to make the task of licensees somewhat easier?

**The Hon. Barbara Wiese:** This matter comes up for public discussion from time to time. A series of articles appeared in Adelaide newspapers some months ago that focused on this question of ID cards to try to curb the practice of under-age drinking on licensed premises. At that time the Australian Hotels Association wrote to me seeking my views on the matter. I, in turn, asked the AHA to provide more information about exactly what it had in mind if such a system were to be put in place and to make further submissions to me on how a system of this kind would work.

To this time I have not received any further submission from that organisation on this matter. However, as the honourable member says, systems of this kind have been introduced in other parts of Australia. I am not sure to what extent they have actually produced the desired results and I suspect that they can have only very limited results in this area anyway. However, I am willing to hear argument on the matter and, as I indicated, I have offered to examine the issue in greater depth if the organisations in the hospitality industry wish to pursue it with the Government.

**Mrs KOTZ:** What is the current membership of the Residential Tenancies Tribunal? What is the current waiting time from an application for relief to hearing, then to judgment and, finally, an order?

**The Hon. Barbara Wiese:** The Chairperson of the Residential Tenancies Tribunal is Ms Wendy Eyre, and the current membership is as follows: Ms K.P. McEvoy, Mr H. Anderson, Ms J.L. Belchamber, Ms J.J. Brown, Mr P.G. Cheesman, Ms C.A. Clements, Ms P.A. Eady, Ms D.J. Eszenyi, Mr J.N. Holland, Mr C.W. Kitchin, Mr J.D. Lyons, Mr A.P. Moore, Ms P.M. Partick, Mr S.F. Stretton, Mr A.H.L. Swifte, Mr H.T. Tuckwell and Ms H.E. Wighton. I do not have information regarding the waiting times for hearings before the Residential Tenancies Tribunal but I will provide that at a later time.

**Mrs KOTZ:** The Residential Tenancies Act has been under review since before the 1989 election. Has the review been completed and, if so, when will it be released? If not, when will it be finished and then released?

**The Hon. Barbara Wiese:** A working party has been established to conduct the review of the legislation and to determine whether the legislation adequately promotes fair trading in the private South Australian rental market. The working party comprises representatives of the Real Estate Institute of South Australia, the landlords' association, SACOSS, CASA and the Department of Public and Consumer Affairs. It held its first meeting in June this year and has since advertised for public submissions. Submissions received are now being examined by the working party and it hopes to complete an interim report by the end of this year.

**Mr INGERSON:** Page 170 of the Auditor-General's Report states that on 1 July 1989, \$21.575 million was in the Residential Tenancies Fund and that at the end of the year (30 June 1990) the figure was \$27.18 million—in other words, an increase of nearly \$6 million. It seems quite staggering that over the years we are building up such a huge amount of money and that nothing ever seems to go back to those who have contributed it. What is the intention of the Government concerning this massive build-up of money in the fund?

**The Hon. Barbara Wiese:** As it presently stands, section 86 (d) of the Residential Tenancies Act provides quite considerable constraints on the use of moneys in the Residential Tenancies Fund. The fund can be used for only a very narrow range of purposes. The honourable member would probably recall that during the International Year of Shelter amendments were made to the Act to enable moneys to be

drawn from the Residential Tenancies Fund and put towards a number of housing research projects, and that there was quite some controversy about that at the time because, when the proposal was first mooted, it was not clear whether the Act allowed for it.

So, in order to clarify that matter amendments were made to achieve that result. There may well be other very good causes to which the money in that fund could be put. If the honourable member has any suggestions that he would like me to pursue, I would be very interested in hearing his ideas in this area. In recent times there have been discussions between the Department of Housing and Construction and Treasury about the possibility of moneys in the Residential Tenancies Fund being used for purposes sympathetic with the aims and objectives of the legislation. However, these discussions are at a very preliminary stage, and I would assume that if any positive proposals come out of these initial discussions there may very well be a need to amend the legislation in order to achieve these objectives.

**Mr INGERSON:** I find that quite staggering. This money belongs to people who have put up bond money. Last year \$4.5 million was generated in that fund from interest alone—money that in essence belongs to people who have put up bond money—and the Minister is talking about perhaps Treasury getting its hands on it. I can understand why Treasury would be looking at it—some \$27.81 million is in the account. In fact, the fund increased by \$5.605 million last year. As I said, \$4.5 million in the fund is interest that belongs to the people who put up bond money. I think that one of the best suggestions is that some of the bond money should be returned to the people to whom it rightfully belongs. Even if the interest alone was paid back that, in itself, would be a fairly moral thing to do. The same thing occurs every year; it is not something that has occurred only this year; it rolls on and on. The Government seems to be using it as an opportunity to put forward its own programs.

**The Hon. Barbara Wiese:** That is not true.

**Mr INGERSON:** Well, I notice that \$400 000 was withdrawn last year for capital and research, but very little else was withdrawn other than that used to pay those who had their bond refunded.

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

**Mr INGERSON:** I understand that Sagasco pays interest on refunded bond money. Would this be one way in which this money could be disbursed to the people who paid it in originally?

**The Hon. Barbara Wiese:** In the short time that I have been Minister of Consumer Affairs this issue has not exercised a lot of my time. As I indicated earlier, I am aware that suggestions have been made by a number of people that the funds residing in the Residential Tenancies Fund could be used for other appropriate purposes. I have already alluded to the fact that there have been discussions with the Emergency Housing Office and the Treasury about the suggestion that the Emergency Housing Office, which has bond money in the Residential Tenancies Fund, should be allowed access to that money to put it towards the provision of bond money for disadvantaged people in emergency situations. That is one proposal that has come forward.

The organisation known as Shelter, which is a member of the review committee that is currently looking at the Act, has put forward other suggestions as to ways in which the moneys in the fund might be used to assist disadvantaged people for housing purposes. I am sure that there are numerous ideas, such as the one put forward by the honourable member, that could be considered.

I am prepared to initiate further discussions on this question and, now that I know there is some support by members of the Opposition for investigations of this kind, I am particularly interested in doing this. I have no doubt that, if we were to use the money residing in the Residential Tenancies Fund for purposes such as those that have been suggested, it is almost certain that there would need to be legislative change, as these things would have to be supported by Parliament. If the honourable member is suggesting that we ought to look at some of these propositions, I am happy to do so and I will think about ways in which some of these matters can be pursued.

**Mr INGERSON:** Will the Minister say how much of the bond money in the Residential Tenancies Fund comes from people who currently have bonds registered and how much of it is just floating in the system? I do not want the Minister to think that the Opposition supports any scheme other than returning the money to the people who put it in the fund, because it is their money. Whilst any Government may see a legitimate purpose for using this money for any disadvantaged group, the fact is that the money belongs to these individuals and should be returned to them. Can the Minister say how much of this bond money is tied up or fixed?

**The Hon. Barbara Wiese:** I am not able to say exactly how much of this money is capital and how much has been earned through interest on investments, but this is one of the issues that need to be clarified before we can make a proper assessment of how much money should be in the fund at any one time to cover the bonds that are lodged and other contingencies that may arise. These issues will need to be clarified before there can be any suggestion of changes in the use of those moneys.

**Mr INGERSON:** Will the Minister provide a report of how much is bond money and how much is accumulated profits? In the last year, about \$12 million was repaid and the fund totals about \$28 million, so it is a reasonably nice nest egg. Some of the people who own properties that are damaged by tenants would be interested in knowing whether a special fund was to be set up. We might look also at giving these people the opportunity to claim for any damage that is caused. This whole exercise is a two-way street.

I understand that land agents and brokers have been proposing a measure of self-regulation, including greater responsibility for surveillance of brokers and agents and their trust accounts. Why will the Minister not agree to that in principle, as it would give a greater level of responsibility to the governing bodies of agents and brokers. The same principle applies to the Law Society in relation to lawyers' trust funds. Currently the Law Society as a group generally oversees the management of lawyers' trust funds. The Land Agents and Brokers Association is saying that it would like to be in that same position of being self-regulating, in essence. It would like to have the opportunity to survey and manage as part of a self-regulating society. Spot audits would give the association, on behalf of its members, the opportunity to self-regulate.

**Mr Webb:** The spot auditing of trust accounts of land brokers, land agents and finance brokers is well under way and has been for some time. We have asked for the assistance in the early stages of Mr Hele, who did exactly the same job for the Law Society, and a company called Touche Ross Services Pty Ltd. We believe that we have reached a stage—and we have just recently had this reinforced particularly by the Finance Brokers Institute—where people in those industries are very careful now because they know that at any time they may have a spot audit from the department. If the land brokers wish to become involved

in that in a self-regulatory way, all we can say is that we believe it is our duty to perform those functions and not an industry duty.

**Mr INGERSON:** I refer to the Program Estimates (page 259). What items are currently price controlled? What items are currently subject to the price justification? What items are currently subject to price monitoring? Are there any plans to alter any of these items, or include others, in the current financial year?

**The Hon. Barbara Wiese:** The honourable member is probably aware that there are three categories for control. Certain goods are under formal control; another group of goods is subject to price justification; and a third group is subject to price monitoring. In the formal category there are: bread (retail prices); infants and invalids foods (manufacturer and retail prices); country milk (wholesale and retail); children's school uniforms and school footwear (retail); school exercise books (manufacturer and retail); towing, recovery and storage of motor vehicles; quotation fees for repair of motor vehicles; gas (from 1 June 1988, maximum tariffs gazetted by the Minister of Mines and Energy after consideration of a recommendation from the Commissioner for Prices); minimum prices for wine grapes; and medical services.

In the justification category there are: ale, beer, lager and stout (wholesale and retail in front bars and bottleshops); wines and spirits (retail in front bars and bottleshops); flour (millers); superphosphate and sulphate of ammonia (manufacturer); gelignite (retail at Coober Pedy); cement (manufacturer); and bread and bread rolls (manufacturer).

In the monitoring category there are: school requisites (manufacturer and retail); text books for primary and secondary schools (retail); petroleum products other than aviation gasoline (wholesale and resale); meat pies and pastries (manufacturer and retail); aerated waters (retail); icecream (retail); cement (retail); roofing tiles, clay bricks, concrete bricks and blocks (manufacturer); and quarry products (sand and stone ex-quarries).

As to the changes that may emerge, it is proposed that during this financial year the Prices Division of the Department of Public and Consumer Affairs will further review the price control function of the department with a view to making any appropriate recommendations for changes to the current procedures, because it is now some 11 years since there was a major review in this area. It may very well be appropriate to consider some of these things a second time.

**Mrs KOTZ:** The Program Estimates (page 259) states:

The wholesale and retail prices of beer usually increase in February and August to coincide with Federal Government excise increases.

What increase in licence fees to the State occurred as a result of the Federal excise increases in February and August 1989 and February and August 1990?

**Mr Young:** In respect of liquor in South Australia, the State licence fee is calculated on 11 per cent of the wholesale price plus any excise fee. So, if the Commonwealth excise fee is increased twice a year, in February and in August, the State charges 11 per cent on that additional excise fee, so it is increased by that sum.

**Mrs KOTZ:** So the actual increase is 11 per cent?

**Mr Young:** It is 11 per cent of whatever the increase is.

**Mrs KOTZ:** Again, in relation to issues and trends, the Program Estimates state:

The Prices Division is presently involved with other Government departments and the South Australian Gas Company in devising a formula to apply to gas tariff increases in the next five years.

Which other Government departments are involved, and which is the lead department? There are several aspects of this question which I would like to raise, and perhaps the Minister would be prepared to take them on notice.

**The Hon. Barbara Wiese:** I will answer the honourable member's first question now. The Department of Mines and Energy is playing the major role in determining that issue. The Treasury is also involved and the Department of Public and Consumer Affairs, under the legislation, is also required to be involved.

**Mrs KOTZ:** What stage have the negotiations reached? When is an agreement expected to be reached? What is Government's objective?

**The Hon. Barbara Wiese:** I will ask the Commissioner for Prices to respond to that question because he is involved directly with the current discussions.

**Mr Young:** Taking the last part of the honourable member's question first, I am not sure whether an agreement will be reached. Currently a working party is examining all the factors involved in the issue and is preparing a preliminary report to enable the steering group to consider the matter further.

**Mrs KOTZ:** What about the Government's objectives?

**Mr Young:** As is known and has been publicised, the Gas Company is considering the merits of devising some kind of formula which will allow it some degree of certainty with regard to tariff increases to apply that sum to capital works. However, that is as far as it goes. A request has been made to examine the merits or otherwise of that proposal. That is being considered.

**Mrs KOTZ:** My final question relates to page 260 of the Program Estimates, which state, under 'Specific Targets/Objectives':

Participate in the development of a national system for approval and licensing of principals.

Is that system of principals operative yet? What is involved in that concept?

**The Hon. Barbara Wiese:** The reference in the budget papers to the development of a national system for approval and licensing of principals engaged in the certification of weighing and measuring devices has been under discussion nationally for a number of years. That is one of the issues which forms part of the agreement recently reached by Ministers around Australia. It will lead to uniform legislation being enacted around the country with respect to weights and measures legislation.

The most recent SCOCAM meeting held in Perth in July formally endorsed the agreement which was reached and all State Ministers, but one, signed an agreement which, although obviously not formally binding, was designed to express a political commitment on the part of all States to a scheme under which in future we will cooperate with each other to ensure that uniformity in our legislation continues.

The agreement has already been passed into legislation in a model Bill introduced in New South Wales very late last year. It passed both Houses there without any dissent. In South Australia at the moment a green paper is currently being prepared in accordance with our regulation review guidelines. That discusses all the issues and options involved in proposed legislation for this State. Among those issues is the matter referred to in the budget papers. Once we have been through the green paper process and have the appropriate feedback as a result of consultation with relevant industry bodies and other interested parties, we will also move to drafting legislation and introducing it in the South Australian Parliament.

**Mr INGERSON:** On page 261 there is a very interesting comment that there is increasing demand for entertainment

on Sundays. By what criteria or indicator is that measured? What is the basis for such an assertion? In what categories does that Sunday entertainment fall?

**The Hon. Barbara Wiese:** That reference in the budget papers refers to the growing number of applications made by licensed premises for the right or ability to provide entertainment on Sundays and particularly on Sunday evenings. That is a very vexed question which causes considerable community controversy from time to time particularly in the areas where licensed premises have been allowed to have entertainment on Sunday evenings. Local residents usually find that rather difficult to cope with, particularly if considerable noise emanates from licensed premises on those occasions.

There is some difficulty there and from time to time there are suggestions that legislation should be modified to allow greater flexibility for licensed premises to extend current operations. At this stage, on balance, the Government feels that the current provisions in our Liquor Licensing Act are appropriate and strike a reasonable balance between providing for the rights of licensees and providing appropriate protection for local residents in communities where some of those activities take place.

**Mr INGERSON:** My next question relates to page 262, concerning the business case and the anticipated contribution to the State. What contribution does the business case envisage the Public Trustee paying to the State Government; on what basis is the contribution to be calculated; and when is the first payment to be made?

**The Hon. Barbara Wiese:** It is anticipated that the first payment will be made during this financial year. It is expected that this year's contribution will amount to \$381 000. The amount is equivalent to the company tax rate, which is 39 per cent applied to the net operating surplus of the Public Trustee.

**Mr INGERSON:** My next question relates to the SGIC taking over Elders Trustee, and Farmers Trustee being placed on the market. Does the Minister hint at some merger of the trustee services of Elders Trustee and the Public Trustee and even Executive Trustee Australia; if not, what is envisaged? Has there been any discussion of a merger of the Public Trustee with other Government-owned trustee companies; and, if so, when might it occur?

**The Hon. Barbara Wiese:** A study was undertaken to determine whether or not the Public Trustee should merge with other such bodies. It was determined that the Public Trustee should remain as it is, but that it ought to move to operating on a more commercial footing. Indeed, the changes taking place in the operations of the Public Trustee are designed to allow it to move in that direction, including the matters that we have just been discussing: the fact that the Public Trustee will now be paying a dividend to the Government and will be operating from a deposit account. That also means a shift in fees and charges which are imposed by the Public Trustee, and various amendments have already taken place to bring the fees and commissions charged by the Public Trustee into line with those that apply in the market place generally. Although there have been increases in many of those areas, in most instances the Public Trustee is still providing better value for money than some of its competitors in the market.

**The CHAIRMAN:** I should like to direct a question to the Minister about the Liquor Licensing Commissioner and his relationship with the casino. The Liquor Licensing Act is under your general administration. To what extent do you believe that the Commissioner may be directed by you as Minister in the exercise of any of his functions under any of the Acts with which he is associated? I imagine that

would be the Liquor Licensing Act and the Casino Act principally. To what extent is he subject to ministerial direction or control?

**The Hon. Barbara Wiese:** That is a difficult question to answer unless you give me some idea of the kinds of issues that you have in mind.

**The CHAIRMAN:** Two issues come to mind. One is the exercise of his powers and functions under the Liquor Licensing Act in relation to liquor licences and the other would be his powers and functions under the Casino Act in relation to the activities for which he is responsible under that Act. The Liquor Licensing Commissioner has a number of functions under that Act; for example, lodging applications to the Casino Supervising Authority, and he has a number of duties under the Liquor Licensing Act as well. Do you perceive that under either, both or neither of those Acts he is under the direction of yourself as Minister administering the Act which constitutes his office? For example, the Housing Trust is subject to the day-to-day control of the Minister of Housing and Construction, but the State Bank is not subject to the control of the Treasurer.

**The Hon. Barbara Wiese:** I believe that as Minister I have the power properly to direct the Liquor Licensing Commissioner on administrative issues, but I do not think it is my place to interfere in the Commissioner's exercise of his powers under the Liquor Licensing Act with respect to matters that may come before him at some time or another.

**The CHAIRMAN:** And in relation to the Casino Act?

**The Hon. Barbara Wiese:** First, I make the point that the Casino Act does not come within my powers or responsibilities; it is a matter for which the Minister of Finance is responsible. I do not have any influence over those questions any more than any other Minister within the Cabinet. I am not quite certain what you mean.

**The CHAIRMAN:** The Liquor Licensing Commissioner has functions under the Casino Act. The Casino Act is administered by the Minister of Finance, but the Liquor Licensing Act is administered by you. Therefore, when the Liquor Licensing Commissioner exercises functions under the Casino Act, is he acting as the Commissioner whose activities are administered by you or under the Casino Act administered by the Minister of Finance? When the Liquor Licensing Commissioner performs a function under the Casino Act it is not necessarily the case that, because the Casino Act is administered by the Minister of Finance, the Liquor Licensing Commissioner's actions would not be subject to direction by yourself because he is the Liquor Licensing Commissioner and his office comes under your portfolio.

**The Hon. Barbara Wiese:** I think the same distinction would apply in that respect as with other issues that I have discussed in a general way. When the Commissioner is fulfilling his functions on licensing matters as they relate to the casino, they are issues upon which I would feel it was inappropriate and improper for me to try to exert influence. He must be free to make those judgments.

**The CHAIRMAN:** So the Cabinet direction on the application for the video licences would have been issued through the Minister of Finance, not yourself; or at least you are able to say it was not issued through you. How else it may have been issued you may or may not be aware, but it was not issued through you?

**The Hon. Barbara Wiese:** It was issued by me. I will explain how the matter proceeded right from the beginning. As I indicated, the Minister of Finance is responsible for the Casino Act, so he brought a submission to Cabinet on the question of video gaming machines seeking Cabinet approval for the matter to be pursued. Cabinet approved

that submission and the drafting of a regulation to enable that to occur and asked me, as Minister of Consumer Affairs and the Minister responsible for the Licensing Commissioner, to arrange for the Liquor Licensing Commissioner to prepare an appropriate submission to the Casino Supervising Authority. So, again, in that instance I had purely an administrative function. I was asked, as the Minister responsible for the Commissioner, to pass on a message, if you like, to the Commissioner from Cabinet after a policy issue was put to Cabinet by the appropriate Minister who, in that case, was not me.

**The CHAIRMAN:** Therefore, you see the exercise of the Liquor Licensing Commissioner's functions under the Casino Act to be administrative in character (and, therefore, he is quite capable of direction by you) as distinct from his functions under the Liquor Licensing Act which you would perceive to be semi-judicial, because you indicated before that you would not have sought to direct him on those matters.

**The Hon. Barbara Wiese:** I saw my function in that instance as almost the message carrier. Cabinet had made a policy decision on that matter and I was simply carrying the request to the Liquor Licensing Commissioner that he should fulfil Cabinet's policy decision. However, I have not in any way been involved in the process that the Liquor Licensing Commissioner has pursued in the preparation of the submission that he has placed before the Casino Supervising Authority.

**The CHAIRMAN:** But he placed that at the direction of his Minister, in effect, because Cabinet has no power as such to direct anyone. The Minister is the person responsible.

**The Hon. Barbara Wiese:** I guess, yes, if you want to put it that way. In that instance I see that I performed it as an administrative task.

**The CHAIRMAN:** Will the Minister provide, perhaps on notice, a statistical table in relation to the legal actions taken against licensees of licensed premises by the Liquor Licensing Commissioner in the last period for which statistics are conveniently available, that is, the last financial year, the last calendar year, or whatever? How many prosecutions or legal actions of that kind have been launched for infringements of the Liquor Licensing Act by the proprietors of licensed premises?

**The Hon. Barbara Wiese:** I do not have that information amongst my papers. I will be happy to take that on notice and provide the information at a later time.

**Mrs KOTZ:** On page 263 of the Program Estimates under 'Issues/Trends' it states that an integrated system of computerised and microfilmed records is being developed. What system is being developed? When will it be implemented and at what cost?

**The Hon. Barbara Wiese:** I will ask Mr Martin to respond to this question.

**Mr Martin:** The Births, Deaths and Marriages Registration Division presently processes—again on the Cyber system at the State Computing Centre—some of the data in respect of births, deaths and marriages registrations. With the imminent decommissioning of the Cyber computer, it is necessary for us to develop an alternative system. The project that is being developed at the moment has gone through the initial stage of the preparation of a problem definition, and a feasibility study and a business case has been developed. Work is continuing on the project. The estimated cost of the development of the project is of the order of \$840 000 over a period of five years.

Ultimately, the births, deaths and marriages office hopes to computerise records in relation to births and deaths from

1980 onwards and to store that data on electronic registers—on computer—and, ultimately, it hopes to have all the records pre-1980 and all the marriage records committed to microfilm so that they are maintained in a durable medium and can be accessed quickly to meet demands from the public for certified copies of the registers.

**Mrs KOTZ:** Does that figure include the areas under the targets and objectives for 1990-91 for the purchase and installation of hardware and software? Is the figure you gave just for the software development that is proceeding at the moment or for the total package?

**Mr Martin:** The cost of \$840 000 over five years includes all costs associated with this project. So, that is the cost incurred to date in relation to the initial problem definition and the feasibility study, the cost associated with the development of the software, the purchase of the hardware, the implementation and all associated costs with the project.

**Mrs KOTZ:** I refer to page 265 of the Program Estimates, under 'Issues/Trends', which states:

Consumer education in schools continues to be a priority.

How is this undertaken? How many officers are involved and what principles are applied? Are videos used and, if so, which videos?

**The Hon. Barbara Wiese:** Earlier in the day the member for Stuart asked a similar question concerning the department's activities in consumer education in schools, and I gave a fairly lengthy reply at that time. Perhaps the honourable member would prefer to wait and glean that information from *Hansard*.

**Mrs KOTZ:** Page 265 of the Program Estimates under 'Issues/Trends' states:

Continuing need exists for the development of uniform consumer legislation.

What consumer legislation is being considered for uniformity at the national level? What stage has that consideration reached?

**The Hon. Barbara Wiese:** I think that I have already answered this question in one way or another. We are considering uniform consumer credit legislation, uniform trade standards measurements legislation and uniform packaging legislation. These are the three key areas and, as I indicated earlier, there has been considerable progress in reaching national agreement. I hope that within a year or so legislation relating to these matters has been introduced and passed by the South Australian Parliament.

**Mr INGERSON:** Was draft credit legislation presented to the Minister of Consumer Affairs in July 1990? If so, what was the result? What is the present program for uniform credit legislation? Will it be exposed to public comment?

**The Hon. Barbara Wiese:** I responded to that question earlier today, and I refer the honourable member to *Hansard*.

**Mr INGERSON:** Who produced the credit video? Can a script of it be made available to members? What was the cost of its production? What is the proposed extent of its circulation?

**The Hon. Barbara Wiese:** I responded to that question earlier today, and I refer the honourable member to *Hansard*.

**Mr INGERSON:** In 1989-90 what consultancies were commissioned by the department, and with what object? What did each consultancy cost and who were the consultants? What consultancies are presently current?

**The Hon. Barbara Wiese:** That question is presently on the Notice Paper and I will respond to it in the fullness of time.

**Mr INGERSON:** In 1989, what committees were operating in the department? Who were their members? What were their purposes? How frequently did they meet? What was the cost of their operation? What committees are currently operating in the department?

**The Hon. Barbara Wiese:** First, there is the Residential Tenancies Tribunal. The function of this body is to resolve and adjudicate disputes between landlords and tenants. Its members are as I indicated in response to an earlier question. It was formed in December 1978. The membership fees are \$36 per hour for non-government members. The cost of servicing it is \$76 000 per annum. There are 50 to 60 tribunal hearings per week.

We also have the Trade Standards Advisory Council. Its function is to advise or counsel the Minister on any matter connected with the administration of the Trade Standards Act, the prescription of standards or the declaration of goods to be dangerous. The Acting Chairman is Mr Les Webb and its members are as follows: Ms C.K. Clothier, Mr P. Mathews, Mr J.F. Peacock, Mr T.A. Sheehan, and Dr R. Somers. Its deputy members are as follows: Dr D.S. Brooks, Mr L. Coory, Mr C.J. Hulse, Mr G.A.G. Mason, and Mr P.D. Meegan. The council was formed in 1979. Its membership fees are \$60 per session for non-government members. The cost of servicing it is \$360. It meets five times per year.

There is also the Commercial Tribunal. Its function is the adjudication of disputes and disciplinary proceedings under the following Acts: the Builders Licensing Act, the Second-hand Motor Vehicles Act, the Landlord and Tenant Act, the Land Agents, Brokers and Valuers Act, and the Goods Securities Act. I will incorporate in *Hansard* a table which sets out its members.

#### COMMERCIAL TRIBUNAL (as at 1 August 1990)

Judge M. Noblet (Chairman)  
 Mr G.J. Alexander  
 Mr G.S. Andrews  
 Ms I.A. Black  
 Mr J.R. Black  
 Mr H.M. Bray  
 Mr T. Bruce  
 Mr A. Bunney  
 Mr J.M. Carey  
 Ms C.K. Clothier  
 Mr J.A. Crawford  
 Ms J. Daw  
 Mr G.W. Dee  
 Ms R. Deluca  
 Mr T.J. Edgecumbe  
 Mr G.C. Fenwick  
 Mr R.A. Ferrar  
 Mr D. Fiora  
 Mr D. Floyd  
 Mr R.L. Foord  
 Mr B. Foreman  
 Mr D.W. Fox  
 Mr K. Germaine  
 Mr A.J. Haigh  
 Mr C. Hawkins  
 Ms R.A. Healy  
 Mr P.J. Hoffman

Mr J.L. Kenny  
 Mr B. Krummins  
 Mr G.P. Lindblom  
 Mr I.M.C. MacDondal  
 Mr R.L. Markin  
 Ms M.M. McCanni  
 Mr L.T. McEntee  
 Mr A.J. McKeough  
 Mr J.W. Milne  
 Mr J.H. Moorhouse  
 Mr P. Murray  
 Mr D.J. Nancarrow  
 Mr E.F. Phillips  
 Mr W.D. Potter  
 Mr R.J.B. Price  
 Mr T.H. Proeve  
 Mr P.M. Raack  
 Mr J.R. Robinson  
 Mr G.I. Searles  
 Mr T.A. Sheehan  
 Ms S. Sines  
 Mr B. Stoecker  
 Mr T.C. Stratton  
 Mr J. Summers  
 Ms R.F. Sybylla  
 Mr E.F. Symons  
 Mr G.E. Taplin  
 Mr A.R. Thomas  
 Mr P.C. Tilley  
 Mr K. Wakelam  
 Mr H. Walker  
 Mr K.J. Whicker  
 Mr D.R. Whiley  
 Mr B.R. Whittenbury  
 Mr A.D. Wilson

**The Hon. Barbara Wiese:** The tribunal was formed on 1 March 1984. Membership fees are \$120 per session. The cost of servicing it is \$215 046, which includes a judge's salary plus five other full-time officers. It has 15 to 20 hearings per week.

**Mr INGERSON:** Page 169 of the Auditor-General's Report refers to interest and to a credit balance. At 30 June 1990 what were the investments of the amount standing to the credit of the Commercial Tenancies Fund and what was the rate of interest? Upon what basis was the calculation of the administration costs made?

**The Hon. Barbara Wiese:** Administration costs are based on an estimate of the staff time for administering the fund and also on other expenses that are involved in carrying out that function. In relation to the nature of the investments of the fund, we have \$20 000 deposited at call with Hindmarsh Adelaide. There are term deposits with the following banks: National Australia Bank, \$98 702; Westpac Banking Corporation, \$336 536.69; National Australia Bank, \$53 053.10; and National Australia Bank, \$48 442.02; and this totals \$536 733.81.

**Mr INGERSON:** As at 30 June 1990 what amounts from the Residential Tenancies Fund had been invested and at what rate of interest?

**The Hon. Barbara Wiese:** I incorporate those details in *Hansard*.

#### BALANCE OF INVESTMENTS AS AT 30 JUNE 1990

Face Value \$	Interest Rate %	Type of Security	Maturity	Value of Investment
<b>SHORT-TERM INVESTMENTS</b>				
Cooperative Building Society				
150 000	15.40	Deposit	3.7.90	150 000
500 000	15.50	Deposit	4.7.90	500 000
500 000	15.30	Deposit	9.7.90	500 000
200 000	15.20	Deposit	16.7.90	200 000
1 000 000	15.25	Deposit	19.7.90	1 000 000



Face Value \$	Interest Rate %	Type of Security	Maturity	Value of Investment	
500 000	15.15	Deposit	23.7.90	500 000	
250 000	15.15	Deposit	26.7.90	250 000	
300 000	15.05	Deposit	24.7.90	300 000	
250 000	15.05	Deposit	6.8.90	250 000	
500 000	15.05	Deposit	7.8.90	500 000	
500 000	15.05	Deposit	13.8.90	500 000	
500 000	15.05	Deposit	6.8.90	500 000	
400 000	15.05	Deposit	20.8.90	400 000	
500 000	15.05	Deposit	16.8.90	500 000	
300 000	15.07	Deposit	6.7.90	300 000	
500 000	15.00	Deposit	12.9.90	500 000	
500 000	15.10	Deposit	25.9.90	500 000	
500 000	15.00	Deposit	2.10.90	500 000	
250 000	14.95	Deposit	3.10.90	250 000	\$8 100 000.00
<b>R.E.I. Building Society</b>					
250 000	15.30	Deposit	25.9.90	250 000	
300 000	—	—	10.7.90	300 000	\$550 000.00
<b>National Australia Bank</b>					
400 000	15.20	Bank Bill	9.7.90	385 395.10	
600 000	15.07	Bank Bill	25.7.90	578 503.45	
1 000 000	15.05	Bank Bill	31.7.90	963 452.17	
100 000	15.05	Bank Bill	1.8.90	96 345.22	
500 000	15.03	Bank Bill	2.8.90	486 186.06	
200 000	15.00	Bank Bill	3.8.90	192 713.83	
600 000	15.05	Bank Bill	7.8.90	578 071.30	
225 000	15.05	Bank Bill	13.8.90	216 949.10	
600 000	15.03	Bank Bill	13.8.90	577 641.02	
190 000	14.90	Bank Bill	5.9.90	183 194.69	
500 000	15.00	Bank Bill	10.9.90	483 315.68	
700 000	14.95	Bank Bill	14.9.90	671 136.53	
600 000	14.90	Bank Bill	3.12.90	577 869.40	\$5 970 773.55
<b>Westpac Bank</b>					
1 000 000	16.40	Bank Bill	18.7.90	927 101.85	
200 000	15.55	Bank Bill	10.8.90	185 902.48	
500 000	15.85	Bank Bill	29.8.90	463 377.91	
300 000	15.80	Bank Bill	29.8.90	278 202.63	
500 000	15.05	Bank Bill	16.8.90	476 426.67	
200 000	15.05	Bank Bill	11.7.90	195 328.70	
200 000	15.05	Bank Bill	15.8.90	192 767.01	
1 100 000	14.95	Bank Bill	12.9.90	1 055 057.44	
1 300 000	15.04	Bank Bill	14.9.90	1 241 673.33	
550 000	14.90	Bank Bill	3.9.90	530 718.21	
750 000	14.95	Bank Bill	12.9.90	723 050.04	
200 000	15.02	Bank Bill	12.9.90	193 164.01	
500 000	14.95	Bank Bill	14.9.90	482 033.36	
500 000	15.16	Bank Bill	17.9.90	483 920.58	
500 000	14.95	Bank Bill	3.9.90	481 463.01	
1 500 000	15.00	Bank Bill	2.10.90	1 428 944.28	
2 000 000	14.80	Bank Bill	5.12.90	1 863 956.70	\$11 203 088.21
<b>LONG-TERM INVESTMENTS</b>					
<b>S.A. Gas Company</b>					
500 000	14.80	Bond	15.4.92	500 000	\$500 000.00
				Total	\$26 323 861.76

**Mr INGERSON:** Upon what basis are the administration costs of the Residential Tenancies Fund calculated?

**The Hon. Barbara Wiese:** The costs are based on the requirements for the administration of the Act and include the costs of administering the Residential Tenancies Branch and the tribunal. The amount of \$1.81 million for administration costs includes salaries of \$1.2 million (which includes the amount of \$200 000 for members' fees);

\$240 000 for office accommodation, telephone and other administrative expenses; and \$370 000 for other operational expenses.

**Mr INGERSON:** Will the Minister provide a detailed report of those costs, such as the number of people in the salaries section; in fact, the number of people involved in running the fund? As I said earlier, the amount in this fund is \$28 million and it is growing yearly. Many people who

own units or flats are interested in the administration of this fund and I would like to be able to supply them with this information. I am quite sure that the public would like to know where this amount of \$1.81 million is being spent.

**The Hon. Barbara Wiese:** I have given a fairly reasonable indication of the various headings under which this amount is allocated. Under the heading of 'Salaries' I can add that 33.5 full-time equivalent staff were employed in the Residential Tenancies Branch and their salaries are included in the figure of \$1.2 million. Of that amount of \$1.2 million, as I indicated, \$200 000 represents fees of members of the Residential Tenancies Tribunal.

**Mr INGERSON:** Will the Minister explain what the fees paid to members of the tribunal represent and to what sort of people are these fees paid?

**The Hon. Barbara Wiese:** I have already answered this question when replying to the question asked by the honourable member about the committees under my department. One of the committees on which I gave information was the Residential Tenancies Tribunal, so the honourable member already has information about the members of the tribunal and how much they are paid.

**Mr INGERSON:** My final question relates to petrol pricing. As well as considering retail price control as an option, is the Minister considering divorce legislation? In the Federal arena—and in America in particular—specific legislation has been set up to remove the ownership of petrol sites from petrol manufacturers, and this is called divorce legislation. Under this legislation a manufacturer may not have a direct relationship with the site through the retailer and the product. Is the Minister considering enacting this type of legislation?

**The Hon. Barbara Wiese:** Not at this stage. And it is not my intention to consider controlling the retail price of petrol at this point. It is well known that in South Australia market forces have generally worked to the advantage of consumers with respect to the retail price of petrol because of a number of circumstances which are in some senses perhaps unique to this particular marketplace.

One of the major features that brings about a more advantageous position for consumers in South Australia is that considerable petrol price discounting takes place in the metropolitan area. One of the reasons for this is that almost all sections of the metropolitan area are accessible to people; they can move around fairly freely and buy petrol from a range of sources, and this places much greater pressure on individual resellers to keep down prices in order to compete.

In view of the circumstances I think it would be inappropriate to consider setting maximum prices for petrol. It should be pointed out that, although there has been quite a steep rise in the price of petrol in recent times due to the Gulf crisis, the price of petrol in the Adelaide metropolitan area is still amongst the lowest of that in capital cities in Australia.

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

Minister of Consumer Affairs and Minister of Small Business, Miscellaneous, \$1 044 000

**Chairman:**

Mr M.J. Evans

**Members:**

Mr H. Becker

Mr T. R. Groom

Mrs C.F. Hutchison

Mr G.A. Ingerson

Mrs D.C. Kotz  
Mr C.D.T. McKee

**Witness:**

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

**Departmental Adviser:**

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

**Mr INGERSON:** How does the Minister propose to revitalise small business?

**The Hon. Barbara Wiese:** Is that a serious question?

**Mr INGERSON:** That is a serious question; it is part of the platform.

**The Hon. Barbara Wiese:** I suspect that I, as one Minister alone, will probably not be in a position to take on that function single-handed. Certainly, as a Minister in this Government, I expect to work with my colleagues to create an economic climate that will enable small businesses in our community to survive and prosper. Indeed, the fact that the Government decided to create a ministry of small business following the last election is an indication that we view very seriously the role that small businesses play within the community.

We recognise that about 98 per cent of the businesses that form part of our economy are small to medium enterprises, and that they employ about 60 per cent of our work force. Indeed, they represent an important sector within our economy, and we believe that more of a focus ought to be placed upon the needs and interests of small businesses. In general terms the Government believes that its major role is to create the economic circumstances, to the extent that it is possible for a State Government to influence those factors, to allow small business to survive and prosper.

Of course, where matters are within our control we will do the very best we can to ensure that small businesses are not adversely affected by Government decisions, and that we can take appropriate steps in relevant areas of Government to assist small business. Perhaps a good example of that is the deregulation program that the Government has been pursuing now for a number of years. We want to remove as many barriers as possible to enable small businesses to get on with the job. So, we have pursued a review of Government regulations in order to reduce red tape as much as possible. Considerable progress has been made in that deregulation program but, of course, considerable work still must be done, and all Ministers in Government who are responsible for legislation are asked to pursue that review of legislation and regulation with vigour so that we can get rid of as much unnecessary regulation as possible.

Of course, in the areas of taxes and charges and other aspects of Government activity, over the years we have also taken steps to reduce the impact on small businesses to the extent possible. I think the decisions taken by this Government since it came to power in 1982, such as reductions in payroll tax, are good examples of the measures that it has undertaken to assist small business in reducing costs.

**Mr INGERSON:** Would the Minister agree that, if what she just said is true, as Minister of Small Business she has failed because in the past 12 months massive increases in taxes and charges have occurred that directly affect small business, in particular the massive increases in the WorkCover levy, the massive increases in FID, the massive increases in payroll tax for a significant number of small to large businesses and, of course, some significant increases in other Government charges which overall have shown

that the taxes and charges in this State have risen to a level that is the highest of that in any State as a total package?

**The Hon. Barbara Wiese:** Those statements are gross generalisations and, in most respects, untrue. In fact, South Australia stands as one of the lowest taxing States in Australia, and certainly evidence can be produced that would support that statement. The changes that have been made by this Government over the past few years with respect to the application of payroll tax have relieved considerably the burdens on small enterprises in this State because we have lifted the threshold to such a level that most small businesses in this State are now excluded from having to pay payroll tax.

As Steve Vizard would say on his program, 'We could banter like this for hours.' However, it would probably be more productive if, instead of making these general statements about this or that, the honourable member would be a little more specific in his line of questioning. His questions should relate to the budget and the lines of the Small Business Corporation which is the matter under discussion now.

**Mr INGERSON:** In 1985 the working party which recommended the establishment of the Small Business Corporation said:

Success will depend upon the establishment of a viable vital organisation at arm's length from the Government.

How does the Minister reconcile that statement with the fact that the shadow Minister is required to seek all information, however trivial, from the Small Business Corporation by going through the Minister's office?

**The Hon. Barbara Wiese:** It has been standard practice for many years for Opposition members who wish to have access to Government authorities to make their initial applications or requests for such contact or information through the responsible Minister. That is a matter of courtesy which has been extended by Parties on both sides of the Parliament over many years. I would expect that the current Liberal spokesperson in that area would extend that courtesy to me in the usual way. I do not see any contradiction whatsoever in requesting that that be undertaken in relation to the principles upon which the Small Business Corporation was established. The corporation has a considerable degree of independence. However, it is a State Government instrumentality. It was established under an Act of Parliament and it is responsible to a Minister of the Crown and in this case, at the moment, to me. It seems reasonable, therefore, that the usual courtesies in these matters should be extended.

**Mr INGERSON:** That is a lot of nonsense. In essence, the Minister is saying that a member of Parliament cannot go to a statutory authority and request information. That is particularly nonsense in relation to the statement of Parliament—not of this Minister, but of Parliament—that access to the Small Business Corporation should be at arm's length to any Government. There was no reference to Liberal, Labor or Callithumpian Government. That was a deliberate attempt by this Parliament to ensure that the Small Business Corporation, other than through its funding, was at absolute arm's length from the Government of the day. It is amazing that any Minister should restrict the access of any member of Parliament to any statutory authority.

**The Hon. Barbara Wiese:** Legislation does not provide for the Small Business Corporation to be absolutely separate from Government. It provides for the corporation to be responsible to a Minister of the Crown. There is no absolute 'divorcement' to use the word which the honourable member used earlier. The basis upon which he asks his question is inappropriate.

Nor have I indicated that members of Parliament are not to be permitted access to the Small Business Corporation. I said that the shadow spokesperson should make his requests for information or make first contact with me as the Minister responsible for the Small Business Corporation. That is the kind of courtesy which has been extended over many years whether a Labor or Liberal Government has been in power. I would expect those circumstances to apply in this case as they do in most other cases of which I am aware.

**Mr INGERSON:** I will not argue with the Minister, but that is not standard procedure. The Small Business Corporation was strengthening its presence in regional areas. Will the Minister confirm that there has been a sharp deterioration in the profitability of many small businesses in the country? What level of funding will be directed to supporting small business outside the metropolitan Adelaide area in 1991, and what is the actual level of funding for 1989-90?

**The Hon. Barbara Wiese:** Under the programs provided through the Small Business Corporation, two in particular are directed towards businesses in country areas: the regional advisory program, for which \$20 000 is intended to be provided through the South Australian Development Fund this year for providing advisory services; and the regional self-help program which has been operating for some time, for which \$15 000 has been set aside for the forthcoming financial year. Under the latter program, the Small Business Corporation has been working to assist groups in regional areas to establish business enterprises which are not related to agricultural pursuits and which in fact provide opportunities for employment and wealth generation in regional areas of the State. That particular program has been extremely successful since it began. While it has been in operation, something like 119 new businesses commenced, providing 66 new part-time jobs and 279 new full-time jobs in regional areas of the State.

That is also a particularly cost efficient program because the cost per full time job has amounted to something like \$33, and the cost per business is something like \$79. Out of those new ventures, estimated total annual sales of \$4 970 000 have been generated. For a very small investment, there has been an extremely successful outcome, and that is one of the most successful programs run by the Small Business Corporation. Of course there are other programs, such as the business book keepers program, for which resources are allocated to provide advice to businesses of all kinds, whether they reside in metropolitan or country areas. I do not have a specific breakdown of costs in that area, but probably 15 per cent of the funds under the business bookkeepers program would be committed to assisting businesses in country regions.

**Mrs KOTZ:** My question deals with statistics. If the Minister does not have the information, I should be happy for her to take the question on notice if it is available. Does the Minister have any data about the percentage of all employment growth in South Australia which can be attributed to small business; and, if so, will she make it available to the Committee?

**The Hon. Barbara Wiese:** I do not have that information here. I am advised that it would be difficult to find that sort of information, because even the Australian Bureau of Statistics is not able to provide information to us about the growth of employment in the small business sector. It is a very dynamic area of activity, as the honourable member will be aware. For that reason, and I presume because of the nature of the collection of statistics by the authorities, such information is not readily available.

**Mrs KOTZ:** What is the number of so-called financial distress calls recorded by the Small Business Corporation for the months of July and August in both 1989 and 1990 and what is the total number of distress calls received for the eight months to 31 August 1989 and 1990?

**The Hon. Barbara Wiese:** In July 1989, 50 inquiries were made of the Small Business Corporation and in August 1989 53 calls were made. In July 1990 there were 60 calls and in August 1990 there were 59 calls. For July there was an increase of 10 from one year to the next and for August there was an increase of six from one year to the next. The total number of calls from January to August 1989 was 479 and for the eight months to August 1990 the total was 579. About 100 more calls were recorded for the eight-month period this year. That indicates that a growing number of small businesses are starting to find themselves in financial difficulty.

I do not view that as necessarily being a bad thing, that the number has grown during this year and particularly during the past few months, because the sooner small businesses identify that they have a problem and approach an organisation like the Small Business Corporation for assistance, the more likely we are to provide the sort of advice that they need to survive rather than leaving it too late before seeking advice and perhaps facing the prospect of business failure. The number of people who are now seeking information is in some ways a very good thing. Some of that has been generated by the advertisements that the Small Business Corporation has placed in recent months in association with the business bookkeepers program that we launched earlier this year in anticipation of a larger number of small businesses facing difficulties during this year.

**Mrs KOTZ:** As a supplementary, what would be the most common problems raised by small businesses in financial distress?

**Mr Flavel:** The simple answer is that they have identified that they cannot meet their accounts as and when they fall due. To be more specific, although business people would not put it in these terms, their cash outflow demands are higher than their cash inflow. Unfortunately, many people start in business without any clear understanding of the need to plan ahead for cash flows and the like and it is not until they get into these mismatches of cash that they come to us for assistance.

**Mrs KOTZ:** Will the Minister provide a breakdown of the costs of each of the programs run by the Small Business Corporation for the years 1989-90 and 1990-91?

**The Hon. Barbara Wiese:** I shall have to take that question on notice with respect to the figures for 1989. I can provide the figures for the various programs for the 1990-91 budget. Under the business education function of the Small Business Corporation, seven specific functions are performed. The first is trainer and professional business adviser (training), for which \$27 389 is intended to be spent. For year 12 secondary school commercial programs, \$30 339 has been provided. For tertiary and professional institutions and in relation to business starter seminars and publications \$28 813 is set aside.

As I look through this table of information about the way in which funds are allocated, it is difficult for me to extract the net amount to be allocated against each program because some programs, in fact, are self-supporting. So, in order to standardise the presentation of the information I will take the question for both years on notice and provide a response later.

**Mr INGERSON:** Does the Small Business Corporation continue to monitor the progress of the hundreds of firms that have been assisted over the past four years through the

pathfinders scheme or through consultancy assistance? What form does this monitoring take and how many of these firms, if any, have ceased to operate?

**The Hon. Barbara Wiese:** Mr Flavel can answer this question.

**Mr Flavel:** We have a follow-up from our pathfinder consultancy scheme which, in essence, measures the assessment of the performance of the pathfinder in the view of the clients who received assistance and, indeed, the assessment of the clients' view of their business. That later measure can be somewhat vague from time to time, whether it is in terms of sales growth or profit growth. They tend to get into an area of uncertainty, a degree of vagueness when we ask those sorts of questions. Nevertheless, the assessments that we take are carefully monitored and measured. Over the past three years some of the assessments of the clients indicate that there is a level of satisfaction and effectiveness from the consultancy assignments of between 95 per cent and 98 per cent. Resources have not enabled us to go back continuously over a period of years to determine whether any have either sold their business or closed. So, unfortunately, I cannot answer that, but I would say that, given the relative mobility of people in small to medium enterprises, it would not surprise me at all if quite a number succeeded and decided to sell up and go into another business or decided to go out of business altogether.

**Mr INGERSON:** What was the response to the business bookkeepers program? How many people have used the program and how much is budgeted for 1990-91?

**The Hon. Barbara Wiese:** As I indicated earlier, this program was launched in February this year following a meeting held by the Premier and me with various heads of financial institutions in South Australia to gauge their reaction to a program of this kind being established. The Small Business Corporation anticipated that this could be a year when a number of small enterprises would head into troubled waters. If we could encourage financial institutions, accountants, lawyers and others who deal with small businesses, advising them from time to time, and convince those organisations of some of the particular needs of small businesses and work with them to identify small business problems early, particularly with respect to cash flow management issues, and so on, we may save many small businesses from going under in an adverse economic environment. That scheme got underway after that meeting with financial institutions.

When we received positive feedback from them about their willingness to participate in such a scheme, we advertised for people who could be recruited to form a flying squad of business bookkeepers. About 100 people registered an interest to be involved in this sort of activity and we eventually trained and inducted a total of 57 people. The program is still in its early stages of development and we do not have full information as yet on its success. However, we have received a sample survey from the bookkeepers who have been in the field working actively with individual small businesses. Of the 45 registered bookkeepers, 13 have undertaken work with 22 clients, and six of those clients require ongoing monthly bookkeeping assistance. We are still waiting for the results to come in from the other bookkeepers in the group.

If we use that sample survey and look at the results that have come from the 13 bookkeepers, we would anticipate on a pro rata basis that perhaps something in excess of 70 firms have already been assisted to date, and we have been advertising the services of these bookkeepers only since May. That is an excellent response rate so far. Hopefully, the work of the bookkeepers has helped to save a number

of small businesses who otherwise may have found themselves in a very difficult financial situation from which they may not have emerged.

**Mr INGERSON:** What progress has been made with the regional self-help enterprise initiatives program?

**The Hon. Barbara Wiese:** I have provided information about the success rate of this program, so I would refer the honourable member to *Hansard*.

**Mr INGERSON:** How many Government guarantees for small businesses were approved by the Small Business Corporation during the past financial year?

**The Hon. Barbara Wiese:** None at all.

**The CHAIRMAN:** There being no further questions, I declare the examination of the vote completed. I lay before the Committee a draft report.

**Mrs HUTCHISON:** I move:

That the draft report be the report of this Committee.  
Motion carried.

**The CHAIRMAN:** That completes the business of Committee A.

At 9.20 p.m. the Committee concluded.