

# SOUTH AUSTRALIAN TOURISM COMMISSION 2020-21 Annual Report

# SOUTH AUSTRALIAN TOURISM COMMISSION

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To: Hon Steven Marshall MP Premier with responsibility for Tourism

This annual report will be presented to Parliament to meet the statutory reporting requirements of the *South Australian Tourism Commission Act* 1993 and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of the South Australian Tourism Commission by:

Rodney Harrex

Chief Executive

Date\_27 September 2021

Signature

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# From the Chief Executive



South Australia's visitor economy continues to be significantly impacted by the ongoing and world-wide effects of the COVID-19 pandemic. This virus has and will continue to throw our industry curve balls and challenge us to do things differently. Each day I am inspired and in awe of our hardworking tourism operators who rise to these challenges and continue to innovate, pivot and pirouette as we adjust to the new COVID-normal.

But it has not been easy. Having experienced the most severe contraction of tourism on record, we've seen our \$8.1 billion visitor economy decrease to \$4.4 billion in the year to March 2021. The latest results for the June 2021 year end have seen expenditure recover to \$5.8 billion, ahead of our original impact forecast of \$4.9 billion. In fact, our model is now anticipating a recovery of the visitor economy to \$6.3 billion by June 2022, as we pursue our ambitious 2030 target of \$12.8 billion. The initial recovery has been led by strong growth in interstate expenditure over the last quarter and the record high intrastate expenditure in response to the easing of COVID-related travel restrictions. While positive, we could expect to see fluctuations in the data in the coming months and year due to the ever changing nature of this pandemic.

Nonetheless, it is clear South Australians are keen to do their bit for our economy by holidaying at home. There is also a huge opportunity to tap into a growing domestic market and challenge South Australians to redirect some of the \$3.3 billion that was spent overseas in 2019 to tourism experiences here in our state.

Our focus over the past financial year has been on helping our visitor economy recover as quickly as possible so we can get back on track to reaching our 2030 goals.

To this end, we've delivered key initiatives to support our industry including the Great State Voucher program, focussed our marketing efforts on the intra and interstate markets, administered the \$20 million Tourism Industry Development Fund and delivered three managed events in COVID-safe formats.

While it's promising to see occupancy data for hotels showing strong recovery in the regions, assisted by the Great State Voucher program, there is more to be done. Adelaide hotels are yet to return to occupancy levels comparable to the pre-COVID period and we are working with industry and local government to activate our CBD by encouraging people to spend more time and money in the city.

As we chart our way out of the pandemic, we clearly understand that that the only way we can move out of restrictions and border closures is to significantly increase our national vaccination rates.

I would like to thank our state's tourism industry and the State Government for continuing to work with us on this journey. Together we look forward to driving the

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recovery of our visitor economy and for the opportunity to make a difference to South Australia.

Alm.

Rodney Harrex **Chief Executive** South Australian Tourism Commission

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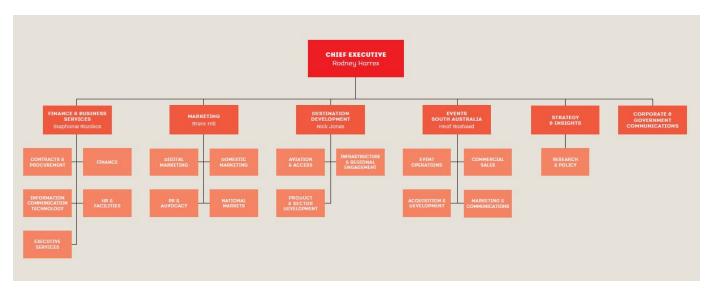
# Overview: about the agency

# Our strategic focus

Our Purpose	Our role under the <i>South Australian Tourism Commission Act 1993</i> is to assist in securing economic and social benefits for the people of South Australia through promoting the state as a tourism destination and further developing and improving the state's tourism industry.
Our Vision	To grow the visitor economy in South Australia to \$8.0 billion by December 2020 and boosting direct employment in tourism by 10,000 additional jobs. The <i>South Australian Visitor Economy Sector Plan 2030</i> sets a bold ambition to grow our visitor economy further to \$12.8 billion, generating 16,000 additional jobs.
Our Values	<ul> <li>Go Boldly: we thrive on taking risks and enjoy stepping outside our comfort zone.</li> <li>Dig Deeper: we never settle for simply scratching the surface.</li> <li>We're hungry for knowledge, fresh ideas and innovations.</li> <li>Can Do: we believe there's nothing we can't do as a team.</li> <li>Share the Love: we have a passion for excellence and exceeding expectations.</li> </ul>
Our functions, objectives and deliverables	<ul> <li>To help us achieve our vision, our work is guided by six strategic priorities, outlined in the <i>South Australian Visitor Economy Sector Plan 2030</i>:</li> <li>Marketing</li> <li>Experience and supply development</li> <li>Collaboration</li> <li>Industry capability</li> <li>Leisure and business events</li> <li>Promoting the value of tourism</li> </ul>

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### Our organisational structure



Our organisational structure can be accessed on our corporate website, here.

### Changes to the agency

During 2020-21 the following changes to the agency's structure and objectives were implemented as a result of internal reviews or machinery of government changes.

• Following the decision to cease staging the Superloop Adelaide 500, a restructure of the Events South Australia group occurred. The Events South Australia group restructure resulted in an increased focus on event acquisition and development.

#### **Our Minister**

The Hon Steven Marshall MP is the Premier of South Australia. He oversees Aboriginal Affairs and Reconciliation, Defence and Space Industries, Tourism, The Arts, Veterans' Affairs and Multicultural Affairs.

#### Our Executive team



**Rodney Harrex is the Chief Executive**, responsible for leading our agency to grow tourism in South Australia and increase the recognition of the value of tourism and its contribution to employment in our state.

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<b>Hitaf Rasheed is the Executive director of Events</b> <b>South Australia</b> , responsible for growing events in South Australia and attracting new events to the state to round out our events calendar. She also leads the management and delivery of the Santos Tour Down Under, Tasting Australia, National Pharmacies Christmas Pageant and Bridgestone World Solar Challenge.
Brent Hill is the Executive Director of Marketing, responsible for developing and delivering marketing activity that promotes all that South Australia has to offer.
The current focus is on stimulating visitation post COVID- 19 and keeping South Australia top of mind as a compelling and accessible holiday destination.
<b>Stephanie Rozokos is the Chief Financial Officer</b> , responsible for driving the financial, business services and cultural direction of the agency, leading the finance, contracts, procurement, risk management, human resources and information communications technology functions.
Nick Jones is the Executive Director, Destination Development, responsible for increasing accessibility to South Australia, attracting new hotel and infrastructure development, and regional tourism development.

# Legislation administered by the agency

South Australian Tourism Commission Act 1993 South Australian Motor Sport Act 1984 Major Events Act 2013

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# The agency's performance

### Performance at a glance

South Australia's visitor economy continues to be significantly impacted by the ongoing and world-wide effects of the COVID-19 pandemic. International travel bans, lockdowns and border closures across Australia have all taken a toll on our state's tourism industry. Having not only realised but exceeded our 2020 target of growing South Australia's visitor economy to its record \$8.1 billion one year early in December 2019, 2020-21 has provided a stark contrast.

We have experienced the most severe contraction of tourism on record and seen our \$8.1 billion visitor economy decrease to a low of \$4.4 billion in the year to March 2021. The latest results for the June 2021 year end have seen expenditure recover to \$5.8 billion, up on the post COVID low of \$4.4 billion and ahead of our original impact forecast of \$4.9 billion (see table below). Our model is now anticipating a recovery of the visitor economy to \$6.3 billion by June 2022. The initial recovery has been led by strong growth in interstate expenditure over the last quarter and the record high intrastate expenditure in response to the easing of COVID-related travel restrictions. As mentioned earlier, these are positive trends early in the recovery process – however due to the uncertainly of borders and the ongoing impacts of COVID-19, our analysis suggests there are many variable months ahead – and a long way to go to get back to our pre-COVID record high.

	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Jun-22
Expected Impact (\$b)	\$ 5.8	\$ 4.4	\$ 4.5	\$ 4.1	\$ 4.9	\$ 6.3
Actual Performance (\$b)	\$ 6.5	\$ 5.5	\$ 4.7	\$ 4.4	\$ 5.8	

### Agency response to COVID-19

To support our state's tourism industry in the wake of the pandemic, during 2020-21, the SATC implemented three significant initiatives.

### **Great State Vouchers**

Launching in October 2020, the Great State Voucher stimulus program provided consumers with a \$100 voucher for participating CBD accommodation or \$50 for regional and suburban accommodation. It proved very popular, with 50,000 vouchers snapped up in 90 minutes. A second accommodation round was made available in January 2021 and a third round, supporting experience and tour operators across the state went live in late April 2021. A fourth round, targeted to accommodation opened in May 2021 with the travel period running from 2 June to 31 August 2021. In total, these four rounds of the scheme have injected more than \$60 million into our visitor economy, with 117,500 vouchers redeemed, giving the tourism industry a much-needed boost.

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### Tourism Industry Development Fund (TIDF)

The TIDF is a \$20 million fund, designed to support and stimulate private sector investment in new and improved regional accommodation, and the development of quality tourism product and experiences. It aims to assist in the COVID recovery of regional tourism by encouraging regional operators to improve and diversify so they can attract more visitors and get a higher return on their offering. It opened for applications in September 2020, with the first successful projects announced in December 2020. As of 30 June 2021, a total of \$8.3 million in grants had been allocated to 53 projects with a project value of over \$31.6 million, creating almost 800 jobs.

### **COVID Awareness Training and COVID Marshal Training**

In August 2020, the SATC supported SA Health to develop the COVID Marshal certification. The SATC had experience in this area, having worked with Health Safety Environment Australia to develop free COVID Awareness Training for the tourism industry in May 2020. The COVID Awareness Training ran for 12 months from May 2020 and ended in May 2021, in that time more than 9,800 participants completed the course. As of 21 August 2020, the COVID Marshal requirement came into effect for many South Australian businesses. The SA Health COVID Marshal training took participants through the fundamentals of infection and prevention control for COVID-19, as well as the roles and responsibilities of a COVID Marshal in South Australia.

### Agency contribution to whole of Government objectives

The following table includes a brief summary of the agency's high-level contributions to the Government's objectives.

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Key objective	Agency's contribution
More jobs	Generate 16,000 additional jobs in the visitor economy by December 2030. Latest data shows employment reached 40,400 as of 2019-20. Since the <i>South</i> <i>Australian Visitor Economy Sector Plan 2030</i> was released, 4,000 jobs have been created. The full impact of COVID-19 on employment will not be seen until we receive the 2020-21 State Tourism Satellite Accounts in June 2022.

Lower costs	The SATC provides services that benefit South Australian tourism operators through lowering costs associated with doing business. This includes:
	- Delivering the following Growth State Initiatives:
	<ul> <li>Tourism Infrastructure Development Fund         <ul> <li>to support and stimulate private sector investment in new and improved regional accommodation, and the development of quality tourism product and experiences with a focus on the recovery of regional tourism post COVID-19.</li> </ul> </li> </ul>
	<ul> <li>Tourism Airline Support – Partnership with Adelaide Airport and Air New Zealand to operate flights between Adelaide and Auckland.</li> </ul>
	<ul> <li>Marketing of South Australia – funding to increase marketing with the aim of boosting international and domestic visitors to the state.</li> </ul>
	- The SATC delivered four rounds of the Great State Voucher stimulus program, supporting accommodation, experiences, and tour operators both in the Adelaide CBD and regional South Australia.
	- The SATC covers the listing fees for South Australian tourism operators who list their products through the Australian Tourism Data Warehouse, a digital database and multi-channel distribution network for tourism data, industry products and destination information.
	<ul> <li>The SATC's marketing campaigns provide promotion opportunities for a range of operators across the state. This includes making footage captured available for operators and regions to use in their own marketing.</li> </ul>
	<ul> <li>Industry events and products are promoted through the SATC website and social media platforms, which are at a nil cost to the operator.</li> </ul>
	<ul> <li>Events South Australia provides sponsorship to leisure events throughout the year through its funding programs. This includes the Leisure Events Bid Fund and the Regional Events Fund.</li> </ul>
	<ul> <li>The SATC continues to seek opportunities to secure new major leisure events for South Australia to build the state's event calendar.</li> </ul>

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	- Eleven Regional Tourism Organisations (RTOs) continued to receive funding from the SATC to support their role as the key contact between the SATC and regional stakeholders and industry.
Better Services	- Since 2016, the SATC has provided funding to the Tourism Industry Council of South Australia (TiCSA), the state's peak body for tourism, to assist its industry capability building programs and to provide service excellence training to tourism operators on a range of topics such as social media basics and online distribution and customer relationships.
	- The SATC provided significant funding to assist in the running of the Visitor Economy Restart Conference.
	- The SATC provides support to industry through the provision of accurate, relevant, and concise research insights to assist industry in making informed business decisions, especially in relation to changed consumer behaviours post- COVID-19. It also works across key government agencies to provide timely advice and support to the sector.

### Agency specific objectives and performance

The SATC's key 2020 targets, outlined in the *South Australian Tourism Plan 2020*, were to grow the state's visitor economy to \$8 billion, creating another 10,000 direct tourism jobs to 41,000. Due to the unprecedented growth in tourism in the years leading up to 2020, the \$8 billion target was achieved and exceeded one year early.

As of December 2019, the state's visitor economy was worth a record \$8.1 billion. Direct tourism employment was at 40,500, just shy of the 10,000 target.

The key focus areas to achieve these targets were Driving demand, Working better together, Supporting what we have, Using events to drive visitation and Increasing recognition of the value of tourism.

Looking ahead, the 2030 ambition is to grow the visitor economy to \$12.8 billion, generating 16,000 additional jobs. To reach this bold vision, The *South Australian Visitor Economy Sector Plan 2030* sets out six priority areas for industry development. They are Marketing (previously Driving demand), Experience and supply development (previously Working better together), Collaboration (previously Working better together), Industry capability (previously Supporting what we have), Leisure events (previously Using events to grow visitation) and Promoting the value of tourism (previously Increasing recognition of the value of tourism).

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COVID-19 has led to the biggest contraction of tourism on record and this is reflected in the latest data which provides the full 12 month impact of the pandemic. As of June 2021, our state's visitor economy is worth \$5.8 billion. While this is in stark contrast to the record \$8.1 billion visitor economy we enjoyed in 2019, it is ahead of our original impact forecast of \$4.9 billion. In terms of tourism employment, the latest figures we have are for 2019-20, which show there were 40,400 people employed in the sector. We will not see the full effect of COVID-19 on employment until we receive the 2020-21 State Tourism Satellite Accounts in June 2022.

Agency objectives	Indicators	Performance
Driving Demand	Limit the decline in the value of our tourism sector to \$4.9 billion per annum by June 2021 (on the way to our December 2030 target of \$12.8 billion).	Target achieved: The value of South Australia's tourism sector fell 11 per cent to \$5.8 billion in the year to June 2021
Driving Demand	Limit the decline in tourism direct employment to 26,700 by June 2021 and 52,000 by 2030. June 2020 target was 34,700.	Target achieved: The latest data shows direct employment in the tourism sector held steady at 40,400 in the year to June 2020. NB: The full effect of the pandemic on tourism jobs will not be seen until we receive the 2020-21 State Tourism Satellite Accounts in June 2022.
Driving Demand	Limit the decline in international tourism expenditure in South Australia to \$69 million by June 2021 with a milestone of \$3.3 billion by December 2030.	Target not achieved: The value of South Australia's international tourism fell 96 per cent to \$34 million in the year to June 2021
Driving Demand	Limit the decline in interstate overnight expenditure in South Australia to \$869 million by June 2021 and intrastate overnight expenditure to \$2.4 billion	Target achieved: The value of South Australia's interstate tourism sector reached \$1.7 billion and intrastate reached \$2.6 billion in the year to June 2021

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Working Better Together	Work with the regions in developing the Regional Visitor Strategy to drive regional expenditure to \$4.0 billion by 2025 and \$5.1 billion by 2030.	Target Achieved: The 2025 South Australian Regional Visitor Strategy (RVS) launched in March 2021 and is the second version which brings together the priorities of all 11 regions. The strategy outlines
		priorities and focus areas for the regional tourism to achieve its 2025 target of \$4 billion expenditure and aligns with the <i>South</i> <i>Australian Visitor</i> <i>Economy Sector Plan</i> <i>2030</i> to support creating new jobs and growing visitor expenditure in regions.
Supporting what we have	Drive industry training initiatives, such as COVID-Aware, to ensure	Target Achieved:
nave	industry emerges from the crisis ready to adapt to new conditions.	Over 9,800 participants from South Australian tourism and hospitality businesses undertook the COVID-19 Awareness Training Course facilitated by the SATC and Health Safety Environment Australia (HSEA).
		In August 2020, the SATC supported SA Health to develop the COVID Marshal certification. The SATC had experience in this area having developed the COVID Awareness Training with HSEA in May 2020.

Increasing the Recognition of the value of tourism	Recognition of the	Target Achieved: The SATC continues to work with Tourism Research Australia and Austrade to provide the latest results on the movement of intrastate visitors within the state and interstate visitors from outside of SA.
		The SATC has continued to maintain the suite of over 50 factsheets published to our Corporate Website, adapting where required to better suit user needs in assessing COVID impacts.

Increasing the recognition of the value of tourism	Promote the value of tourism to government and the wider industry through a suite of targeted industry and public communications.	Target achieved: Increased engagement with industry and media. The SATC continued to showcase businesses and events that contribute to the state's visitor economy. Increased media activity – both in traditional and social platforms – have broadly increased the understanding of the sector. Provided clear communications around constantly evolving nature of events. SATC Corporate Facebook followers grew 142 per cent, and engagement grew from 12,000 to 15,000. Twitter followers increased by 10.2 per cent, with an increase in engagement level by 1 per cent. Instagram now has 14,500 followers and has achieved 1 million post impressions. The SATC Corporate website also grew in reach, with 589,292 page views - an increase of 94 per cent. The Great State Voucher was a key campaign during this period, with 165,118 visitors to the page.

Using Events to Grow Visitation	Increase the economic value of events to the full potential of \$750 million by 2030 with a March 2021 waypoint of \$198 million.	Target not achieved: The value of South Australia's leisure events sector fell 63 per cent to \$152 million in the year to March 2021 (latest figures available at time of publication). COVID-19 had a significant impact on events and festivals with numerous cancellations and postponements.
Using Events to Grow Visitation	Deliver a program of 'owned' events to drive visitation and raise the profile of the state as a world class event destination, using COVID-19 related restrictions to drive innovation and ensure the existing event related business in the state are supported in the appropriate manner.	Target achieved: In the 2020-21 financial year, Events South Australia presented three managed events: 2020 National Pharmacies Christmas Pageant, 2021 Santos Festival of Cycling (in lieu of an international 2021 Santos Tour Down Under) and 2021 Tasting Australia presented by RAA Travel.

Using Events to Drive Visitation	Focus event sponsorships on core strength areas such as food and wine, arts and culture, live music, national and international sports and mass participation events, with a focus on off-peak periods (particularly winter) and utilising key infrastructure.	<ul> <li>Target achieved:</li> <li>In 2020-21, a total of 44 events, comprising 15 major events and 29 regional events within the Regional Events and Festival Program (REFP) were sponsored. 12 major events were staged but due to the ongoing impacts of COVID-19, three major events were postponed or rescheduled and five were cancelled.</li> <li>Sponsored Event Highlights included:</li> <li>Game 1 of the 2020 Ampol State of Origin.</li> <li>A Day at the Drive and the Adelaide International WTA 500.</li> <li>WOMADelaide.</li> <li>2021 Australian Masters Rowing Championship.</li> <li>Australian Swimming Championships (Olympic Trials).</li> <li>The SATC partnered with Illuminate Adelaide to develop three regional activations as part of Illuminate Adelaide's program of events.</li> </ul>

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Using Events to Drive Visitation	Events are managed and run in South Australia in the COVID-19 and post-COVID-19 world, seeking innovative solutions to new challenges and ensuring the industry is supported in the appropriate manner.	Target Achieved: To the extent possible in light of restrictions, Events have been adapted to meet contact tracing, distancing and density requirements as well as border restrictions and the requirement for seating at large concerts. During this time, events have adopted QR codes in order to contact trace, have moved from free- flowing parades and concerts to seated events with designated zones or pods and have adopted online food and drink ordering capabilities to reduce congestion.
		Events South Australia has contributed to this through funding support, providing advice, communication paths to SA Health and through the execution of the National Pharmacies Christmas Pageant, Santos Festival of Cycling and Tasting Australia presented by RAA Travel.

### **Corporate performance summary**

The SATC continued to administer a range of processes and practices in delivering its responsibilities under the *South Australian Tourism Act 1993* and in adherence to government financial, procurement, contracting, human resources, ICT, governance, risk management and auditing requirements.

The SATC maintains a high level of financial control over its destination development, events and marketing operations to ensure accountability for government resources. The SATC ended the 2020-21 financial year in line with budget and met all savings targets required.

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In 2020-21, the SATC continued to provide a safe working environment including a range of workplace measures to minimise the risk of COVID-19. These measures included new technologies, increased flexible working practices, appropriate hygiene measures and support for individual health and wellbeing. The SATC provided staff with a range of initiatives aimed at promoting physical and mental wellbeing.

Staff took part in SATC's annual staff engagement survey in December 2020. This survey provided an objective mechanism for assessing the cultural environment. Results from the survey were consistent and reported high levels of staff engagement, well above available industry benchmarks. Individual performance reviews were used to identify both organisational and individual learning and development needs and opportunities.

The SATC's values are promoted within the organisation. The 'Culture and Values' working group aims to drive and influence the agency's culture through staff engagement and implementation of initiatives which endorse the SATC values. In 2020-21, the COVID-19 pandemic has continued to be a major focus from a staff health and wellbeing perspective.

Program name	Performance
SATC Student Placement Program	The SATC works with local higher education providers to offer placements to students currently enrolled in courses related to tourism, marketing and events. In 2020-21, six student placements were supported.
Aboriginal Employment Strategy	In line with the deliverables of SATC's first Reconciliation Action Plan, the SATC works across Government and with local higher education providers to promote employment opportunities to Aboriginal and Torres Strait Islander candidates.
Skilling SA	The SATC supports one apprentice and is working with the Office of the Commissioner for Public Sector Employment to engage another apprentice in our ICT team in the latter half of 2021.

### Employment opportunity programs

# Agency performance management and development systems

Performance management and development system	Performance
Employee Performance Management and Development Reviews (Compliance measured via a custom-made online recording tool)	All employees are required to have individual performance management and development plans reviewed as a minimum on a biannual basis. In 2020-21, 95 per cent of employees had a current performance review in place (the 5 per cent without plans include employees on periods of extended leave).
Employee Performance Management and Development Training	The SATC delivers in-house training to ensure employees have the knowledge required to complete biannual reviews.
	All employees, with the exception of 11 new starters that have commenced since 1 June 2021, have attended training relating to SATC's current performance management and development review process.
Training Needs Analysis (TNA)	A TNA is conducted using information captured within Employee Performance Management and Development Reviews. From this, individual and group learning and development activities are identified.

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Program name	Performance
Work Health and Safety Briefings and Induction	All employees are required to attend a Work, Health and Safety briefing on joining the agency. Refreshers are delivered on a regular basis to ensure knowledge remains current.
	Contractors engaged by the SATC to undertake work on its sites are provided with site specific inductions and where required, provided with safety specific Work, Health and Safety documentation and briefings.
Work Health and Safety Policies and Procedures	The SATC has a suite of policies and procedures which address Work, Health and Safety matters and outline safe working practices. Polices are reviewed on an annual basis to ensure they remain current.
	Work, Health and Safety Management Plans are created for events and are reviewed yearly. All construction works conducted by the SATC are accompanied by the relevant Work, Health and Safety Management Plans as required by law, and regular inspections are conducted to ensure the requirements of the plans are carried out.
Work Health and Safety Training	The SATC has a specific Work, Health and Safety training needs analysis in place in order to identify required Work, Health and Safety training for individual roles. The SATC supports the appointment of two trained Bullying and Harassment Contact Officers.
Work Health and Safety Committee	The SATC's Work, Health and Safety Committee meets four times annually. The Committee provides a forum for management and employees to discuss Work, Health and Safety matters and acts as the key Work, Health and Safety consultative mechanism.
Employee Assistance Program (EAP)	The SATC provides a free and confidential EAP to employees. The SATC's EAP provider also delivers wellbeing sessions to employees on a biannual basis
Health, Safety and Wellbeing Initiatives	Human Resources and Work, Health and Safety teams work to deliver a calendar of initiatives aimed at promoting physical and mental wellbeing. The SATC's Culture and Values Working Group provides a forum to drive and influence the agency's culture through staff engagement and implementation of initiatives which focus on staff health and wellbeing.

# Work health, safety and return to work programs

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Workplace injury claims	2020-21	2019-20	% Change (+ / -)
Total new workplace injury claims	1	1	NA
Fatalities	0	0	NA
Seriously injured workers*	0	0	NA
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	0	8.7	NA

\*number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (Part 2 Division 5)

Work health and safety regulations	2020-21	2019-20	% Change (+ / -)
Number of notifiable incidents ( <i>Work Health and Safety Act 2012, Part 3</i> )	0	1	-100%
Number of provisional improvement, improvement and prohibition notices ( <i>Work</i> <i>Health and Safety Act 2012 Sections 90, 191</i> <i>and 195</i> )	0	0	NA

Return to work costs**	2020-21	2019-20	% Change (+ / -)
Total gross workers compensation expenditure (\$)	\$20,641	\$395	+5,125%
Income support payments – gross (\$)	\$13,402	\$0	NA

\*\*before third party recovery

Data for previous years is available at: <u>https://data.sa.gov.au/data/dataset/work-health-and-safety-and-return-to-work-performance-reporting-south-australian-tourism-commission</u>

### Executive employment in the agency

Executive classification	Number of executives
EXEC0A	1
EXEC0B	2
EXEC0C	1
EXEC0E	1

Data for previous years is available at: <u>https://data.sa.gov.au/data/dataset/executive-employment-reporting-south-australian-tourism-commission</u>

The <u>Office of the Commissioner for Public Sector Employment</u> has a <u>workforce</u> <u>information</u> page that provides further information on the breakdown of executive gender, salary and tenure by agency.

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# **Financial performance**

### Financial performance at a glance

The following is a summary of the overall financial performance and financial position of the agency. The information is unaudited. For further information refer to the audited financial statements for 2020-21, attached to this report.

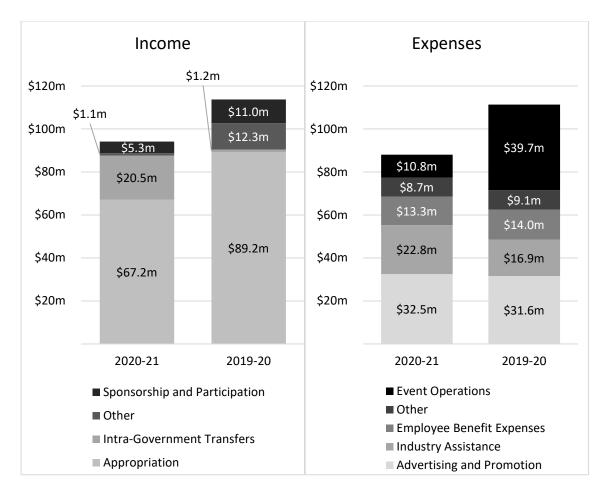
<b>Statement of Comprehensive Income</b> for the year ended 30 June	2020-21 \$'000	2019-20 \$'000
Income	94,114	113,753
Expenses	88,062	111,338
Net result	6,052	2,415
Total comprehensive result	(620)	2,415

Statement of Financial Position as at 30 June	2020-21 \$'000	2019-20 \$'000
Current assets	34,379	23,301
Non-current assets	8,069	21,473
Total assets	42,448	44,774
Current liabilities	9,403	9,558
Non-current liabilities	7,485	9,036
Total liabilities	16,888	18,594
Equity (net assets)	25,560	26,180

Financial report audit opinion: unmodified.

The following graphs show the main items of income and expense for 2020-21 and 2019-20.

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### **Consultants disclosure**

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

### Consultancies with a contract value below \$10,000 each

Consultancies	Purpose	\$ Actual payment
Nil	Nil	Nil

#### Consultancies with a contract value above \$10,000 each

Consultant	Purpose	Actual payment
Droga & Co Pty Ltd	Design of regional visitor strategy	\$32,130

Data for previous years is available at:

https://data.sa.gov.au/data/dataset/consultants-reporting-south-australian-tourismcommission

See also the <u>Consolidated Financial Report of the Department of Treasury and</u> <u>Finance</u> for total value of consultancy contracts across the South Australian Public Sector.

#### **Contractors disclosure**

The following is a summary of external contractors that have been engaged by the agency and the nature of work undertaken, where the actual payments made for work undertaken during the financial year was AUD \$10,000 (or equivalent) or greater.

Contractor	Purpose
17 Tours Pty Ltd	Event management services
1834 Hospitality Pty Ltd	Cooperative marketing
AAPC Ltd	Cooperative marketing
Acuity Partners Pty Ltd	Procurement services
Adagold Aviation Pty Ltd	Transport services
Adelaide Contract Services Pty Ltd	Event operations services
Adelaide Event Group	Event infrastructure services
Adelaide Event Operations Pty Ltd	Event operations services
Australian Green Clean (Events) Pty Ltd	Cleaning and waste services
Adelaide Oval SMA Ltd	Event facilities and catering
Adelaide Sign Group Pty Ltd	Tourism infrastructure
Adobe Australia Trading Pty Ltd	Digital marketing services
Advanced Tent Technology Pty Ltd	Event infrastructure services
Advertiser Newspapers Pty Ltd	Advertising services
Agile Group (Global) Pty Ltd	Security services
Allfab Australia Pty Ltd	Event infrastructure
Alliance Airlines Pty Ltd	Transport services
Alpaca Travel Pty Ltd	Digital services
Altus Traffic Pty Ltd	Traffic management services

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Contractor	Purpose
Apollo Lighting Service Pty Ltd	Event production services
Artcraft Pty Ltd	Tourism and event infrastructure
Arte Grafica Printing Pty Ltd	Printing services
ATF Services Pty Ltd	Event infrastructure services
Atomix Design Pty Ltd	Creative/design services
Auscycling Ltd	Event operations services
Australian Green Clean (Events) Pty Ltd	Cleaning and waste services
Australian Sports Medicine Federation SA Branch Inc	Event operations services
Australian Tourism Data Warehouse Pty Ltd	ICT services
Australian Tourism Export Council Ltd	Training services
Australian Trade and Investment Commission	Market research
Awkar Pty Ltd	Catering services
AYBS Pty Ltd	Temporary staff (catering)
Bastion Insights Pty Ltd	Market research
BDA Marketing Planning Pty Ltd	Market research
BenFx Lighting	Event infrastructure services
Bianco Hiring Service Pty Ltd	Event infrastructure services
Big Fish Events Group	Event management services
Big Screen Video Pty Ltd	Event infrastructure services
Big4 Holiday Parks of Australia Pty Ltd	Cooperative marketing
Bikesport Australia Pty Ltd	Event management services
Bikesportz Imports Pty Ltd	Event operations services
Bizar Mobile Pty Ltd	Digital services
Boltz Pty Ltd	Event infrastructure services
Boyd Public Relations Ltd	Public relations services

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Contractor	Purpose
Brian Gleeson Event Management Pty Ltd	Event management services
Broadsheet Media Pty Ltd	Advertising services
Budget Car and Truck Rental (SA)	Transport services
Budget Rent a Car Australia Pty Ltd	Transport services
Bunnik Travel Pty Ltd	Cooperative marketing
Calicoan Pty Ltd	Event production services
Carat Australia Media Services Pty Ltd	Advertising services
Carat New Zealand Ltd	Advertising services
Caravan & Camping Industries Association of SA Inc	Cooperative marketing
Ceduna Community Hotel Ltd	Accommodation services
Channel 9 South Australia Pty Ltd	Advertising services
Chicken and Bees Pty Ltd	Promotional services
Christopher Selwood	Event management services
Cirka Pty Ltd	Cleaning and waste services
Civil Tech Pty Ltd	Event infrastructure services
C J Rischbieth and T J Rischbieth	Accommodation services
Coates Hire Operations Pty Ltd	Event infrastructure services
Colmar Brunton Pty Ltd	Market research
COR Berlin Kommunikation GmbH	Public relations services
Coriole Vineyards	Event catering services
Corporation of the City of Adelaide	Event infrastructure services
Crawford Containers Pty Ltd	Event infrastructure services
CSC Corporate Domains Inc	ICT services
CSE Crosscom Pty Ltd	Event infrastructure services
Cycling Australia Ltd	Event operations services

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Contractor	Purpose
D77 Pty Ltd	Transport services
D'Arenberg Pty Ltd	Event catering services
Data #3 Ltd	ICT services
David Clarke	Creative/design services
Dell Australia Pty Ltd	ICT services
Deloitte Access Economics Pty Ltd	Training services
Digital Noir Pty Ltd	Digital services
Diligent Board Services	ICT services
Dirty Food Pty Ltd	Event management services
Duy Dash	Photography services
East End Cellars	Event catering services
Elliot Grafton Creative	Video production services
Emma Humphreys Communications Ltd	Public relations services
Empired Ltd	ICT services
Encore Event Technologies Pty Ltd	Event production services
Entree Recruitment	Recruitment services
Ent Services Australia Pty Ltd	ICT services
Envyus Design Pty Ltd	Creative/design services
EP Bus Charters	Transport services
Event Managers Australia	Event management services
Event Timing Pty Ltd	Event infrastructure services
Eventelec Events Pty Ltd	Event infrastructure services
Exceptional Kangaroo Island	Tourism services
Experience Australia Group Pty Ltd	Cooperative marketing
Faith Lutheran College Inc	Event facilities

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Contractor	Purpose
Fleurieu Cranes Pty Ltd	Event infrastructure services
Flight Centre Travel Group Pty Ltd	Cooperative marketing
F M Dawe and H G Richards	Photography services
Formile Events Pty Ltd	Traffic management services
Frame Creative Pty Ltd	Creative/design services
Frankie Films Pty Ltd	Video production services
Fringe Innovations Pty Ltd	Ticketing services
Full Throttle Management Pty Ltd	Event operations services
Gastronomo Pty Ltd	Catering services
Gearhouse Broadcast Pty Ltd	Event communications services
Giancarlo Truffa	Marketing representation services
Girl About Town Pty Ltd	Promotional services
Goin Off Safaris	Tourism services
Grace Records Management (Australia) Pty Ltd	Records management services
Gray Andreotti Advisory	Legal services
Gray Management Group Pty Ltd	Public relations services
GT Wine Group Pty Ltd	Advertising services
Gullivers Pacific Ltd	Cooperative marketing
Hamilton and Dune Pty Ltd	Accommodation services
Harry the Hirer Pty Ltd	Event infrastructure services
Harwood Electrical Automation Lighting & Safety Pty Ltd	Electrical services
Hays Specialist Recruitment (Australia) Pty Ltd	Temporary staff (backfill)
Health Safety Environment Australia Pty Ltd	Training services
Helloworld Services Pty Ltd	Cooperative marketing

Contractor	Purpose
Henrie Stride Management	Promotional services
Hoban Recruitment Pty Ltd	Temporary staff (labour)
Holidays of Australia Pty Ltd	Cooperative marketing
Holly & Co Catering	Catering services
Howard & Sons Pyrotechnics (Displays) Pty Ltd	Event production services
HTS Group Pty Ltd	Event infrastructure services
Hygge Studio Pty Ltd	Event infrastructure services
I am Helium Pty Ltd	ICT services
Ignite Holidays Pty Ltd	Cooperative marketing
Integrated Event Delivery Management	Event management services
Isentia Pty Ltd	Media monitoring
Ive Group Victoria Pty Ltd	Printing services
James Lyell	Entertainment services
JamFactory Contemporary Craft & Design Inc	Event trophies and awards
Jennie Bell Ink Pty Ltd	Event management services
Jetstar Airways Pty Ltd	Cooperative marketing
Johns Print Centre Pty Ltd	Printing services
Joshua Geelan	Photography services
Kalhaven Holdings Pty Ltd	Cooperative marketing
Kangaroo Island Sealink Pty Ltd	Cooperative marketing and transport services
Kantar Public Australia Pty Ltd	Market research
Kimberly Conte	Event management services
Koben Digital Pty Ltd	ICT services
Kojo Productions Pty Ltd	Video production services

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Contractor	Purpose
KPP Ventures Pty Ltd	Temporary staff (backfill)
Layaway Travel Australia Pty Ltd	Cooperative marketing
Leader Computer Systems	ICT services
Lieb Management & Beteiligungs GmbH	Marketing representation services
Luxury Escapes Travel Pty Ltd	Cooperative marketing
Maria Elisabetta Pappalardi	Event operations services
Marshall Power Pty Ltd	Event infrastructure services
Matt Gilbertson	Promotional services
Matthew Keenan	Commentary services
McEwan Pty Ltd	Commentary services
McGregor Tan Research Pty Ltd	Market research
McLaren Vale Cheesemakers Pty Ltd	Event catering services
McMahon Services Australia Pty Ltd	Event infrastructure services
Meaghan K Coles	Photography services
Metal Fabricators Pty Ltd	Event infrastructure services
MI Associates Pty Ltd	Market research
Motor Racing Enterprises	Event operations services
Mount Lofty House	Accommodation/catering services
Naked Bookings Pty Ltd	Voucher agency service
Natrasha Pty Ltd	Event infrastructure services
NEC Australia Pty Ltd	ICT services
NEC IT Services Australia Pty Ltd	ICT services
Nestle Australia Ltd	Equipment rental
News Pty Ltd	Advertising services
Newstyle Printing Co Pty Ltd	Printing services

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Contractor	Purpose
Nexstage Staging and Rigging Technologies Pty Ltd	Event infrastructure services
Nicholas Bellotti	Video production services
Nick Stock	Event operations services
Noortquip Rentals Pty Ltd	Event infrastructure services
Nova 91.9 Pty Ltd	Advertising services
Novatech Creative Event Technology Pty Ltd	Event production services
NTT Australia Pty Ltd	ICT services
NZME Publishing Ltd	Advertising services
Oaks Hotels and Resorts Ltd	Cooperative marketing
O'Brien Electrical Adelaide	Event infrastructure services
Oceanview Eco Villas	Accommodation/catering services
O'Shea's Organisation Pty Ltd	Cleaning services
Pel-Air Aviation Pty Ltd	Transport services
Perlubie Holdings Pty Ltd	Accommodation services
Peter Fuller & Associates Pty Ltd	Video production services
Pierre Vives Tourism Consulting	Marketing representation services
Phil Hoffmann Travel	Cooperative marketing
Pineapple Media (SA) Pty Ltd	Production and broadcast services
Pink Fence Pty Ltd	Event infrastructure services
Pivotal Business Technology Pty Ltd	ICT services
Power On Solutions Pty Ltd	Event communications services
PPI Promotion & Apparel Pty Ltd	Promotional merchandise and uniforms
PR & GO UP Communication Partners SRL	Public relations services
Publicis Communications Australia Pty Ltd	Public relations services

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Contractor	Purpose
PWE Plus GmbH	Advertising services
Qantas Airways Ltd	Cooperative marketing and transport services
Qantas Group Accommodation Pty Ltd	Cooperative marketing
Railroad Contractors of Australia Pty Ltd	Event infrastructure services
Regional Express Holdings Ltd	Cooperative marketing
Ricoh Australia Pty Ltd	Printing services
Roadside Services and Solutions Pty Ltd	Tourism infrastructure
Royal Agricultural & Horticultural Society of SA Inc	Event facilities
Royal Automobile Association of SA Inc	Cooperative marketing
SA Lift and Loader Pty Ltd	Equipment rental
Same River Studio	Video production services
Samuel Smith & Son Pty Ltd	Event catering services
Satalyst Pty Ltd	ICT services
Scene This	Creative/design services
Select Music Agency Pty Ltd	Entertainment services
Seppeltsfield Road Distillers Pty Ltd	Event catering services
Seppeltsfield Wines Pty Ltd	Event catering services
Seven Network (Operations) Ltd	Advertising services
Shanghai Linzhi Information Technology Development Co Ltd	Marketing representation services
Shimano Australia Cycling Pty Ltd	Event operations services
Showpony Adelaide Pty Ltd	Creative/design services
Showpony Advertising	Creative/design services
Sign Event Pty Ltd	Event infrastructure services
Sitecore Australia Pty Ltd	ICT services

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Contractor	Purpose
Sitehost Pty Ltd	Event facilities, catering and accommodation services
Skee Kee International Pty Ltd	Event operations services
Skycity Adelaide Pty Ltd	Accommodation services
Sloe Food Company Pty Ltd	Event catering services
Socialbakers A.S.	Digital marketing services
Society Marketing Communications Pty Ltd	Digital marketing services
South Aussie with Cosi Pty Ltd	Production and broadcast services
Specialised Event Solutions Pty Ltd	Event infrastructure services
Specialised Solutions Pty Ltd	Event infrastructure services
Splashdown (Aust) Corporate Bathroom Rentals Pty Ltd	Event infrastructure services
Squeezy Digital Pty Ltd	Training services
SRS Security Pty Ltd	Event security services
St John Ambulance Australia SA Inc	Event operations services
Stayz Pty Ltd	Cooperative marketing
Stewie's Rigging and Hire Pty Ltd	Event infrastructure services
STR Global Ltd	Market research
Strava Inc	Digital services
Sunset Food and Wine	Event catering services
Sunstate Airlines (Qld) Pty Ltd	Transport services
Superloop Broadband Pty Ltd	Event infrastructure services
TalentID.com.au Pty Ltd	Promotional services
TBWA Melbourne Pty Ltd	Creative/design services
TBWA New Zealand Ltd	Creative/design services
TDaily Pty Ltd	Advertising services

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Contractor	Purpose
Telstra Corporation Ltd	Telecommunications services
TFH Hire Services Pty Ltd	Event infrastructure services
The Gomez Creative Trust	Promotional services
The Stylist's Guide	Catering services
Think! X Innovations Inc	Market research
Thomson Geer Adelaide	Legal services
Ticketmates Australia Pty Ltd	Cooperative marketing
Titan Containers Australia	Event infrastructure services
TLA Worldwide (Aust) Pty Ltd	Public relations services
Topline Promotions Pty Ltd	Promotional merchandise and uniforms
Tourism Australia	Administrative, marketing, promotional and training services and market research.
Tourism eSchool	Training services
Traffic Group Australia Pty Ltd	Event operations services
Travel Daily Media Pte Ltd	Advertising services
Travel Link Digital Co Ltd	Training services
Travellers Choice Ltd	Cooperative marketing
Travelscape LLC	Cooperative marketing
Travlr Pty Ltd	Digital services
Tripadvisor Singapore Pte Ltd	Advertising services
Trustee for Darlu Trust	Event facilities and catering services
Trustee for Eckersley Development Trust	Accommodation services
Trustee for Forman Family Trust	Photography services
Trustee for Karryon Trust	Advertising services
Trustee for Outback Encounter Trust	Training and tourism services

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Contractor	Purpose
Trustee for Parsons Plumbing and Gas	Event infrastructure services
Trustee for TIR Family Trust	Temporary staff (labour)
Valsport Pty Ltd	Promotional services
Village Gate	Printing services
Virgin Australia Airlines Pty Ltd	Advertising services
Virtuoso Australia Pty Ltd	Cooperative marketing
Visualcom Pty Ltd	Event operations services
Voice of Cycling SPV Pty Ltd	Video production and promotional services
Wagstaff Worldwide Inc	Marketing representation services
Wavemaker Australia Pty Ltd	Advertising services
WDM Design and Advertising Pty Ltd	Creative/design services
Webjet Marketing Pty Ltd	Cooperative marketing
Wejugo Pty Ltd	Digital services
Wilson Parking Australia Pty Ltd	Parking services
Winc Australia Pty Limited	Storage and distribution services
Workspace Commercial Furniture Pty Ltd	Event infrastructure services
Yaao Marketing Consulting Co Ltd	Marketing representation services

Data for previous years is available at:

https://data.sa.gov.au/data/dataset/contractors-reporting-south-australian-tourismcommission

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. <u>View the agency</u> <u>list of contracts</u>.

The website also provides details of across government contracts.

## Other financial information

None to report.

# **Risk management**

## Risk and audit at a glance

The Audit and Risk Committee assists the SATC Board in fulfilling its responsibilities relating to the annual financial statements as well as reviewing the adequacy of the SATC's accounting and reporting systems, internal controls, risk management practices, and administrative policies and procedures. The Committee's roles and responsibilities and scope are defined in its Terms of Reference.

The SATC is committed to ensuring that a risk management approach is applied to all business activities to ensure that the Agency maximises opportunities while not exposing the organisation to unacceptable levels of risk. The SATC aims to ensure that risk management is embedded in its decision-making, processes, and culture, and contributes to the achievement of its strategic objectives.

The SATC's risk management practices are based on the International Risk Management Standard (ISO 31000:2018). In 2020-21 the SATC's risk management framework was updated to reflect the new Risk Management Guide released by the South Australian Financing Authority (SAFA) and changes to the South Australian Government's procurement processes which came into effect on 1 July 2021. The Framework provides minimum requirements and practical guidance to all staff on how to implement risk management processes across a wide range of activities undertaken by the SATC.

The SATC continued to manage its risks throughout the year by undertaking regular reviews of the risk register, developing detailed risk management plans for SATC managed events, and completing risk assessments for new projects and procurements.

The annual Business Continuity Plan test was undertaken in December 2020 and key learnings from this exercise were actioned and business continuity processes and documentation updated accordingly.

## Fraud detected in the agency

Category/nature of fraud	Number of instances	
Nil	Nil	

## Strategies implemented to control and prevent fraud

The SATC is committed to maintaining a work environment free of fraud and corrupt behaviour. The SATC has in place appropriate fraud prevention, detection, investigation, reporting and data collection procedures and policies, in line with its fraud risk assessment and Fraud and Corruption Policy. The SATC offers protection to genuine whistleblowers to enable disclosure of illegal activities or corruption to be made. These arrangements meet the specific needs of the SATC, and all reasonable measures to minimise the incidence of fraud, as well as to investigate and recover the proceeds of fraud, have been taken.

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Data for previous years is available at: <u>https://data.sa.gov.au/data/dataset/fraud-reporting-south-australian-tourism-commission</u>

## Public interest disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*:

Nil

Data for previous years is available at: <u>https://data.sa.gov.au/data/dataset/whistleblowers-reporting-south-australian-tourism-commission</u>

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

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# Reporting required under any other act or regulation

Act or Regulation	Requirement
South Australian Tourism Commission Act 1993	(1) The Commission must, on or before 30 September in every year, forward to the
	Minister a report on the Commission's operations for the preceding financial year.
	(2) The report must contain—
	(a) the audited statements of account of the Commission for the preceding
	financial year; and
	(b) a report on—
	(i) the state of tourism and the tourism industry in the State; and
	(ii) the Commission's plans and the extent to which they have been
	implemented; and
	(iii) the extent to which the Commission met the targets set in the
	performance agreement for the preceding financial year; and
	(c) any other information required by or under the provisions of this Act or any
	other Act.

# (i) report on the state of tourism and the tourism industry in the State.

South Australia's visitor economy continues to be significantly impacted by the ongoing and world-wide effects of the COVID-19 pandemic. International travel bans, lockdowns and border closures across Australia have all taken a toll on our state's tourism industry. Having not only realised but exceeded our 2020 target of growing South Australia's visitor economy to its record \$8.1 billion one year early in December 2019, 2020-21 has provided a stark contrast.

We have experienced the most severe contraction of tourism on record – with our \$8.1 billion visitor economy decreasing to \$4.4 billion in the year to March 2021. The latest results for the June 2021 year end have seen expenditure recover to \$5.8 billion, ahead of our original impact forecast of \$4.9 billion. Our model is now anticipating a recovery of the visitor economy to \$6.3 billion by this time next year, as we pursue our ambitious 2030 target of \$12.8 billion. The initial recovery has been

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led by strong growth in interstate expenditure over the last quarter and the record high intrastate expenditure in response to the easing of COVID-related travel restrictions. While positive, we could expect to see fluctuations in the data in the coming months and year due to the ever changing nature of the pandemic.

Nonetheless, South Australians are keen to do their bit for our economy by holidaying at home. There is also a huge opportunity to tap into a growing domestic market and challenge South Australians to redirect some of the \$3.3 billion that was spent overseas in 2019 to tourism experiences here in our state.

Pre-COVID, our industry comprised 18,000 tourism businesses which employed 40,500 people. In terms of tourism employment, the most recent data we have is to 2019-20 which only takes into account four months of the impacts of COVID travel restrictions and reflects the job keeper program. Therefore, minimal impacts on tourism employment are reflected in the results. People employed directly in tourism in South Australia decreased 0.3 per cent to 40,400 in the year ending June 2020, compared to 2018-19. The full effect of the pandemic on tourism jobs will not be seen until we receive the 2020-21 State Tourism Satellite Accounts in June 2022.

Our focus over the past financial year has been on helping our visitor economy recover as quickly as possible so we can get back on track to reaching our 2030 goals.

## Marketing

With international travel off the cards for the foreseeable future, the SATC redirected its international marketing budget to intrastate and interstate marketing. Two marketing campaigns ran in 2020-21, 'A Great State To Be In' and 'For Those Who Want A Little More'. 'A Great State To Be In' ran throughout the year, promoting seasonally relevant products and destinations. Launched in May 2021, 'For Those Who Want A Little More' promoted South Australia's unique products and experiences. Both campaigns were supported with PR activity.

The Great State Voucher initiative, launched in October 2020, has been an important stimulus for our state's tourism industry. Designed to get consumers booking accommodation and experiences in Adelaide and the regions, the first four rounds of the scheme have injected \$64.7 million into our state's visitor economy. The vouchers have proved popular with consumers, the first two rounds were snapped up in 90 minutes and 39 minutes respectively. A ballot system for voucher allocation was set up for rounds three and four to ensure a fair and equitable distribution.

Data from STR, an accommodation data aggregator, shows ongoing strong recovery in hotel occupancy assisted by the Great State Voucher program. The latest available data for regional hotel occupancy for June 2021 shows occupancy at 59 per cent, the seventh consecutive month where regional South Australia has achieved a record individual monthly result. Adelaide hotels were operating at an average of 19 per cent occupancy for the month of April 2020, recovering to 56 per cent for October 2020 when the first 'Great State Voucher' program came into market. During 2021 we continued to see ongoing recovery, driven by the second round of the 'Great State Voucher' program, with January reaching 64 per cent

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occupancy, February 63 per cent, March coming in at a post-COVID record high of 72 per cent and April 70 per cent. While encouraging, Adelaide has yet to return to activity levels comparable to the pre-COVID period.

'A Year of SA Wine' campaign, which was launched in January 2021, will continue to run throughout the calendar year, encouraging South Australians to travel to wine regions and experience wine festivals and events. The campaign is aimed at driving additional visitation, generating economic benefit through new expenditure, supporting local businesses and job creation.

In response to the opening of the travel bubble between New Zealand and Australia in April 2021, the SATC launched the 'Hey New Zealand' campaign promoting South Australia's landscapes and wide-open spaces, its food and wine offerings and Adelaide as the gateway. The campaign included a television commercial, digital and social advertisements aimed at driving awareness of Adelaide and South Australia as a holiday destination of choice and Air New Zealand's direct Auckland to Adelaide flights. The campaign has seen nearly 27,000 New Zealanders visit southaustralia.com, with 2,209 ATDW and partner leads from 25 April 2021 to 30 June 2021.

# **Events South Australia**

The events landscape has undergone significant change and 2020-21 has seen the industry 'pivot', 'pirouette' and 're-imagine' the way things are done so the show can go on. During this time, the SATC delivered three of its managed events in COVID-safe formats. They were:

- 14 November 2020: National Pharmacies Christmas Pageant, staged as a twilight arena spectacular at Adelaide Oval. The event ticketing was fully allocated, attracting more than 20,000 people. It was broadcast exclusively on Nine and 9Now with the audience peaking at 168,000 viewers, making it the highest viewed show on television in South Australia outside of the AFL Grand Final in 2020.
- 19-24 January 2021: Santos Festival of Cycling (Santos Tour Down Under replacement event). A domestic cycling event aimed at supporting the sport, showcasing six different cycling disciplines (road, track, BMX, mountain bike, cyclo-cross and para-cycling). The event attracted 500 elite athletes and showcased our state through the Seven network and 7Plus streaming platform. It achieved an audience of more than 3.7 million and a total PR value of more than \$71 million.
- 30 April-9 May 2021: Tasting Australia presented by RAA Travel saw 54,000 people across the 10-day festival visit the COVID-safe Town Square in Victoria Square/Tarntanyangga and more than 90 events sold out across Adelaide and regional South Australia. It achieved a PR value of more than \$25 million through national and local media coverage.

The other SATC managed event, the Bridgestone World Solar Challenge, will not go ahead in its traditional format in October 2021. This is due to the complexities of international border closures for an event that would need to bring in around 630 international participants. Instead, a virtual program, featuring a telemetry challenge

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and forums will take place between September and October. The SATC remains steadfastly committed to the Bridgestone World Solar Challenge – a biennial event next scheduled to take place in October 2023.

As announced in October 2020, the Superloop Adelaide 500 did not go ahead in 2021 due to the impact of COVID-19 on one of the biggest event-builds in the state and the inability to recoup costs in a pandemic. The SATC also decided it would not seek a new sanction agreement beyond 2021.

The funds previously allocated to the Superloop Adelaide 500 have been transferred into the SATC's Leisure Events Bid Fund from 2021-22 onwards. The additional funds will be used to secure and support a mix of ongoing and one-off events to drive visitation and economic benefit for South Australia and to promote South Australia as a tourism destination. In 2020-21 the funds were allocated to activities to stimulate the visitor economy and drive activity into the CBD and regional South Australia, including the Great State Voucher program.

In 2020-21 the Leisure Events Bid Fund secured a range of events including:

- 2020 Repco Supersprint (19 to 20 September) and the 2020 OTR Supersprint (26 to 27 September) were held at The Bend Motorsport Park.
- A Day at the Drive and the Adelaide International WTA 500 (tennis events). Collectively these events attracted 23,543 fans and were broadcast globally across 32 networks in over 200 territories.2021 Australian Masters Rowing Championships (held from 27 to 30 May 2021) and World Cup 3 Replica Rowing Regatta (held from 10 to 12 June 2021) brought approximately 1,700 athletes, officials and accompanying supporters to Adelaide.
- The Australian Baseball League moved part of its 2021 season to Adelaide from 14 to 20 January 2021. Participating teams included Brisbane, Perth, Canberra and Adelaide.
- 2023 Australian Masters Games. The eight-day sporting festival to be held in October 2023, is expected to attract approximately 9,000 athletes to compete in 45 sports in 70 venues across the state.
- NRL 2023 Ampol State of Origin. Adelaide will host Game 1 or 2 of the Ampol State of Origin Series, more than 20,000 interstate visitors are expected to inject an estimated \$15 million into the South Australian economy.
- Moving Portraits by Robert Wilson at the Art Gallery of South Australia. The Archie 100 exhibition will be complemented by an Australian exclusive – Moving Portraits by Robert Wilson (from 9 July to 3 October 2022). Showcasing some of the nation's most iconic art works, coupled with video portraits by renowned New York theatre director Robert Wilson.
- Illuminate Adelaide regions Illuminate Adelaide announced three events in regional South Australia, commencing with Digital Gardens in Mount Gambier from 9 June to 4 July 2021. It is estimated that 10,000 people viewed installations across the Cave Garden precinct during a four-week opening.

Regional events and festivals are an important component of our events calendar as they drive visitation across the state by giving people a reason to travel 'right now'. In 2020-21, 44 events, comprising 15 major events and 29 regional events within the Regional Events and Festival Program (REFP) were provided with sponsorship

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funding. In January 2021, a further \$1 million was announced for the Regional Events Fund (previously REFP) to spur new and innovative regional events and to grow existing events right across the state from 2021-22.

The team had a significant focus on providing support to the industry around COVID impacts and delivering COVID Safe events. This work will continue to be a focus in 2021-22.

## **Destination Development**

Work continued on developing appealing and accessible tourism infrastructure and experiences and working with our tourism industry and the private sector to make this happen.

A key project for 2020-21 has been the delivery of the \$20 million Tourism Industry Development Fund (TIDF). It aims to assist the recovery of regional tourism by encouraging regional operators to improve and diversify so they can attract more visitors and get a higher return on their offering. As of 30 June 2021, a total of \$8.3 million in grants had been allocated to 53 projects with a project value of over \$31.6 million, creating almost 800 jobs. We are seeing a strong demand within the intrastate market to travel to our regions, with these shovel-ready projects delivering new experiences and opportunities for regions.

The aviation space has undergone significant change with international travel closed for the time being and interstate travel subject to ad hoc border closures. While the demand for airline travel has reduced dramatically, there is confidence that there will come a time when it will resume. In the meantime, this downtime has given the airlines the ability to test the market by opening new routes they might not have considered prior to 2020. We've seen examples of this during 2020-21 including the new Qantas flight: Melbourne-Mt Gambier-Adelaide and Rex jet flights between Melbourne and Adelaide which both commenced in March 2021. In May, Qantas also announced the establishment of an Embraer E190s aircraft base in South Australia which will create up to 200 jobs when fully operational.

In May 2021, Adelaide welcomed Air New Zealand back following the opening of the trans-Tasman travel bubble. Pre-COVID, New Zealand was South Australia's fourth largest international inbound market, with a record 43,000 trips made by Kiwis to our state in 2019. While the travel bubble has been suspended due to the impact of COVID-19, we look forward to welcoming tourists from our key markets when it is safe to do so.

On the accommodation front, we've seen continued investment from the private sector which is a real vote of confidence for our state. In 2020-21 six hotels opened creating a total of 894 new rooms. With more major hotels currently in the works (Sofitel, due to open in October 2021 and GPO Marriott International, due to open in 2023), it's great to see we'll have increased capacity to accommodate more visitors when borders re-open again. In the meantime, these projects are supporting employment in our state and South Australians are supporting these new developments by holidaying at home, with the Great State Voucher program offering an incentive to book 'right now'.

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In March 2021 our state's tourism industry launched its plan to grow the state's regional tourism sector to \$4 billion (currently \$3.6 billion) by 2025. The *2025 South Australian Regional Visitor Strategy* (RVS) outlines priority action areas set by the state's 11 tourism regions after extensive consultation involving more than 800 stakeholders. It builds on the success of the 2020 strategy, which saw the then regional tourism target of \$3.55 billion by December 2020 met and exceeded more than one year early.

In some positive news for the state's cruise industry, the first steps towards smooth sailing were taken in February when Australian-flagged Coral Expeditions undertook a 10-day tour of the remote South Australian coast. Extensive COVID-safe protocols were put in place which ensured the 99 passengers and crew were kept safe and healthy and could enjoy their journey. The SATC is in liaison with Coral Expeditions regarding its 2021-22 expedition itineraries to South Australia.

While the impact of the COVID-19 pandemic has significantly changed our state's tourism industry, we remain committed to working with our industry and government to recover our record \$8.1 billion visitor economy, on our way to \$12.8 billion by 2030.

# (ii) the Commission's plans and the extent to which they have been implemented.

This information is outlined throughout the 2020-21 Annual Report.

# (iii) the extent to which the Commission met the targets set in the performance agreement for the preceding financial year.

The SATC's Board Performance Agreement and Board Performance Agreement Report can be found at Appendix B and Appendix C at the end of the 2020-21 Annual Report.

# Reporting required under the Carers' Recognition Act 2005

Not applicable to the agency.

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# **Public complaints**

# Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2020-21
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	0
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	0
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	0
Communication	Communication quality	Inadequate, delayed or absent communication with customer	0
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	0
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	4
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	1
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	0
Policy	Policy application	Incorrect policy interpretation; incorrect	3

Complaint categories	Sub-categories	Example	Number of Complaints 2020-21
		policy applied; conflicting policy advice given	
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	1
Service quality	Information	Incorrect, incomplete, out dated or inadequate information; not fit for purpose	0
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	0
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	0
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	0
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	0
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	25
		Total	34

Additional Metrics	Total
Number of positive feedback comments	N/A*
Number of negative feedback comments	N/A*
Total number of feedback comments	N/A*
% complaints resolved within policy timeframes	N/A*

Data for previous years is available at: <u>https://data.sa.gov.au/data/dataset/public-complaints-reporting-south-australian-tourism-commission</u>

\*In line with PC039- Complaint Management in the South Australian Public Sector, the SATC is in the process of developing a new complaints policy and process, including the implementation of a new Complaint Management System which will allow for collecting, reporting and monitoring complaints and feedback to inform service improvement.

# **Compliance Statement**

The SATC is compliant with Premier and Cabinet Circular 039 – complaint management in the South Australian public sector	N* (see above)
The SATC has communicated the content of PC 039 and the agency's related complaints policies and procedures to employees.	N* (see above)

# Appendix A: Audited financial statements 2020-21



**Government of South Australia** 

Auditor-General's Department

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# To the Chair South Australian Tourism Commission

# Opinion

I have audited the financial report of the South Australian Tourism Commission for the financial year ended 30 June 2021.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the South Australian Tourism Commission as at 30 June 2021, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2021
- a Statement of Financial Position as at 30 June 2021
- a Statement of Changes in Equity for the year ended 30 June 2021
- a Statement of Cash Flows for the year ended 30 June 2021
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Chair, the Chief Executive Officer and the Chief Financial Officer.

# **Basis for opinion**

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the South Australian Tourism Commission and its controlled entities. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

# Responsibilities of the Chief Executive and the Board of Directors for the financial report

The Chief Executive is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Chief Executive is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

The Board of Directors are responsible for overseeing the entity's financial reporting process.

# Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 23(3) of the *South Australian Tourism Commission Act 1993*, I have audited the financial report of the South Australian Tourism Commission for the financial year ended 30 June 2021.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

• identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the South Australian Tourism Commission's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- conclude on the appropriateness of the Chief Executive's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Chief Executive and the Board of Directors about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.

Andrew Richardson Auditor-General 22 September 2021

# SOUTH AUSTRALIAN TOURISM COMMISSION CERTIFICATION OF THE FINANCIAL STATEMENTS

We certify that the financial statements of the South Australian Tourism Commission (SATC):

- are in accordance with the accounts and records of the SATC,
- comply with relevant Treasurer's Instructions,
- comply with relevant accounting standards, and
- present a true and fair view of the financial position of the SATC at the end of the financial year and the results of its operation and cash flows for the financial year.

We certify that the internal controls employed by the SATC for the financial year over its financial reporting and its preparation of the financial statements have been effective.

Signed in accordance with a resolution of the board members.

Andrew Bullock Chair South Australian Tourism Commission Board

16/9/2021

**Rodney Harrex** Chief Executive Officer South Australian Tourism Commission

16/Ø 2021



Stephanie Rozokos Chief Financial Officer South Australian Tourism Commission

13/9/2021

SOUTH AUSTRALIAN TOURISM COMMISSION

# **STATEMENT OF COMPREHENSIVE INCOME**

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$'000	2020 \$'000
INCOME	Vote	<i><b>Q</b></i> 000	\$ 000
Appropriation	3.1	67 177	89 203
SA Government grants, subsidies and transfers	3.2	20 520	1 185
Sponsorship and participation	3.3	5 326	11 038
Entry fees, licence fees and sales	3.4	844	11 987
Interest		11	59
Other income	3.5	236	281
TOTAL INCOME	-	94 114	113 753
EXPENSES			
Employee benefits expenses	2.3	13 301	13 972
Advertising and promotion	4.1	32 481	31 633
Industry assistance	4.2	22 789	16 893
Administration and accommodation	4.3	4 474	4 671
Event operations	4.4	10 767	39 748
Depreciation expense	4.5	3 646	3 835
Borrowing costs	4.6	138	162
Net loss from the disposal of non-current assets	4.7	468	392
Loss (gain) on impairment of receivables	5.2.1	(2)	32
TOTAL EXPENSES	-	88 062	111 338
NET RESULT	-	6 052	2 415
OTHER COMPREHENSIVE INCOME			
Changes in plant and equipment asset revaluation surplus	_	(6 672)	-
TOTAL OTHER COMPREHENSIVE INCOME	_	(6 672)	-
TOTAL COMPREHENSIVE RESULT	=	(620)	2 415

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

# **STATEMENT OF FINANCIAL POSITION**

AS AT 30 JUNE 2021

ACCETC	Noto	2021	2020
ASSETS CURRENT ASSETS	Note	\$'000	\$'000
Cash and cash equivalents	5.1	29 670	19 416
Receivables	5.2	2 185	3 858
Other financial assets	5.3		27
Non-current assets classified as held for sale	5.4	2 524	-
TOTAL CURRENT ASSETS		34 379	23 301
	-		
NON-CURRENT ASSETS			
Plant and equipment	6.1	8 069	21 473
TOTAL NON-CURRENT ASSETS	-	8 069	21 473
TOTAL ASSETS	-	42 448	44 774
LIABILITIES			
CURRENT LIABILITIES			
Payables	7.1	5 682	6 505
Financial liabilities	7.2	1 197	1 426
Employee benefits	2.4	1 510	1 448
Provisions	7.3	719	25
Other current liabilities	7.4	295	154
TOTAL CURRENT LIABILITIES	-	9 403	9 558
NON-CURRENT LIABILITIES			
Payables	7.1	126	133
Financial liabilities	7.2	5 643	7 030
Employee benefits	2.4	1 646	1 821
Provisions	7.3	70	52
TOTAL NON-CURRENT LIABILITIES	_	7 485	9 036
TOTAL LIABILITIES	<u>.</u>	16 888	18 594
NET ASSETS	-	25 560	26 180
EQUITY			
Contributed capital		64	64
Asset revaluation surplus	8.2	517	7 938
Retained earnings		24 979	18 178
TOTAL EQUITY	-	25 560	26 180

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.

South Australian Tourism Commission

# **STATEMENT OF CHANGES IN EQUITY**

FOR THE YEAR ENDED 30 JUNE 2021

		Contributed Capital	Asset Revaluation Surplus	Retained Earnings	Total Equity
	Note	\$'000	\$'000	\$'000	\$'000
BALANCE AT 30 JUNE 2019		64	8 453	15 248	23 765
Net result for 2019-20		-	-	2 415	2 415
Total comprehensive result for 2019-20		-	-	2 415	2 415
Transfer between equity components	6.2.2	-	(515)	515	-
BALANCE AT 30 JUNE 2020		64	7 938	18 178	26 180
Net result for 2020-21		-	-	6 052	6 052
Loss on revaluation of plant and equipment during 2020-21		-	(6 672)	-	(6 672)
Total comprehensive result for 2020-21		-	(6 672)	6 052	(620)
Transfer between equity components	6.2.2	-	(749)	749	-
BALANCE AT 30 JUNE 2021		64	517	24 979	25 560

The accompanying notes form part of these financial statements. All changes in equity are attributed to the SA Government as owner.

# **STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 30 JUNE 2021

CASH FLOWS FROM OPERATING ACTIVITIES	Note	2021 Inflows (Outflows) \$'000	2020 Inflows (Outflows) \$'000
CASH INFLOWS			
Receipts from SA Government		88 006	90 388
Receipts from the sale of goods and services		7 715	19 095
Interest received		11	59
GST recovered from the ATO		5 110	5 549
Receipts for Paid Parental Leave scheme		94	39
CASH GENERATED FROM OPERATIONS		100 936	115 130
CASH OUTFLOWS			
Payments to SA Government		(309)	-
Employee benefits payments		(13 409)	(14 378)
Payments for supplies and services		(75 120)	(95 867)
Payments for Paid Parental Leave scheme		(95)	(40)
Interest paid		(138)	(162)
CASH USED IN OPERATIONS		(89 071)	(110 447)
NET CASH PROVIDED BY OPERATING ACTIVITIES	8.3	11 865	4 683
CASH FLOWS FROM INVESTING ACTIVITIES CASH INFLOWS			
Proceeds from the sale of plant and equipment		207	34
CASH GENERATED FROM INVESTING ACTIVITIES		207	34
CASH OUTFLOWS			
Purchase of plant and equipment		(327)	(626)
CASH USED IN INVESTING ACTIVITIES		(327)	(626)
NET CASH USED IN INVESTING ACTIVITIES		(120)	(592)
CASH FLOWS FROM FINANCING ACTIVITIES CASH OUTFLOWS			
Repayment of leases		(1 491)	(1 243)
CASH USED IN FINANCING ACTIVITIES		(1 491)	(1 243)
NET CASH USED IN FINANCING ACTIVITIES		(1 491)	(1 243)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		10 254	2 848
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		10 234 19 416	2 040 16 568
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5.1	29 670	19 416
The accompanying notes form part of these financial statements.			

# NOTES TO THE FINANCIAL STATEMENTS

# 1. ABOUT THE SOUTH AUSTRALIAN TOURISM COMMISSION

#### 1.1 REPORTING ENTITY

The South Australian Tourism Commission (SATC) is a not-for-profit statutory corporation of the State of South Australia, established pursuant to the *South Australian Tourism Commission Act 1993*. The SATC is an instrumentality of the Crown and holds its property on behalf of the Crown.

The financial statements and accompanying notes include all the controlled activities of the SATC. The SATC does not control any other entity and has no interests in unconsolidated structured entities.

#### 1.2 BASIS OF PREPARATION

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the Public Finance and Audit Act 1987
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the Public Finance and Audit Act 1987
- relevant Australian Accounting Standards.

The financial statements have been prepared on a twelve-month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Income, expenses, assets and liabilities are recognised net of the amount of goods and services tax (GST) except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office (ATO), in which case the GST is recognised as part of the cost of acquisition of an asset or part of an expense item as applicable
- trade receivables and creditors, which are stated with the amount of GST included.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Significant accounting policies are set out in the notes.

#### 1.3 OBJECTIVES AND PROGRAMS

The purpose of the SATC is to assist in securing economic and social benefits for the people of South Australia through the promotion of South Australia as a tourism destination, including the promotion of events, festivals and other activities, and the further development and improvement of the State's tourism industry.

In achieving its objectives, the SATC provides a range of services classified into the following programs:

#### Tourism Development

To build tourism opportunities by improving visitor access into and around the state, building industry capability and providing advice to the industry in terms of research, policy and planning.

#### • Tourism Events

To strategically build and promote the state's event calendar by developing and attracting new events and managing and growing existing events.

#### • Tourism Marketing

To develop and implement marketing activities and campaigns to increase the number of international and national visitors to and within South Australia.

The following tables present expenses, income, assets and liabilities attributed to each program. Expenses and income attributed to the SATC as a whole have been proportionally allocated to each of the programs based on full time equivalent employees in each of the programs.

#### 1.4 EXPENSES AND INCOME BY PROGRAM

for the year ended 30 June 2021

for the year chided 50 June 2021		urism lopment		urism rents		ırism keting	т	otal
	2021	2020	2021	2020	2021	2020	2021	2020
INCOME	\$′000	\$′000	\$'000	\$′000	\$'000	\$′000	\$′000	\$'000
Appropriation	6 994	12 473	27 300	45 981	32 883	30 749	67 177	89 203
SA Government grants, subsidies and transfers	10 345	200	-	719	10 175	266	20 520	1 185
Sponsorship and participation	281	132	4 009	9 803	1 036	1 103	5 326	11 038
Entry fees, sales and commission	-	55	842	11 807	2	125	844	11 987
Interest	-	-	11	59	-	-	11	59
Other income	29	3	105	73	102	205	236	281
TOTAL INCOME	17 649	12 863	32 267	68 442	44 198	32 448	94 114	113 753
EXPENSES								
Employee benefits expenses	2 067	2 625	6 091	6 171	5 143	5 176	13 301	13 972
Advertising and promotion	1 200	1 254	2 649	6 652	28 632	23 727	32 481	31 633
Industry assistance	3 502	6 243	12 417	10 014	6 870	636	22 789	16 893
Administration and accommodation	452	673	1 632	1 799	2 390	2 199	4 474	4 671
Event operations	70	1 905	10 659	37 843	38	-	10 767	39 748
Depreciation expense	200	231	2 772	2 906	674	698	3 646	3 835
Borrowing costs	17	21	63	77	58	64	138	162
Net loss from the disposal of non-current assets	28	-	344	392	96	-	468	392
Loss (gain) on impairment of receivables	-	-	(1)	30	(1)	2	(2)	32
TOTAL EXPENSES	7 536	12 952	36 626	65 884	43 900	32 502	88 062	111 338
NET RESULT	10 113	(89)	(4 359)	2 558	298	(54)	6 052	2 415

#### 1.5 ASSETS AND LIABILITIES BY PROGRAM

as at 30 June 2021

	Tour Develoj			rism ents		Tourism General or Marketing Not Attributable Tota		Total		
	2021 \$′000	2020 \$'000	2021 \$′000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$′000	2020 \$'000	2021 \$′000	2020 \$'000
ASSETS										
Cash and equivalents	-	-	691	5 618	3 897	1 991	25 082	11 807	29 670	19 416
Receivables	227	31	420	2 417	148	555	1 390	855	2 185	3 858
Other financial assets	-	-	-	1	-	26	-	-	-	27
Non-current assets classified as held for sale	-	-	2 524	-	-	-	-	-	2 524	-
Plant and equipment	-	-	4 951	16 832	-	-	3 118	4 641	8 069	21 473
TOTAL ASSETS	227	31	8 586	24 868	4 045	2 572	29 590	17 303	42 448	44 774
LIABILITIES										
Payables	150	614	1 366	1 170	3 832	3 831	460	1 023	5 808	6 638
Financial liabilities	-	-	4 059	4 238	-	7	2 781	4 211	6 840	8 456
Employee benefits	437	479	932	959	844	797	943	1 034	3 156	3 269
Provisions	-	-	690	-	-	-	99	77	789	77
Other liabilities	129	-	144	154	22	-	-	-	295	154
TOTAL LIABILITIES	716	1 093	7 191	6 521	4 698	4 635	4 283	6 345	16 888	18 594

#### 1.6 IMPACT OF THE COVID-19 PANDEMIC

The COVID-19 pandemic has significantly impacted the South Australian visitor economy and the SATC's ability to achieve its objectives. The pandemic has severely damaged the tourism industry, with many sectors of the visitor economy trading under substantially limited conditions.

The COVID-19 pandemic has impacted on the operations of the SATC. The key impacts in 2020-21 were:

- cancellation or postponement of numerous regional and sporting events supported by the SATC including the 2021 Bridgestone World Solar Challenge,
- delivery of managed events under COVID-19 restrictions, such as the Santos Tour Down Under, which was run as a smaller domestic event, and the National Pharmacies Christmas Pageant, which was held as a twilight stadium show,
- redirection of tourism marketing activities in line with travel restrictions and border closures, including the reallocation of international marketing funding to activities targeted at interstate and intrastate visitation,
- reallocation of resources to provide support programs to South Australian tourism businesses deeply affected by the pandemic, including implementation of the Great State Voucher campaign.

The COVID-19 pandemic will continue to impact the operations of the SATC in 2021-22. The key impacts are unquantifiable and largely dependent on the severity and duration of public health restrictions and border closures. The SATC:

- has considered the impact of COVID-19 on the visitor economy, including a range of factors such as aviation, visitor origin, visitation purpose, economic factors and changes in consumer behaviour post-recovery,
- has launched intrastate and interstate marketing activities to drive visitation to the regions, with plans to expand campaigns out with each stage of recovery, addressing new markets as they become available,
- will monitor developments and activate contingency plans for future managed events, following health advice, current recovery stages and restrictions around large gatherings.

#### 1.7 RELATED PARTY TRANSACTIONS

Related parties of the SATC include all key management personnel and their close family members, all Cabinet Ministers and their close family members, any entities controlled or jointly controlled by a related party, all public authorities that are controlled and consolidated into the whole of government financial statements and other interests of the Government. See note 2.1 for transactions with key management personnel.

#### 1.7.1 Significant Transactions with Government Related Entities

Other than as disclosed elsewhere in the financial statements, the SATC had the following significant transactions with government:

- rent, maintenance, outgoings and services of \$1.3 million (\$1.1 million) paid to the South Australian Water Corporation for an office lease (refer to notes 4.3 and 6.1.3)
- grants, sponsorships and contributions received from the Department of the Premier and Cabinet totalling \$1.1 million (\$575 000) (included in notes 3.2 and 3.3)
- contributions of \$270,000 received from Department for Health and Wellbeing for the delivery of COVID marshal training (included in note 3.3)
- grants paid to the Department of Treasury and Finance totalling \$206,000 for payment to Tourism Industry Development Fund grant recipients (included in note 4.2).

## 2. BOARD, COMMITTEES AND EMPLOYEES

#### 2.1 KEY MANAGEMENT PERSONNEL

The key management personnel of the SATC during 2020-21 were the Premier as Minister for Tourism, Board directors, the Chief Executive Officer and the members of the Executive Team who have responsibility for the strategic direction and management of the SATC. Total compensation for key management personnel detailed in this note excludes salaries and other benefits received by the Premier. The Premier's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account under section 6 the *Parliamentary Remuneration Act 1990*.

2.1.1 Compensation	2021 \$′000	2020 \$'000
Salaries and other short-term employee benefits	1 328	1 490
Post-employment benefits	169	178
Other long-term employment benefits	-	115
Termination benefits	-	70
Total compensation	1 497	1 853

#### 2.1.2 Significant Transactions with Key Management Personnel

The SATC had no individually significant transactions with key management personnel, their close family members or any entities controlled or jointly controlled by key management personnel or their close family members.

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#### 2.2 BOARD DIRECTORS

Members of the South Australian Tourism Commission Board during the 2021 financial year were:

| Andrew Bullock<br>Helen Edwards<br>Jayne Flaherty <sup>1</sup> | Donna Gauci<br>Rodney Harrex¹ ( <i>ex officio</i> )<br>Ian Horne | John Irving<br>Annie Mitchell (to<br>Grant Wilckens | December 2020) |
|----------------------------------------------------------------|------------------------------------------------------------------|-----------------------------------------------------|----------------|
| The number of directors whose total the following bands:       | remuneration received or receivable falls within                 | 2021<br>Number                                      | 2020<br>Number |
| \$0 - \$19 999                                                 |                                                                  | 8                                                   | 12             |
| \$20 000 - \$39 999                                            |                                                                  | 1                                                   | 1              |
| Total number of directors                                      |                                                                  | 9                                                   | 13             |

The total remuneration received or receivable by directors was \$137 000 (\$170 000). Remuneration of directors includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

| 2.3 | EMPLOYEE BENEFITS EXPENSES             | 2021<br>\$′000 | 2020<br>\$'000 |
|-----|----------------------------------------|----------------|----------------|
|     | Salaries and wages                     | 10 616         | 10 820         |
|     | Targeted voluntary separation packages | -              | 207            |
|     | Long service leave                     | (76)           | 79             |
|     | Annual leave                           | 858            | 907            |
|     | Skills and experience retention leave  | 22             | 21             |
|     | Employment on-costs – superannuation   | 1 095          | 1 093          |
|     | Employment on-costs – other            | 620            | 648            |
|     | Board and committee fees               | 125            | 155            |
|     | Other employment related expenses      | 41             | 42             |
|     | Total employee benefits expenses       | 13 301         | 13 972         |

Superannuation employment on-costs represent the SATC's contributions to superannuation plans for the current services of current employees.

| 2.3.1 Targeted Voluntary Separation Packages (TVSPs)<br>Amount paid to separated employees: | 2021<br>\$′000 | 2020<br>\$'000 |
|---------------------------------------------------------------------------------------------|----------------|----------------|
| TVSPs                                                                                       | -              | 207            |
| Leave paid to separated employees                                                           | -              | 87             |
| Recovery from the Department of Treasury and Finance                                        | -              | (207)          |
| Net cost to the SATC                                                                        | -              | 87             |

The number of employees who received a TVSP during the reporting period was nil (3).

#### 2.3.2 Executive Remuneration

| The number of employees whose remuneration received or receivable falls within | 2021<br>Number | 2020<br>Number |
|--------------------------------------------------------------------------------|----------------|----------------|
| the following bands:                                                           |                |                |
| \$174 001 - \$194 000                                                          | -              | 1              |
| \$194 001 - \$214 000                                                          | 2              | 1              |
| \$214 001 - \$234 000                                                          | 1              | 1              |
| \$234 001 - \$254 000                                                          | 1              | 1              |
| \$274 001 - \$294 000                                                          | 1              | 1              |
| \$394 001 - \$414 000                                                          | 1              | -              |
| \$414 001 - \$434 000                                                          | -              | 1              |
|                                                                                | 6              | 6              |

The total remuneration received by these employees for the year was \$1 560 000 (\$1 579 000).

The table includes all employees whose normal remuneration was equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, termination payments, payments in lieu of leave, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

<sup>&</sup>lt;sup>1</sup> In accordance with Premier and Cabinet Circular PC016, no director received remuneration for board duties during the financial year while employed by the SA Government

South Australian Tourism Commission

#### EMPLOYEE BENEFITS LIABILITY 2.4

| EMPLOYEE BENEFITS LIABILITY           | 2021   | 2020   |
|---------------------------------------|--------|--------|
| Current:                              | \$′000 | \$'000 |
| Annual leave                          | 916    | 841    |
| Long service leave                    | 244    | 292    |
| Skills and experience retention leave | 23     | 26     |
| Accrued salaries and wages            | 327    | 289    |
| Total current employee benefits       | 1 510  | 1 448  |
| Non-Current:                          |        |        |
| Long service leave                    | 1 646  | 1 821  |
| Total non-current employee benefits   | 1 646  | 1 821  |
| Total employee benefits               | 3 156  | 3 269  |

Employee benefits accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

#### 2.4.1 Salaries and Wages, Annual Leave, Skills and Experience Retention Leave and Sick Leave Liabilities

The liability for salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at the reporting date.

The annual leave liability and the skills and experience retention leave liability are expected to be payable within twelve months and are measured at the undiscounted amounts expected to be paid. An actuarial assessment performed by the Department of Treasury and Finance determined that the salary inflation rate for annual leave and skills and experience retention leave was 2.0%, unchanged from 2020. As a result, there is no financial effect.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

#### 2.4.2 Long Service Leave Liability

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Current long service leave reflects the portion of leave expected to be settled within the next twelve months based on previous experience. All other long service leave is classified as non-current.

AASB 119 Employee Benefits determines the calculation methodology for long service leave liability. An actuarial assessment performed by the Department of Treasury and Finance provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

The actuarial assessment determined that the salary inflation rate for long service leave was 2.5%, unchanged from 2020. As a result there is no financial effect.

AASB 119 Employee Benefits requires the use of the yield on long term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long term Commonwealth Government bonds has increased to 1.25% (2021) from 0.75% (2020), resulting in a decrease in the reported long service leave liability.

The net financial effect in the current financial year of the changes to actuarial assumptions and the bond yield rate is a decrease in the long service leave liability of \$282 000 and employee benefits expenses of \$303 000. The impact on future periods is not possible to estimate as the long service leave liability is calculated using several demographic and financial assumptions, including the long-term discount rate.

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#### INCOME 3

#### 3.1 APPROPRIATION

| PROPRIATION                                                                       | \$′000  | 2020<br>\$'000 |
|-----------------------------------------------------------------------------------|---------|----------------|
| Appropriations from Consolidated Account pursuant to the Appropriation Act        | 69 285  | 86 193         |
| Appropriations received under other Acts                                          | -       | 3 010          |
| Carryover of appropriation from 2021 to 2022                                      | (2 115) | -              |
| Transfer from Department of Treasury and Finance for Shared Services SA variation | 7       | -              |
| Total appropriation                                                               | 67 177  | 89 203         |

Appropriation is recognised as income on receipt.

Total appropriation consists of \$66 475 000 (\$88 554 000) of operational funding and \$702 000 (\$649 000) for capital purposes.

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2021

2021

2020

#### 3.2 SA GOVERNMENT GRANTS, SUBSIDIES AND TRANSFERS

|                                                                | \$′000 | \$'000 |
|----------------------------------------------------------------|--------|--------|
| State Government grants                                        | 20 520 | 715    |
| Recovery from the Department of Treasury and Finance for TVSPs | -      | 212    |
| Other revenues from SA Government                              | -      | 258    |
| Total revenues from SA Government                              | 20 520 | 1 185  |

State Government grants mainly consist of funding from the Department of Treasury and Finance's Jobs and Economic Growth Fund and COVID-19 Support Fund. As the grants are non-recourse grants, they have been recognised as income on receipt.

#### 3.3 SPONSORSHIP AND PARTICIPATION 2021 2020 \$'000 \$'000 Sponsorship income 3 006 9 712 1 173 Industry contributions 1 270 Cooperative marketing/advertising 1 050 67 Industry participation fees 86 Total sponsorship and participation 5 326 11 038

Sponsorship and participation is recognised as income from contracts with customers. Revenue is recognised in the period in which the services are provided. Where payment is received for sponsorship and participation in an earlier period, it is disclosed in note 7.4 as a contract liability.

| .4 ENTRY FEES, LICENCE FEES AND SALES    | 2021<br>\$′000 | 2020<br>\$'000 |
|------------------------------------------|----------------|----------------|
| Event entry fees                         | 533            | 8 385          |
| Licence fees                             | 105            | 2 199          |
| Sale of merchandise                      | 11             | 79             |
| Service fees                             | 117            | 971            |
| Rental income                            | 60             | 272            |
| Sundry sales                             | 18             | 81             |
| Total entry fees, licence fees and sales | 844            | 11 987         |

Income from event entry fees, licence fees and sales is recognised as income from contracts with customers. Revenue is recognised in the period in which the services are provided. Where payment is received for event entry fees and licence fees in an earlier period, it is disclosed in note 7.4 as a contract liability.

#### 3.5 OTHER INCOME

3.4

|                                  | \$'000 | \$'000 |
|----------------------------------|--------|--------|
| Services received free of charge | 222    | -      |
| Gain on foreign exchange         | 14     | 281    |
| Total other income               | 236    | 281    |

Services received free of charge consist of services provided by the ICT and Digital Government (IDG) division of the Department of the Premier and Cabinet. Services of this nature would otherwise have been purchased.

Foreign currency transactions are translated using exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated using exchange rates at the reporting date. Gains and losses on foreign exchange arise when items are translated at rates different from those at which they were translated when initially recognised or in previous financial statements.

#### 4. EXPENSES

Employee benefits expenses are disclosed in note 2.3.

| 4.1 ADVERTISING AND PROMOTION                              | 2021<br>\$′000 | 2020<br>\$'000 |
|------------------------------------------------------------|----------------|----------------|
| Consumer advertising                                       | 16 645         | 12 522         |
| Cooperative consumer marketing                             | 4 747          | 4 689          |
| Familiarisations                                           | 639            | 1 089          |
| Other consumer marketing                                   | 84             | 86             |
| Production                                                 | 4 530          | 6 103          |
| Representation and contractors                             | 2 667          | 3 202          |
| Marketing research                                         | 961            | 1 003          |
| Trade marketing                                            | 235            | 858            |
| Other advertising and promotion                            | 1 973          | 2 081          |
| Total advertising and promotion                            | 32 481         | 31 633         |
| 4.2 INDUSTRY ASSISTANCE                                    | 2021<br>\$'000 | 2020<br>\$'000 |
| Sponsorship of events                                      | 12 799         | 10 278         |
| Marketing/industry support                                 | 7 396          | 4 919          |
| Tourism infrastructure                                     | 2 000          | 1 049          |
| Tourism marketing boards/information centre grants         | 543            | 541            |
| Trade show subsidies/membership of tourism industry bodies | 51             | 106            |
| Total industry assistance                                  | 22 789         | 16 893         |

Industry assistance is recognised as a liability and expense when the SATC has a contractual obligation to pay and the expense recognition criteria are met.

| 4.3 ADMINISTRATION AND ACCOMMODATION      | 2021<br>\$′000 | 2020<br>\$'000 |
|-------------------------------------------|----------------|----------------|
| Accommodation and service costs           | 1 075          | 1 376          |
| Communication and computing               | 1 971          | 1 734          |
| Stationery, postage, couriers and freight | 33             | 95             |
| Contractors and consultants               | 156            | 170            |
| Motor vehicles, taxis and car parking     | 64             | 93             |
| Domestic and international travel         | 99             | 261            |
| Seminars, courses and training            | 101            | 71             |
| Insurance                                 | 148            | 309            |
| Audit, legal and other fees               | 390            | 292            |
| Loss on foreign exchange                  | 214            | 30             |
| Other                                     | 223            | 240            |
| Total administration and accommodation    | 4 474          | 4 671          |

| The number and dollar amount of consultancies included in Administration | 20  | 21     | 202 | 20     |
|--------------------------------------------------------------------------|-----|--------|-----|--------|
| and Accommodation that fell within the following bands:                  | No. | \$'000 | No. | \$'000 |
| Below \$10 000                                                           | -   | -      | 1   | 3      |
| \$10 000 and above                                                       | 1   | 32     | 1   | 16     |
| Total paid/payable to the consultants engaged                            | 1   | 32     | 2   | 19     |

#### 4.3.2 Audit Fees

4.3.1 Consultants

Audit fees paid/payable to the Auditor-General's Department relating to work performed under the *Public Finance and Audit Act 1987* were \$77 000 (\$72 000). No other services were provided by the Auditor-General's Department.

#### 4.3.3 Resources Provided Free of Charge

Services provided free of charge included in communication and computing were \$222 000 (nil) and were expensed at fair value.

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| 4.4 | EVENT OPERATIONS             | 2021<br>\$'000 | 2020<br>\$′000 |
|-----|------------------------------|----------------|----------------|
|     | Event facilities             | 1 581          | 11 173         |
|     | Construction                 | -              | 4 726          |
|     | Catering and entertainment   | 586            | 4 003          |
|     | Communications               | 542            | 1 170          |
|     | Transport                    | 208            | 1 345          |
|     | Participants and contractors | 3 809          | 10 586         |
|     | Television and media         | 545            | 3 205          |
|     | Fees and permits             | 3 151          | 2 997          |
|     | Event management             | 345            | 543            |
|     | Total event operations       | 10 767         | 39 748         |
| 4.5 | DEPRECIATION EXPENSE         | 2021<br>\$'000 | 2020<br>\$'000 |
|     | General plant and equipment  | 27             | 31             |
|     | Pageant plant and equipment  | 189            | 179            |
|     | Motor sport infrastructure   | 1 832          | 1 861          |
|     | Fitouts                      | 285            | 305            |
|     | Right-of-use assets          | 1 313          | 1 459          |
|     | Total depreciation expense   | 3 646          | 3 835          |

All non-current assets, having limited useful lives, are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential.

#### 4.5.1 Review of Accounting Estimates

Assets' residual values, useful lives and amortisation methods are reviewed annually and adjusted if appropriate. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate. The value of fitouts is amortised over the estimated remaining useful life of each fitout, or the unexpired period of the relevant lease, whichever is shorter.

#### 4.5.2 Useful Life

Depreciation is calculated on a straight-line basis over the estimated useful life of the following classes of assets as follows:

|     | Class of Asset                             | Useful Life   |                |                |
|-----|--------------------------------------------|---------------|----------------|----------------|
|     | General plant and equipment                | 4-10          |                |                |
|     | Pageant plant and equipment                | 3-35          |                |                |
|     | Motor sport infrastructure                 | 1-5           |                |                |
|     | Fitouts                                    | 3-9           |                |                |
|     | Right-of-use assets                        | 3-20          |                |                |
| 4.6 | BORROWING COSTS                            |               | 2021<br>\$′000 | 2020<br>\$'000 |
|     | Interest expense on lease liabilities      |               | 138            | 162            |
|     | Total borrowing costs                      |               | 138            | 162            |
| 4.7 | NET LOSS FROM THE DISPOSAL OF NON-CU       | RRENT ASSETS  | 2021<br>\$'000 | 2020<br>\$′000 |
|     | Net book value of assets disposed          |               | 771            | 426            |
|     | Proceeds from disposal                     |               | (303)          | (34)           |
|     | Total net loss from the disposal of non-cu | irrent assets | 468            | 392            |

Gains and losses on disposal are recognised at the date control of the asset is passed to the buyer and are determined after deducting the cost of the asset from the proceeds at that time. When revalued assets are disposed, the revaluation surplus is transferred to retained earnings.

#### **FINANCIAL ASSETS** 5.

## 5.1 CASH AND CASH EOUIVALENTS

| SH AND CASH EQUIVALENTS         | 2021<br>\$′000 | 2020<br>\$'000 |
|---------------------------------|----------------|----------------|
| Deposits with the Treasurer     | 25 077         | 11 801         |
| Cash at bank                    | 4 588          | 7 609          |
| Cash on hand                    | 5              | 6              |
| Total cash and cash equivalents | 29 670         | 19 416         |

Cash is measured as nominal amounts.

#### 5.1.1 Deposits with the Treasurer

The SATC has three deposit accounts with the Treasurer, consisting of two general operating accounts and the Accrual Appropriation Excess Funds Account (AAEFA). The balance of the AAEFA was \$10 624 000 (\$9 138 000). The SATC controls the money in the AAEFA but its use must be approved by the Treasurer. The SATC does not earn interest on its deposits with the Treasurer.

| 5.2 | RECEIVABLES                                       | 2021   | 2020   |
|-----|---------------------------------------------------|--------|--------|
|     | Current:                                          | \$'000 | \$'000 |
|     | Trade receivables                                 | 711    | 2 188  |
|     | Less allowance for impairment loss on receivables | (29)   | (39)   |
|     | Total trade receivables                           | 682    | 2 149  |
|     | GST input tax recoverable                         | 1 271  | 621    |
|     | Contract assets                                   | -      | 428    |
|     | Prepayments                                       | 232    | 660    |
|     | Total receivables                                 | 2 185  | 3 858  |

Trade receivables arise in the normal course of selling goods and services to the public and to other government agencies. Trade receivables are normally settled within 30 days. Trade receivables, prepayments and accrued revenues are non-interest bearing. Trade receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost. The net amount of GST payable to the ATO is included as part of trade receivables.

Other than as recognised in the allowance for impairment loss on receivables, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of trade receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

Refer to note 10.1 for information on risk management.

| 5.2.1 Allowance for Impairment Loss on Receivables            | 2021   | 2020   |
|---------------------------------------------------------------|--------|--------|
| Movement in the allowance for doubtful debts                  | \$'000 | \$'000 |
| Carrying amount at 1 July                                     | 39     | 7      |
| Increase in the allowance                                     | 25     | 38     |
| Amounts recovered during the year                             | (27)   | (6)    |
| Increase (decrease) in allowance recognised in profit or loss | (2)    | 32     |
| Amounts written off                                           | (8)    | -      |
| Carrying amount at 30 June                                    | 29     | 39     |

Impairment losses relate to contracts with customers external to SA Government. Refer to note 10.3 for information on credit risk and the methodology for determining impairment.

# 5.2.2 Contract Assets

| stract Assets                                                        | 2021<br>\$′000 | 2020<br>\$'000 |
|----------------------------------------------------------------------|----------------|----------------|
| Balance at 1 July                                                    | 428            | 279            |
| Add additional costs incurred that are recoverable from the customer | -              | 428            |
| Less transfer to receivables                                         | (428)          | (279)          |
| Total contract assets                                                | -              | 428            |

Contract assets relate to the SATC's right to consideration in exchange for goods and services transferred to customers for works completed, but not yet billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the SATC issues an invoice to the customer.

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| 5.3 | OTHER FINANCIAL ASSETS Current:                      | 2021<br>\$′000 | 2020<br>\$'000 |
|-----|------------------------------------------------------|----------------|----------------|
|     | Foreign exchange forward contracts                   | -              | 27             |
|     | Total other financial assets                         | -              | 27             |
|     | Refer to note 10.4 for information on market risk.   |                |                |
| 5.4 | NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE       | 2021<br>\$′000 | 2020<br>\$'000 |
|     | Motor sport infrastructure                           | 2 524          | -              |
|     | Total non-current assets classified as held for sale | 2 524          | -              |

In October 2020 it was announced that the Adelaide 500 event would be cancelled, with specialised assets associated with the event to be sold. A desktop revaluation as detailed in note 6.2.2 was undertaken to ensure that the carrying amount of these assets did not materially differ from their fair value. The assets were subsequently reclassified as held for sale as at 30 June 2021.

The SATC has measured the assets held for sale at their revalued carrying amounts as this approximates fair value less costs to sell.

#### 6. NON-FINANCIAL ASSETS

| 6.1 | PLANT AND EQUIPMENT                               | 2021<br>\$′000 | 2020<br>\$'000 |
|-----|---------------------------------------------------|----------------|----------------|
|     | General plant and equipment                       | \$ 000         | \$ 000         |
|     | At cost (deemed fair value)                       | 233            | 248            |
|     | Accumulated depreciation at the end of the period | (228)          | (216)          |
|     | Total general plant and equipment                 | 5              | 32             |
|     | Pageant plant and equipment                       |                |                |
|     | At cost (deemed fair value)                       | 2 112          | 2 060          |
|     | Accumulated depreciation at the end of the period | (1 234)        | (1 146)        |
|     | Total Pageant plant and equipment                 | 878            | 914            |
|     | Motor sport infrastructure                        |                |                |
|     | At cost (deemed fair value)                       | -              | 690            |
|     | Accumulated depreciation at the end of the period | -              | (60)           |
|     | At fair value                                     | -              | 14 411         |
|     | Accumulated depreciation at the end of the period | -              | (3 549)        |
|     | Total motor sport infrastructure                  | -              | 11 492         |
|     | Fitouts                                           |                |                |
|     | At cost (deemed fair value)                       | 1 868          | 2 128          |
|     | Accumulated depreciation at the end of the period | (911)          | (932)          |
|     | Total fitouts                                     | 957            | 1 196          |
|     | Right-of-use assets                               |                |                |
|     | At cost                                           | 8 615          | 9 295          |
|     | Accumulated depreciation at the end of the period | (2 386)        | (1 456)        |
|     | Total right-of-use assets                         | 6 229          | 7 839          |
|     | Total plant and equipment                         | 8 069          | 21 473         |

#### 6.1.1 Owned Plant and Equipment

Plant and equipment owned by the SATC is valued at fair value or deemed fair value. Refer to note 6.2 for information about fair value. All Pageant floats, regardless of their value, are recognised as non-current assets. Pageant floats are recorded at historic cost less accumulated depreciation. All other non-current tangible assets with a value equal to or in excess of \$15 000 are capitalised.

Plant and equipment includes \$365 000 (\$161 000) of fully depreciated plant and equipment still in use.

#### 6.1.2 Impairment of Owned Plant and Equipment

The SATC holds its plant and equipment assets for their service potential (value in use). There were no indications of impairment of plant and equipment at 30 June 2021.

#### 6.1.3 Leased Plant and Equipment

Right-of-use plant and equipment assets leased by the SATC are measured at cost. Short term leases of 12 months or less and low value leases where the underlying asset value is less than \$15 000 are not recognised as right-of-use assets. The associated rent payments are recognised as expenses and disclosed in note 4.3. The SATC had the following leases during 2020-21:

- 13 (10) motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are noncancellable with rental payments monthly in arrears. Motor vehicle lease terms can range from 3 years or 60,000 km, up to 5 years or 100,000 km. The lease agreements contain no contingent rental provisions and no options to renew the leases at the end of their term.
- A lease of office accommodation under a Memorandum of Administrative Agreement (MOAA) with SA Water. The term of the lease is 5 years 9 months with rent payable monthly in advance. The MOAA contains an option to extend up to a further 10 years, subject to the head lease being extended. The option to extend has not been included in the term because the head lessee does not intend to exercise its option to extend.
- A commercial lease of warehouse, workshop and office space for the term of 10 years, with the option to extend for up to a further 10 years. The option to extend has been included in the term because management is reasonably certain to exercise the option. Rent is payable monthly in advance.

The lease liabilities related to the right-of-use assets are disclosed in note 7.2. Refer to note 10.5 for maturity analysis of lease liabilities. Expenses related to leases, including depreciation and interest, are disclosed in notes 4.5 and 4.6. Cash outflows related to leases are disclosed in note 8.3.

#### 6.1.4 Impairment of Leased Plant and Equipment

Plant and equipment leased by the SATC has been assessed for impairment. There was no indication of impairment at 30 June 2021.

#### 6.1.5 Reconciliation of Movements in Plant and Equipment during 2020-21

|                                   |      | Pageant Plant<br>& Equipment<br>\$'000 |         | Fitouts<br>\$'000 | Right-of-Use<br>Assets<br>\$'000 | Total<br>\$′000 |
|-----------------------------------|------|----------------------------------------|---------|-------------------|----------------------------------|-----------------|
| Carrying amount at 1 July         | 32   | 914                                    | 11 492  | 1 196             | 7 839                            | 21 473          |
| Additions                         | -    | 158                                    | 75      | 94                | 38                               | 365             |
| Disposals                         | -    | (5)                                    | (539)   | (48)              | (335)                            | (927)           |
| Depreciation                      | (27) | (189)                                  | (1 832) | (285)             | (1 313)                          | (3 646)         |
| Revaluation                       | -    | -                                      | (6 672) | -                 | -                                | (6 672)         |
| Reclassification as held for sale | -    | -                                      | (2 524) | -                 | -                                | (2 524)         |
| Carrying amount at 30 June        | 5    | 878                                    | -       | 957               | 6 229                            | 8 069           |

#### 6.1.6 Reconciliation of Movements in Plant and Equipment during 2019-20

|                            |      | Pageant Plant<br>& Equipment<br>\$'000 |         | Fitouts<br>\$'000 | Right-of-Use<br>Assets<br>\$'000 | Total<br>\$′000 |
|----------------------------|------|----------------------------------------|---------|-------------------|----------------------------------|-----------------|
| Carrying amount at 1 July  | 63   | 941                                    | 13 305  | 1 501             | -                                | 15 810          |
| Adoption of AASB 16 Leases | -    | -                                      | -       | -                 | 9 281                            | 9 281           |
| Additions                  | -    | 154                                    | 472     | -                 | 17                               | 643             |
| Disposals                  | -    | (2)                                    | (424)   | -                 | -                                | (426)           |
| Depreciation               | (31) | (179)                                  | (1 861) | (305)             | (1 459)                          | (3 835)         |
| Carrying amount at 30 June | 32   | 914                                    | 11 492  | 1 196             | 7 839                            | 21 473          |

#### 6.2 FAIR VALUE MEASUREMENT

AASB 13 Fair Value Measurement defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

#### 6.2.1 Acquisition and Recognition

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental costs involved with the acquisition. Non-current assets are subsequently measured at fair value.

#### 6.2.2 Revaluation

The valuation processes and fair value changes are reviewed by the Chief Financial Officer at each reporting date.

Non-current tangible assets are valued at fair value and revaluation of non-current assets or group of assets is only performed when its fair value at the time of acquisition is greater than \$1.5 million and estimated useful life is greater than three years. A valuation appraisal by a Certified Practising Valuer is performed at least every six years.

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If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place. Non-current tangible assets that are acquired between revaluations are held at cost until the next valuation, where they are revalued to fair value.

An independent valuation of motor sport infrastructure was performed in 2021 by Certified Practising Valuers from Public Private Property Pty Ltd. The valuers predominantly used the cost approach for the measurement of fair value, as observable market inputs were lacking, limited or unreliable. The cost approach considered the current replacement costs of the assets as well as SATC's operational requirements, improvements in asset design, materials, and technology less allowances for physical depreciation and obsolescence. Estimation of the assets' useful life took into consideration the cancellation of the Adelaide 500 and reflected the change in use of these assets.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the assets. Upon disposal or derecognition, any revaluation surplus relating to that asset is transferred to retained earnings.

#### 6.2.3 Fair Value Hierarchy

The SATC classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent revaluation.

- Level 1 traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2 not traded in an active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.
- Level 3 not traded in an active market and are derived from unobservable inputs.

Fair value measurements recognised in the Statement of Financial Position are categorised into level 3 at 30 June. The SATC had no valuations categorised into level 1 or level 2. There were no transfers of assets between fair value hierarchy levels and there were no changes in valuation techniques during 2020-21.

#### 6.2.4 Fair Value Measurements

All items of general plant and equipment, Pageant plant and equipment and fitouts had a fair value at the time of acquisition less than \$1.5 million or had an estimated useful life less than three years. In accordance with Treasurer's Instructions (Accounting Policy Statements) 2019 APS 116.D these assets have not been revalued. The carrying value of assets not revalued is deemed to approximate fair value.

#### LIABILITIES 7.

Employee benefits liabilities are disclosed in note 2.4.

#### 7.1 PAYABLES

|                                    | ===:   | 2020   |
|------------------------------------|--------|--------|
| Current:                           | \$'000 | \$'000 |
| Creditors                          | 1 731  | 1 431  |
| Accrued expenses                   | 3 679  | 4 816  |
| Employment on-costs                | 264    | 250    |
| Paid Parental Leave scheme payable | 8      | 8      |
| Total current payables             | 5 682  | 6 505  |
| Non-Current:                       |        |        |
| Employment on-costs                | 126    | 133    |
| Total non-current payables         | 126    | 133    |
| Total payables                     | 5 808  | 6 638  |
|                                    |        |        |

All payables are non-interest bearing. The net amount of GST recoverable from the ATO is included as part of creditors. The carrying amount of payables represents fair value due to their short-term nature. Refer to note 10.1 for information on risk management.

#### 7.1.1 Creditors

Creditors represent the amounts owing for goods and services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors include all unpaid invoices received relating to the normal operations of the SATC.

#### 7.1.2 Accrued Expenses

Accrued expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice had not been received.

### 7.1.3 Employment On-Costs

Employment on-costs are statutory payables and include payroll tax, workers compensation levies and superannuation contributions. The SATC makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as expenses when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective

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superannuation schemes. The liabilities outstanding at the reporting date are for contributions due but not yet paid to superannuation schemes, payroll tax payable to Revenue SA and the estimated on-costs on liabilities for accrued salaries and wages, long service leave, annual leave and skills and experience retention leave.

An actuarial assessment performed by the Department of Treasury and Finance determined that the average factor for the calculation of employer superannuation contribution on-cost on long service leave increased to 10.1% in 2021 from 9.8% in 2020. The percentage of long service leave taken as leave is 25.2% (22.8%), calculated as the actual percentage of leave taken during the last five years. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is an increase in the employment on-cost of \$9 000 and the estimated future impact is an increase of \$9 000 in both 2022 and 2023.

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## 7.2 FINANCIAL LIABILITIES

| Current:                                | \$′000 | \$'000 |
|-----------------------------------------|--------|--------|
| Lease liabilities                       | 1 197  | 1 419  |
| Foreign exchange forward contracts      | -      | 7      |
| Total current financial liabilities     | 1 197  | 1 426  |
| Non-Current:                            |        |        |
| Lease liabilities                       | 5 643  | 7 030  |
| Total non-current financial liabilities | 5 643  | 7 030  |
| Total financial liabilities             | 6 840  | 8 456  |

Financial liabilities are measured at amortised cost. All material cash outflows are reflected in the lease liabilities disclosed above.

| 7.3 PROVISIONS                                                                 | 2021<br>\$′000 | 2020<br>\$'000 |
|--------------------------------------------------------------------------------|----------------|----------------|
| Provision for workers compensation                                             | 29             | 25             |
| Other provisions                                                               | 690            | -              |
| Total current provisions                                                       | 719            | 25             |
| Non-Current:                                                                   |                |                |
| Provision for workers compensation                                             | 70             | 52             |
| Total non-current provisions                                                   | 70             | 52             |
| Total provisions                                                               | 789            | 77             |
| 7.3.1 Movement in Provisions                                                   | 2021<br>\$′000 | 2020<br>\$'000 |
| Carrying amount at 1 July                                                      | 77             | 66             |
| Additional provisions recognised                                               | 704            | 26             |
| Reductions resulting from payments/other sacrifice of future economic benefits | (5)            | (5)            |
| Adjustments resulting from re-measurement or settlement without cost           | 13             | (10)           |
| Carrying amount at 30 June                                                     | 789            | 77             |

The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2021 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment. The provision reflects unsettled workers compensation claims and is for the estimated cost of ongoing payments to employees as required under current legislation.

The SATC is responsible for the payment of workers compensation claims.

Other provisions consist of unsettled claims resulting from contract terminations. It is anticipated that claims will not exceed the amount provided for.

| 7.4 OTHER LIABILITIES Current:  | 2021<br>\$′000 | 2020<br>\$'000 |
|---------------------------------|----------------|----------------|
| Contract liabilities            | 283            | 154            |
| Unclaimed monies                | 12             | -              |
| Total current other liabilities | 295            | 154            |
| Total other liabilities         | 295            | 154            |
|                                 |                |                |

|                                                                       | South Australia | South Australian Tourism Commission |  |  |
|-----------------------------------------------------------------------|-----------------|-------------------------------------|--|--|
| 7.4.1 Contract Liabilities                                            | 2021<br>\$′000  | 2020<br>\$'000                      |  |  |
| Balance at 1 July                                                     | 154             | 1 293                               |  |  |
| Add payments received for performance obligations yet to be completed | 283             | 154                                 |  |  |
| Less revenue recognised for completion of performance obligation      | (154)           | (1 293)                             |  |  |
| Total contract liabilities                                            | 283             | 154                                 |  |  |

Contract liabilities include consideration received in advance from customers in respect of events run by SATC and are recognised in the reporting period when the performance obligation is complete. All contract liabilities are expected to be realised as revenue within 12 months.

### 8. OTHER DISCLOSURES

#### 8.1 BUDGET PERFORMANCE

The budget performance tables compare the SATC's outcome against budget information presented to Parliament (2020-21 Budget Paper 4). The original budget amounts have been presented and classified on a basis that is consistent with line items in the financial statements, and have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

| 8.1.1 Statement of Comprehensive Income                   | Note | Original Budget<br>2021<br>\$'000 | Actual<br>2021<br>\$'000 | Variance<br>\$'000 |
|-----------------------------------------------------------|------|-----------------------------------|--------------------------|--------------------|
| Income                                                    |      | CO 205                            | C7 177                   | (2.100)            |
| Appropriation                                             |      | 69 285                            | 67 177<br>20 520         | (2 108)            |
| SA Government grants, subsidies and transfers             |      | 20 395                            | 20 520                   | 125                |
| Sponsorship and participation                             |      | 8 404<br>5 887                    | 5 326<br>844             | (3 078)<br>(5 043) |
| Entry fees, licence fees and sales                        |      | 5 887                             |                          | (5 043)            |
| Interest<br>Other income                                  |      | 106                               | 11<br>236                | (97)<br>236        |
| Total income                                              |      | 104 079                           | 94 114                   | (9 965)            |
| Expenses                                                  |      | 104 01 5                          | 54 114                   | (5505)             |
| Employee benefits expenses                                |      | 14 680                            | 13 301                   | (1 379)            |
| Advertising and promotion                                 |      | 28 805                            | 32 481                   | 3 676              |
| Industry assistance                                       |      | 27 322                            | 22 789                   | (4 533)            |
| Administration and accommodation                          |      | 4 123                             | 4 474                    | 351                |
| Event operations                                          | (a)  | 28 745                            | 10 767                   | (17 978)           |
| Depreciation expense                                      | (-)  | 3 768                             | 3 646                    | (122)              |
| Borrowing costs                                           |      | 142                               | 138                      | (4)                |
| Net loss from the disposal of non-current assets          |      | -                                 | 468                      | 468                |
| Loss (gain) on impairment of receivables                  |      | -                                 | (2)                      | (2)                |
| Total expenses                                            |      | 107 585                           | 88 062                   | (19 523)           |
| Net result                                                |      | (3 506)                           | 6 052                    | 9 558              |
| Other comprehensive income                                |      |                                   |                          |                    |
| Changes in plant and equipment asset revaluation surplus  | (b)  |                                   | (6 672)                  | (6 672)            |
| Total other comprehensive income                          |      | -                                 | (6 672)                  | (6 672)            |
| Total comprehensive result                                |      | (3 506)                           | (620)                    | 2 886              |
| 8.1.2 Investing Expenditure Summary Investing expenditure |      | Original Budget<br>2021<br>\$'000 | Actual<br>2021<br>\$'000 | Variance<br>\$'000 |
| Total annual programs                                     |      | 702                               | 327                      | (375)              |
| Total leases                                              |      | 92                                | 38                       | (54)               |
| Total investing expenditure                               |      | 794                               | 365                      | (429)              |

Explanations are only provided for variances where the variance is more than 10% of the original budgeted amount and more than 5% of original budgeted total expenses.

(a) Savings in event operations relate to the cancellation of the Adelaide 500 and reduction in scope of the Santos Festival of Cycling due to the coronavirus pandemic.

Net decrease in the asset revaluation reserve resulting from a revaluation of non-current assets that reverses a previous (b) revaluation increment in that class of assets.

#### 8.2 EQUITY

The asset revaluation surplus is used to record increments and decrements in the fair value of plant and equipment to the extent that they offset one another. Relevant amounts are transferred to retained earnings when an asset is derecognised.

#### 8.3 CASH FLOWS

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the ATO is classified as part of operating cash flows.

Total cash outflow for leases was \$1 631 000 (\$1 405 000).

#### 8 3 1 Cash Flow Reconciliation

| 1 Cash Flow Reconciliation                                                 | 2021    | 2020    |
|----------------------------------------------------------------------------|---------|---------|
| Reconciliation of cash and cash equivalents at 30 June:                    | \$′000  | \$′000  |
| Cash and cash equivalents disclosed in the Statement of Financial Position | 29 670  | 19 416  |
| Balance as per the Statement of Cash Flows                                 | 29 670  | 19 416  |
| Reconciliation of net cash provided by operating activities to net result: |         |         |
| Net cash provided by operating activities                                  | 11 865  | 4 683   |
| Non-cash items                                                             |         |         |
| Depreciation expense                                                       | (3 646) | (3 835) |
| Net loss from disposal of non-current assets                               | (468)   | (392)   |
| Net in-kind/non-cash transactions                                          | (96)    | -       |
| Movement in assets and liabilities                                         |         |         |
| Receivables                                                                | (1 673) | 1 308   |
| Other assets                                                               | (27)    | 27      |
| Payables                                                                   | 830     | (1 091) |
| Financial liabilities other than leases                                    | 7       | (329)   |
| Employee benefits                                                          | 113     | 375     |
| Provisions                                                                 | (712)   | (11)    |
| Other liabilities                                                          | (141)   | 1 680   |
| Net result                                                                 | 6 052   | 2 415   |

#### UNRECOGNISED CONTRACTUAL COMMITMENTS 9

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources and are disclosed at their nominal value.

Unrecognised contractual commitments are disclosed net of the amount of GST recoverable from, or payable to, the Australian Taxation Office (ATO). If GST is not payable to, or recoverable from, the ATO the commitments are disclosed on a gross basis.

#### 9.1 EXPENDITURE COMMITMENTS

| Expenditure commitments at the reporting date not recognised as liabilities are payable as follows: | 2021<br>\$′000 | 2020<br>\$'000 |
|-----------------------------------------------------------------------------------------------------|----------------|----------------|
| Within one year                                                                                     | 18 131         | 39 570         |
| Later than one year but not longer than five years                                                  | 22 493         | 10 653         |
| Total expenditure commitments                                                                       | 40 624         | 50 223         |

The SATC's commitments arise from agreements for marketing services, event operations, event sponsorship, infrastructure grants and other cooperative and service contracts. There are no purchase options available to the SATC.

### **10. FINANCIAL INSTRUMENTS**

### **10.1 FINANCIAL RISK MANAGEMENT**

Risk management is managed by the SATC's Finance and Business Services group. Risk management policies are in accordance with the SA Government Risk Management Guide and the principles established in the Australian Standard Risk Management Principles and Guidelines. The SATC's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held. There have been no changes in risk exposure since the last reporting period.

#### **10.2 LIQUIDITY RISK**

The SATC is funded principally from appropriation by the SA Government. The SATC works with the Department of Treasury and Finance to determine the cash flows associated with its Government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows. Refer to note 8.1 and note 8.3 for further information.

#### **10.3 CREDIT RISK**

The SATC has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. No collateral is held as security and no credit enhancements relate to financial assets held by the SATC.

#### 10.3.1 Impairment of Financial Assets

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss using the simplified approach in AASB 9. The SATC uses an allowance matrix to measure the expected credit loss of receivables from non-government debtors. Receivables are grouped based on shared risks characteristics and days past due, taking into account reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the SATC's historical experience and informed credit assessment, including any relevant forward-looking information. Loss rates are calculated based on the probability of a receivable progressing through stages to write-off based on the common risk characteristics of the transaction and debtor.

The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties.

The following table provides information about the SATC's exposure to credit risk and expected credit loss for non-government debtors.

| Non-government debtors at 30 June 2021 | Gross Carrying<br>Amount<br>\$'000 | Loss<br>% | Lifetime<br>Expected<br>Losses<br>\$'000 |
|----------------------------------------|------------------------------------|-----------|------------------------------------------|
| Current (not past due)                 | 47                                 | 0.04      | -                                        |
| 1 – 30 days past due                   | 22                                 | 0.08      | -                                        |
| 31 – 60 days past due                  | 20                                 | 0.19      | -                                        |
| More than 120 days past due            | 225                                | 12.67     | 29                                       |
| Loss allowance                         |                                    |           | 29                                       |

Loss rates are based on the actual history of credit loss, adjusted to reflect differences between previous economic conditions, current conditions and the SATC's view of the forecast economic conditions over the expected life of the receivables.

Impairment losses are recognised on a net basis in profit and loss. Subsequent recoveries of amounts previously written off credited against the same line item. Receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a payment plan with the SATC and a failure to make contractual payments for a period of greater than 120 days past due.

Cash and cash equivalents have low credit risk due to the external credit ratings of the counterparties and therefore the expected credit loss is nil.

All impairment losses on receivables arise from contracts with customers. No impairment losses were recognised in relation to contract assets during the year.

#### **10.4 MARKET RISK**

The SATC does not trade in foreign currency, enter into transactions for speculative purposes nor engage in high risk hedging for its financial assets. To manage its exchange risk the SATC implements forward foreign exchange cover through SAFA in accordance with Treasurer's Instruction 23 *Management of Foreign Currency Exposures*. Due to their short-term nature, the SATC does not designate its foreign currency forward contracts as hedging instruments

In 2020-21 the SATC had 8 (11) foreign exchange forward contracts mature totalling \$5 210 000 (\$8 637 000). At 30 June 2021 SAFA had no foreign exchange forward contracts in place on behalf of the SATC. Forward contracts are to cover commitments denominated in foreign currencies, including for the payment of representation fees, event participation fees and global marketing activity.

The fair value of a forward contract is affected by changes in the spot rate and changes in the forward points, which arise from the interest rate differential between currencies specified in a forward contract. On commitment date, the net fair value of the forward contract is nil, as their fair value of the rights and obligations are equal.

As with all forward foreign exchange contracts there are financial risks. Cashflows from foreign exchange forward contracts in 2020-21 are included in the Statement of Comprehensive Income, and where material are shown separately as losses in note 4.3 and as gains in note 3.5. Refer to note 5.3 and note 7.2 for further information.

The SATC does not undertake any hedging of interest rate risk. There is no exposure to other price risks.

A sensitivity analysis has not been undertaken for the interest rate risk and exchange risk of the SATC as it has been determined that the possible impact on total comprehensive result or total equity from fluctuations in interest rates and exchange rates is immaterial.

#### **10.5 CATEGORISATION OF FINANCIAL INSTRUMENTS**

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised for each class of financial asset, financial liability and equity instrument are disclosed in the respective financial asset or financial liability note.

2021

2021 Contractual Maturities<sup>1</sup>

The SATC measures all financial instruments at amortised cost.

| 10.5.1 | Category of financial asset and financial liability |  |
|--------|-----------------------------------------------------|--|
|--------|-----------------------------------------------------|--|

|                             |          |                    |                  |                | lines                |
|-----------------------------|----------|--------------------|------------------|----------------|----------------------|
|                             | Note     | Carrying<br>Amount | Within<br>1 year | 1–5 years      | More than<br>5 years |
| Financial assets            |          | \$′000             | \$'000           | \$'000         | \$′000               |
| Cash and equivalents        |          |                    |                  |                |                      |
| Cash and cash equivalents   | 5.1, 8.3 | 29 670             | 29 670           | -              | -                    |
| Amortised cost              |          |                    |                  |                |                      |
| Receivables                 | 5.2      | 349                | 349              | -              | -                    |
| Total financial assets      |          | 30 019             | 30 019           | -              | -                    |
| Financial liabilities       |          |                    |                  |                |                      |
| Amortised cost              |          |                    |                  |                |                      |
| Payables                    | 7.1      | 5 267              | 5 267            | -              | -                    |
| Lease liabilities           | 7.2      | 6 840              | 1 316            | 2 964          | 3 315                |
| Other financial liabilities | 7.2, 7.4 | 295                | 295              | -              | -                    |
| Total financial liabilities |          | 12 402             | 6 878            | 2 964          | 3 315                |
|                             |          | 2020               | 2020 Co          | ntractual Matu | urities1             |
|                             | Note     | Carrying           | Within           | 1–5 years      | More than            |
|                             |          | Amount             | 1 year           |                | 5 years              |
| Financial assets            |          | \$′000             | \$'000           | \$'000         | \$'000               |
| Cash and equivalents        |          |                    |                  |                |                      |
| Cash and cash equivalents   | 5.1, 8.3 | 19 416             | 19 416           | -              | -                    |
| Amortised cost              |          |                    |                  |                |                      |
| Receivables                 | 5.2      | 2 363              | 2 363            | -              | -                    |
| Other financial assets      | 5.3      | 27                 | 27               | -              | -                    |
| Total financial assets      |          | 21 806             | 21 806           | -              | -                    |
| Financial liabilities       |          |                    |                  |                |                      |
| Amortised cost              |          |                    |                  |                |                      |
| Payables                    | 7.1      | 5 990              | 5 990            | -              | -                    |
| Lease liabilities           | 7.2      | 8 449              | 1 558            | 4 166          | 3 617                |
| Other financial liabilities | 7.2, 7.4 | 161                | 161              | -              | -                    |
| Other Infancial habilities  | ,        |                    |                  |                |                      |

Amounts disclosed here exclude prepayments and statutory receivables and payables. Prepayments are presented in note 5.2 as receivables but are not financial assets as the future economic benefit is the receipt of goods and services rather than the right to receive cash or another financial asset.

#### 10.5.2 Statutory Receivables and Payables

Receivables and payables amounts disclosed above exclude amounts relating to statutory receivables and payables. This includes Commonwealth, State and Local Government taxes and equivalents, fees and charges, Auditor-General's Department audit fees and employee-related payables, such as payroll tax, Fringe Benefits Tax, Pay As You Go withholding and ReturnToWorkSA levies. In government, certain rights to receive or pay cash may not be contractual but have their source in legislation and therefore, in these situations, the disclosure requirements of AASB 7 will not apply. The standard defines contract as enforceable by law. All amounts recorded are carried at cost (not materially different from amortised cost).

#### **10.6 CREDIT STANDBY ARRANGEMENTS**

The SATC has a \$250 000 (\$250 000) purchasing card facility with the ANZ Bank. The unused portion of this facility as at 30 June 2021 was \$148 000 (\$186 000).

<sup>&</sup>lt;sup>1</sup> Maturities analysis is presented using undiscounted cashflows and therefore may not equal the total carrying amount of the financial instrument.

# Appendix B: Performance Agreement between the South Australian Tourism Commission and the Premier of South Australia 2020-21

2020-21 PERFORMANCE AGREEMENT

Between

## THE SOUTH AUSTRALIAN TOURISM COMMISSION BOARD

and

THE PREMIER OF SOUTH AUSTRALIA

## **KEY FOCUS**

The 2020-21 Board Performance Agreement with the Premier of South Australia relates to a period of unprecedented disruption to the South Australian Visitor Economy. This requires an adjustment to the interim waypoints as outlined in the *South Australian Visitor Economy Sector Plan 2030*, part of the broader *Growth State* program. This Board Performance Agreement also identifies the government's commitments of relevance to the Visitor Economy and affirms the South Australian Tourism Commission's (SATC) support for the achievement of these initiatives.

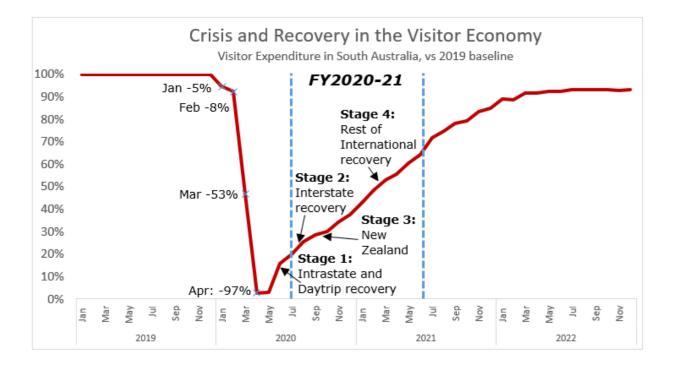
Leading up to the crises of 2020, tourism in South Australia was growing strongly, having achieved some significant milestones, including the achievement of the substantial stretch targets of reaching \$8 billion in visitor expenditure by 2020, a target set almost a decade ago, as outlined in the table below.

| Target<br>(by Dec 2020)             | Result                                                                                                    | Plan                                                       | Target<br>established                |
|-------------------------------------|-----------------------------------------------------------------------------------------------------------|------------------------------------------------------------|--------------------------------------|
| Visitor Expenditure                 | Achieved one year early<br>\$8.1b by Dec 2019, target \$8.0b                                              | South Australian<br>Tourism Plan 2020                      | 2011                                 |
| Tourism Jobs                        | Waypoint achieved<br>40,500 jobs as at June 2019 (waypoint<br>38,500)                                     | South Australian<br>Tourism Plan 2020                      | 2011                                 |
| Regional Visitor<br>Expenditure     | Achieved one year early<br>\$3.56b by Dec 2019, target \$3.55b                                            | Regional Visitor<br>Strategy (RVS)                         | 2011<br>(restated in RVS<br>in 2018) |
| Chinese Visitor<br>Expenditure      | Achieved two years early<br>\$436m Dec 2018, target \$370m                                                | Activating China:<br>2020                                  | 2013                                 |
| Nature Based<br>Tourism Expenditure | Achieved one year early<br>Dec 2019 (\$1.4b), Target \$1.4b                                               | Nature Like Nowhere<br>Else (Nature-Based<br>Tourism Plan) | 2016                                 |
| Cruise Ship Arrivals                | Achieved four years early<br>(doubled in 2018, was on track)<br>Originally 45 arrivals, increased to 100. | South Australian<br>Cruise Ship Strategy<br>2020           | 2018                                 |

The current *Growth State* planning framework establishes the tourism industry/sector expenditure potential of \$12.8 billion by 2030. The waypoints to achieve this are understandably affected due to the unprecedented impact of drought, bushfires and COVID-19. At the time of writing, the full impact of the crisis is still unclear, making the setting of realistic recovery targets problematic.

The targets outlined in this Performance Agreement were developed by the SATC, using Tourism Research Australia data and calibrated against the work of external parties, including Adelaide Airport Ltd, Dransfield (Accommodation), STR Global (Accommodation) and IATA (Aviation). The potential impact of the COVID-19 crisis has been considered in detail by the SATC Board and its analysis and recommendations have been integrated into the Performance Agreement. The information and data were then shared with the Premier, SA Health, the Department of Treasury and Finance, Adelaide Airport Ltd and a range of other stakeholders.

This framework, outlined below, shows that the Visitor Economy would decline from \$8.1 billion in the year to December 2019, down to \$2.3 billion in the year to March 2021, before recovering to \$3.4 billion by June 2021.



The Expected COVID-19 Impact scenario is outlined below, and assumes the following conditions:

- Ongoing mild COVID-19 clusters across the country that are dealt with using localised restrictions.
- Moderate recession conditions weakening tourism demand.
- Most international borders remain closed until June 2021, with the exceptions of New Zealand (circa September 2020), a limited international education market and potentially two to three other international markets that are deemed low risk.
- Interstate borders open to a limited extent, primarily led by a small amount of business travel. Holiday travel remains impacted until late 2020.
- Intrastate travel remains basic (for example camping and Visiting friends and Relatives), with limited spend until January 2021. Day Trips also do not recover in a meaningful way until 2021.

| Visitor Economy<br>Targets (\$b) | 2019-2020           |                     |                     | 2020-2021   |             |             | 2021-22     | 2030<br>Potential |              |             |
|----------------------------------|---------------------|---------------------|---------------------|-------------|-------------|-------------|-------------|-------------------|--------------|-------------|
|                                  | Sep<br>2019         | Dec<br>2019         | Mar<br>2020         | Jun<br>2020 | Sep<br>2020 | Dec<br>2020 | Mar<br>2021 | June<br>2021      | June<br>2022 | Dec<br>2030 |
| Expected COVID-19<br>Impact      | <b>7.8</b> (Actual) | <b>8.1</b> (Actual) | <b>7.8</b> (Actual) | 5.8         | 4.4         | 3.0         | 2.3         | 3.4               | 6.9          | \$12.8      |
| Previous<br>Waypoints            | 7.3                 | 7.5                 | 7.6                 | 7.7         | 7.9         | 8.0         | 8.1         | 8.2               | 8.6          | \$12.8      |

Other models have also been developed with the SATC Board, and should the external factors be substantially different than those outlined above, the SATC will adjust its goals to reflect this. For example, in the most optimistic "Smooth Recovery" scenario there is only a mild recession (including no significant loss of tourism businesses), no Wave 2 outbreaks of any kind and a full reopening of domestic and international borders in early 2021. This ideal scenario would see the Visitor Economy dropping to \$4.0 billion and then recovering to \$5.9 billion in June 2021 and recovering fully to \$8.1 billion by June 2022.

Alternatively, a Severe Impact scenario models the impact of an ongoing COVID-19 crisis, with Wave 2 and Wave 3 driving a severe economic downturn. In this case, international markets do not reopen at all in 2020-21, with the exception of half the international student market. Interstate borders would partially open, but then re-close until early 2021 and there would be minimal recovery to the intrastate and day trips markets due to protracted travel restrictions locally. In this Severe Impact scenario, which is deemed unlikely, the Visitor Economy would drop to \$1.0 billion in March 2021 before recovering to \$1.3 billion by June 2021 and \$4.6 billion by June 2022.

The SATC will continue to revise this impact model as further economic and consumer data comes to hand.

### **KEY PERFORMANCE INDICATORS**

In 2020-21, the SATC Board will pursue the achievement of exceeding \$3.4 billion in visitor expenditure, as outlined in the Expected COVID-19 Impact scenario. The Board will refine the targets as new information or impacts come to light, and monitor the strategic direction of the SATC toward the achievement of the following targets to be achieved by June 2021:

|                   | Dec 2019 (actual)  | Low point | Jun 2021 | Jun 2022 |
|-------------------|--------------------|-----------|----------|----------|
| Visitor Economy   | \$8.1b             | \$2.3b    | \$3.4b   | \$6.9b   |
| Direct Jobs       | 40,500 (June 2019) | 12,300    | 18,000   | 36,800   |
| International     | \$1.2b             | \$316m    | \$368m   | \$792m   |
| Interstate        | \$2.7b             | \$234m    | \$469m   | \$1.9b   |
| Intrastate        | \$2.6b             | \$840m    | \$1.3b   | \$2.5b   |
| Day Trips         | \$1.7b             | \$870m    | \$1.3b   | \$1.7b   |
| Domestic airline  | 83,800             | Near zero | 15,000   | 62,000   |
| seats p/w         |                    |           |          |          |
| International     | 13,200             | Near zero | 4,000    | 8,700    |
| airline seats p/w |                    |           |          |          |
| Leisure Events    | \$383m             | \$109m    | \$161m   | \$328m   |

### STRATEGIC PRIORITIES

### Marketing:

- Challenge South Australians to redirect some of the \$3.3 billion that was spent overseas in 2019 to tourism experiences here in South Australia through intrastate marketing and public relations activities to increase consideration and visitation, via traditional and digital mechanisms.
- Challenge Australians to rediscover South Australia and drive recovery through interstate marketing and public relations activity, with a focus on redirecting some of the \$65 billion spent by Australians overseas in 2019.
- When appropriate, reactivate tactical marketing and public relations activities in priority international countries and leverage this with partners using traditional and digital mechanisms.
- Take advantage of South Australia's position as an uncrowded, premium destination that fits what the post-COVID-19 tourist is seeking.
- Provide targeted, user friendly content and images to help get shared messages out more strongly across our target markets and via multiple digital platforms, including mobile, tablet and desktop.
- Take advantage of international border closures to engage Australians while recognising the impact of no or limited international travel inbound.

### **Experience and Supply Development:**

- Work with regional tourism organisations, as well as industry and other key stakeholders to ensure the supply side of tourism is available when demand resumes.
- Work with partners to rebuild access to and within South Australia, including through joint marketing initiatives.
- Support operators and other stakeholders to leverage support and funding sources from outside of the state to endure the current crisis.
- Work with the Department for Trade and Investment to identify and promote tourism related investment opportunities to qualified investors for the benefit of industry.

### **Collaboration:**

- Work with other state government agencies to ensure a coordinated response to the COVID-19 and bushfire crises, with specific focus on affected areas on Kangaroo Island and in the Adelaide Hills.
- Work with SA Health across all aspects of the SATC to ensure consistency in focus and approach, including providing advice and support to implement appropriate staged easing of restrictions for the Visitor Economy.
- Partner with federal bodies, including Tourism Australia and Austrade, to maximise state government investment into tourism.
- Continue to work with the Department for Trade and Investment to implement the Premier's *Growth State* program, to drive job creation, investment and expenditure within South Australia. Consider synergies between tourism and other *Growth State* sectors as they release their own Sector Plans in 2020-21.
- Work with the regions in developing the next Regional Visitor Strategy to drive regional expenditure.
- Work with Study Adelaide to recover the international education market and promote Adelaide as a centre of education excellence.
- Support the government's commitment to Build Heritage and Eco-Tourism Opportunities, including assistance to the Department for Environment and Water.

### Industry Capability

- Drive industry training initiatives, such as COVID-Aware, to ensure industry emerges from the crisis ready to adapt to new conditions.
- Work with the Tourism Industry Council of South Australia (TiCSA) to deliver the Visitor Economy Restart Conference.
- Continue to provide accurate, relevant and concise research insights to assist industry to make informed business decisions, especially in relation to changed consumer behaviours post-COVID-19.
- Ensure continued strong take up by industry on the Australian Tourism Data Warehouse (ATDW) with a focus on commissionable product.

### Leisure Events

- Work with SA Health to plan a path for the roll-out of leisure, business, cultural and community events in South Australia and develop guidelines to assist events with their planning in a COVID-19 environment.
- Reconsider how events are managed and run in South Australia in the COVID-19 and post-COVID-19 world, seeking innovative solutions to new challenges and ensuring the industry is supported in the appropriate manner. For example, Tasting Australia Local will have a strong focus on driving consumers back into existing businesses.
- Continue to deliver a program of 'owned' events to drive visitation and raise the profile of the state as a world class event destination, using COVID-19 related restrictions to drive innovation and ensure the existing event related business in the state are supported in the appropriate manner.
- Ensure our existing major and regional events emerge strong from the existing difficult climate and are sustainable.
- Develop the capacity building program for major, regional and local/ community events and festivals across the state.
- Focus event sponsorships on core strength areas such as food and wine, arts and culture, live music, national and international sports and mass participation events, with a focus on off-peak periods (particularly winter) and utilising key infrastructure. This decision making will consider available budget, competing priorities, return on investment for the state and potential capability limitations brought about by COVID-19 restrictions.
- Increase awareness and consideration of South Australian hero events, through collaborative marketing, public relations and partnerships to trigger visitation.
- Continue to search for efficiencies for the build and dismantle time of the Superloop Adelaide 500. The 2020 build and dismantle time was 18 weeks and without a substantially increased budget for 2021, this is the quickest it can be delivered within safety constraints.
- Achieve the above in the context of revenue challenges arising from an increasingly tight market for sponsorship and corporate hospitality sales and restrictions related to COVID-19.
- Support a strong annual calendar of events, with a focus on ensuring current sponsored events remain in the state and bolstering winter content. In addition, continue to seek opportunities to bid for new major leisure events as part of the ongoing strategy to boost the state's profile and develop a pipeline of opportunities for government's consideration.

### Promote the Value of Tourism:

- Build on the current strong research program and make evidence-based information publicly available to increase the understanding of the value and relevance of tourism to our stakeholders.
- Continue to promote the value of tourism to government and the wider industry through a suite of targeted industry and public communications.
- Reconsider the *South Australian Visitor Economy Sector Plan 2030* in light of COVID-19 and adapt the strategic focus and targets as required.
- Provide input into the three-year National Tourism Recovery Strategy, led by Austrade, that will replace the previously planned National Tourism Strategy 2030.

### **Organisational Effectiveness:**

- Continue to provide a safe, flexible and compliant work environment, including enforcing social distancing and additional hygiene measures, to protect the health and wellbeing of each individual.
- Provide systems and support across all aspects of corporate services to maximise the
  effective and efficient use of SATC resources and ensure public accountability expectations
  are met.
- Continue the strong planning and performance monitoring approach that links long term planning and outcomes to the daily work of each individual at the SATC, addressing both strategic and operational risks.
- Embed organisational values and drive continual improvement through review processes and the implementation of new initiatives.

#### SIGNATURES

We the undersigned do hereby agree to the outcomes outlined in the 2020-21 Performance Agreement between the South Australian Tourism Commission Board and the Premier with responsibility for Tourism.

Dated: 6.8.20 Signed:

Hon Steven Marshall MP, PREMIER OF SOUTH AUSTRALIA

Signed

Dated:

Andrew Bullock, CHAIR on behalf of the SOUTH AUSTRALIAN TOURISM COMMISSION BOARD

# Appendix C: South Australian Tourism Commission Board Performance Agreement Report 2020-21

### SOUTH AUSTRALIAN TOURISM COMMISSION BOARD PERFORMANCE AGREEMENT 2020-21

### **REPORT AGAINST STRATEGIC PRIORITIES**

| PRIORITY 1: DRIVING DEMAND                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |  |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|
| Priority                                                                                                                                                                                                                                                  | Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |  |  |
| Challenge South Australians to<br>redirect some of the \$3.3 billion that<br>was spent overseas in 2019 to<br>tourism experiences here in South<br>Australia through intrastate<br>marketing and public relations<br>activities to increase consideration | In response to the ongoing impact of COVID, the SATC reallocated funding from its international marketing budget to the intrastate marketing budget.                                                                                                                                                                                                                                                                                                                                                                                                            |  |  |
|                                                                                                                                                                                                                                                           | Marketing activity focused on driving intrastate visitation post COVID and included the 'A Great State To Be In' campaign, which ran throughout the year, promoting seasonally (summer and winter) relevant products and destinations. The 'Great State To Be In' campaign was supported with PR activity, which included targeted broadcast opportunities with Studio Ten and SA Collective Ambassador Hans, South Aussie with Cosi, Channel 7 News and Nova 91.9.                                                                                             |  |  |
| and visitation, via traditional and digital mechanisms.                                                                                                                                                                                                   | A new domestic campaign ' <i>For Those Who Want A Little More</i> ' was launched in May 2021, promoting South Australia's unique products and experiences. Campaign activity included strategic PR activity, projects, and brand partnerships.                                                                                                                                                                                                                                                                                                                  |  |  |
|                                                                                                                                                                                                                                                           | The SATC established the 'Great State Voucher' program to drive expenditure into the Adelaide CBD and regions by increasing accommodation occupancy. There were three accommodation schemes and one hosted experience scheme. The economic impact across the four schemes totalled \$64.7 million.                                                                                                                                                                                                                                                              |  |  |
|                                                                                                                                                                                                                                                           | Data from STR, an accommodation data aggregator, shows ongoing strong recovery in hotel occupancy assisted by the Great State Voucher program. The latest available data for Regional Hotel Occupancy for June 2021 shows occupancy at 59 per cent, the seventh consecutive month where regional South Australia has achieved a record individual monthly result. In line with occupancy growth, the monthly result for May 2021 saw visitor expenditure in regional South Australia reach \$288 million, above the pre COVID level for the same month in 2019. |  |  |
|                                                                                                                                                                                                                                                           | Adelaide hotels were operating at an average of 19 per cent occupancy for the month of April 2020, recovering to 56 per cent for October 2020 when the first 'Great State Voucher' program came into market.                                                                                                                                                                                                                                                                                                                                                    |  |  |
|                                                                                                                                                                                                                                                           | In 2020-21, southaustralia.com saw 8.2 million website visits by South Australians, generating 2.8 million Australian Tourism Data Warehouse (ATDW) and travel partner leads, an increase of 116 per cent and 249 per cent respectively compared to the year prior.                                                                                                                                                                                                                                                                                             |  |  |
|                                                                                                                                                                                                                                                           | 'A Year of SA Wine' campaign, which was launched in January 2021, will continue to run throughout the calendar year, encouraging South Australians to travel to wine regions and experience wine festivals and events. The campaign is aimed at driving additional visitation, generating economic benefit through new expenditure, supporting local businesses and job creation.                                                                                                                                                                               |  |  |

| Challenge Australians to rediscover<br>South Australia and drive recovery<br>through interstate marketing and<br>public relations activity, with a focus<br>on redirecting some of the \$65 billion<br>spent by Australians overseas in | In response to the ongoing impact of COVID, the SATC reallocated funding from its international marketing budget to the interstate marketing budget.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                         | The SATC implemented the interstate campaign ' <i>You Have To See It To Believe It</i> ' to encourage Australians to take their next holiday in South Australia as travel restrictions eased, by promoting locations and experiences that make South Australia an accessible and appealing holiday destination.                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 2019.                                                                                                                                                                                                                                   | Cooperative campaign activity with airlines and travel trade partners generated approximately \$230 million in the South Australian visitor economy based on the National Visitor Survey year ending March 2021.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|                                                                                                                                                                                                                                         | The SATC partnered with Qantas Airways on a cooperative marketing and public relations campaign to support interstate campaign messaging, ' <i>You Have To See It To Believe It'</i> , and drive airline bookings to Adelaide. The partnership included a state border reopening activation at Sydney and Adelaide Airports as well as a radio competition with Nova 96.9 Sydney. This activity resulted in approximately 48,000 seats booked to Adelaide, with the radio competition driving more than 2,000 entries and an on-air breakfast radio audience reach of 500,000. The airport activation resulted in significant PR coverage, with a potential audience reach of more than 7.5 million and an estimated Advertising Space Value of more than \$1.4 million. |
|                                                                                                                                                                                                                                         | PR activity also included content partnerships with publications Broadsheet and Pedestrian, broadcast partnerships with Sunrise, Today Show, SA Weekender and Tasting Australia with Hayden Quinn, and integrated brand partnerships with David Jones Magazine and Spell x Jurlique.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|                                                                                                                                                                                                                                         | From 1 July 2020 to 30 June 2021, the total Advertising Space Rate for domestic PR was valued at \$42.8 million, with a potential audience reach of 119.4 million.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                                                                                                                                                                                                                                         | In 2020-21, southaustralia.com saw 4.2 million website visits from interstate, which in turn generated 540,000 ATDW and travel partner leads, an increase of 33 per cent and 114 per cent respectively compared to the previous year.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| When appropriate, reactivate tactical marketing and public relations                                                                                                                                                                    | International marketing continues to be heavily impacted by COVID and the SATC has largely suspended consumer marketing spend in international markets, with the exception of New Zealand.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| activities in priority international<br>countries and leverage this with<br>partners using traditional and digital<br>mechanisms.                                                                                                       | In response to the opening of the travel bubble between New Zealand and Australia in April 2021, the SATC launched the <i>'Hey New Zealand'</i> campaign promoting South Australia's landscapes and wide-open spaces, its food and wine offerings and Adelaide as the gateway. The campaign included a television commercial, digital and social advertisements aimed at driving awareness of Adelaide and South Australia as a holiday destination of choice and Air New Zealand's direct Auckland to Adelaide flights. The campaign has seen nearly 27,000 New Zealanders visit southaustralia.com, with 2,209 ATDW and partner leads from 25 April 2021 to 30 June 2021.                                                                                              |
|                                                                                                                                                                                                                                         | The SATC partnered with Tourism Australia to broadcast New Zealand's most popular TV breakfast show, TVNZ Breakfast, in South Australia from iconic South Australian locations. The broadcast reached 489,900 New Zealanders and achieved an Advertising Space Rate of \$124,000.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|                                                                                                                                                                                                                                         | The SATC continues to work with Tourism Australia and targeted travel agents to ensure that South Australia remains top of mind in key international markets and is ready to implement flexible marketing campaigns in these markets when international borders open.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

| Take advantage of South Australia's position as an uncrowded, premium destination that fits what the post-COVID-19 tourist is seeking.                                                                              | Intrastate marketing campaigns encouraged South Australians to holiday in their own state, positioning South Australia's regions as safe and appealing destinations. Campaign activity showcased natural landscapes, outdoor experiences and wide-open spaces, as well as outdoor product, including glamping, camping and boutique accommodation across regional South Australia.                                        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                     | The domestic campaign, 'For Those Who Want A Little More', features some of South Australia's unique tourism experiences and locations, with a collection of high impact outdoor, digital and print advertising to inspire Australians to visit South Australia.                                                                                                                                                          |
|                                                                                                                                                                                                                     | The SATC partnered with Expedia on a content activity, <i>Undercrowded campaign</i> , with the focus being to ensure unique and curious tourism offerings in South Australia were showcased to the Expedia audience, encouraging Australians to book holidays in our state. The campaign reached more than 19 million consumers via digital advertising and generated \$10.5 million in visitor expenditure to the state. |
| Provide targeted, user friendly<br>content and images to help get<br>shared messages out more strongly<br>across our target markets and via<br>multiple digital platforms, including<br>mobile, tablet and desktop. | The South Australia Media Gallery continued to develop an extensive collection of on-brand assets, which included 2,773 images and 354 videos. A hero shoot was conducted to develop assets that have featured in the brand campaign, <i>'For Those Who Want A Little More'</i> .                                                                                                                                         |
|                                                                                                                                                                                                                     | The scope of digital content promoting South Australia as a tourism destination increased significantly in 2020-21 including the development of a long form video for YouTube and shareable guides for Instagram.                                                                                                                                                                                                         |
| Take advantage of international<br>border closures to engage<br>Australians while recognising the<br>impact of no or limited international<br>travel inbound.                                                       | The SATC PR team partnered with multiple media outlets and influencers to engage domestic audiences. An influencer campaign was created to entice interstate audiences to travel to South Australia and recreate their European summer vacations in various South Australian locations. The campaign generated a total campaign reach of more than 10.2 million and more than 12,000 direct operator leads.               |
|                                                                                                                                                                                                                     | A new innovative WeChat (the largest social media platform from China) winter campaign targeted more than 1.2 million<br>Chinese living in Australia to raise awareness and consideration of South Australia as a holiday destination of choice. The<br>campaign generated 3,000 new followers to the SATC's WeChat account.                                                                                              |

| PRIORITY 2: WORKING BETTER TOGETHER                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |  |  |
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| Priority                                                                                                                                                                    | Action                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |  |
| Work with regional tourism<br>organisations, as well as industry<br>and other key stakeholders to<br>ensure the supply side of tourism is<br>available when demand resumes. | The SATC's Regional Consumer Cooperative Marketing Fund enabled the 11 Regional Tourism Organisations to each apply for \$20,000, required to be matched by the RTOs, towards marketing campaigns aimed at attracting visitors and thus expenditure to their regions. To further support the regions in the context of COVID recovery, the RTOs received an additional \$10,000 with no matching requirement.<br>The RTOs continued to receive funding from the SATC to support their role as the key contact between the SATC and regional stakeholders and industry. Funding was extended for an additional three years commencing in 2020-21. |  |  |

|                                                                                                                                                                                    | The SATC delivered an engagement program for the domestic travel trade (retail, wholesale and online agents) to ensure<br>they were well informed about the tourism products and services on offer in South Australia. The program included a series<br>of RTO hosted webinars to educate the travel trade on the offering in each region. More than 2,200 travel agents<br>participated in the webinar. The program resulted in a significant increase of agents signing up for regular communication<br>from the SATC on new product and experiences. |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Work with partners to rebuild access<br>to and within South Australia,<br>including through joint marketing                                                                        | The SATC conducted a year-round program of tactical campaigns with targeted travel trade partners to provide a range of holiday options to consumers. Travel trade partners included Qantas Airways, Jetstar Airways, Regional Express, Webjet, Wotif, Helloworld Travel, RAA, Phil Hoffmann Travel, Flight Centre Travel Group and Accor Hotels.                                                                                                                                                                                                       |
| initiatives.                                                                                                                                                                       | In partnership with Adelaide Airport Ltd, the SATC worked with regional, domestic, and international airlines to reinstate flights and implement new routes. This included:                                                                                                                                                                                                                                                                                                                                                                             |
|                                                                                                                                                                                    | <ul> <li>Establishing an agreement with Air New Zealand to support a minimum of three weekly services into Adelaide to<br/>service the New Zealand travel bubble.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                            |
|                                                                                                                                                                                    | <ul> <li>Engaging with domestic airlines, including Qantas, QantasLink, Jetstar and Virgin to provide marketing support to<br/>strengthen domestic travel and recommence existing routes and introduce new routes.</li> </ul>                                                                                                                                                                                                                                                                                                                           |
|                                                                                                                                                                                    | <ul> <li>Working with Rex to assist the airline to commence their new airline service between Melbourne and Adelaide,<br/>including marketing support.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                       |
|                                                                                                                                                                                    | • Supported the Department of Trade and Investment in negotiations to support Qantas basing five new aircraft in Adelaide and to start new routes with these aircraft. New routes subsequently commenced to Alice Springs, Darwin, Hobart, Cairns and Townsville.                                                                                                                                                                                                                                                                                       |
| Support operators and other<br>stakeholders to leverage support<br>and funding sources from outside of<br>the state to endure the current crisis.                                  | \$1 million of cooperative marketing funding was secured from Tourism Australia as part of the national bushfire recovery program. This funding was leveraged against travel trade partner contributions to assist recovery for South Australian tourism businesses through travel trade (retail wholesale and online travel agents) bookings.                                                                                                                                                                                                          |
|                                                                                                                                                                                    | Advice was provided to Austrade to assist in determining which regional tourism businesses would benefit from proposed funding programs. In 2020-21, the SATC worked with the federal government to secure funding from programs to support regions impacted by bushfires, namely Adelaide Hills and Kangaroo Island. Additionally, letters of support were provided to operators and local councils to support applications for federal funding programs such as the Building Better Regions Fund.                                                     |
|                                                                                                                                                                                    | The SATC initiated the two-year \$20 million Tourism Industry Development Fund (TIDF) (\$10 million in 2020-21 and \$10 million in 2021-22). The TIDF provides the private sector with grants to encourage the development of new and refreshed tourism infrastructure and experiences in regional South Australia. In 2020-21, 53 projects were approved with a project value of \$31.6 million and an SATC total grant amount of \$8.3 million.                                                                                                       |
| Work with the Department for Trade<br>and Investment to identify and<br>promote tourism related investment<br>opportunities to qualified investors<br>for the benefit of industry. | The SATC had quarterly meetings with the Department for Trade and Investment to provide information on tourism investment opportunities across South Australia and to match potential investors with tourism investment opportunities. The SATC also monitors investment opportunities published on the South Australian Government portal "Invest in South Australia" and targets potential investors with the opportunities.                                                                                                                          |

| Work with other state government<br>agencies to ensure a coordinated<br>response to the COVID-19 and<br>bushfire crises.                                                | The SATC worked across various state and federal government departments to ensure that industry feedback and needs were addressed in the provision of COVID-19 and bushfire support. This included the National Tourism Incidence Communications Plan group, the Bushfire Wildlife and Habitat Recovery Taskforce, the Consequences Management Group, Local Economic Recovery group, and the State Recovery Coordination group.                                                                                                                                                                                                                                                                                                                                                                                                                                 |
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| Work with SA Health across all<br>aspects of the SATC to ensure<br>consistency in focus and approach,<br>including providing advice and                                 | The SATC continues to provide regular, timely communications to the state's tourism industry through its corporate website, social media channels and regular email industry updates. In 2020-21, these have focussed on providing the latest health and travel advice relevant to tourism. The SATC works closely with SA Health to ensure messaging is consistent.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| support to implement appropriate<br>staged easing of restrictions for the<br>Visitor Economy.                                                                           | In 2020-21, the SATC provided support to SA Health to develop the COVID Marshal certification. The SATC had experience in this area, having worked with Health Safety Environment Australia to develop free COVID Awareness training for the tourism industry in May 2020. Further information is provided under Priority 3.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                                                                                                                                                         | Regular communication with the event industry took place based on learnings and discussions with SA Health, including access to regularly updated guidelines and FAQs to assist with COVID-safe event planning. The events industry was also provided the opportunity to engage with SA Health representatives and industry experts through SATC hosted webinars.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Partner with federal bodies, including Tourism Australia and Austrade, to                                                                                               | In 2020-21, the SATC continued to work with Tourism Australia to maximise PR opportunities through media and influencer familiarisations, broadcast opportunities and strategic alignment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| maximise state government<br>investment into tourism.                                                                                                                   | The SATC participated in Tourism Australia's "Signature Experiences of Australia" program and "Aussie Specialist"<br>Program. "Signature Experiences" of Australia comprises eight thematic collectives, namely Ultimate Winery Experience of<br>Australia, Australian Wildlife Journeys, Great Walks of Australia, Luxury Lodges of Australia, Great Golf Courses of<br>Australia, Discover Aboriginal Experiences, Great Fishing Adventures of Australia and Cultural Attractions of Australia.<br>Twenty-one South Australia tourism businesses were included in these collectives with more than 100 tourism experiences<br>offered. The "Aussie Specialist" Program is an Australian education program for travel agents across the world which<br>launched domestically in 2020-21. South Australia has a dedicated training module through this program. |
|                                                                                                                                                                         | The SATC has an ongoing partnership with Austrade, which has shifted its tourism investment focus from international to domestic. As mentioned under Priority 2, quarterly meetings are held with Austrade to provide updates on tourism investment opportunities in South Australia.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|                                                                                                                                                                         | The SATC continues to partner with Tourism Research Australia, part of Austrade, to deliver consumer insights to guide strategy, as well as working closely with Austrade on the Reimaging the Visitor Economy Strategy. Please refer to Priority 4 for more detail.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Continue to work with the<br>Department for Trade and<br>Investment to implement the<br>Premier's <i>Growth State</i> program, to<br>drive job creation, investment and | The SATC worked with the Department of Trade and Investment throughout 2020-21 as chair of the Visitor Economy Sector Plan, providing input into other Sector Plans and identifying synergies to grow jobs, investment and expenditure. Three Growth State initiatives were the focus in 2020-21: The Tourism Industry Development Fund; Marketing of South Australia; and Tourism Airline Support.                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| expenditure within South Australia.                                                                                                                                     | The SATC produced the 2019-20 South Australian Visitor Economy Sector Plan Annual Report and 2020-21 Operating                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

| Consider synergies between tourism<br>and other <i>Growth State</i> sectors as<br>they release their own Sector Plans<br>in 2020-21.                               | Plan for Growth State reporting purposes.                                                                                                                                                                                                                                                                                                                                                                                  |
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| Work with the regions in developing<br>the next Regional Visitor Strategy to<br>drive regional expenditure.                                                        | The 2025 South Australian Regional Visitor Strategy (RVS) was launched in March 2021 and is the second iteration of the strategy which brings together the priorities of all 11 regions.                                                                                                                                                                                                                                   |
|                                                                                                                                                                    | It focuses on opportunities for increased strategic and operational alignment within and across regions, industry and state and local government.                                                                                                                                                                                                                                                                          |
|                                                                                                                                                                    | The RVS outlines priorities and focus areas for regional tourism to achieve the 2025 target of \$4 billion expenditure and aligns with the <i>South Australian Visitor Economy Sector Plan 2030</i> to support the creation of new jobs and growing of visitor expenditure in regions.                                                                                                                                     |
| Work with Study Adelaide to recover<br>the international education market<br>and promote Adelaide as a centre of<br>education excellence.                          | The SATC assisted Study Adelaide to promote international education, including sharing destination marketing content and proactively sharing relevant marketing content via SATC social media channels such as China's WeChat.                                                                                                                                                                                             |
|                                                                                                                                                                    | The SATC also engaged 10 South Australian tourism operators to support Study Adelaide's marketing Summer Campaign from December 2020 to February 2021. The campaign promoted South Australia's tourism and educational offerings to 33,000 international students based in Adelaide as well as supporting a social media campaign that promoted the message internationally.                                               |
| Support the government's<br>commitment to Built Heritage and<br>Eco-Tourism Opportunities, including<br>assistance to the Department for<br>Environment and Water. | The SATC was represented on the Heritage Tourism Alliance assisting in the development of the Heritage Tourism Strategy, which was launched in June 2021. The SATC ensured that tourism, and the associated economic outcomes, remained the focus of the Strategy, and that the targets and framework for the Strategy aligned with the <i>South Australian Visitor Economy Sector Plan 2030</i> .                         |
|                                                                                                                                                                    | The SATC is also represented on the Department of Environment and Water's Co-Investment Fund Assessment Panel, which assesses the proponent submissions and puts forward recommendations to the Minister for Environment and Water. There have been three successful projects announced as part of the Co-Investment Fund. All three projects will support Nature Based Tourism and create new experiences in the regions. |

| PRIORITY 3: SUPPORTING WHAT WE HAVE                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |
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| Priority                                                                                                                                                                                                            | Action Taken                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |  |  |
| Drive industry training initiatives,<br>such as COVID-Aware, to ensure<br>industry emerges from the crisis<br>ready to adapt to new conditions.                                                                     | In May 2020, the SATC, with Health Safety Environment Australia, officially launched a COVID Awareness Training Course to provide the hospitality and tourism sector with base level knowledge and awareness of COVID-19 and to advise prevention measures that businesses could implement to protect their customers. It also provided a certificate of completion for the individual and window decals for businesses to display providing confidence to visitors and guests. From May 2020 to May 2021, more than 9,800 people completed the training. The course concluded on 30 May 2021 and all links have been redirected to SA Health's COVID Marshall Training Course, which is available until 17 March 2022. |  |  |
|                                                                                                                                                                                                                     | The SATC provided COVID information to the South Australian event industry through development of the South Australian Events COVID-19 Guideline document and FAQs which were located on the SATC's Corporate website and regularly updated. Other support included the coordination of industry webinars with SA Health in attendance, regular email updates, assistance to event organisers in their discussions with SA Health, advice on the preparation of COVID Management Plans and one-on-one meetings to assist with COVID-Safe event planning.                                                                                                                                                                |  |  |
| Work with the Tourism Industry<br>Council of South Australia<br>(TiCSA) to deliver the Visitor<br>Economy Restart Conference.                                                                                       | The SATC was the majority funding partner for the Visitor Economy Restart Conference. The SATC met regularly with TiCSA in the lead up to the conference and had input to the program, the structure of the event and the promotional materials. The event was considered a success with strong attendance at both the hub in Adelaide and in the concurrent regional satellite events.                                                                                                                                                                                                                                                                                                                                 |  |  |
| Continue to provide accurate,<br>relevant and concise research<br>insights to assist industry to<br>make informed business<br>decisions, especially in relation<br>to changed consumer behaviours<br>post-COVID-19. | In late 2020, the SATC initiated a research project to understand the profile of workforce shortages in the state. In the absence of a national approach to update the 2015 "Tourism Labour Force" study, South Australia partnered with Deloitte to deliver data to quantify the impacts of workforce shortages and to provide insight to the possible solutions required. The SATC is also represented on the Regional Workforce Advisory Group and ensured that the State Government's \$4.4 million initiative to incentivise people to move to regions to undertake regional work included tourism and hospitability roles.                                                                                        |  |  |
|                                                                                                                                                                                                                     | In order to specifically understand the impact of COVID-19 on the behaviour of the travelling public, the SATC initiated a customised research project to investigate consumer behaviours, perceptions and attitudes to travel. The SATC also conducted customised research into attitudes and behaviours around attending events. The events industry was briefed on the outcomes of the research and the information was used as the basis for advice to the events industry on maximising visitation to events.                                                                                                                                                                                                      |  |  |
| Ensure continued strong take up<br>by industry on the Australian<br>Tourism Data Warehouse<br>(ATDW) with a focus on<br>commissionable product.                                                                     | Educating tourism operators on the benefits of having a listing on the ATDW remains a key part of the SATC's digital strategy, with regular workshops being held in regions and educational resources being created and housed on the ATDW hub on the SATC Corporate website. As of 30 June 2021, there were 9,153 South Australian listings live in the ATDW. This represented a nine per cent increase over the 12-month period.                                                                                                                                                                                                                                                                                      |  |  |

| PRIORITY 4: INCREASING THE RECOGNITION OF THE VALUE OF TOURISM                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |
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| Priority                                                                                                                                                                                                       | Action Taken                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |  |  |
| Build on the current strong<br>research program and make<br>evidence-based information<br>publicly available to increase the<br>understanding of the value and<br>relevance of tourism to our<br>stakeholders. | The SATC continued to work with Tourism Research Australia and Austrade to provide the latest results on domestic visitor numbers to South Australia. This information was previously reported quarterly, however due to COVID, domestic monthly data was made available to assist decision making and reporting. Monthly reports were regularly published by the SATC in addition to regular quarterly and annual reporting.                                                                                                         |  |  |
|                                                                                                                                                                                                                | Additionally, the SATC continued to maintain the suite of more than 50 factsheets published to its Corporate Website, adapting where required to better suit user needs in assessing COVID impacts. Where appropriate, visitor statistics and accommodation data were promoted through communication channels, including media releases, opinion pieces, social media and industry alerts.                                                                                                                                            |  |  |
| Continue to promote the value of tourism to government and the wider industry through a suite of                                                                                                               | The SATC's corporate communications channels included regular email industry alerts on social media (Facebook, Instagram, LinkedIn and Twitter), media releases and opinion pieces. This communication was further amplified through print, radio and television coverage.                                                                                                                                                                                                                                                            |  |  |
| targeted industry and public communications.                                                                                                                                                                   | Communications were dedicated to keeping the industry informed regarding the latest developments in the COVID environment, advising support available and sharing the latest tourism news and statistics.                                                                                                                                                                                                                                                                                                                             |  |  |
|                                                                                                                                                                                                                | In 2020-21, the SATC worked with Channel 7's Ron Kandelaars to develop a series of positive news stories of tourism in South Australia. Operators on Kangaroo Island, the Adelaide Hills, Murray River, Lakes & Coorong and the Riverland were featured. These stories ran in Channel 7's weekend news bulletins and covered topics such as businesses reopening post bushfires and COVID lockdowns, growth in regional tourism and new experiences.                                                                                  |  |  |
|                                                                                                                                                                                                                | Worked commenced in 2021 on developing a new corporate video case study series aimed at assisting tourism operators to take advantage of growth in the domestic market. This project will deliver 12 case studies in total (one for each region, including Adelaide), focussing on operators who have done something different and can share lessons learnt with the wider industry.                                                                                                                                                  |  |  |
| Reconsider the <i>South Australian</i><br><i>Visitor Economy Sector Plan</i><br><i>2030</i> in light of COVID and adapt<br>the strategic focus and targets as<br>required.                                     | The SATC developed a COVID model to anticipate the likely impacts of travel restrictions and the response of different market streams. The model provided forecasted targets across all origin markets. The model proved accurate and highly valuable for understanding the likely impacts of COVID and will be used to determine whether targets should be revised. Latest available data for the year to June 2021 shows the visitor economy dropped to \$5.8 billion, down 11 per cent and well above the predicted \$4.9 billion. |  |  |
| Provide input into the three-year<br>National Tourism Recovery<br>Strategy, led by Austrade, that<br>will replace the previously<br>planned National Tourism<br>Strategy 2030.                                 | The SATC participated in the development of a national tourism strategy led by Austrade as part of the Reimagining the Visitor Economy initiative. The SATC assisted Austrade in running a forum of RTOs and providing research material. The SATC also provided a submission to Austrade for the industry consultation.                                                                                                                                                                                                              |  |  |

| PRIORITY 5: USING EVENTS TO GROW VISITATION                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  |  |
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| Priority                                                                                                                                                                                                                            | Action Taken                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |  |  |
| Work with SA Health to plan a<br>path for the roll-out of leisure,<br>business, cultural and community<br>events in South Australia and<br>develop guidelines to assist<br>events with their planning in a<br>COVID-19 environment. | The SATC held regular meetings with SA Health to assist the industry deliver COVID-safe events and also prepared a <i>South Australian Events COVID-19 Guideline</i> for the events industry. In 2020-21, COVID-safe events staged in South Australia included Winter Reds, SALA, National Pharmacies Christmas Pageant, A Day at the Drive, Adelaide Fringe, Adelaide Festival, WOMADdelaide, Barossa Vintage Festival and Tasting Australia presented by RAA Travel. The SATC was involved in all these events, providing learnings for future events and confidence that events can be adjusted and delivered even in a COVID context.                                                                         |  |  |
| Reconsider how events are<br>managed and run in South<br>Australia in the COVID-19 and<br>post-COVID-19 world, seeking<br>innovative solutions to new<br>challenges and ensuring the                                                | The SATC implemented measures to enable its owned and managed events, namely National Pharmacies Christmas Pageant, Santos Festival of Cycling (Santos Tour Down Under replacement event) and Tasing Australia presented by RAA Travel to meet contact tracing, distancing and density compliance requirements. This ensured that the events were able to proceed and deliver on their key objectives safely. For example, the National Pharmacies Christmas Pageant was delivered for the first time in an arena format and the Santos Festival of Cycling focused its start and finish locations in iconic tourism destinations to ensure best broadcast exposure given attendee capacity numbers were limited. |  |  |
| industry is supported in the appropriate manner.                                                                                                                                                                                    | The SATC worked closely with event organisers to find COVID safe solutions. New innovative solutions that South Australian events adopted to run successfully included:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |  |
|                                                                                                                                                                                                                                     | <ul> <li>Moving from free-flowing music events to seated concerts with designated zones or pods to limit interactions.</li> <li>Online food and drink ordering capabilities to reduce congestion.</li> <li>Finding suitable quarantining solutions for international talent.</li> <li>Collaboration between event organisers and suppliers to share risk.</li> </ul>                                                                                                                                                                                                                                                                                                                                              |  |  |
|                                                                                                                                                                                                                                     | The SATC contributed through funding support, providing advice and opening communication pathways to SA Health.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  |  |
| Continue to deliver a program of<br>'owned' events to drive visitation                                                                                                                                                              | In 2020-21, the SATC delivered three owned and managed events (listed above) as well as Tasting Australia Local and the Tasting Australia Spirit Awards.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |  |  |
| and raise the profile of the state as a world class event                                                                                                                                                                           | The three managed events were presented in revised formats due to the COVID-19 environment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |
| destination, using COVID-19<br>related restrictions to drive<br>innovation and ensure the<br>existing event related business in<br>the state are supported in the<br>appropriate manner.                                            | The 2020 National Pharmacies Christmas Pageant was delivered at Adelaide Oval as a stadium entertainment spectacular.<br>The event ticketing was fully allocated, attracting more than 20,000 people and was broadcast exclusively on Nine and 9Now<br>with the audience peaking at 168,000 viewers, making it the highest viewed show on television in South Australia outside of<br>the AFL Grand Final in 2020.                                                                                                                                                                                                                                                                                                |  |  |
|                                                                                                                                                                                                                                     | The Santos Tour Down Under (TDU) did not take place and instead, a domestic cycling festival, Santos Festival of Cycling was presented aimed at supporting cycling, trialling new products which could be integrated into future TDU events, generating domestic visitation ensuring the TDU brand remained visible. The festival showcased six different cycling disciplines: road, track, BMX, mountain bike, cyclo-cross and para-cycling. The event attracted approximately 500 participants. The event was held across the Adelaide CBD, the Barossa, Adelaide Hills and Fleurieu Peninsula. The event showcased South Australian                                                                            |  |  |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | destinations and product, including Seppeltsfield Winery, the National Motor Museum, Golding Wines, d'Arenberg, Willunga Hill<br>and Victoria Park. The road race, track and paracycling events were broadcast through the Seven Network on the 7Plus digital<br>streaming platform. Participation events included A Virtual Challenge Tour powered by FulGaz showcasing rides in the<br>Barossa, Adelaide Hills, Fleurieu Peninsula and Adelaide CBD, the Trek Willunga Hill Time Trial and the TDU Challenge on<br>Strava which attracted more than 52,000 registrants.                                                                                          |
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|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | The 2021 Tasting Australia presented by RAA Travel took place with reduced capacity. The event program included 140 events held across the state. Ticket sales were strong, with close to 90 events sold out and 54,000 people attending the event hub, Town Square, over the course of the event.                                                                                                                                                                                                                                                                                                                                                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | All events had an increased focus on digital engagement to capitalise on the additional time many people had, and to ensure the brands remained visible.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Ensure our existing major and<br>regional events emerge strong<br>from the existing difficult climate<br>and are sustainable.                                                                                                                                                                                                                                                                                                                                                                    | As outlined above, the SATC has worked closely with the organisers of sponsored major events and regional events regarding the impacts of COVID-19.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | An agile approach has been fostered, including the introduction of an assistance program to support cases of hardship and loss, examining options for postponement of events that have been impacted by 'snap' border closures, refining individual event marketing plans to focus on interstate and intrastate audiences and visitation, and structuring multi-year sponsorship agreements to grow events in the coming years as the state transitions through the post-COVID recovery stages.                                                                                                                                                                    |
| Develop the capacity building<br>program for major, regional and<br>local/ community events and<br>festivals across the state.                                                                                                                                                                                                                                                                                                                                                                   | Traditional capacity building programs aimed at upskilling the industry, and often focused on marketing, strategic planning, event design and risk management, were replaced with support around COVID Management, as detailed above.                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Focus event sponsorships on<br>core strength areas such as food<br>and wine, arts and culture, live<br>music, national and international<br>sports and mass participation<br>events, with a focus on off-peak<br>periods (particularly winter) and<br>utilising key infrastructure. This<br>decision making will consider<br>available budget, competing<br>priorities, return on investment<br>for the state and potential<br>capability limitations brought<br>about by COVID-19 restrictions. | In 2020-21, 44 events, comprising 15 major events and 29 regional events within the Regional Events and Festival Program were provided with sponsorship funding.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Sponsored event highlights included the following events that aligned with the state's core strengths, including food and wine, arts and culture, live music, national and international sports events:                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Due to COVID-19 restrictions match capacity for Game 1 of 2020 Ampol State of Origin was reduced by 50 per cent. Despite this, the event was a sell-out, attracting 25,218 attendees and more than 4,000 visitors from interstate. The game achieved a viewing audience of 2.4 million.                                                                                                                                                                                                                                                                                                                                                                            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | The Adelaide International, due to be held in January 2021 at Memorial Drive was cancelled but two tennis events were held in its place, A Day at the Drive on 29 January and the Adelaide International WTA 500 from 22 to 27 February. A Day at the Drive saw the world's best tennis players come together in a friendly exhibition event. It was the first event of this size with fans in attendance since the start of the pandemic. The Adelaide International WTA 500 saw eight of the top 20 international players in attendance. Collectively these events attracted 23,543 fans and were broadcast globally across 32 networks in over 200 territories. |
| Achieve the above in the context                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

| of revenue challenges arising<br>from an increasingly tight market<br>for sponsorship and corporate<br>hospitality sales and restrictions<br>related to COVID-19.                                                                                                                                        | WOMADelaide was held in March 2021 in King Rodney Park. Nearly 19,000 people celebrated the return of large-scale live music events. The festival successfully met requirements to operate at a reduced capacity due to COVID restrictions.                                                                                                                                      |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                          | The 2021 Australian Masters Rowing Championship was held in May 2021 and the Rowing Australia's World Cup 3 Replica Rowing Regatta was held in June. These events brought approximately 1,700 athletes, officials and accompanying supporters to Adelaide.                                                                                                                       |
|                                                                                                                                                                                                                                                                                                          | The pinnacle domestic event for swimming in Australia, the Australian Swimming Championships (Olympic Trials), was held in June 2021 at the South Australian Aquatic and Leisure Centre. More than 600 athletes attended the championships, which formed the qualification event for the Australian Olympic and Paralympic teams. The Trials were streamed through Amazon Prime. |
|                                                                                                                                                                                                                                                                                                          | To bolster the winter period and stimulate the regional economy, the SATC partnered with Illuminate Adelaide to develop three regional activations as part of Illuminate Adelaide's program of events. Digital Garden in Mount Gambier was held from 9 June to 4 July, attracting estimated attendances of more than 10,000.                                                     |
| Increase awareness and<br>consideration of South Australian<br>hero events, through<br>collaborative marketing, public<br>relations and partnerships to<br>trigger visitation.                                                                                                                           | The SATC continued to promote sponsored, regional and managed events through targeted marketing and communication campaigns. Television partnerships were key in driving domestic awareness through advertising and free of charge placements for all managed events.                                                                                                            |
|                                                                                                                                                                                                                                                                                                          | The Santos Festival of Cycling was live streamed on 7plus, achieving an audience of more than 3.7 million. Overall, the TDU and Santos Festival of Cycling generated a total PR value of more than \$71 million.                                                                                                                                                                 |
|                                                                                                                                                                                                                                                                                                          | The National Pharmacies Christmas Pageant ranked as the number five program on 9 Adelaide and, outside of live sport, the number one program of the year, beating all other local and national shows.                                                                                                                                                                            |
|                                                                                                                                                                                                                                                                                                          | Tasting Australia achieved an estimated PR value of more than \$25 million through national and local coverage of the festival, including a Sunrise weather cross opening weekend of the event.                                                                                                                                                                                  |
|                                                                                                                                                                                                                                                                                                          | Sponsored and regional events were integrated into the intrastate and domestic marketing campaign across paid and PR activities as well as SATC social media platforms.                                                                                                                                                                                                          |
| Continue to search for<br>efficiencies for the build and<br>dismantle time of the Superloop<br>Adelaide 500. The 2020 build<br>and dismantle time was 18<br>weeks and without a<br>substantially increased budget<br>for 2021, this is the quickest it<br>can be delivered within safety<br>constraints. | In October 2020, the SATC Board decided not to stage the 2021 Superloop Adelaide 500 and to not seek a new sanction agreement with Supercars beyond 2021.                                                                                                                                                                                                                        |

| Support a strong annual calendar<br>of events, with a focus on<br>ensuring current sponsored<br>events remain in the state and<br>bolstering winter content. In<br>addition, continue to seek<br>opportunities to bid for new major<br>leisure events as part of the<br>ongoing strategy to boost the<br>state's profile and develop a<br>pipeline of opportunities for<br>government's consideration. | A range of events were secured in 2020-21:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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|                                                                                                                                                                                                                                                                                                                                                                                                        | <ul> <li>A Day at the Drive and the Adelaide International WTA 500 (tennis events).</li> <li>Moving Portraits by Robert Wilson at the Art Gallery of South Australia. The Archie 100 exhibition will be complemented by an Australian exclusive – Moving Portraits by Robert Wilson in winter 2022 (9 July to 3 October). This will showcase some of the nation's most iconic art works, coupled with video portraits by renowned New York theatre director Robert Wilson.</li> <li>2021 Australian Masters Rowing Championships and World Cup 3 Replica Rowing Regatta.</li> </ul> |
|                                                                                                                                                                                                                                                                                                                                                                                                        | <ul> <li>2023 Australian Masters Games. The eight-day sporting festival to be held in October 2023, is expected to attract approximately 9,000 athletes to compete in 45 sports in 70 venues across the state.</li> </ul>                                                                                                                                                                                                                                                                                                                                                           |
|                                                                                                                                                                                                                                                                                                                                                                                                        | <ul> <li>NRL 2023 Ampol State of Origin - more than 20,000 interstate visitors are expected, injecting an estimated \$15 million<br/>into the State's economy.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                           |
|                                                                                                                                                                                                                                                                                                                                                                                                        | <ul> <li>Illuminate Adelaide regions – Illuminate Adelaide announced three events in regional South Australia, commencing with<br/>Digital Garden in Mount Gambier from 9 June to 4 July. It is estimated that 10,000 people viewed installations across the<br/>Cave Garden precinct during a four-week opening.</li> </ul>                                                                                                                                                                                                                                                        |

| PRIORITY 6: ORGANISATIONAL EFFECTIVENESS                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                          |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| Priority                                                                                                                                                                                                              | Action Taken                                                                                                                                                                                                                                                                                                                                                                                                                                             |  |
| Continue to provide a safe,<br>flexible and compliant work<br>environment, including enforcing<br>social distancing and additional<br>hygiene measures, to protect the<br>health and wellbeing of each<br>individual. | In 2020-21, the SATC continued to provide a safe working environment, which included the implementation of a range of workplace measures to minimise the risk of COVID. These measures included new technologies, increased flexible working practices, hygiene measures and support for individual health and wellbeing. The SATC also offered staff a range of physical and mental wellbeing programs.                                                 |  |
| Provide systems and support<br>across all aspects of corporate<br>services to maximise the<br>effective and efficient use of<br>SATC resources and ensure<br>public accountability<br>expectations are met.           | The SATC continued to administer a range of processes and practices in delivering its responsibilities under the <i>South Australian Tourism Act 1993</i> and in adherence to government financial, procurement, contracting, human resources, ICT, governance and auditing requirements. The SATC maintains a high level of financial control over its events, domestic and international operations to ensure accountability for government resources. |  |

| Continue the strong planning and<br>performance monitoring<br>approach that links long term<br>planning and outcomes to the<br>daily work of each individual at<br>the SATC, addressing both<br>strategic and operational risks. | Activities of the SATC are guided by the annual operational planning process.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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| Embed organisational values and<br>drive continual improvement<br>through review processes and<br>the implementation of new<br>initiatives.                                                                                      | Training and development requirements are established as part of individual performance reviews to identify both organisational and individual learning and development needs and opportunities. The SATC's values are promoted within the organisation. The 'Culture and Values' working group aims to drive and influence the agency's culture through staff engagement and implementation of initiatives which endorse the SATC values. In 2020-21, the COVID-19 pandemic has continued to be a major focus from a staff health and wellbeing perspective. The annual staff engagement survey provides an objective mechanism for assessing the cultural environment with actions implemented in response to the survey. Results from the survey were consistent and reported high levels of staff engagement, well above available industry benchmarks. Individual performance reviews were used to identify both organisational and individual learning and development needs and opportunities. |