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Government of South Australia

Department of Trade and Economic  
Development

# **COMPETITIVENESS COUNCIL INDUSTRY REVIEW**

## **Cafés and Restaurants**

### **Final Report**

**Office of the Economic Development Board**

**August 2008**

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## 1. Executive Summary

The Competitiveness Council was created in June 2006 to identify, develop and champion practical measures and reforms to enhance South Australia's competitiveness.

One of its key projects is to help the State Government meet the challenging target of reducing business 'red tape' by at least 25% or \$150 million by 30 June 2008. An important part of this process is a series of industry reviews involving close consultation with business owners and operators, industry representative bodies and key unions. The aim is to identify logical and achievable ways to reduce the time and cost business owners currently spend in complying with State Government rules and regulations.

The cafés and restaurants industry was the first to be reviewed. This report summarises the findings of that review and outlines a series of actions the Government has agreed to take in response to issues raised.

### Key Findings

An analysis of information gained from the restaurant, cafés and caterers industry, through both interviews and written submissions, identifies two key issues:

- a lack of readily accessible and clear information for businesses on a range of issues; and
- objections, by some, to the cost of taxes and licences.

The following issues were raised by the vast majority of businesses interviewed:

- Liquor licensing
- Government interface
- OHS&W requirements
- Payroll tax
- Workers' compensation

With the exception of liquor licensing, none of these issues are unique to the cafés and restaurant industry and it is anticipated they will feature in the Council's subsequent industry reviews.

Other regulatory issues were identified in the consultation process, although each of these was mentioned by less than half of the businesses interviewed. They included:

- Trade waste discharge
- Technology and its application to minimising red tape
- The paperwork associated with apprenticeships/traineeships

Many businesses also voiced concern about their dealings with Local Government, and in particular, with the South Australian planning system.

## **2. Introduction**

This is the first in a series of industry reviews undertaken for the Competitiveness Council, a sub-committee of the Economic Development Board. The review process is supported by the Competitiveness Council Secretariat, located within the Department of Trade and Economic Development.

The objective of this industry review is to find ways of reducing the administrative and compliance costs associated with running restaurants, cafés and catering operations, while maintaining safe living and working environments.

## **3. Background**

The latest available data indicates that there are around 950 cafés, restaurants and catering businesses in South Australia, employing more than 13,500 people. While most generate income from providing meals for consumption on their premises, the review also dealt with issues raised by

catering businesses and food contractors. Restaurants operating in hotels were included, but hotel gaming activities were not.

South Australia has 6.3% of all cafés, restaurants and catering businesses in Australia and its share of total employment in this industry is 7.2%. Almost two-thirds of businesses employ fewer than 10 people, and more than three-quarters employ fewer than 20 people.<sup>1</sup>

#### **4. Scope**

As mentioned earlier, the main objectives of this review are to:

1. Identify steps that the State Government could take to:
  - reduce the compliance burden on business (e.g. by simplifying regulations and licences currently causing the biggest problems); and
  - remove or reduce any unnecessary, overlapping, repetitive or inconsistent regulations.
2. Identify ways in which technology could be used to reduce 'red tape' and simplify business relationships with State Government.

Issues relating to Commonwealth and Local Government regulation are not technically within the scope of this review.<sup>2</sup> However, because of the large number of issues raised in relation to local government, they have been addressed in Section 8.

State taxes, charges and levies – and related policy issues – also are outside the scope of this review. However, it has considered matters relating to the costs faced by businesses in complying with such obligations.

#### **5. Methodology**

The review began with desk-based research into the Government regulations covering this industry. The review team then met with representatives of the

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<sup>1</sup> Cafes and Restaurants, Australia, 2003-04, ABS, Cat. 8655.0.

<sup>2</sup> The major issues raised by businesses relating to Commonwealth and Local Governments are outlined in Attachment 1.

relevant industry associations who committed to providing written submissions and provided a list of business operators available for interview. This list of interviewees was supplemented with other businesses contacted independently by the review team.

The review further involved:

- one-on-one interviews with 14 business owners/managers, most of whom have been operating for more than 10 years
- formal submissions from Restaurant and Catering South Australia (RCSA) and the Australian Hotels Association (AHA)
- consultations with both the Liquor Hospitality and Miscellaneous Workers Union and Shop Distributive Allied Employees Association.

It is important to note that, in conducting interviews with people in the industry, the review team did not use a prescribed set of questions but asked respondents to volunteer opinion and information about red tape issues they felt strongly about. The intention was to elicit 'views from the coalface' and this was made clear to all interviewees.

It was also explained that the aim of the red tape industry review was to find practical, logical ways to reduce regulatory time and costs, without compromising social, environmental and economic objectives.

An Industry Review Reference Group was appointed to oversee the process.

It comprised:

- Mr John Rau, MP – Convenor
- Mr Wayne Jackson, Competitiveness Council member
- Ms Helen Rodwell, Ministerial Advisor to the Hon. Karlene Maywald, Minister for Small Business, Minister Assisting the Minister for Industry and Trade

A number of relevant Government agencies were consulted, so that the review team could gain a more thorough understanding of various regulations and licences, and of specific issues raised by businesses. They included:

- Office of the Liquor and Gambling Commissioner, Department of Justice
- SafeWork SA, Department of the Premier and Cabinet
- Service SA, Department for Transport, Energy and Infrastructure
- RevenueSA, Department of Treasury and Finance
- Traineeship and Apprenticeship Services, Department of Further Education, Employment, Science and Technology
- Department of Health
- WorkCover Corporation
- SA Water Corporation

Some issues raised by respondents were not included in the analysis as the information provided was found to be inaccurate or no longer applicable.

All other issues proffered were considered by the Reference Group which then, where appropriate, made recommendations for possible action and referred them to the Competitiveness Council. These recommendations were considered and subsequently endorsed by the Competitiveness Council at their meeting on 14 February 2007.

## **6. Major compliance issues**

The following issues concerning liquor licensing and government responses were raised by the majority of businesses interviewed for this review *as well* as by both industry associations.

### **6.1 *Liquor Licensing***

#### **Issues:**

- The legislation is complex
- The number and complexity of forms confuses applicants
- Dealings with the Office of the Liquor & Gambling Commissioner (OLGC) are “frustrating”, “time-consuming” and “inefficient”
- Aspects of the Liquor Licensing Act are impractical and out of date

**Discussion:**

The following discussion points are included to help explain some of the main problems respondents highlighted during interviews, or in written responses.

**Extending licenses** – Businesses have suggested that making applications to amend existing liquor licences is complicated and often expensive. For example, applicants are advised (in writing) by the OLGC to seek assistance from a solicitor or relevant industry association before making an application.<sup>3</sup> Many businesses do seek expert advice, at significant expense.

**Correspondence** – Licence holders commented that the language and length of correspondence from the OLGC was often daunting and confusing. As a result, this correspondence is often ignored because they “don’t understand it”.

**Applications** – Most information relevant to applying for various permits and licenses (e.g. Restaurant Licence, Entertainment Consent, Extended Trading Authorisation, Extension of Trading Area) can be obtained in person from the OLGC, or from its website. However, businesses reported experiencing problems with both processes. For example, additional permits often require the same information. Respondents said they not only find this repetition frustrating and time consuming but don’t understand why information they have supplied in the past is not kept on file for subsequent use.

Some respondents reported that they are unclear about the information they need to supply in different circumstances. A number find the OLGC website difficult to navigate and trying to track what they need to read and fill in is confusing. A key problem for the Office is the fact that many of its clients are not regular users of the internet and are not comfortable in an online environment. Others simply prefer to do business over the phone or in person and many reported that even these experiences could be time-consuming and frustrating.

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<sup>3</sup> See Extension of trading area – lodgement guide, p. 1.

**Customer service** – The review team received a number of disquieting comments about businesses’ dealings with the OLGC. Several interviewees commented that the Office should be able to answer questions about liquor licensing efficiently and accurately, however they had found the staff neither helpful nor flexible. It appears that most enquiries are referred to the website, but the review team was told that this, in itself, is a less than ideal customer service solution because internet usage among members of this industry is relatively low.

**Open bottles** – Frustration was expressed at the “outdated” provision in the Liquor Licensing Act that prohibits a patron from taking a paid for, opened, but unfinished bottle of wine from a restaurant after a meal.

**Government Response:**

**1. *Review of Office of the Liquor and Gambling Commissioner (OLGC) application forms***

The OLGC is currently reviewing application forms under the Liquor Licensing Act 1997 and associated forms under the Gaming Machines Act 1992.

The objective of the review is to ensure forms are user-friendly, while at the same time eliciting information the Office requires to process applications in a timely manner. They are being professionally redesigned in an effort to make them easier to follow and it is also expected that, at the end of the project, the number of forms will have been reduced. A user assessment program is being planned to test ease-of-use and comprehension. The program, involving industry groups, will test reactions to both the old and the new forms to ensure that improvements have been achieved.

**2. *Review of liquor licensing handbooks***

The OLGC is reviewing the contents of its information publications – the *Liquor Licensing Handbook* and *Responsible Service of Alcohol Handbook*.

The aim is to ensure the information is accurate, easy to understand, logically presented and well designed. It is possible that the two handbooks will be combined so that clients can access all information in one easy guide.

**3. *Flow chart of application process***

All liquor licensing applicants are provided with a flow chart that outlines the application process. This flow chart has been reviewed and additional charts will be developed to help applicants better understand the process of “contested” and “uncontested” applications. The flow charts will also include a guide to timeframes for each step of the process.

**4. *OLGC website***

Although experienced internet users have found the OLGC website informative and comprehensive, there is scope for improving online communication between the Office and the industry. OLGC is continually reviewing its website content and design, incorporating new forms and features such as flowcharts as they are developed.

**5. *Responsible person badge***

The OLGC has agreed to look at streamlining application processes and forms (this includes about 20,000 ‘Approval of Person’ applications per year). If these applications can be completed and lodged online, it has the potential to reduce time, complexity and costs for both businesses and the OLGC. During 2007-08, OLGC worked with the Justice Integrated Business Solution (JIBS) project, which identified the approval by the Commissioner of persons employed in the liquor and gaming machine industries as a business service candidate for the initial pilot of the project. The new on-line services are to go live in September 2008.

**6. *Targeted review of Liquor Licensing Act***

Applications for liquor licences can be time-consuming and complex. The Justice Portfolio has committed to a targeted review of red tape in the Liquor Licensing Act, with a particular focus on redundant and “outdated” provisions in the legislation. This will include as a priority, a review of the section of the Act that prohibits a patron from taking a paid for, opened, but unfinished bottle of wine from a restaurant after a meal.

## 6.2 *Government Interface*

**Issues:**

- The number of licences and regulations, and the difficulty in establishing which ones are applicable to individual businesses
- The difficulty in locating the appropriate person in Government to deal with a particular question
- A lack of knowledge and understanding of assistance that can be provided by Government, as well as how and where to access it
- “Complicated” and “bureaucratic” language used in regulatory guidelines and Government correspondence
- The length of regulatory guidelines and Government correspondence
- The lack of timely and complete notice of legislative changes that affect business

**Discussion:**

Business owners complained that too much of their time was spent trying to navigate their way through the Government system and understanding the rules, regulations and licences that must be complied with.

The majority of business owners interviewed felt that there was a lack of concise, industry-specific information to make it relatively easy for them to comply. A frequent complaint was that information currently supplied to businesses by Government departments is “overwhelming”, too wordy and full of bureaucratic and legal jargon. It was pointed out that, in some cases, business owners will not try to interpret Government correspondence before disposing of it.

Many of the businesses interviewed turned to established hotlines or sought help directly from the relevant Government agency to seek clarification on certain issues. Almost all of these businesses shared examples of frustration caused by:

- Automated machines and long hold periods before being able to speak to someone

- Conflicting information provided by different people from the same Government agency
- Being sent on 'wild goose chases' from one person to the next in an effort to locate the most appropriate public servant to speak to – only to end up where they started.

Restaurant & Catering SA (RCSA) also commented on the failure of Government to inform businesses and industry associations about legislative changes that affect the industry. Information about legislative changes should be timely, direct, easy to understand and inexpensive to communicate and implement.

Overall, the review process highlighted the fact that a significant number of businesses in this industry do not know where to go to seek assistance from Government. Businesses would like a single customer service office, or officer, in Government to help them deal with all legal and compliance requirements.

It is worth noting that many businesses were unaware of the existence of the Business Enterprise Centres and Business Licence Information System (BLIS). The latter offers a centralised database of information on Commonwealth, State and Local Government licensing requirements. The basic premise is that business should be able to go to a single access point for most relevant permits. The review team notes that BLIS is a good starting point, however, not all licences are available on the system or, if they are available, they cannot be submitted online. An expansion of BLIS could make the interface between government and business more efficient by providing a 'one-stop shop' for permits and licensing.

### **Government Response:**

#### **1. *Cafés and restaurants industry guide***

In conjunction with RCSA, the Department of Trade and Economic Development (DTED) commissioned the development of a step-by-step guide to provide a practical overview of issues that must be taken into

account when starting a café or restaurant business. The reader is provided with a useful and clear summary of the requirements (mandatory and recommended), when commencing the planning and operation of a café or restaurant business, including the roles and activities of government agencies. The guide is available online<sup>4</sup> and in hard copy, and will form the basis for forums to be conducted by the RCSA for “new starters”.

## **2. *Improving access to Government through Service SA***

Service SA is the State Government’s one-stop contact point for Government information and services. A network of phone, online and face-to-face delivery channels provide people with convenient ways to access information. DTED is working with Service SA to improve access specifically for the business community. A number of strategies have been developed, including:

- Distribution of ‘Starting a Business’ information packs via Service SA’s state-wide network of Customer Service Centres
- Enhancements to the ‘Starting a Business’ life event which is accessible from the homepage of the Service SA website [www.service.sa.gov.au](http://www.service.sa.gov.au). This feature is being further developed
- Service SA contact details displayed on the pocket-sized ‘Business Buddy’ resource.

## **3. *Industrial award modernisation***

In January 2004, SafeWork SA began a three-year Award Modernisation Project with the aim of increasing the accessibility of the industrial award system to South Australian employees and employers. In essence, this involved reformatting and updating the language used in award documents to make them more user-friendly and easier to interpret. As part of this project, the Government committed to updating various awards in the industry under review, including the Cafés and Restaurant Award and the Delicatessens, Canteens, Unlicensed Cafés and Restaurants Etc. Award. The revised awards commenced operation from 1 April 2007 and 13 March 2007 respectively.

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<sup>4</sup> On the Competitiveness Council website at <http://www.competitivesa.biz/documents/RestCateringGuideforweb.pdf>

#### **4. Business Licence Information System (BLIS)**

The new website of the Department of Trade and Economic Development will make it easier for businesses to find BLIS. Improvements to online navigation within BLIS should save businesses time in searching for information about permits, licences and appropriate notifications. A “what’s new” feature also has been incorporated, to enable businesses to view changes to legislation, permits and licences on a quarterly basis. The address of the site is: <http://www.bli.net.au>.

### **6.3 Occupational Health, Safety and Welfare (OHS&W)**

**Issues:**

- OHS&W information is overwhelming, complicated and too detailed. It is particularly difficult to understand by business owners from culturally and linguistically diverse backgrounds
- No industry-specific guides or fact sheets are available

**Discussion:**

RCSA noted that there have been substantial changes to Occupational Health, Safety and Welfare (OHS&W) obligations for employers, yet there has been relatively little correspondence from Government to educate and inform businesses about how to meet their obligations.

On the other hand, almost all cafés and restaurant owners interviewed commented on the large amount of complicated information provided to businesses regarding OHS&W requirements.

In its submission, the RCSA advocated an educational approach to OHS&W compliance, rather than the current system that relies purely on site inspections. Others commented that some businesses ignore their obligations because compliance appears onerous.

**Government Response:****1. *Serious About Safe Business***

SafeWork SA has joined other interstate OH&S authorities to launch a *Serious About Safe Business* kit. It contains tools that will help small businesses, such as those in the café and restaurant industry, make their workplaces safer. In addition to this, information is available to all hospitality industry businesses on the SafeWork SA website under Industries/ Safer Industries/ Hospitality. Information is available in English and Chinese.

**2. *SafeWork SA Help Centre***

The SafeWork SA Help Centre is available to assist South Australian employers and employees make informed decisions about workplace obligations. The Help Centre, Library and Bookshop are located at 100 Waymouth Street, Adelaide. The Help Centre operates Monday, Tuesday, Thursday and Friday from 8.30am to 5.30pm (excluding public holidays) and Wednesday from 8.30am to 4.15pm. To contact the Help Centre, telephone 1300 365 255.

**3. *Small business advisory program***

SafeWork SA has implemented an advisory program specifically focussed on small businesses. Activities include:

- Engaging small business networks and a range of intermediaries
- Raising awareness of OHS&W responsibilities
- Providing low cost “how to” solutions that are relevant to their industry
- The promotion of a systematic approach to managing health and safety

**6.4 *Payroll Tax Rebates*****Issues:**

- The process for obtaining payroll tax rebates for trainees is complex
- Remuneration is too slow

**Discussion:**

Employers who pay wages to employees under 25 and engaged as trainees and apprentices (pursuant to an approved Contract of Training) are entitled to a payroll tax rebate of up to 80 percent of wages paid. On application to the Commissioner of State Taxation, eligible employers have the potential to claim a rebate amount for the “return period” from their payroll tax liability.<sup>5</sup> To obtain the rebate, employers must complete a form for each eligible trainee and this cannot be done online.

**Government Response:****1. *Simplification of process for payroll tax rebates***

RevenueSA, a Division of the Department of Treasury and Finance, has agreed to simplify this process by implementing an on-line system for completion and lodgement of Payroll Tax Trainee Rebate applications and trainee details. At the same time, there will be a complete revision of the statutory declaration requirements associated with applying for the rebate. For example, RevenueSA has agreed to omit the current requirement for a Justice of the Peace Declaration. This initiative has already been implemented.

The Department of Treasury and Finance has also committed to a review of legislation and regulations applying to stamp duty, land tax, payroll tax and other State taxes to identify and remove redundant provisions and regulations, and therefore unnecessary regulatory burdens on business. This has been completed and a Bill seeking amendments to remove redundant provisions from various State revenue legislation (the *Statutes Amendment and Repeal (Taxation Administration) Bill 2008*) has been introduced to Parliament.

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<sup>5</sup> Pay-Roll Tax Act 1971, Circular No. 212 – Trainee Wages Pay-roll Tax Rebate Scheme.

## **6.5 Workers' Compensation**

### **Issues:**

- The assistance offered by WorkCover is not sufficient and the information is not clear
- WorkCover requires monthly payments as well as an annual reconciliation

### **Discussion:**

Many of the comments made by businesses concerning WorkCover concern the complexity of regulation. For example, the type of cover provided to permanent casuals is deemed to be unclear. Businesses are asking for more consultants who can provide specific information face-to-face, rather than through a hotline. Some commented that it is too difficult and too time-consuming to make claims and they therefore sometimes choose to pay employees directly. Businesses also noted that it takes a long time for WorkCover to respond with return-to work claims. It was also stated that if one monthly levy is slightly late, their business is subject to a significant fine.

### **Government Response:**

#### **1. *Review of the South Australian Workers Rehabilitation and Compensation Scheme***

Minister Wright announced a review of the South Australian Workers Rehabilitation and Compensation Scheme on 29 March 2007. The legislative considered what can be introduced or changed to improve the underlying performance of the WorkCover scheme and improve return to work process for injured workers to ensure it is cost competitive for business. Some areas of complexity identified by businesses during this Competitiveness Council Red tape reduction review were included in the review.

The review has been completed and the new legislation has been operational since 1 July 2008.

## 7. Minor compliance issues

A number of regulatory burden issues raised by some businesses – and sometimes by the industry associations – were not raised by the *majority* of businesses interviewed. They should, however, be noted.

### 7.1 Trade waste discharge

**Issue:**

- Businesses that are complying with the trade waste discharge requirements are still inspected by SA Water

**Discussion:**

A long standing compliance cost issue is the requirement that all licensed premises need to install grease arresters to separate oil/grease and solids from the wastewater stream. Restaurants employ a waste disposal company to remove the content of their grease arresters but SA Water is nevertheless required to inspect grease arresters at a cost of approximately \$90 per inspection. How often these inspections occur depends mainly on the size of the premises.

It has been suggested that an alternative to costly inspections would be for licensed premises to provide evidence that the removal process is being conducted regularly. There are several ways that this could be done. For example, restaurants could provide invoices from their waste disposal company to SA Water; or a system could be implemented whereby restaurants sign up for a regular service with a waste disposal company and the details of their maintenance schedule is provided to SA Water.

**Government Response:****1. Review of the trade waste applications and charging system**

SA Water Corporation has agreed to undertake a review of the trade waste charging and enforcement system to identify whether the existing application process, the mix of fees and charges, the level of the fees and charges, and the audit arrangements are equitable, administratively

efficient, consistent with cost recovery principles and provide appropriate treatment incentives. Alternative arrangements to achieve regulatory objectives, such as restaurants providing invoices from their waste disposal company, also will be considered to ensure that only minimum-cost options are in place.

Benefits for business customers are anticipated to be an overall (industry-wide) reduction in compliance costs. This may be brought about by:

- high risk dischargers paying comparatively more, with low risk dischargers, such as cafés and restaurants, paying comparatively less for permit and audit fees and costs; and
- a greater degree of efficiency of administration and enforcement of trade waste legislation.

## ***7.2 Technology and its application to minimising red tape***

### **Issue:**

- The uptake of technology is extremely low in café and restaurant industry

### **Discussion:**

The restaurant industry is substantially behind other industry sectors in its uptake of technology. While around half of all business owners have access to the internet, they do not generally use it to deal with Government agencies. Their internet usage is limited to advertising (websites), credit card point of sale transactions, and internet banking.<sup>6</sup>

The RCSA has suggested that, for those that use the internet to access information about licences and regulations, the BLIS website could be improved. Specifically, it proposed that once an industry sector has been selected, extraneous information about irrelevant legislation and licences should not appear. The RCSA believes this would make the process of

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<sup>6</sup> At the end of June 2004, 51.8% of businesses in café and restaurant services had access to the Internet, while 20.7% had a web presence. Cafes and Restaurants, Australia, 2003-04, ABS, Cat. 8655.0.

searching for and lodging an application far more efficient. For businesspeople who do not have internet access at home, the step-by-step industry guide will help them obtain the range of information they need to make applications and, hopefully, ensure that when they do get on-line, they are ready to fill out the forms at one sitting.

The RCSA has developed a Technology Roadmap for restaurant and catering businesses to adopt technology in a manner that shows benefits to their business model.

### ***7.3 Administration of apprenticeships and traineeships***

**Issue:**

- There is no incentive to employ apprentices as it involves too much paperwork and costs as much as hiring experienced employees.

**Discussion:**

Some businesses reported that they find the process for taking on an apprentice complex and confusing. There appears to be a lack of understanding about which agencies can assist employers with this process, as well as conflicting information about pay rates for apprentices at different levels of competency. For example, staff who have not completed the usual articulation pathway, or have completed a Certificate 3 in Commercial Cookery, need two or three years (the actual term is not prescribed) of diverse industry experience before they can apply for their trade papers. This leaves the employer in a dilemma as to what pay scale should apply.

An alternative for business is a group training scheme. Hospitality Group Training (HGT) is a not-for-profit organisation supported by the Commonwealth and State Governments. It was initiated by the Australian Hotels Association and the Australian Liquor Hospitality and Miscellaneous Workers Union. HGT employs over 400 apprentices and trainees at any given time, and rotates them between suitable host establishments throughout their contract of training. This gives the employee the opportunity to work in a

range of establishments, giving them a greater diversity of skills and knowledge. Some interviewees noted that the costs charged by HGT are too high to outsource the employment of apprentices and trainees.

### **Government Response:**

#### **1. *Development of an integrated, web-based data management and information system for traineeships and apprenticeships***

DFEEST is scoping an e-business management and reporting system (Phoenix) that will provide potential trainees, apprentices and employers, and other participants in the system (including Group Training Organisations, Registered Training Organisations and Australian Apprenticeships Centres), with tailored information about traineeships and apprenticeships, as well as streamlined electronic transaction and communication facilities. This will reduce red-tape and paperwork for all participants in the traineeship/apprenticeship system.

In addition, DFEEST runs the traineeship and apprenticeship info service (Ph: 1800 673 097), which assists over 500 callers each week with issues relating to traineeships and apprenticeships.

#### **2. *Pay rates for trainees and apprentices***

As a result of Council of Australian Government (COAG) agreements, competency-based completion of a traineeship or apprenticeship was implemented in South Australia from 1 January 2007. The replacement of the traditional “time served” traineeships and apprenticeships, with this system of progression based on achievement of competency, will require development of new pay scales by the industrial parties over time. The new pay scales will make it easier and more efficient for businesses to determine the appropriate pay rate at the level of competency of the trainee/apprentice.

### **8. Local Government**

Businesses interviewed as part of this review were located in a number of metropolitan council areas. A general comment was that Councils were “resident-focussed” and primarily concerned with residents’ objections to

businesses, rather than following development plans and supporting business initiatives. Many businesses said they believed that councils were 'anti-business'.

The prime concern was with inconsistencies within council by different planners. Several businesses provided the review team with examples of situations where development plans to establish a restaurant or extend an existing establishment had been approved and then subsequently rejected after Council received a complaint from a resident. It was suggested that the appointment of liaison officers to work with individual business would assist with the Council approval process.

The above issues were passed on to the State Planning and Development Review Steering Committee for its consideration. The State Planning and Development Review was released in June 2008.

## ATTACHMENT 1 - AREAS OF COMPLIANCE AT COMMONWEALTH AND LOCAL GOVERNMENT LEVEL

Commonwealth	Local Government
The threshold for superannuation contributions which has not been indexed (since 1992) in line with wage rate increases	Inconsistencies in applying planning laws
Business Activity Statements – the recently revised Simplified Accounting Method will go some way to assisting business on this matter	Council fees for advertising signs – seen as revenue raising since this fee does not contribute to any costs incurred by councils
Income Tax Returns – high turnover of staff with each person requiring annual statement	Food hygiene inspections are focussed on record and log keeping
Fringe Benefits Tax	
Tax File Number declarations for each new employee	
Centrelink forms are cumbersome	