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THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

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Clerk of the Senate	

JOINT COMMITTEE OF PUBLIC ACCOUNTS

ONE HUNDRED AND TWENTY-EIGHTH
REPORT

THE AUSTRALIAN TOURIST
COMMISSION

JOINT COMMITTEE OF PUBLIC ACCOUNTS

EIGHTH COMMITTEE

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The Senate and the House of Representatives appointed their
Members on 25 November, 1969.

DUTIES OF THE COMMITTEE

Section 8 of the Public Accounts Committee Act 1951-1966 reads as follows :-

8. The duties of the Committee are -

- (a) to examine the accounts of the receipts and expenditure of the Commonwealth and each statement and report transmitted to the Houses of Parliament by the Auditor-General in pursuance of sub-section (1.) of section fifty-three of the Audit Act 1901-1950;
- (b) to report to both Houses of the Parliament, with such comment as it thinks fit, any items or matters in those accounts, statements and reports, or any circumstances connected with them, to which the Committee is of the opinion that the attention of the Parliament should be directed;
- (c) to report to both Houses of the Parliament any alteration which the Committee thinks desirable in the form of the public accounts or in the method of keeping them, or in the mode of receipt, control, issue or payment of public moneys; and
- (d) to inquire into any question in connexion with the public accounts which is referred to it by either House of the Parliament, and to report to that House upon that question,

and include such other duties as are assigned to the Committee by Joint Standing Orders approved by both Houses of the Parliament.

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JOINT COMMITTEE OF PUBLIC ACCOUNTS
ONE HUNDRED AND TWENTY-EIGHTH REPORT
THE AUSTRALIAN TOURIST COMMISSION

Chapter 1
Introduction

In pursuance of Section 8 of the Public Accounts Committee Act 1951-1966, Your Committee resolved to inquire into the accounts of the Australian Tourist Commission.

2. For the purpose of the Inquiry the statements listed in Appendix No.1 to this Report were obtained from the Commission.

3. The Statements received were made the subject of a public Inquiry held in Canberra on:-

Tuesday, 9 June, 1970
Thursday, 6 August, 1970
Tuesday, 16 March, 1971
Tuesday, 6 April, 1971

4. The following witnesses representing the Australian Tourist Commission were sworn and examined by Your Committee:

Mr.C.A.Greenway	- Chairman
Mr.B.G.Atkinson	- General Manager
Mr.D.C.Beresford	- Director of Operations
Mr.N.C.K.Evers	- Deputy General Manager
Mr.G.L.Holland	- Director of Finance

5. During our inquiry we were assisted by the following observers:

Auditor-General's Office - Mr.A.K.Ragless
Mr.T.R.Rees

Public Service Board - Mr.G.N.Vanthoff

Department of Trade and Industry - Mr.C.G.Dyson
Mr.J.M.Gothe

Department of the Treasury - Mr.J.I.Maunders

6. Information submitted to Your Committee as at 6 April, 1971 and additional material made available subsequent to that date constitute the basis of this Report.

Chapter 2
Tourism

7. Travel and Tourism have been defined as interchangeable terms relating to the movement of people away from their places of residence, whether their motivations are for business, pleasure or personal reasons, or combinations thereof. The travel by people for many obvious reasons is greatest within the boundaries of their own countries.

Committee
File 1970/3

8. The travel and tourist industry comprises all people and organisations that are engaged in the business of providing the services and facilities used by travellers. The total of the facilities primarily devoted to serving the traveller is known in the industry as the travel plant.

Committee
File 1970/3

9. Many varieties of business activities are involved directly in the travel industry, including transportation, accommodation, food and refreshments, entertainment, travel agency services, sight seeing and touring, shopping, motor vehicle servicing, boat hire, and many others serving the needs and desires of travellers. A larger list would be required to encompass those which are effected indirectly by travel movement. Such a list would include almost every business and service activity related to people away from their homes as their needs, desires and spending are greater when travelling.

Committee
File 1970/3

10. It was claimed that tourism is the world's biggest single business. This claim based upon figures supplied to the International Union of Official Travel Organisations(IUOTO) by tourist countries, indicated that world receipts from international tourism in 1969 amounted to \$A14 billion, exclusive of international transportation payments of about \$A5 billion. It was stated that, according to figures supplied by the Commonwealth Statistician, Australia earned about \$116 million in 1969 from tourism, being broadly equivalent to the combined export earnings from dairy produce and canned fruits. It was claimed by the Australian

Exhibit
128/1
Qs. 2 and 6 and
8 to 10

Tourist Commission that by 1975, this income could increase to \$300 million from the spendings of some 700,000 visitors who may be expected to be attracted to Australia in that year. These forecasts were based on projections made on statistics obtained from the Commonwealth Statistician for the period 1965 to 1969 together with the experience of the tourist industry over a period of ten years.

11. It was stated that when projecting for visitor arrivals, the Commission takes into consideration the likely changes in each overseas market as well as gross national product and other factors in those countries. It was claimed that these figures provide the Australian Tourist Commission with realistic objectives, assuming that adequate plant to cope with this number of visitors could be provided. It was the recognition of this export income potential and a realisation that a new approach was required for the development of tourism in Australia that persuaded the Commonwealth Government to establish the Australian Tourist Commission.

Exhibit
128/1

International Tourist Organisations

(i) International Union of Official Travel Organisations (IUOTO)

12. We were informed that IUOTO, which was established in 1946, is the sole world tourism body. This body co-ordinates the activities of national tourist organisations such as the Australian Tourist Commission and is the sole repository for the collection of information and statistical data for the tourist industry.

Q.17

13. We were informed that IUOTO, the headquarters of which is in Geneva, has, as its main purposes, the interests of tourists on a world wide basis. It represents the needs of tourists to such organisations as the United Nations and the International Air Transport Association. It assists countries, particularly developing countries, with the development of their tourist industries and supplies research information which all national tourist offices require to assist and measure their marketing campaigns. Regarding the latter objective, it was

Q.17

said that IUOTO acts as a clearing house for the exchange of information and comparison of effort.

14. It was stated that IUOTO represents 102 member countries as well as having representation from leading international industry bodies. It maintains a close liaison with all the international non-government organisations such as the International Chamber of Commerce and the International Chamber of Shipping.

Exhibit
128/1

15. We were informed that at a conference which was held in Mexico City in September 1970 the status of IUOTO was changed from that of a consultative organisation to the United Nations to that of an intergovernmental international body. The Meeting at which this change was made was an extraordinary general assembly of the International Union of Official Travel Organisations. The conference decided by seventy votes in favour with five abstentions, that the IUOTO would transform its statutes so as to become the World Tourism Organisation. It now remains for governments to ratify the decision of that conference.

Qs.17 and 412

16. It was stated that as at 16 March 1971 only two countries had ratified the conference decision. When fifty-one countries have ratified, the new organisation, to be named the World Tourism Organisation, will come into being. We were informed that a working group consisting of twenty-one countries, including Australia, has been set up to investigate the details of the new organisation including such matters as the secretariat, the location of the headquarters and the rules and procedures of the organisation. A meeting took place in Geneva on 29 and 30 March, 1971 to proceed with the proposals for the new organisation. It is expected that the new organisation will probably come into being in 1972.

Q.412 and
Committee File
1970/3

17. Prior to the establishment of the Australian Tourist Commission, Australia was represented in IUOTO by the Australian National Travel Association. The former General Manager of that Association, presently General Manager of the Australian Tourist Commission was World

Q.17 and
Committee File
1970/3

President of IUOTO from 1963 to 1965. Currently Australia is represented in IUOTO by the Australian Tourist Commission.

(ii) Pacific Area Travel Association (PATA)

18. This organisation based in San Francisco, was described as a regional promotion organisation whose membership of about 1200 consists of representatives of the Governments and industry of countries throughout the Pacific area and extending west as far as India, travel agencies, hotels, restaurants and operators of sightseeing tours, publishers and others distributed over categories of allied and associate members.

Exhibit 128/1
Qs. 18, 413 and
Committee File
1970/3

19. We were informed that the aim of PATA is to develop, promote and facilitate travel to and within the Pacific area and for this purpose to co-ordinate the efforts of groups concerned in co-operation with official tourist departments. It was claimed that PATA is the only regional promotional area of its type in the world and is a very effective organisation in co-ordinating methods of promotion of the Pacific as a distinctive area. At the time of PATA's formation, the main Tourist market was North America. Since then the PATA's activities have been extended into other markets, particularly Europe. It was claimed that the organisation is showing considerable strength.

Exhibit 128/1
Q. 18 and
Committee File
1970/3 and Q. 413

20. On behalf of Australia, the Australian National Travel Association joined PATA in 1952 soon after it was formed in 1951. The ANTA has hosted two of the annual conferences of PATA, one in 1957 in Canberra and the other in 1964 in Sydney. These conferences are held in a different Pacific country each year, the most recent having been held in Manila in January 1971. The conferences are attended by the key personnel in the tourist industry. The witness claimed that these conferences have assisted in Australia's tourist development. It was stated that the Australian Tourist Commission contributes to the work of PATA. The Chairman of the Commission is a director of that organisation and in 1969-70 the Commission contributed \$US5,500 for PATA membership and \$US 11,160 for marketing assessment from a total PATA budget

Q. 413

of \$US509,868 in that year.

International Tourism

21. We were provided with an extract from an official paper which had been prepared for a meeting of IUOTO held in December 1967 to discuss the transformation of that body to an intergovernmental organisation. The extract below relates to the position of Tourism in International business.

Q.2 and
Committee
File 1970/3

"The continuous expansion of international tourism during the last twenty years is one of the really spectacular features of that period. International tourism is now the largest single item in the world trade, valued at thirteen billion dollars in 1966. World touristic expenditure in 1965, domestic and international, has been estimated at 57.3 billion dollars excluding tourist transport which could increase this figure by some 30 per cent".

Q.2 and
Committee
File 1970/3

The potential for a continued increase in international tourism is great. Even in the most developed countries the percentage of the population taking holidays of more than four days is only about half. The proportion of the population taking a holiday abroad is very much lower. The factors influencing the growth of tourism can be identified even if their influence cannot be quantified. They all point to a continuing growth of international tourism. These factors can be summarised as follows:

Q. 2 and
Committee
File 1970/3

- increase in income
- demographic considerations
- working conditions, e.g. shorter hours
- higher education e.g. desire to travel
- social habits, e.g. second holiday taking, active leisure
- improved and cheaper transport
- car ownership
- the promotional activities of the travel industry

The whole picture of international tourism is that of activity which has reached high world significance and which can be expected to maintain a very high rate of growth, an activity affecting a growing number of people. The leisure time era is already with us in the European and North American countries and this has implications on all the other parts of the world which are now being opened up by improved and cheaper transport. Tourism is big and is certainly going to be much bigger".

Q.2 and
Committee
File 1970/3

22. We were informed in evidence that over the period from 1950 to 1966, international tourism receipts increased at an average annual rate of 12 per cent, while world exports increased at a rate of 7½ per cent annually. International tourist receipts thus account for an increasing proportion of the total value of world exports of goods and services. As a proportion of the total value of world exports they increased from 3.4 per cent in 1950 to 6.3 per cent in 1965 and 1966.

Q.2 and
Committee
File 1970/3

23. We were informed that the activities comprising the tourist industry are so diverse that it is sometimes difficult to assess the economic affects of tourism. Nevertheless, it is substantial. In Britain more than a million people earn their living by providing hotel and catering services, according to the British Hotel and Catering Economic Development Council. Alternative estimates range between half a million to over a million in hotel and catering services depending on the definition and activities included.

Q.2 and
Committee
File 1970/3

24. It was said that data on total expenditure on tourism (both international and domestic) is not readily available, and is based only on broad estimates. Even those countries which have conducted surveys on domestic tourism have only approximate estimates of the total expenditures involved. Any conclusions drawn, therefore, must be treated with care. Table No.1 shows the relationship, based on estimates between total expenditure on tourism and international and domestic and private consumption expenditures for eight countries. These figures indicate that in the developed countries of Western Europe and North America, expenditure on tourism is between 4 to 7 per cent of private consumption expenditure.

Q.2 and
Committee
File 1970/3

Table No.1
Expenditure on Tourism as a Proportion
of Private Consumption Expenditure:1966
(selected countries)

Country	Total* Expenditure on Tourism	Private Consumption Expenditure	Proportion
	£ Stg.M.	£ Stg. M	%
Switzerland	210	2,900	7.2
France	1,430	21,300	6.7
U.S.A.	10,000	150,700	6.6
Netherlands	250	3,900	6.4
Canada	500	10,700	4.7
Italy	540	12,600	4.3
U.K.	930	22,700	4.1
Belgium	140	3,900	3.6

Committee
File
1970/3

* Includes expenditure on domestic and international tourism and transportation payments. Estimates.

Source: National Accounts statistics and local surveys on domestic and international tourism

25. We were informed that in 1967 world expenditure on tourism amounted to about £Stg.26,000 million of which nearly £Stg.6,000 million, was spent on international tourism. Growth has been rapid, expanding at nearly twice the rate of increase of world national incomes. Indeed, there is a very close correlation between expenditure on international tourism and growth of national income and IUOTO has undertaken extensive study of this relationship. The rate of growth in expenditure on international tourism between 1958 and 1967 was about 12 per cent per annum compared with the rate of increase in world national incomes of about 5 per cent per annum over the same period.

Q.2 and
Committee
File 1970/3

26. It was claimed in evidence that the figures quoted as Australia's earnings of \$116 million from tourism in 1969 as supplied by the Commonwealth Statistician represent very

Q.11

conservative estimates. We were informed that the Commission's investigations and the Harris, Kerr, Forster and Stanton Robbins Report (known as the H.K.F. Report) reinforces the view that the Commonwealth Statistician's estimates of the net cash earnings from tourism is understated. That Report stated that the Balance of Payments Report states that the invisible credit to travel represents net receipts and travellers' cheques, etc., from persons visiting Australia for pleasure and for business. The amount thereof is furnished to the Bureau by the Commonwealth Reserve Bank on the basis of a compilation of memoranda submitted by banks when identifying travellers cheques and other foreign currency emanating from deposits made by hotels, restaurants, travel agents, department stores, etc. and, as such, is considered as coming from visitors to Australia. The Report continued that the Reserve Bank agrees that its compilation would not include amounts for arrangements pre-paid abroad nor any credit for offsetting transactions whereby travel businesses or business companies have net settlement involving travel expenditures but for which no remittance is required or for which the net remittance is not identified to travel.

27. We were informed that although the Australian Tourist Commission is at variance with the Commonwealth Statistician concerning the quantification of the monetary contribution to the economy the Commission defers to his assessment. The main point at variance is the actual amount in terms of dollars that tourism earns as an export item. The witness believed that the Commission and the Commonwealth Statistician are reconciling their differences in terms of agreeing on a formula for quantifying the contribution.

Qs. 267 and 511

28. We were informed that Britain no longer relies on the balance of payments figure for tourist information. Regular studies are carried out and as a result British authorities feel that its figures have become more reliable.

Q. 511

29. We were informed that the Australian Tourist Commission and the Commonwealth Statistician have worked closely on an outgoing visitor survey and the Commission has been assured that provided the Statistician has the opportunity to comment upon the methodology used for the survey the results will be taken into account in refining the travel credit item. Q.512

30. It was explained that Australian has a net imbalance on tourism account, but this imbalance is being narrowed. In 1967 the gap of \$63million represented earnings of \$76million and debits of \$139million. In 1968 the gap narrowed to \$42million, earnings and debits being \$100million and \$142million respectively. The gap widened slightly in 1969 to \$45million. It was stated that as a percentage of total turnover in the tourist industry the gap has been narrowing very significantly. It was claimed that the promotion of areas such as Norfolk Island has proved a very important aid to the Australian Tourist Commission in encouraging Australians to visit these places and to retain currency within the Australian economy. Qs. 45 and 46

31. It was claimed that probably the largest single problem confronting the tourist industry is that of identifying the economic affects of tourism. We were informed that no study of this type has been made in Australia but that the Commission is attempting to formulate a specification as a basis for the collection of statistics for this purpose. We were informed that FATA has been working with the Stanford Research Institute for some years with a view to encouraging that Institute to undertake such a study. IUOTO, however, has undertaken certain study on the periphery of this matter. Q.266

32. Reference was made in this context to ANTA the domestic tourism Association in Australia, which is beginning its own regional surveys and which will accumulate a bank of information. It was claimed that this information, together with information collected through surveys carried out by the Commission will ultimately provide an improved statistical background. Q.510

33. We were informed that the Commission has been able to gather statistics only in relation to percentages of tourism income which have benefited particular sectors of the Q.40

industry. The Commission has found that Australia is deficient in statistics of tourist movement internally. However, as an indication, the Commission has used formulae, devised by other countries to estimate the level of visitor spendings in Australia. For example Hawaii is able to gather very accurate statistics because of its few gateways for tourists. That country has assessed that food accounts for 32 per cent of visitor spending, beverages 6.8 per cent and lodgings 25.4 per cent. It was claimed that by taking a profile of Hawaii and comparing it with Florida and other areas known to be carrying out studies in depth, an estimate of the way in which this type of spending is spread through the economy can be obtained.

34. We were informed that in 1967 each visitor to Australia spent, on average \$300. This figure rose to \$305 in 1968 and since then has reached \$310. The Commission expects that in 1975 spending will be about \$380 per visitor. These figures exclude the spendings of Rest and Recreation servicemen which are much higher than is the case of civilian visitors.

Exhibit 128/1
and Q.76

35. We were advised that the expenditure by overseas based businessmen in their travel to Australia and their expenditure on hotels and other expenses in Australia are taken into account in calculating the amount invested in the tourist industry in Australia if it is paid in Australia in overseas currency.

Q.108

Development of International Tourism in Australia

36. We were informed that the Australian National Travel Association was inaugurated under the Companies Act 1928 of Victoria by the Commonwealth Government in 1929 as a national, non profit organisation primarily responsible for the promotion of travel to Australia. The initial budget was \$35,000 which included an annual grant of \$4,000 authorised by the Commonwealth to continue for five years. Membership of the Association comprised Commonwealth and State Governments, and Government instrumentalities, industries related to tourism such as shipping, airlines, accommodation, motor coach transportation, travel

Q.13 and
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agents, Chambers of Commerce, Chambers of Manufactures, Australian Automobile Association, Australian Banker's Association, retail traders, and other business interests. The organisation was governed by an Honorary Board of fifteen government representatives and sixteen from the related industries.

Q.13 and
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1970/3

37. It was said that with the establishment of the Australian National Travel Association, Australia became a pioneer in international tourist promotion. In 1929, the year of its establishment, the Association opened Australia's first representation, other than a liaison office in London. This was followed by the opening of an office in San Francisco in 1930, Australia being the first country to open a tourist promotion office on the west coast of the United States of America. In 1934 an office was opened in Bombay. This was followed, later in the same year, by the opening of an office in Wellington, New Zealand.

Q.13 and
Committee File
1970/3

38. We were informed that, in its early years, the Association was concerned largely with travel promotion but it also provided general information relating to Australia as there were no other Australian offices in these areas. The Association did not engage in bookings or reservations for tourists, but concentrated on presenting a national image to overseas tourists. One major aspect of its work was the publication of the Magazine "Walkabout" which it commenced in 1934 and continued to publish during World War II when all of its other activities ceased and its overseas offices were absorbed into Australia's official overseas missions. "Walkabout" is still published monthly by the Association.

Q.13 and
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1970/3

39. The Association was not revived financially until 1954 when the Commonwealth and State Governments pledged substantial support. In that year the Commonwealth granted \$40,000 which was increased to \$860,000 in 1966-67, the final year of the Association's operations in relation to the promotion of travel to Australia. The sources of revenue available to the Association for the years 1961-62 to 1966-67 are set out in Table No.2.

Q.13

Table No.2
Australian National Travel Association Revenue
1961-62 to 1966-67
(by source)

Year	Revenue and Source			Total
	C ¹ Wealth Government	State Governments	Other	
	\$	\$	\$	\$
1961-62	410,114	28,500	89,552	528,166
1962-63	537,388	28,550	115,000	680,938
1963-64	640,000	36,000	151,582	827,582
1964-65	700,000	36,050	218,464	954,514
1965-66	737,748	36,400	247,277	1,021,425
1966-67	860,117	N.A.	*418,927	1,279,044

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N.A. - not available

*Includes State government contributions

Source: Australian Year Book 1966 and ANTA Annual Report 1966-67

40. We were informed that annual Commonwealth financial assistance comprised a base grant and a grant equal to contributions received by ANTA from other sources. A considerable amount of the funds received from these sources came from carrier companies and others for joint promotional projects, such as advertising in overseas journals. ANTA funds were spent in advertising and publicity campaigns and in associated promotional activities in overseas countries, particularly in New Zealand, North America, the United Kingdom, and Western Europe. In addition the association brought to Australia travel agents, writers, photographers, and other publicists to enable them to see at first hand what the country had to offer visitors. In 1965-66 the association was responsible for launching the first fully integrated marketing programme in North America entitled "Destination South Pacific".

41. In 1964, ANTA recognised the need for a new style of tourist organisation with the support of tourist interests and the Commonwealth and State Governments. It therefore embarked upon a wide study of Australia's tourist industry and its

future. One objective of the study was to consider whether ANTA as then constituted, was likely to remain in the future the most effective organisation for Australian tourist promotion overseas.

Q.13 and
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42. Two prominent business consultants were commissioned to carry out the survey. In 1964-65 these consultants travelled widely within Australia, and discussed the tourist industry with some 300 industry leaders and Government representatives. Their report, now referred to as the H.K.F. Report, was presented to the Australian National Travel Association in October 1965. One of the main recommendations of the report indicated that a much stronger and more formal organisation would be required in the improvement and development of tourism in Australia. In view of the recommendations contained in that report the Association approached the Commonwealth Government in April 1966 to establish a statutory authority with sufficient autonomy and finance to carry out Australia's tourism promotion overseas. It pointed out that an official Commonwealth instrumentality with legislative backing would confer the status and authority needed to provide more positive leadership to the tourist industry in the promotion of Australia overseas on a more sustained and concerted basis than had been possible in the past.

Q.13 and
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43. Following the establishment of the Australian Tourist Commission the Australian National Travel Association continued in existence and has engaged in pro-tourism campaigns in Australia, encouraging Australians to see their own country and representing tourist interests to Governments.

Chapter 3
The Constitution of the Commission

44. One of the main recommendations contained in the H.K.F. Report of October 1965 to the Australian National Travel Association stated that the status of the Australian National Travel Association should be changed to that of an Authority, Board, Commission or Corporation under the jurisdiction of the Commonwealth Government. The principle objectives proposed for such an organisation were the co-ordination, on a national basis, of planning and development of travel attractions and facilities in Australia and the conduct of an effective promotion programme for overseas visitors to Australia.

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45. In April 1966 the Australian National Travel Association formally approached the then Minister for Trade and Industry the Rt. Hon. Sir John McEwen, M.P., to ask the Commonwealth Government to establish a statutory authority with sufficient autonomy and finance to carry out Australia's tourism promotion overseas. The Association pointed out that an official Commonwealth instrumentality with legislative backing would confer the status and authority needed to provide more positive leadership to the tourist industry in the promotion of Australia overseas on a more sustained and concerted basis than had been possible in the past.

ATC Annual
Report
1967-68

46. In November 1966 the Government announced its intention to form the Australian Tourist Commission and legislation was introduced into the Parliament on 6 April 1967 by the then Minister for the Navy and Minister-in-charge of tourist activities, the Hon. D.L. Chipp M.P. The Minister stated that in proposing that the Government should establish the Commission, the Australian National Travel Association had stressed the virtue of giving to the Commission considerable freedom to determine its own activities and to make its own decisions to achieve the most effective way of carrying out its purpose. The Minister added that the Government respected this view and therefore intended that in the ordinary course of its affairs the Commission should have a free hand to make its own expert decisions on how best its purpose should be

Exhibit
128/1

achieved within the powers to be provided for it. He commented that tourism is not only a useful earner of vital overseas exchange for Australia and a generator of additional income for the community but is also an instrument for international good will and understanding.

Legislation

47. The powers of the Australian Tourist Commission are set out in section 16 of the Act which states in sub-section (1.) that the Commission has powers to do all things that are conducive to, or necessary or convenient to be done for the carrying out of the purpose for which the Commission is established. Section 16(2.) of the Act sets out in the following terms the range of activities which make up the Commission's main undertakings:

Exhibit
128/1

- (a) to engage in, or arrange for, publicity campaigns or other publicity, by any appropriate means of communication, in relation to Australia, with particular reference to its tourist attractions and facilities;
- (b) to induce and assist travel agents, transport operators and other appropriate bodies or persons to encourage people in other countries to visit Australia and to travel in Australia;
- (c) to produce, or cause to be produced, and to sell or to distribute free of charge, magazines, pamphlets and other publications and advertising matter;
- (d) to collect information in relation to any relevant matter and to disseminate or supply, with or without charge, any such information or the results of, or conclusions drawn from, the Commission's consideration of any such information;

Act No.27 of
1967

- (e) to undertake, in a country outside Australia, the provision, with or without charge, of assistance to travel agents, transport operators and other appropriate bodies or persons in arranging travel, accommodation or other services or facilities for people visiting Australia, where the Commission is satisfied that no person whose principal place of business is in Australia undertakes in that country outside Australia, the provision of assistance of the same kind;
- (f) to accept gifts and contributions;
- (g) to enter into contracts, and to acquire and dispose of real and personal property; and
- (h) to do anything incidental to the exercise of the foregoing powers.

48. We were informed that, as a vital objective, the Commission recognised the need to establish and maintain the closest links with industry; to use its resources overseas as a seller of travel to assist Australia build up a tourist inflow; and to encourage the development of appropriate facilities in Australia to satisfy the overseas visitor. To this end section 16(3)(a) of the Act empowers the Commission to act jointly or in co-operation with any other person or organisation. It was stated that in the past the Australian National Travel Association had developed joint promotional campaigns with international carriers and other industries concerned with overseas tourists. These campaigns had been financed from Commonwealth, State and industry contributions. The Government had attached great importance to the principle of such a partnership embodied in those arrangements and expected that the Commission would receive the support and co-operation of the industries involved in the same way that the Australian National Travel Association had received it in previous years. This section therefore specifically empowered the Commission to carry out such joint activities.

Exhibit
128/1

49. Sub-section (4.) of section 16 precludes the Commission from carrying on any business except in certain prescribed areas outlined in section 16 (2.)(c),(d) and (e) of the Act. While it had been considered that the Commission should not be a trading undertaking, power had been conferred on it to sell some of its publications and to charge for the supply of information produced

Exhibit
128/1

by its research organisation.

50. Although it was admitted in evidence that the Commission had not tested the extent of its powers it was claimed that a wide interpretation could be placed on section 15 of the Act which states that the Commission is established for the purpose of the encouragement of visits to Australia and travel in Australia by people from other countries. It was said that, based on four years experience, the Commission has reached the conclusion that it cannot concern itself with the attraction of tourists from overseas without also having regard to the development of tourist facilities in Australia. If the Commission were to become actively involved in this latter aspect, some amendment of the Act would probably be required to vary the Commission's functions.

Q.705

Membership of the Commission

51. The emphasis on a close government/industry working relationship is reflected in the composition of the Commission itself. Section 6 of the Act provides that the Commission shall consist of seven members, five voting and two non-voting, each member to be appointed by the Governor-General. Section 6 also provides that two of the voting members shall be persons appointed from among persons nominated by a body or association that is approved by the Minister as being representative of the industry connected with tourism in Australia. Of the three remaining voting members, one shall be an officer of the Public Service of the Commonwealth. The two non-voting members shall be persons nominated by the Governments of all the States.

Exhibit
128/1

52. Section 6 of the Act provides that unless a member is an officer of the Public Service who holds office during the pleasure of the Governor-General, each member of the Commission holds office for a period not exceeding three years as the Governor-General specifies at the time of the member's appointment. The section also provides eligibility for the reappointment of members.

Exhibit
128/1

53. Section 7 of the Act provides that the Governor-General shall appoint one of the voting members to be Chairman of the Commission. Section 8 provides that the Deputy Chairman of the Commission, who also shall be one of the voting members, is elected by the other voting members to hold office for a period of one year. He is eligible for re-election.

Committee File
1970/3

54. The names of the initial chairman and members of the Commission in 1967 were:

Mr. (now Sir John) Bates, C.B.E., V.R.D., (Chairman) (previously
chairman of ANTA)
Mr. C. A. Greenway (Deputy Chairman) (nominated by the tourism industry)
Mr. O. C. Shaul (nominated by the tourism industry)
Mr. E. K. Sinclair, C.M.G., O.B.E., D.F.C., (consultant, Prime Minister's
Department)
Mr. T. M. Williams (Officer of the Public Service of the Commonwealth)
Mr. F. H. Southey (State Government nominee)
Mr. F. Gaven {State Government nominee}

Exhibit
128/1

55. We were informed of several changes which have occurred in membership of the Commission since its establishment. Sir John Bates retired on 19 June 1969 and the present Chairman, Mr. Greenway, was appointed to succeed him. Mr. Sinclair became Deputy Chairman. Mr. Paul, M.C. (representing the tourist industry) was appointed to the Commission on 19 June 1969. Mr. Southey resigned in December 1968 and Mr. Harkins was appointed in his place. Mr. Williams retired in 1968 and was succeeded by Mr. Gothe who has since retired and was replaced by Mr. Dyson. Mr. Gaven retired and was replaced by Mr. Miller.

Exhibit 128/1
and Q.415

56. It was stated that the first appointments made to the Commission were for a period of two years. The inaugural chairman, Sir John Bates, had been chairman of the Australian National Travel Association for a considerable time and when appointed to the Commission had indicated that whilst he wished to participate in the establishment of the Australian Tourist Commission, involving its transition from the Australian National Travel Association, he did not wish to take a long term appointment. That change resulted in the need for a further appointment and the nominee of the Australian National Travel Association, Mr. Paul, was accepted.

Exhibit 128/1
Qs. 14 to 62
415 and 416

Mr. Williams, who represented the Minister for Trade and Industry was transferred within that Department and his position in the Commission was taken by Mr. Gothe and subsequently by Mr. Dyson. The State representatives are nominated by the State Tourist Ministers' Council and hold the office of the Director of the Tourist Authority in the States concerned.

57. At the time of our Inquiry members of the Commission were:

Mr. C.A.Greenway(Chairman)

Mr. E.J.Sinclair, C.M.G., O.B.E.,D.F.C.,(Deputy Chairman)(Consultant
Prime Minister's Department)

Exhibit
128/1 and
Q.415

Mr.O.C.Shaul(nominated by the tourism industry)

Mr.R.A.Paul,M.C.(nominated by the tourism industry)

Mr. C.G.Dyson(Officer of the Public Service of the Commonwealth)

Mr.R.H.Miller(State Government nominee)

Mr.M.J.Harkins(State Government Nominee)

58. We were informed that the changes in membership of the Commission have resulted from a natural evolution of State representation and retirements. It was claimed that the arrangement of State representation on a rotation basis has contributed positively to the work of the Commission and no inhibitions have become apparent. It was also claimed that this arrangement has enabled the Commission to keep in close contact with the States who confer on a regular basis so that the work of the Commission can proceed, with as much agreement as the policy of the States will permit, in conjunction with the overseas functions of the Commission. This was said to be a desirable and practical method of operation.

Q.415 and 416

Management Meetings

59. Section 14 of the Act provides that the Commission shall hold meetings at such times and places as the Commission determines and at least every two months.

Exhibit 128/1

60. The Commission held its first meeting in Sydney on 22 June 1967 following the announcement of the members of the Commission on 18 June 1967. Subsequently fifteen meetings were held in 1967-68, eleven meetings in 1968-69, ten on 1969-70 and seven meetings in 1970-71 up to 6 May 1971.

ATC Annual
Report 1967-68
Committee File
1970/3

61. It was stated that the Commission meets regularly in each State Capital to enable it to obtain the views of industry and State Governments. As a matter of courtesy the Commission notifies the State Government Minister of its intention to hold a meeting. The Minister usually meets with the Commission. We were informed that on no occasion has the Commission found it necessary to meet merely to satisfy the requirement of section 14 of the Act which provides that a period of not more than two months shall elapse between Commission meetings. On the contrary, the Commission has found that its business papers have been of such length that its meetings have tended to be of two days duration. It has endeavoured to lengthen the intervals between meetings so as to reduce the travel commitment of commissioners.

Qs.88,89,92 and
135

Policy Formulation

62. Section 17 of the Act provides that the Minister may give directions to the Commission in respect of matters of policy and directions in respect of the general nature and extent of the operations of the Commission and that the Commission shall comply with any such direction. Also, as required by the Minister, the Commission must formulate and submit to the Minister, proposals with respect to the general nature and extent of its future operations. The Commission's compliance with this section was indicated in evidence by reference to a document entitled "A Programme for Australia's Tourist Development" that the Commission has submitted to the Minister.

Exhibit
128/1 Qs.25,
417 and
Committee
File 1970/3

63. It was stated that the Commission determines the broad policy for carrying out its functions, including such matters as proposed marketing plans, research needs and administrative matters. It takes cognizance of management recommendations and makes determinations.

Exhibit
128/2

64. We were informed that in the early stages of its development the Commission devoted a great deal of time to staff recruitment and the establishment of policies. It was explained that during its formative year the transition from a predominantly private enterprise Board to a Commission required the rethinking of the relationship between private industry and Government in this field.

Exhibit 128/1
and Q.26

65. It was stated that, prior to the establishment of the Commission the Australian National Travel Association had been charged with the total responsibility of overhauling and preparing the product in Australia and then projecting it and marketing it outside Australia. The Australian National Travel Association still exists as an industry body, though many of its activities were taken over completely by the Australian Tourist Commission. These activities were the principle area involving policy review.

Exhibit
128/1
and Q.26

Chapter 4

Organisation and Functions of the Commission

Organisation

66. When the Australian Tourist Commission formally began operations on 1 July 1967 it took over the Australian National Travel Association's Head Office in Melbourne, a Branch Office in Sydney and overseas offices in San Francisco, New York, London and Auckland together with its staff of fifty-one. The General Manager of the Australian National Travel Association since 1957, Mr. B. G. Atkinson, was appointed General Manager of the Australian Tourist Commission and currently occupies that position.

Exhibit
128/1

67. We were informed that during the first year of operation considerable attention was given to strengthening the organisation of the Australian Tourist Commission and laying down the broad policies along which the overseas marketing of Australian Tourist attractions would be directed. We were informed that as a result, the Commission resolved that in view of its increasingly competitive environment, marketing techniques no less comprehensive and sophisticated than those in use in other countries should be developed in Australia. The organisation therefore needed to be equipped to meet these requirements.

Exhibit
128/1

68. It was stated that the Commission was also very conscious of the need to develop a professional marketing organisation within its structure, to integrate that organisation with proper and adequate financial controls and to build an organisation to develop Australian tourist facilities for projection to overseas markets. With this end in view submissions were invited from three management consultant organisations to report on ways in which the Commission could develop an effective organisation for Australia's tourist development. McKinsey and Co., an international organisation which has an Australian office, was chosen and their report became available to the Commission on 1 March 1968. A copy of the report was presented in evidence.

Exhibit
128/1
Qs. 21 and 23

69. We were informed that while none of the recommendations made by the Consultants was rejected, some recommendations were

Qs. 24 and 116

adapted to enable a greater use to be made, on a team basis, of the skills of the executives available within the Commission's existing staff.

70. It was stated that the management consultants' recommended an organisational structure incorporating a director of operations; a director of travel development; a director of research and planning and a director of administration and finance, reporting to a General Manager. In recommending this structure the management consultants had seen a need for emphasis to be placed in the fields of research and planning on the one hand and travel development on the other. The consultants had been influenced by the fact that when carrying out their investigations, the Commission had available to it from the Australian National Travel Association, a Director of Travel Development.

Exhibit
128/1 and Q.117

71. We were informed that soon after the report was received from the Consultants, the Director of Travel Development ceased duty with the Commission to take up an appointment as Executive Director of the Australian Conservation Foundation.

Q.117

72. Following its consideration of the Consultants' Report the Commission established an organisation which provided for a director of operations; a director of research and planning (including travel development); and a director of administration and finance, all responsible to the General Manager.

Exhibit
128/1

73. It was stated that during 1968-69 the re-organisation was completed and the three divisions (operations; research and Planning; and Finance and Administration) became fully operational. The Director of Research and Planning and a Tourist Development Manager both of whom were appointed to the new organisation, took over some of the functions hitherto carried out by the former Director of Travel Development.

Exhibit
128/1 and
Q.117

74. At the commencement of our inquiry we were informed that the Commission had appointed a Deputy General Manager. During the latter part of 1970 a major organisational review was effected within the existing structure of the Commission. It was stated that the reorganisation was undertaken in order to maximise efficiency within

Exhibit
128/1
Qs. 116, 726
and Committee
File 1970/3

the existing establishment and to provide for emphasis on developmental matters and on the Government's increased involvement in tourism.

Functions

75. The functions and powers of the Commission are defined in Part III of the Australian Tourist Commission Act 1967. Section 15 of the Act states that the Commission is established for the purpose of the encouragement of visits to Australia, and travel in Australia, by people from other countries. We were informed that the Commission is organised to perform four main functions:

Exhibit
128/2

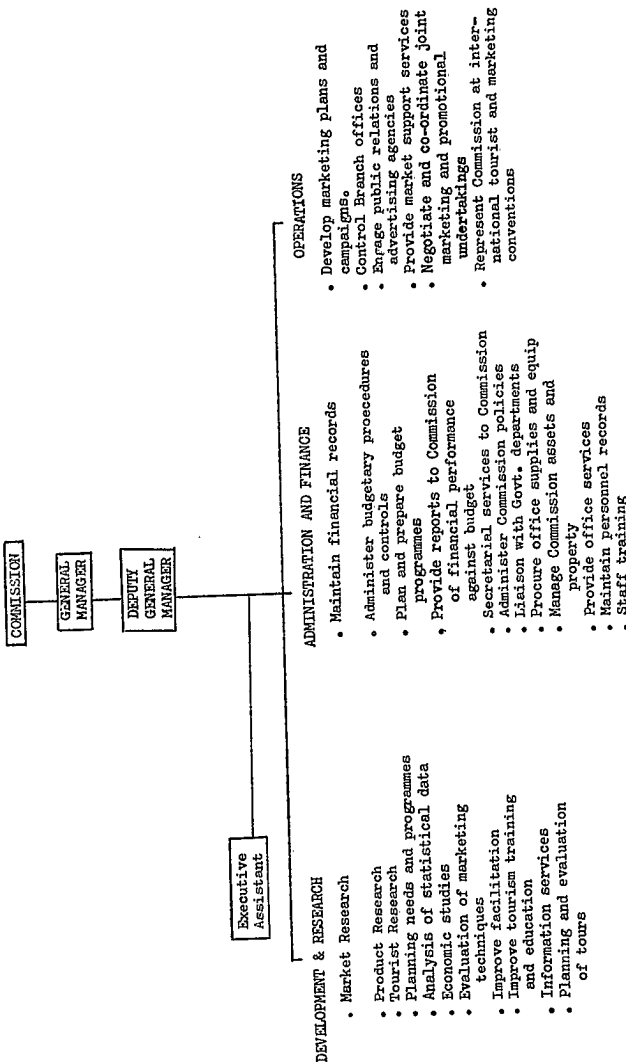
- Planning and executing marketing programmes to attract overseas visitors to Australia
- Providing leadership for the development of travel facilities within Australia
- Conducting market, product and economic research to provide a factual basis for plans and performance measurement.
- Administering the internal affairs of the Commission; e.g. personnel, financial and secretarial functions.

Exhibit
128/2 and
Committee File
1970/3

These functions are grouped into three divisions, each of which is controlled by a senior executive who reports directly to the General Manager or his Deputy as appropriate. It was stated that this arrangement ensures that each function receives capable, full-time, managerial attention. The following chart illustrates the division of these functions:

AUSTRALIAN TOURIST COMMISSION
FUNCTIONAL RESPONSIBILITIES

(12 March 1971)



Source: Australian Tourist Commission

76. We were informed that the provision of leadership for the development of travel facilities within Australia, involved the Commission in the role of encouraging, proving and assisting with the proof of economic viability, and with endeavouring to impress upon local, State and Commonwealth Government instrumentalities, the need for co-operative assistance to bring local travel facilities to a standard that the Commission can confidently market overseas.

Exhibit
128/2 and
Q.107

Management and Other Meetings

77. We were informed that management meetings are usually held on a weekly basis. The priorities and needs of the organisation are given close consideration at these meetings. As a consequence of the meetings submissions are prepared for consideration by the Commission.

Exhibit
128/2 and
Q.97

78. It was claimed that although the Commission's organisation is structured on a divisional basis, management meetings ensure that divisional activities keep in perspective the overall objectives of the Commission, resulting in a marketing oriented organisation with all prospective activities analysed in terms of their cost benefit. These meetings also provide a safeguard which ensures that the Commission addresses itself to the fundamental problem of marketing, rather than to an involved research programme which may not contribute directly to marketing activity.

Exhibit
128/2

79. We were informed that in addition to Management meetings, management liaison meetings are held and these provide an additional form of inter-divisional communication. Those attending include all senior Head Office personnel. The purpose of the meetings is to convey policy decisions as determined by the Commission; provide a forum for the discussion of new proposals and ideas. They also attend to domestic administrative matters.

Exhibit
128/2

80. It was stated that in 1969 management liaison meetings, which are convened and chaired by the General Manager were held at fortnightly intervals. In 1970 the meetings were held less often as the nature of the subjects discussed did not warrant the same frequency.

Qs.105 and
106.

81. The evidence indicated that other meetings of officers of the Commission are held on a regular basis within the various divisions. In addition, regular fortnightly meetings are held within the Marketing Services Department of the Operations Division to provide for discussion of the work programmes and project needs and to coordinate the activities of the Section. Also, within that Division, an overseas managers' conference has been held annually at which all overseas managers participate in policy discussions and in the setting of objectives. These meetings are an important means of communication for Head Office divisions, branches and sections. In addition, regular meetings in America are held between the North American managers to discuss their programmes.

Exhibit
128/2

82. We were informed during our inquiry that the internal work programme of the Research and Planning Division was dependent on priorities decided at management meetings. These meetings were held regularly each Monday and ad hoc as required within the Research and Planning Division to communicate new projects and to review performance and progress on current projects. Arising from the re-organisation in the latter part of 1970, the Research and Planning Division was abolished and a new Development and Research Division was created.

Exhibit
128/2 and
Q.281

Chapter 5

Staff of the Commission

83. Part IV of the Australian Tourist Commission Act provides that the Commission may appoint a person to be the General Manager of the Commission who shall, under the Commission, manage the affairs of the Commission. The terms and conditions of employment of the General Manager are such as are, subject to the approval of the Minister, determined by the Commission. The Act also provides that the Commission may employ, in Australia or in any other country, such persons as it thinks necessary for the purposes of the Act. The terms and conditions of employment of persons employed are determined by the Commission with the approval of the Public Service Board.

84. The General Manager and fifty one members of the Staff of the Australian National Travel Association transferred to the staff of the Australian Tourist Commission when it commenced operations on 1 July 1967. Exhibit 128/4

85. We were informed that since its establishment it has been the policy of the Commission to limit the size of its establishment to the minimum required and to use business consultants wherever possible in order to provide for the engagement of the most skilled resources available and to ensure that the most effective and flexible marketing techniques are adopted. At the same time, however, the Commission has also recognised the need for a strong creative core of specialists within its own establishment. We were informed that the structure and recruitment policies of the Commission reflect many of the recommendations made by McKinsey and Company early in March 1968 and which were referred to in Chapter 4 of this Report. Exhibit 128/1 and Q.21

86. During its first year of operation 1967/68, the Commission was obliged to devote a considerable amount of time to the recruitment of staff and in its second year, 1968-69, a reorganisation was completed as a result of which the Operations; Research and Planning; and Finance and Administration Divisions became fully operational. During 1969-70 the Commission's senior Exhibit 128/1

management duties were reorganised and the Secretary became Director of Finance. The General Manager, assisted by an executive assistant, became responsible for administrative matters. In view of the workload carried by the General Manager, a decision was made in February 1970 to appoint a Deputy General Manager. The further re-organisation that occurred in the latter part of 1970, and which was referred to in Chapter 4 of this Report, was made within the context of the Commission's existing staff structure.

Exhibit
128/1
and Committee File
1970/3

87. We were informed that salary levels within the Commission are identical to equivalent classifications in the Second, Third and Fourth Divisions of the Commonwealth Public Service. This provides a convenient method by which salary levels can be adjusted in accordance with Arbitration Determinations and other wage movements.

Exhibit
128/4 and
Committee File
1970/3

Establishment and Staff

88. Details of the establishment and staff of the Commission from 1968 to 1971 are given in Table Nos. 3 and 4 below.

Table No. 3
Australian Tourist Commission
Total Establishment and Staff
(30 June 1968 to 1 March 1971)

Location	30.6.68		30.6.69		31.3.70		1.3.71	
	Est.	Staff	Est.	Staff	Est.	Staff	Est.	Staff
Head Office and Sydney	42	31	59	54	60	57	69	65
Overseas Offices	31	28	35	33	40	36	42	38
Total	73	59	94	87	100	93	111	103

Exhibit 128/1

Source: Australian Tourist Commission

Table No. 4
Australian Tourist Commission
Establishment and Staff
(30 June 1968 to 1 March 1971)

Division Branch/Section/Location	30.6.68		30.6.69		31.3.70		1.3.71	
	Est.	Staff	Est.	Staff	Est.	Staff	Est.	Staff
General Manager's Division Head Office	2	2	3	3	4	3	5	5
Finance and Administration Division								
Finance	5	6	8	8	8	8	8	8
Secretariat	3	2	3	3	3	3	-	-
Training	-	-	1	-	1	-	-	-
Office Services(1)	4	2	4	5	4	5	7	6
Other (non branch)	-	-	-	-	-	-	2	2
Development and Research Division	5	3	9	8	10	8	17	16
Operations Division								
Marketing Services(Head Office)								
Photographic	3	3	4	4	4	5	5	5
Overseas Publications	2	2	3	2	3	2	3	3
Information	1	1	2	2	2	2	-	-
Publications	4	4	4	4	3	3	4	4
Promotions	2	1	2	-	2	1	-	-
Typing/Steno	4	2	6	5	6	6	4	4
Sound and Films	-	-	-	-	-	-	1	1
Sydney	4	3	6	6	6	6	4	4
Other	1	-	1	1	1	2	1	1
Conventions and Group Tours								
Head Office	-	-	1	1	1	1	2	2
American Society of Travel Agents								
Sydney	-	-	-	-	-	-	3	1
North American Area								
San Francisco	8	7	9	9	9	9	10	8
Los Angeles	-	-	1	1	2	1	3	3
New York	5	5	5	5	5	5	6	6
Britain/Europe Area								
London	8	8	8	7	8	8	8	7
Frankfurt	-	-	-	-	3	1	3	3
Asian/Pacific Area								
Head Office	1	-	1	1	1	1	-	-
Tokyo	2	2	4	4	5	5	5	5
Auckland	7	6	7	6	7	6	7	6
Other (Non Branch Head Office)	2	-	2	2	2	2	3	3
Total	73	59	94	87	100	93	111	103

Exhibit
128/1

(1) Includes Training in 1971
Source: Australian Tourist Commission

89. Details of the current duties of the Commission's staff (Class 5 and above) are set out in Appendix No. 2 to this Report.

Staff Rules

90. Section 19(2) of the Australian Tourist Commission Act provides specifically that the terms and conditions of employment of persons employed by the Commission are such as are determined by the Commission with the approval of the Public Service Board.

91. We were informed that staff rules relating to conditions of employment were approved by the Commission in January 1970 and were subsequently referred to the Department of Trade and Industry for transmission to the Public Service Board for approval. The Public Service Board Observer, Mr. Vanthoff, advised us that the Commission's proposed staff rules were received by the Public Service Board for consideration in mid 1970.

Qs. 384 to 387,
604 and 726

92. While the Public Service Board approved the Commission's staff Rules during the course of our inquiry, Mr. Vanthoff informed us that prior to that approval, the Commission had in fact, been operating under staff rules approved by the Board for the Housing Loans Insurance Corporation.

Q. 387

Staff Information-Commission Reports

93. During our examination of the Commission's Annual Reports to the Parliament we noted that in each year from 1966-67 to 1968-69 the Commission provided detailed information of its executive staff located in Australia and overseas. It was not until 1969-70, however, that the Commission provided any information relating to its total staff employed. Such information as was provided in the Report for that year related only to total staff employed by the Commission in Australia and overseas and related establishments as at 30 June 1970.

94. In these circumstances we asked whether a greater range of staff details, similar in nature to that requested in our

Eighty-third Report relating to the National Capital Development Commission, could be supplied in future reports of the Australian Tourist Commission. We were assured that such details could be provided. The witness added that the details supplied for the first time in the Commission's Annual Report for 1969-70 had been disclosed as a direct consequence of the Commission's appearance before us.

P.P. No. 351
of 1964-65-66
and Q.725

Chapter 6
Finances of the Commission

The Budget

(i) Budget Formulation

95. Section 25 of the Australian Tourist Commission Act requires the Commission to submit to the Minister, not later than 1 April each year particulars of proposed expenditures for the ensuing financial year. A copy of the Commission's Estimates for 1970-71, was tendered to us in confidence. Exhibit 128/3 and Q.523

96. We were informed that these proposals are conveyed by the Chairman to the Minister, usually during the final week of March each year. The proposals are discussed between the Commission and the Department of Trade and Industry. In years prior to 1970-71 the Commission participated in discussions between the Department of Trade and Industry and the Department of the Treasury regarding the Commission's expenditure proposals. The Commission did not participate in these discussions in 1970-71, however, as the opportunity for discussion between the two departments concerned arose unexpectedly. We were informed however, that the results of the discussions had proved acceptable to the Commission. The Department of Trade and Industry Observer, Mr. Dyson informed us that he had made arrangements for the Commission to be represented at any such discussions or negotiations connected with the Budget for 1971-72. Qs.291 to 295 and 523 to 527

(ii) Marketing Plans

97. We were informed that the Commission's total budget is erected on the basis of an annual marketing plan. This plan evolved from area plans developed by area managers who take into account Commission and management policy; the marketing philosophy and product composition; previous experience; the opportunities for special joint venture activities; the availability of expert assistance; the desirability of participation in Exhibit 128/3 and Q.296

international tourism events and the estimated cash contributions by the Government and by Industry. The annual plan is also developed on broad concepts derived from the Commission's three-year marketing plan. This plan itself is updated annually according to developments in travel trends in Australia's major overseas markets.

98. It was stated that the actual final confirmation of each annual plan can only occur at the first meeting of the Commission after the budgetary appropriation has been made. By that time advertising campaigns have been prepared and promotional activity organised. Hence, if a severe reduction were to be made in the Commission's estimates substantial recasting of the Commission's programme would be required. Exhibit 128/ 3 and Q.297

99. We were informed that area plans are subject to Head Office management and Commission approval as to concepts, product composition and policy. At this initial stage of budget planning, the proposed marketing operation is expressed in fairly general terms although provision will have been included for some specific promotional or advertising projects already negotiated or approved for the ensuing year. The need for special research information, the employment of additional staff or consultants and any other related requirements essential to the performance of the plans are also included. Exhibit 128/ 3 and Q.298

100. It was stated that in considering the most effective product combination for each market area, the Commission has a choice of several types of activity which can be employed. These activities include seminars for the travel industry; advertising; organisation of visits of selected journalists; familiarisation tours for travel agents; production of publications; joint sponsorship of package tour programmes; joint advertising with airlines and other members of the travel industry; film evenings for clients of travel agents; joint promotions in departmental stores and shopping centres and participation in exhibitions and trade fairs. The decision as to which of these activities are to be included Exhibit 128/ 3

for each area is made after assessment of the most appropriate ways to influence the market concerned. These assessments are usually made by overseas staff and consultants in the market area, coordinated and assisted by the Commission's Development and Research Division. In choosing the most appropriate marketing activities to pursue, the Commission gives great emphasis to those directed at or undertaken in conjunction with the travel industry. The Commission's role here is to act as a catalyst to influence the travel industry to sell travel to Australia.

101. We were informed that in undertaking cooperative promotions and advertising programmes with the travel industry, the Commission is able to influence the direction of many such promotions and can stimulate considerable industry expenditure on projects favourable to Australia. The percentage of funds available for expenditure on marketing activities to be allotted to each of the overseas market areas is determined after consideration of such factors as the potential for tourist earnings; rate of growth; length of stay of holiday makers and cost and relative effectiveness of operations in each market. These factors are provided by the Commission's Development and Research Division.

Exhibit
128 / 3

(iii) Construction of the Budget Estimates

102. It was stated that having determined the most effective marketing components for employment in the marketing plan and the approximate amount of money available for expenditure in each market, management then translates the marketing requirements into money terms. The costs of administering the Commission's offices in Australia and overseas are assessed and the research programme for the year is compiled and costed. The formulation of the latter programme may include, in addition to specific market research needs of the Operations Division, a number of projects related to internal tourist plant development, involvement with the Australian travel industry and State Government authorities in studies related to regional and resort development and pilot studies into the tourist potential of unexploited overseas market areas. When all

Exhibit
128 / 3
and Q.300

data has been assembled, costed and totalled, the first draft is considered by a Head Office budget committee comprising members of the top management team. Modifications may be made to the content, the percentage allocation of funds or any other item before being submitted for the approval of the Commission. In presenting the case for the Department of the Treasury, the Estimates are supplemented by additional information and facts relating to past performance, rates of growth, international factors and economic benefits.

(iv) Bases of Estimating
(a) Marketing Items

. Direct Advertising

103. In this case the estimate is based on actual cost of production and placement of advertisements. Exhibit 128/3

. Co-operative Advertising

104. We were informed that the Commission negotiates with airline or tour operators to undertake Australian destination advertising. The Commission shares the cost of this item which is produced and placed by the travel industry co-sponsor if such an arrangement suits the co-sponsor. Alternatively the advertising is produced and placed by the Commission. It was stated that as a condition of its involvement in this activity the Commission must be convinced that it is expenditure on advertising Australia additional to that which would have been spent normally by the industry co-sponsor. The Head Office management of the Commission approves all such advertising to ensure that the Australian destination content conforms with the Commission's marketing objectives. The actual cost of production and placement of advertisements is a known factor. Exhibit 128/3 and Q.301

. Films

105. We were informed that these are produced to satisfy

overseas marketing needs. The films are costed on the basis of the amount of shooting time required and the geographical area covered by the film. Costs are also related to the quality required to influence the type of audience for which the film is being made. A 10 per cent variation is provided in cost estimates to cover unforeseeable factors.

Exhibit
128 / 3
and Qs. 302 to
304

. Television Film Clips

106. It was stated that short 16mm silent films in colour are made on travel subjects for distribution to television stations in North America and other markets. They are made at the rate they can be used effectively on subjects pertinent to the Commission's promotional programme. Costs are estimated in accordance with the subject matter of the film clip, its length and extent of distribution.

Exhibit 128/3
and Qs. 305 to
310 and 529
to 534

. Assistance for production and promotion of tour programmes

107. We were informed that in the major overseas markets, except New Zealand, where Australia's competitive position is unfavourable, tour operators are encouraged to produce tour programmes featuring Australia. The Commission frequently provides financial assistance for such programmes and their promotion. The extent of assistance is determined on the merits of each case. It is provided after consultation with airlines who usually co-sponsor the programmes. The Commission claimed that by providing this assistance it is able to influence the content of the tour programmes offered. The amount of assistance to be provided, usually a lump sum ceiling figure, is negotiated and is related to production costs, the commercial standing and status of the operator and the nature and extent of the promotion supporting the tour programme.

Exhibit
128 / 3

• Photographs

108. It was stated that photographs are required for the Commission's own publications, audio-visual presentations, advertising illustrations, and inclusion in press and magazine articles. The Photographic Section in Head Office provides a basic coverage of all major tourist attractions and facilities in Australia and undertakes specific assignments for the particular needs of overseas markets. A major portion of the Commission's photographic output is undertaken by leading Australian commercial photographers working on assignments. Estimated costs of assignments are prepared from known facts, such as contract rates and film costs.

Exhibit
128/ 3

• Printing

109. We were informed that the Commission produces publications for distribution to the travel trade and potential travellers through wholesale and retail agents. Material is always produced to satisfy an established need in one or all market areas. Quantities are determined by ascertaining the requirements of each market area. Quality is assessed as appropriate to the particular publication with reference to competitive publications produced by other tourist destinations. Each printing job is placed following receipt of quotations from printers. The estimated cost of each publication is calculated from the known production costs of similar publications produced previously.

Exhibit
128 / 3

• Visits to Australia of overseas travel agents and journalists

110. We were informed that the Commission invites large numbers of travel agents and journalists to visit Australia to experience Australia's tourist attractions in the hope that they will use this experience to influence potential tourists to visit

Exhibit
128/3 and
Qs. 30 to 32

Australia. Costs of visits of travel agents are shared in Australia with participating airlines and are estimated on the basis of \$30 per day per travel agent - half of which is reimbursed by the sponsoring airline. The Commission subsidises visiting journalists to varying degrees depending on the expected value of the journalist to the Commission. The same basis of \$30 per day is used for computing full costs of visits of journalists. However, the Commission often provides only a proportion of this amount.

. Seminars for travel industry

111. It was stated that seminars featuring a discussion of the travel attractions and facilities of Australia, and an audio-visual presentation illustrating these attractions and facilities are an effective way of impressing the overseas travel industry. Costs are estimated by assessing the size of the audience, amount of catering involved, fees and costs for the venue, publicity and travelling costs and cost of equipment.

Exhibit
128 / 3

. Promotions in departmental stores and shopping centres

112. Such promotions involve the cooperation of the store, airlines, local travel agents and often local publicity media. Costs are estimated for display material needed, staffing of display, public relations assistance etc.

Exhibit
128/ 3

(b) Office Overheads

. Salaries and Allowances

113. We were informed that the salaries and general conditions of service applying to the Commission's staff follow the same general standards as apply to the Commonwealth Public

Exhibit
128/3

Service. The creation of new positions requires the approval of the Commission and salary classifications are approved by the Public Service Board in accordance with section 19 of the Australian Tourist Commission Act. Thus, the estimation of the salaries budget is compiled from known factors.

. Office Rents and Other charges

114. It was stated that all of the Commission's offices are leased at fixed rates per annum. The only variables in accommodation costs relate to municipal rates paid to the City of Westminster in Britain. Variations of other charges occur in the areas of repairs, maintenance and public utilities.

Exhibit
128/3 Qs. 311 to
314, 535 to 540
and Committee
File 1970/3

115. So far as rates are concerned we were informed that in September 1970 the Commission applied to the Foreign and Commonwealth Office in London for recognition as a government department and for exemption or partial exemption from the City of Westminster rates. This proved unsuccessful because the Commission, as a body corporate, did not possess the character of a government department having the advantages of diplomatic privilege and accreditation. From its inquiries it appeared to the Commission that all national tourist offices, including those with full diplomatic privilege, pay rates in respect of their offices in Britain although in some cases a rebate is given in relation to certain social and health services. It was stated that the Commission is continuing to pursue this matter with appropriate authorities in London.

Exhibit
128/3
and Qs. 311 to
314 and 535 to
540 and Committee
File 1970/3

. Travelling Expenses

116. We were informed that where appropriate, the costs of travel by Commission staff are included as part of promotional costs. Other travel is estimated on the basis of the previous year's costs and approved travel plans for the budget year.

Exhibit
128/3

.Communications

117. These are estimated in the light of past costs adjusted for increased rates and special needs of various offices, or major promotions. Exhibit 128/3

.General Office Expenses

118. This item was said to include such elements as printing and stationery, duplicating and photocopying and costs of office cleaning. We were informed that the estimates for these elements can be accurately assessed on the basis of the previous year's actual expenditure figures adjusted in the light of guidance provided by the Commission's overseas branches. Exhibit 128/3 and Q.322

.Capital Expenditure

119. We were informed that schedules listing the expected requirements of furniture and equipment for each office are prepared and costed and used as the basis for estimating the total capital expenditure budget. Exhibit 128/3

.Industry Contributions

120. We were informed that in assessing the contributions expected to be made by the travel industry to joint projects with the Commission, it is necessary to recognise three types of contributions i.e. direct cash contributions, direct payments, and contributions in kind.

121. Cash contributions were defined as those in which the industry participant pays to the Commission, either before or during a promotion, its share of the estimated cost of the project, or, after the event, its share of the actual costs. These contributions, which are included in the financial records of the Commission, were said to create considerable difficulties from the viewpoint of estimation. It was explained that the Commission commences each financial year in the hope that certain campaigns will materialise in accordance with negotiations that have taken place with co-sponsors. These negotiations usually Exhibit 128/3 and Qs. 324 and 325

involve equal financial contributions by the Commission and the co-sponsors. In some cases co-sponsors commit themselves to participation in programmes but withdraw at a later stage.

122. It was stated that direct payments are those transactions in which each party pays its share of the cost of the project independently. In most instances, the value of these contributions is made known to the Commission but because of their nature are not incorporated into the Commission's books of account. Contributions in kind usually take the form of airfare concessions, accommodation discounts etc. The value of these contributions can be fairly easily calculated.

Exhibit
128/3

123. We were informed that the content of each joint project and the financial arrangements entered into with the industry participant are reported to Head Office by way of a joint project information sheet. This information sheet is used to update estimates of industry cash contributions and provides data used in the compilation of periodic reports to the Commission. A copy of such a report was tendered in evidence. It was claimed that whilst the factors used in estimating the total industry contribution can be fairly easily costed, a conservative approach is always taken when preparing the cash contribution budget. This is because the physical and financial extent of industry participation is always subject to considerable negotiation. Well-prepared plans may be cancelled or new opportunities for a cooperative activity may arise at short notice. Utmost flexibility is therefore necessary to allow for negotiation and to take advantage of attractive opportunities.

Exhibit
128/3

.Sundry Income

124. It was stated that this item comprises bank interest and sales of publications and photographs and can be estimated with reasonable accuracy using previous years' receipts as a basis.

Exhibit
128/3

(v) Project Budgeting

125. We were informed that prior to 1970-71 the compilation and control of the Commission's budgets had generally been based on broad lines with emphasis on functional classification.

Exhibit
128/3

126. Since 1 July 1970, however, the Commission has employed a method of project planning and budgeting designed to complement the responsibility accounting and reporting system. In all, three budgets are prepared under this arrangement. One of these is a Projects Budget which sets out functional expense detail, costed and applied against a timetable showing estimated dates for performance and cash requirements. A second Budget relates to non-project costs of an overhead departmental nature while the third Budget, which is prepared in the Commission's Head Office relates to the collation and consolidation of project and non-project items.

Exhibit
128/3 and
Q.219

127. It was explained that "Functional Budgets" are used for statistical purposes and Treasury presentations. Each separately identifiable promotion, advertising campaign or research project is designated as a project and allocated a serial number. Departmental overhead budgets comprise expenses such as capital expenditure, office rents, printing and stationery and are supported by schedules setting out details of departmental requirements for the year.

Exhibit
128/3 and
Q.388

128. It was stated that a "Project Planning Report" forms the basic document to be used in project planning and budgeting. A copy of such a report and supporting documents were tendered in evidence. These reports are completed by overseas and Head Office managers in respect of their various departments and are supplemented by details of estimated departmental expenditures. Ceiling limits are placed on the total expenditures by each department in accordance with management or Commission direction. When projects involve

Exhibit
128/3

the participation of an industry body in cooperation with the Commission, an additional form known as a "Joint Projects Information Sheet" is completed. This form sets out certain details in respect to the financial arrangements involved.

129. We were informed that as from 9 September 1970 the Project Planning Reports and related procedures for budgeting were amended in order to improve the Commission's budgeting methods in the light of experience gained at that stage.

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130. During our examination of this aspect of the Commission's activity we were informed that the Commission has accepted the general principles of programme budgeting. Under the Commission's arrangement, the various amounts allocated to programmes are approved by the Commission and cannot be varied without Commission approval. Under the authority thus given for the various programmes, management develops and operates a number of projects each of which must be related to an approved programme.

Q.461

131. It was stated that early in 1970 the Australian Tourist Commission examined carefully the activities of the Canadian Government Tourist Organisation in relation to programme budgeting and the concepts adopted by that organisation had been applied by the Australian Tourist Commission in developing its own system. The Canadian Organisation, however, had experienced considerable difficulty in operating its system due mainly to the additional volume of work to which it gave rise in the Organisation's overseas offices. While some additional work had resulted in the Australian Tourist Commission's overseas offices as a consequence of the introduction of project budgeting it was considered that this had been justified by the improved control achieved over the Commission's expenditure.

Qs. 462 and
463

The Accounting System

(i) Form of the Accounts

132. We were informed that on its formation in 1967 the Commission inherited from the Australian National Travel Association the Head Office and overseas staff and the accounting systems of the Association. The books of account consisted of cash journals and a general ledger, all of which were recorded manually. Overseas expenditures were reported to Head Office by monthly cash sheets which were later posted to the Head Office ledger. The manual system was maintained until about May 1968 when a National 32A accounting machine was installed. All expenditures for the 1967-68 financial year were re-processed on the accounting machine before the end of that year. The change from manual to mechanised accounting methods followed recommendations made to the Commission by the then Financial Controller who commenced duty with the Commission in October 1967. Relevant extracts from that Report are shown in Appendix No. 3 of this Report. Accounting functions which were transferred for machine processing included: payroll; commitments and expenditures; creditors; drawing of cheques; preparation of payment vouchers and monthly budget reports.

Exhibit
128 / 3

Exhibit
128 / 3

133. It was stated that in accordance with section 29(1) of the Australian Tourist Commission Act, the Treasurer approved the format of the accounts to be published in the Commission's annual report. During 1967-68 and 1968-69 the Commission's accounts followed the ANTA pattern and were kept throughout each year on an accrual basis. At that stage the administration believed that accrual accounting would enable it to report to the Commission in more factual terms than would be achieved from cash accounting. It was not recognised, however, that difficulties would arise in converting accrual figures to cash data in order to comply with the cash type accounting required for presentation in the Commission's annual reports. The witness admitted that possibly these problems should have been foreseen at that time. In July 1969 it

Exhibit
128/3 and
Qs. 342 and
577

was decided to discontinue keeping the accounts on an accrual basis because it was found that the accrual figures maintained in the ledger produced information of little value and which were irrelevant to annual budgeting methods. As a result, all accounts for 1969-70 were kept on a cash basis.

(11) Purchasing Procedures

. Quotations

134. It was stated that whenever competitive prices are available, at least three quotations are obtained for the purchase of equipment, printing and other goods and services, except where an expenditure of less than \$200 is involved; or where purchases are made under government contract, or in the reordering of supplies or services from the original supplier. Permission has been granted for the Commission to use the services of the Commonwealth Stores Supply and Tender Board and government contracts are availed of where appropriate. So far as stationery is concerned, which is a significant item, the Commission maintains a continuous surveillance on price levels. It expressed the opinion that its purchases are made at the best possible prices.

Exhibit
128 / 3
and Qs. 344 to
347

. Requisitions and Orders

135. We were informed that before an official order can be prepared, an officer requiring goods or services must obtain approval on a written requisition. The requisition is checked for correctness of account coding and the availability of funds within the budget. No orders can be issued without such a requisition. In overseas offices the requisition form is not used but official order forms are used for the purchase of most goods and services. In this regard it was explained that, based on experience it is not always desirable or appropriate to use official forms when negotiating promotional activities or advertising although advertising requisitions are used and project forms are used for the authorisation of any promotion. It was stated that the Commission had designed

Exhibit
128 / 3
and Qs. 349 to
351

its own order forms for use in Australia. The forms incorporated a sales tax exemption certificate which is not appropriate for overseas offices. Copies of the forms used by the Commission in Australia and at its overseas offices were tendered in evidence.

• Travel Requisitions

136. We were informed that a travel requisition form is used by all officers for documenting approval for long-distance local travel and interstate or overseas travel. These forms set out details of travel and accommodation arrangements with estimated costs of each segment of travel etc. Overseas travel by Head Office personnel requires the express approval of the Commission and quarterly returns are made to the Government Overseas Visits Committee setting out details of all foreign travel.

Exhibit
128 / 3
and Qs. 352
and 353

• Imprest Accounts

137. It was stated that an imprest account is maintained in Head Office for the payment of travelling allowances and travelling expenses and for the reimbursement of Head Office and Store petty cash advances. Payments by overseas offices are made from an imprest account, the amount of advance being calculated as one-eighth of the total estimated expenditure for the year by each office. Sydney office has two imprest accounts, the Promotions account which is used for the payment of accounts relating to escorted tour groups and the Manager's account used for the payment of small local accounts. In addition, each office has a small advance for petty cash payments.

Exhibit
128/3

• Accounts Receivable

138. We were informed that general revenue is obtained from casual sales of photographs and photographic transparencies, and the sale of maps and other selected publications. Other receipts

Exhibit
128/3

consist of refunds and reimbursements to expenditure. "Debit Notes" are used to direct and authorise accounting staff to raise invoices on debtors. These are then noted with the invoice number and are filed in invoice number sequence. To facilitate accounting for receivables an invoice register and a cash receipts journal are maintained. Postings are made to ledger accounts from these books at the end of each month.

139. It was stated that outstanding debtors accounts are received periodically and statements forwarded to delinquent debtors. These reviews normally involve an examination by the Chief Accountant and the Director of Finance of a list of outstanding debtors. It is only after such an examination that a decision is made to write off or pursue outstanding debts further. The witness informed us, however, that while positive action is taken to recover outstanding debts the Commission had not had recourse to legal action. The evidence also showed that as late as March 1971 the Commission had not defined its policy in relation to possible legal action. Subsequently, however, we were informed that as a consequence of our inquiry the Commission had become aware of the need to develop a clear policy in relation to bad debts. Consultations had taken place with the Crown Solicitor and at our public hearing held on 6 April 1971 we were informed that policy proposals on this matter would be placed before the Commission at its next meeting. Subsequently the details of these proposals were submitted for our examination.

Exhibits

128/3 and

Qs. 354 to 366

406, 578 to

596 and 726

• Cash Control

140. It was stated that funds are received at monthly intervals in accordance with a half-yearly cash flow statement prepared by the Director of Finance and submitted to the Department of Trade and Industry. Overseas office imprest accounts are reimbursed at monthly intervals after the receipt and check of cash summary reports.

Exhibit
128/ 3

• Banking

141. As required by the Act, the approval of the Treasurer and the Commission have been given to the bank accounts used by the various offices. Bank Accounts have been opened in Sydney, in Melbourne and at seven overseas posts. Exhibit 128 / 3

• Accounting for Commitments

142. We were informed that in the Head Office of the Commission purchase and travel requisitions are used to record current and forward commitments against budget items and the payments against these requisitions are noted in a register which each month is used to prepare a schedule of outstanding commitments. In branch offices, monthly reports are prepared for Head Office showing unpaid invoices in hand, completed orders not yet billed and unfulfilled orders. These commitment figures are incorporated into budget progress reports prepared for the Commission and Management. Exhibit 128 / 3 and Q.367

• Asset Accounting

143. It was stated that each office maintains an inventory or asset register which shows descriptions and costs of all furniture and equipment. These are updated progressively and are subject to check against physical stocktaking once a year. At some overseas offices the Commonwealth Auditor-General's office conducts a check on inventories from time to time. The Auditor-General's Observer, Mr. Rees, informed us that the Commission's overseas offices at Tokyo, New York and London had been inspected by the Auditor-General's staff. The witness informed us that in the case of those offices which have not been inspected by the Auditor-General's staff the Commission relies on inventories prepared by its own staff in the offices concerned. In Head Office a register of cash advances is maintained and progressively updated and reconciled. In the Head Office Exhibit 128 / 3 and Qs. 368 to 370

Publications Store, stock record cards are kept to show receipts, issues and holdings of all brochures, posters and other ATC publications.

Exhibit
128 / 3
and Qs. 360 to
370

144. We were also informed that bin cards are maintained for stock control. The requisition despatch instructions are used to requisition publications which provide authority for despatch. The Commission maintains a "goods received" advice which is part of its official order and it maintains head office stock control cards. These are used to record stocks at the store and at the Commission's overseas offices. Monthly returns relating to literature held at each overseas office are submitted to the Head Office.

Exhibit
128/ 3
and Qs. 371 to
372

• Payroll

145. We were informed that all personnel and salary records are centralised in Head Office. Variations to salaries, allowances and superannuation are communicated to the Accounts Branch by "Pay Variation Advices", which are prepared by the Office Manager. In the case of overseas staff, a copy of this advice is forwarded to the Manager of the overseas office and to the individual. Pay sheets and earnings records cards are processed on the accounting machine and charges are made to expenditure accounts through a payroll summary. All salaries are paid by cheque. Australia-based staff in overseas posts are subject to the remission of tax on their overseas allowances on the same basis applying to officers of the Commonwealth Public Service. Treasury approval has been given for this facility subject to the Commission accepting responsibility for remitted tax.

Exhibit
128 / 3
and Qs. 373 to
375

• Internal and External Audit

146. It was stated that prior to July 1970 the internal audit of the Commission's accounts was spasmodic due to staffing problems and was less thorough than the Commission desired. As part of a recent re-organisation, however, this work has been

allocated to the Budget Control Officer who is required to report to the Director of Finance and Administration. As late as April 1971, the actual designation of this work to the Budget Control Officer had been delayed pending the appointment of an Administrative Officer whom it was intended would take over some of the duties that, in the past, have been carried out by the Budget Control Officer thus enabling that officer to act as internal Auditor. As at 6 April 1971 no internal audit reports had evidently been prepared, although the Director of Operations and his staff had undertaken a check of bona fides of a number of overseas accounts and had performed an arithmetical and accounting check on all overseas accounts. It was explained that in the normal process of certification of accounts the accounting staff carries out a check of internal controls and the proper documentation of all transactions.

Exhibit
128 / 3
and Qs. 377
and 598 to
600

147. We were informed that the accounts of the Commission are subject to final audit by the Commonwealth Auditor-General's Office in accordance with section 26 of the Australian Tourist Commission Act.

Exhibit
128 / 3

. Reports

148. We were informed that a report is submitted to each Commission meeting showing receipts and payments for the period since the previous meeting, together with a statement of cash position and a Head Office bank reconciliation. Budget progress reports are prepared for the Commission at the end of the months of September, December, February, March, April and May, and budget revision reports are prepared at the end of December and March. At the end of each financial year, a report of Receipts and Payments and Assets and Liabilities is prepared for publication in the Commission's annual report. Overseas managers and Head Office management are provided with ad hoc reports as required and usually at the end of each month showing detailed expenditures compared with budgets.

Exhibit
128/3

. Finance and Accounting Manual

149. We were informed that in each year since its inception the Commission has become more sophisticated in its requirement for detail in the classification of its accounts. In 1967-68 the chart of accounts was fairly simple and comprised about 100 items only. In 1968-69 the chart was reconstructed to include a set of accounts allocated to each overseas office to enable the ready identification of each particular charge. In 1969-70 the chart of accounts was again enlarged to include, in part, a project costing application to the account classification. In 1970-71 the Commission adopted a "responsibility" accounting concept with each account code divided into three parts, one representing a responsibility area, the second representing a functional expense code and the third representing a project code.

Exhibit
128 / 3
and Qs. 379 and
380

150. Initially it was envisaged that all accounting procedures under revision would be incorporated into a Finance Manual to become operative from July 1970. By August 1970 an interim manual had been compiled and distributed but the Commission was awaiting the completion of further work by the consultants, Wilson, Bishop, Bewes and Craig before completing the manual. The consultants had been engaged in the conversion of the Commission's accounting system to a computerised basis. By April 1971, the Commission's accounting and budgeting procedures had been printed and assembled in the form of a manual but by this stage the Commission had come to regard the manual as requiring a wider base and was in the process of developing it into a policy manual. A copy of the Finance and Accounting Manual as developed by April 1971 was tendered by the Commission for our examination.

Exhibit
128/ 3
and Qs. 381
to 383 and
601 to 603

(iii) Review of the Accounting System

151. We were informed that the Commission had established its administrative structure on the basis of recommendations made by McKinsey and company the consultants whom it had engaged initially. It became apparent, however, that for the Commission to have figures flowing to it accurately and quickly, the methods used by the Administrative Division would need to be changed. This coincided with comments made by the Auditor-General that certain of the Commission's accounting activities were becoming complex and required modification. Q.395

152. In elaborating on the Audit problems, the Auditor-General's Observer Mr. Rees, informed us that the Auditor-General's office carried out an initial survey of the Commission's activities in November 1967. During that survey it became apparent that the Commission had not established adequate internal controls and accounting procedures and systems. It was recognised, however, that at that stage, the Commission had not fully established its organisation structure and the Auditor-General's Office therefore deferred a more detailed examination until March 1968. Q.396

153. An appraisal audit conducted in March and April 1968 disclosed the absence of delegations, an adequate accounting system and instructions. Records relating to advances, remittances, debtors and creditors were inadequate and there was no clearly defined policy on entertainment expense. These and other matters were reported to the Commission. A further audit review conducted in December 1968 showed that, with certain exceptions such as the control of assets, defects in the records for controlling advances and remittances and the control of joint project expenditure, the Commission had taken action or had action in course to remedy the matters reported. Q.395

154. We were informed that in September 1969 the Commission engaged business consultants, Wilson, Bishop, Bowes and Craig,

to make an examination of accounting and reporting procedures in existence at the Commission's Head Office. The purpose of the examination was to determine whether the existing systems and procedures were being carried out efficiently and whether they provided the Commission with the necessary information of its activities and control over its finances. In particular the consultants were asked to consider the following issues:

Exhibit 128/3

- Whether the reporting of results of operations could in any way be improved or facilitated, having regard to statutory requirements, the nature of the Commission's operations, its organisation and size.
- Whether present procedures relating to the preparation of budgets and the exercise of budgetary control could be improved.
- Whether the accounting system should be on a cash or accrual basis.
- Whether any changes in mechanisation of accounting procedures were warranted.
- Whether the present system of accounting for and controlling of expenditures at branch offices could be improved.
- Whether the present staffing of the finance function was adequate, bearing in mind the future development of the Commission and the requirements of the accounting system.

155. In September 1969 the consultants supplied the Commission with a preliminary Report which identified the areas of problem. In October of that year the consultants furnished a further report which included findings, recommendations and preliminary estimates of the cost of improving the system. The consultants found that no significant weaknesses existed in the Commission's system of internal control; deficiencies referred to previously by the Auditor-General's Office had been largely overcome but the Commission's accounting staff lacked a properly documented manual of procedures.

Exhibit
128 /3and
Q.399

156. The consultants recommended that the reporting needs of management would be best met by a "responsibility accounting" system and reports should also be prepared for each project embarked on by the Commission. They envisaged that these reports would be prepared on a monthly basis and in respect of each category of expenditure in a department or project and would contain information relating to the total budgeted amount of actual expenditure for the current month and year to date, variations of actual expenditure from committed budgets on current month and year to date basis; the year to date unexpended portion of the committed budget; and the year to date uncommitted portion of the total budget. Where appropriate, explanations would be supplied at all levels to explain significant variations of actual results from the budget. The Consultants reported that budget preparation would be improved by requiring executives responsible for specific areas to initiate their own budgets subject to management approval. They also recommended that the accumulation of accounting transactions should be on a cash basis supplemented by a number of subsidiary or memorandum accounts for specific transactions on an accrual basis. For specific items where an accrual approach would more correctly reflect the situation, a separate ledger would be maintained. The preparation of "responsibility accounting" reports would best be achieved by use of a computer on a service bureau basis. They pointed out that to prepare the type of reports envisaged on the existing accounting machine would be an extremely cumbersome procedure.

Exhibit
128 /3

157. The consultants advised that the existing system of reimbursing expenditure at overseas branches was satisfactory and no changes were recommended. However, they pointed out that delays in the timely receipt of accounting information in Head Office could be alleviated by the preparation of detailed instructions for overseas offices regarding accounting and reporting matters and the use of outside professional assistance on a regular basis in the preparation of periodical reports for Head Office. They expressed the view that the management of

Exhibit
128 /3

the finance function demands the full-time attention of a senior executive and recommended that the responsibilities of the Secretary should be segregated as between financial and other matters. They also recommended that the accounting staff should be increased by the appointment of a Senior Accounts Clerk who would be primarily concerned with the preparation of accurate input data for the responsibility accounting system. They further recommended that the Budget Officer should receive additional training in budget setting and control procedures. They found that, in other respects, the accounting function was adequately staffed.

158. We were informed that the Consultants' recommendations were adopted by the Commission on 20 October 1969 and the consultants were asked to provide weekly reports of their performance in implementing the proposed changes. At that stage it was estimated that the recommendations would be implemented in July 1970.

Exhibit
128 / 3
and Q.399

159. By May 1970 the introduction of the new procedures and methods and the recommendations of the management consultants had resulted in a complete reorganisation of the Commission's Finance Division, the most notable change being the creation of a new position of Chief Accountant. The occupant of this position was intended to assume complete control over the routine accounting functions and to work closely with the Director of Finance in budgetary matters and ensure the maintenance of correct procedures. A position of data processing officer had also been created to check, control and co-ordinate the input of data to the computer service bureau.

Exhibit
128 / 3
and Q.401

160. In August 1970 the Commission informed us that by 29 July 1970 six progress reports had been supplied by the consultants. The most recent report had indicated that the finance manual and flow charts were being completed; that the reporting system in which the test data was punched was awaiting processing and report and that the training of staff

Exhibit
128 / 3
and Qs.399 and
605.

would probably commence in August 1970. The Commission had requested the consultants to expedite their work. At our hearing in April 1971 the Commission informed us that the work of the consultants had been completed.

161. In commenting on these changes the Commission emphasised that the accounting system and procedures employed have progressed from a simple manual process to the employment of Electronic Data Processing methods and the adoption of advanced management accounting and reporting procedures. It claimed that the interim period of mechanisation had proved useful in its requirement for improved communication methods and the preparation of operational budgets in greater detail. It added that while the accounting function had also been handicapped during this period by a considerable turn-over of staff it had been able to cope with a constant increase in the number of transactions and workloads created by new offices as well as develop and improve systems and controls.

Exhibit
128 / 3

Receipts and Payments

162. The estimated and actual receipts and payments of the Commission for the years 1967-68 to 1969-70 are set out below.

Table No.5
Australian Tourist Commission
Estimated and Actual Receipts and Payments
(1967-68 to 1969-70)

Item	1967-68		1968-69		1969-70	
	Estimate	Actual	Estimate	Actual	Estimate	Actual
<u>Receipts</u>	\$	\$	\$	\$	\$	\$
Gratuity Contributions	1,520,000	1,520,000	1,750,000	1,750,000	2,100,000	2,100,000
Industry Contributions	361,400	247,848	375,900	296,511	200,378	196,057
Other Receipts	7,000	7,544	13,000	12,173	13,000	11,127
Total	1,888,400	1,775,392	2,138,900	2,058,684	2,313,378	2,307,184
<u>Payments</u>						
Operational	1,299,650	878,474	1,692,800	1,510,659	1,407,500	1,363,853
Administrative	545,550	491,358	757,300	703,621	984,400	955,138
Capital	63,200	96,434	85,000	82,625	34,100	32,802
Total	1,908,400	1,466,266	2,535,100	2,296,905	2,426,000	2,351,793

Source: Australian Tourist Commission

Receipts

(i) Commonwealth Contribution

163. We were informed in evidence that the H.K.F. Report of 1965 had suggested that to enable the Commission to develop meaningful long-term programmes, it should endeavour to establish a formula for relating its budgets to its achievements. It had suggested to the Commission that, consistent with the measurement of activities of similar organisations in other countries, it should attempt to justify a formula based on 2 percent of gross travel credits per annum as a budgetary allocation from Government for the Commission's use. The Consultants had added that as 18 percent of overseas visitors' spendings in Australia represent tax revenues, the Commission should have a continuing budget of one-ninth of that amount.

Exhibit
128/3 and
Q.275

164. It was explained that the application of such a formula in 1969-70 would have yielded to the Commission a Commonwealth contribution of \$2,540,000 compared with an actual contribution of \$2,100,000. It was also stated in evidence that more recently, tourism has been increasing at a greater rate than the Commonwealth contributions and the application of the 2 percent formula would, in these circumstances, result in a larger annual increase in the Commonwealth contribution. While the Commission understood the nature of the limitations placed on the Department of the Treasury in allocating increased amounts to the tourist industry, it adhered to the principle that a formula should be determined for allocating Commonwealth contributions to the Commission.

Qs.275 and
518

(ii) Industry Contribution

165. We were informed that the shortfalls in actual receipts of industry contributions compared with the corresponding estimates in 1967-68 and 1968-69 arose from the fact that in the two years concerned, the Commission was not prepared, at that stage, for the type of marketing activity involving such contributions. It was explained that prior to the Director of Operations taking up duty in 1968, this activity had been carried out by the General Manager in association with his other duties.

Exhibit
128/3
and Qs.644 and
645

166. In relation to estimated and actual industry contributions in 1969-70 it was explained that the method of estimating had been changed in that year to the basis of the Commission's marketing plan. As the programme in that year had an emphasis which differed from that in the two previous years, the basis of assessment of the industry contribution was also different.

167. We were informed that the decline in actual industry contributions in 1969-70 compared with those of the previous year related mainly to advertising undertaken in conjunction with the travel industry. It was explained that this form of activity has now declined in favour of other forms of marketing. The witness stated that in recent years the parties to campaigns have become more inclined to carry out their own joint advertising or promotion activity or to pay their own share of the costs independantly to advertising agencies or media instead of operating through the Commission in the handling of financial transactions. We were informed by the Treasury Observer, Mr. Maunder, that the Department of the Treasury holds no views in relation to the level of industry contributions compared with that of Commonwealth contributions to the Commission.

Exhibit
128/3 and
Qs. 629 to
643

(iii) Other Receipts

168. We were informed that proceeds from the sale of photographs represent about 69 percent of "other receipts" the remainder comprising bank interest. The increase in estimated receipts in 1968-69 compared with actual receipts in 1967-68 arose partly from a greater expected flow of interest earning money through the Commission's head office account and the expectation of increased sales of photographs as the photographic department became fully operational. In fact these expectations materialised.

Exhibit
128 / 3
and Qs. 646 to
653

Payments

(i) Operational

169. Details of the Commission's estimated and actual operational payments for the years 1967-68 to 1969-70 are set out below.

Table No. 6
Australian Tourist Commission
Estimated and Actual Operational Payment
(1967-68 to 1969-70)

Item	1967-68		1968-69		1969-70	
	Estimate	Actual	Estimate	Actual	Estimate	Actual
Advertising	\$ 378,660	\$ 262,218	\$ 713,000	\$ 690,474	\$ 199,700	\$ 189,318
Promotions, Publicity & public relations	757,490	552,932	705,200	634,465	910,450	858,838
Publications	136,500	39,186	232,800	143,965	236,850	250,663
Market Research	27,000	24,138	41,800	41,755	60,500	57,034
Total	1,299,650	878,474	1,692,800	1,510,659	1,407,500	1,363,853

Source: Australian Tourist Commission

• Advertising

170. We were informed that the variations between estimated and actual expenditure on advertising in 1967-68 and 1968-69 reflected a lack of success on the part of the Commission in negotiations in respect of co-operative advertising. The sharp decline in both estimated and actual advertising expenditure in 1969-70 arose from the fact that in that year the Commission had planned a co-operative promotional campaign, the "Destination South Pacific" and it channelled funds which might normally have been used for advertising into this other form of activity.

Exhibit
128/3
and Qs. 654 to 658

• Promotions, Publicity and Public Relations

171. For the purpose of explaining this element of expenditure, "promotions" were defined as activities connected with the bid for conventions and group tours; familiarisation tours; seminars; workshops; presentations, film evenings, tour programmes and such promotions as Expo in Japan and "Destination South Pacific" in North America. "Publicity" was defined as publicity undertaken overseas including newsletters, reception of visiting journalists and the production of films, photographs and television clips.

Exhibit
128/3 and
Qs. 660 to 667
and Committee
File 1970/3

"Public Relations" was defined as publicity activities undertaken in Australia to inform the Australian public of the activities

of the Commission. It was also related to pro-tourism i.e. publicity to make the Australian public more aware of the advantages of tourism.

172. In relation to the shortfalls that occurred in expenditure compared with the corresponding estimates we were informed that in 1967-68 the Commission had taken a deliberate policy decision not to indulge in promotions, publicity and public relations expenditure unless it was convinced that its marketing programme met its needs. In that year, and also to a large degree in 1968-69, the Commission was not geared to spend all of the money that it had allocated to that purpose. While the Commission was ready to undertake such activities in 1969-70, expenditure in that year was limited by its capacity to negotiate with other participants.

Exhibit
128/3
and
Q.659

173. Actual expenditure on promotions, publicity and public relations in each of the three years 1967-68 to 1969-70 are shown below in Table No. 7.

Table No.7
Australian Tourist Commission
Expenditure on Promotions, Publicity and Public Relations
(1967-68 to 1969-70)

Item	1967-68	1968-69	1969-70
	\$	\$	\$
Promotions	438,711	375,039	646,402
Publicity	114,221	255,631	212,436
Public Relations	-	3,795	-
Total	552,932	634,465	858,838

Source: Australian Tourist Commission

174. In relation to these figures it was explained that in 1967-68 heavy expenditure was incurred in promotion including support of a "Go South Pacific" promotion to 6,000 travel sellers in sixty American cities; assistance for the development of tour programmes in Britain and Europe, and workshops for 1,000 travel agents in Britain.

Q.660 and
Committee
File 1970/3

Publicity expenditure was of a smaller proportion because the Commission's publicity resources were small during its first year of establishment.

175. Trade promotions were said to have been conducted on a smaller scale in 1968-69 but publicity was increased with the launching of a programme of television news clips in North America using the Commission's public relations agency. In addition the policy of inviting journalists to visit Australia was developed. A small amount was spent on pro-tourism during the year.

Q.660 and
Committee
File 1970/3

176. We were informed that in 1969-70 a large scale increase occurred in expenditures on promotions arising from the Commission's participation in Expo in Japan, the "Destination South Pacific" promotion in North America and a group tours promotion in New Zealand. The decline in expenditure on publicity in that year was attributed to fewer television news clips being produced on Australia only and more being provided for the total "Destination South Pacific" promotion. Also publicity in North America was removed from the public relations agency and undertaken by staff employed under short-term contract.

Q.660 and
Committee File
1970 /3

. Publications

177. In relation to estimated and actual expenditure in 1967-68 we were again informed that, in that year, the Commission was not equipped to embark on publication programmes which it had anticipated. It was not until late 1967 or 1968 that this type of activity really commenced. By comparison, however, actual expenditure exceeded the estimate by about \$22,000 in 1969-70 due mainly to the Commission's increased activities in Europe in that year.

Exhibit
128/3
and Qs. 659 and
668 to 670

. Market Research

178. We were informed that the term "market research" is something of a misnomer in that in addition to market research it also covers economic research and developmental studies such as those

Q.671

relating to Central Australia and the Great Barrier Reef.

179. It was stated that the cost of market research would have increased during the past three years, largely in accordance with cost trends elsewhere in the economy. A witness informed us that while market research is costed in detail he did not think that the Commission had examined market research in terms of the increase in its costs. Qs. 672 to 676

180. It was further explained that in its market research activity the Commission has moved from market to market in an exploratory manner but research has not been conducted on a continuous basis from year to year in any particular market. The Commission is anxious to develop a body of market research expertise in Australia but we were informed that this activity would not be developed irrespective of cost. Qs. 677 to 681

(ii) Administrative

181. Details of the Commission's estimated and actual administrative payments for the years 1967-68 to 1969-70 are set out below.

Table No. 8
Australian Tourist Commission
Estimated and Actual Administrative Payments
(1967-68 to 1969-70)

	1967-68		1968-69		1969-70	
	Estimate	Actual	Estimate	Actual	Estimate	Actual
Commissioners' fees & expenses	\$ 14,500	\$ 11,240	\$ 12,000	\$ 11,771	\$ 13,800	\$ 13,517
Staff -						
Salaries & Super.	288,650	257,958	404,400	404,897	609,200	594,700
Travelling expenses	11,500	10,603	70,000	62,815	58,100	58,134
Office expenses	161,350	165,017	234,400	196,435	270,500	265,235
Other expenses	69,550	46,540	36,500	27,703	32,800	23,552
Total	545,550	491,358	757,300	703,621	984,400	955,138

Source: Australian Tourist Commission

182. In relation to administrative expenditure we examined in particular the elements of travelling expenses, office expenses and "other" expenses.

. Travelling Expenses

183. We were informed that the significant increase that occurred in expenditure in 1968-69 compared with the level of the previous year arose from the establishment of new offices overseas, the transfer of staff to those offices and the movement of some staff interstate in Australia. In 1969-70 the Commission did not experience the same degree of activity in that area and actual expenditure declined to \$58,134 compared with \$62,815 in 1968-69.

Exhibit
128/3
and Q.682

. General Office Expenses

184. During our examination of this item we noted that actual expenditure in 1968-69 amounted to \$196,435 compared with an estimate of \$234,400. Information subsequently supplied to us showed that the largest single cause of this shortfall had arisen from the fact that at the close of that financial year some telephone and postage costs had been charged in the books of the Commission to operational projects. These charges related to postage by overseas offices; costs of telegrams and cables and overseas trunk calls.

Exhibit
128/3
and Q.685

185. From the information available we noted that expenditure on telephones comprises a significant element in the Commission's total expenditure on general office expenses. In these circumstances and in view of the importance that we have placed in recent years on telephone usage we inquired into the controls exercised by the Commission in relation to the use of telephones and in particular in connection with subscriber trunk dialling facilities.

Q.317

186. The evidence showed that a management circular had been issued in December 1968 within the Commission's Head Office indicating that the use of subscriber trunk dialling is

permitted only in cases of emergency or at times when the switchboard is closed down. In any case, whenever **subscriber trunk** dialling is used, the prior approval of a senior executive (General Manager, Director or Secretary) must be obtained. The **circular** indicated that the telephonist would maintain a trunk line booking register in which she would record details of every trunk call booked through the **switchboard**. The record would be checked against the detailed accounts provided by the Postmaster-General's Department. A further management circular issued in March 1969 indicated that a number of trunk line calls were not being placed through the switchboard and reminded staff of the limitations placed on the use of subscriber trunk dialling facilities. A further circular was issued on 5 May 1970 which, among other matters, drew attention to private telephone calls made in office hours and **also to the instruction on long distance official telephone calls between the Sydney and Melbourne offices of the Commission as being two calls per day except on matters of extreme urgency. Copies of these circulars were submitted for our examination.**

Qs. 317 and
Committee
File 1970/3

187. At our hearing on 6 August, 1970 we were informed that no significant movement in metered calls had been noted by the Commission since the introduction of subscriber trunk dialling facilities and that it appeared that its staff was adhering to the management circular issued in December 1968. The witness added that the Commission had recently introduced a Telex service for its use in Australia and this appeared to have reduced considerably the number of trunk calls made. On 23 September 1970, however, a further staff circular was issued indicating that it had become apparent over recent weeks that the use of the telephone to communicate between the Commission's Melbourne and Sydney Offices had been increasing. The circular emphasised that all staff should carefully consider the relative economics of a trunk call, as opposed to the telex service and that, **wherever possible, the telex service must be used.**

Qs. 318 and
319

188. We were also informed that while staff supervisors would be aware of excessive subscriber trunk dialling calls made by their staffs, the Commission has no control over the use of its P.A.B.X. switchboard after normal office hours. In these circumstances occupants of the building after normal working hours could initiate subscriber trunk dialling calls without detection. It was also stated, however, that when the present P.A.B.X. system was introduced the Commission had examined the possibility of having certain extensions barred to subscriber trunk dialling access but found that such facilities would be very costly to implement.

Qs. 558 to 572

. Other Expenses

189. Regarding the decline in expenditure under this item since 1967-68 we were informed that in that year the item included not only the cost of shipping publications but also other items of a non-office type. In 1968-69 and 1969-70 the item was restricted to the costs associated with packing, storing and distribution related directly to the Commission's marketing operations.

Q.685

(iii) Capital

190. Details of the estimated and actual capital expenditure of the Commission for the years 1967-68 to 1969-70 are set out below.

Table No. 9
Australian Tourist Commission
Estimated and Actual Capital Expenditure
(1967-68 to 1969-70)

Item	1967-68		1968-69		1969-70	
	Estimate	Actual	Estimate	Actual	Estimate	Actual
Office furniture & fittings	\$ 47,150	\$ 20,557	\$ 56,000	\$ 54,257	\$ 15,000	\$ 14,752
Office & Photographic equipment	16,050	13,163	18,000	17,582	14,000	12,899
Motor vehicles	-	-	11,000	10,786	5,100	5,151
Other assets	-	62,714	-	-	-	-
Total	63,200	96,434	85,000	82,625	34,100	32,802

191. In relation to the item "other assets" we were informed that in 1967-68 the Commission had a number of items totalling \$45,878 outstanding with the Australian National Travel Association. In addition there were several accounts for joint operations with industry which had been paid by the Commission. As at 30 June 1968, however, the industry participants concerned had not paid their contributions. These, and certain other accounts due to the Commission as recoups to expenditure were brought to account by the Commission as sundry debtors. The auditor, however, had expressed the view that in order to fairly and more accurately state the expenditure of the Commission in 1967-68 these recoupable items should be recorded as "other assets" instead of operational payments.

Exhibit
128/3
and Q.686

Assets and Liabilities

Assets

192. Details of the Commission's Assets and Liabilities as at 30 June 1968, 1969 and 1970 are shown in the table below.

Table No. 10
Australian Tourist Commission
Statement of Assets and Liabilities
(As at 30 June 1968 to 1970)

<u>Assets</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	Exhibit 128/3
Cash on hand and at bank	309,126	70,905	26,296	
Sundry debtors	79,753	29,077	41,630	
Stocks of stationery etc.	1,567	1,493	3,327	
Prepayments (including unexpired leases)	31,286	27,826	54,217	
Office furniture and fittings, at cost less depreciation	19,311	69,209	74,796	
Office & photographic equipment, at cost less depreciation	12,946	27,758	35,594	
Motor vehicles, at cost less depreciation	-	9,148	12,766	
Other assets	124	5	-	
Total	454,113	235,421	248,626	
<u>Liabilities</u>				
Sundry creditors	101,421	144,901	85,173	
Accrued expenses	11,408	16,815	20,071	
Total	112,829	161,716	105,244	

Source: Australian Tourist Commission

(i) Cash on Hand and at Bank

193. We were informed that the amount of \$309,126 as at 30 June 1968 arose partly from the distribution of assets between the Australian National Travel Association and the Commission early in 1967-68 and partly from the Commonwealth contribution during

Exhibit
128/3 and
Qs. 35 and 687

that year. It was stated that this cash surplus was a deliberate carryover on the part of the Commission which, at that time, felt that it needed to establish its marketing policies before embarking on expenditure.

194. The witness informed us that the decline in cash on hand and at bank between 30 June 1968 and 30 June 1970 reflected Q.687 a refinement in Commission procedures and budgeting each year.

(ii) Sundry Debtors

195. Evidence relating to sundry debtors and the Commission's policy in relation to outstanding debts has been discussed earlier in this Chapter in connection with **Accounts Receivable**.

(iii) Depreciation of Assets

196. We questioned witnesses specifically in relation to the method and rates of depreciation applied to office furniture and fittings, office and photographic equipment and motor vehicles. We were informed that in each case depreciation is on a prime cost basis. The annual rates applied are 6-2/3 per cent for furniture and fittings, 10 per cent for office machines and equipment, 16-2/3 per cent for electric typewriters and 15 per cent for motor vehicles. Exhibit 128/3 and Qs 688 to 692

Liabilities

(i) Sundry Creditors

197. In relation to the variations that occurred in the level of sundry creditors as shown in Table No.10 above we were informed that in each of the years 1967-68, 1968-69 and 1969-70 the Commission had elements of its publications programme in hand but the work had not progressed to the stage of delivery. The Commission was therefore unable to pay for the work and the values concerned were brought to account as creditors as a charge against the Commission's cash resources. Another element in the sundry creditors figures included accounts owing to airlines

Exhibit 128/3 Qs.693 to 695 and Committee File 1970/3

for interstate travel. An analysis of sundry creditors accounts as at 30 June 1968, 1969 and 1970 was tendered for examination. This indicated that promotions and publicity, publications and general expenses comprised the principle elements in sundry creditors.

Chapter 7

Conclusions

198. The evidence taken in this Inquiry has served to highlight the importance of Tourism as an international industry and as an activity of very great importance to Australia through its contribution to the earning of overseas exchange, the generation of additional income within the Australian community and as an instrument of goodwill and understanding. The information supplied to us in this regard has been set out in Chapter 2 of this Report.

199. The evidence also shows that in 1929 the Commonwealth Government became actively involved in international tourism when it arranged for the inauguration of the Australian National Travel Association as a national, non-profit organisation responsible for the promotion of travel to Australia. Membership of that Association comprised Commonwealth and State Governments; Government instrumentalities and industries related to tourism. From the outset the Association directed its attention to the presentation of a national image to overseas tourists and, since 1934, has produced and published the magazine "Walkabout" as a major aspect of its work. In 1954 the Commonwealth and State Governments pledged substantial financial support for the Association. By 1965-66 the Commonwealth contribution amounted to \$462,000 a year together with a dollar for dollar subsidy to match contributions received by the Association from non-Commonwealth Government sources. In that year the Association was responsible among other facets of its work, for launching in North America the first fully integrated marketing programme entitled "Destination South Pacific."

200. By 1964, however, the Australian National Travel Association recognised the need for a new style of tourist organisation with the support of tourist interests and the Commonwealth and State Governments. Prominent business consultants were appointed to study Australia's tourist industry, and its future requirements. The consultants, who reported in October 1965, recommended that a much stronger and more

formal organisation was required in the improvement and development of tourism in Australia. Following these recommendations the Association approached the Commonwealth Government in April 1966 to establish a statutory authority with sufficient autonomy and finance to carry out Australia's tourism promotion overseas.

201. The evidence shows that it was from this background that the Government announced its intention in November 1966 to form the Australian Tourist Commission. The Australian Tourist Commission Bill was introduced into the Parliament on 6 April 1967 and was assented to on 23 May of that year.

202. In examining the affairs of the Australian Tourist Commission we have borne in mind that the Commission had been in operation for a period of only three years when our inquiry began. For this reason, many of the problems that have confronted the Commission in the past have been mainly developmental in character.

203. We note from the evidence that, from the outset, the Commission has been conscious of the need to develop a professional marketing organisation in its structure, to integrate that organisation with proper and adequate financial controls and to build an organisation to develop Australian tourist facilities for projection to overseas markets. Your Committee would congratulate the Commission on this approach to its task and for its initiative in seeking, at the earliest opportunity, the services of management consultants to provide assistance and guidance in these areas.

204. So far as the Australian Tourist Commission Act is concerned the evidence shows that when our inquiry commenced, the Commission had not tested fully the extent of the wide powers conferred on it. The view was expressed, however, that, in the light of its experience, some amendments

of the Commission's functions may be required under the Act if the Commission were to become actively involved in the development of tourist facilities in Australia. Your Committee believes that the Commission should explore the extent of its existing powers under the Australian Tourist Commission Act and should discuss with the Minister at the earliest opportunity any variations that it considers should be made to those powers to increase its effectiveness.

205. We note from the evidence that while the Australian Tourist Commission Act provides specifically that the terms and conditions of employment of persons employed by the Commission are such as are determined by the Commission with the approval of the Public Service Board, staff rules relating to conditions of employment were not determined by the Commission until January 1970. The evidence also shows that prior to that date, the Commission had been operating under staff rules approved by the Public Service Board for the Housing Loans Insurance Corporation. Your Committee believes that the Commission should have evolved its own staff rules at an earlier stage in its development.

206. During our examination of the Commission's Annual Reports to the Parliament we noted that in each year from 1966-67 to 1968-69 the Commission provided detailed information of its executive staff located in Australia and overseas. It was not until 1969-70, however, as a direct result of our inquiry, that the Commission provided any information in its Annual Reports relating to its total staff employed. Your Committee notes with satisfaction the assurance given in evidence, that staff details similar to those provided by the National Capital Development Commission in its Annual Reports can be provided in the Annual Reports of the Commission for years subsequent to 1969-70.

207. In relation to the Commission's finances the evidence indicates that while the Commission has always taken action to pursue outstanding debts prior to write-off, it was not until as recently as April 1971 that it developed a clear policy in relation to bad debts. Your Committee believes that such a policy should have been evolved at a much earlier stage in the Commission's development.

208. It appears from the evidence that each office of the Commission maintains an inventory of assets. At some overseas offices the Auditor-General's Office has conducted checks on inventories as part of its normal inspections. In those overseas offices that have not been so inspected, however, the Commission relies on inventories prepared by its own staff in the offices concerned. Your Committee believes that this arrangement requires urgent examination and that inventory checks at all overseas offices should be designed by the Commission's internal audit organisation.

209. The evidence shows that prior to July 1970 the internal audit of the Commission's accounts was spasmodic due to staffing problems and was less thorough than the Commission desired. As part of a recent reorganisation, this work has been allocated to the Budget Control Officer who is required to report to the Director of Finance and Administration. As recently as April 1971, however, no internal audit reports had evidently been prepared although the Director of Operations and his staff had undertaken a check of the bona fides of a number of overseas accounts and had performed an arithmetical and accounting check on all overseas accounts.

210. Your Committee accepts the definition of Internal Audit adopted by the Public Service Board and expressed in the following terms in its Circular 1968/20:-

"Internal Auditing is an independent, post-operative, appraisal function performed within a department as a service to management. It covers the revenue, expenditure, stores, personnel and related operations of a department and also any financial, accounting and supply activities arising from particular functions of a department".

Your Committee believes that this description of the Internal Audit function applies equally to Statutory Authorities. In paragraph 310 of his Report for 1969-70, the Auditor-General indicated that the extent to which his office is able to dispense with all or any part of a detailed audit is influenced in each case by the effectiveness of the system of internal control of which internal audit is an integral part. In these circumstances we believe that a high priority should be accorded the introduction of an effective Internal Audit organisation within the Commission's administration. As Internal Audit is intended to provide a service to management Your Committee also believes that arrangements should be made for the Commission's Chief Internal Auditor to report direct to the General Manager of the Commission and not to the Director of Finance and Administration as is provided at present.

211. The evidence shows that the accounting system established originally by the Commission contained a number of defects which were reported by the Auditor-General to the Commission late in 1968. It was not until September 1969, however, that the Commission appointed management consultants specifically to examine the problems involved. In view of the nature of the weaknesses that had been disclosed by the audit reviews Your Committee believes that the Commission should have taken action more promptly to review its accounting system.

212. Your Committee would congratulate the Commission on its approach to project budgeting, a system implemented as from 1 July 1970. It is clear that this system was introduced following careful examination by the Commission of the activities of the Canadian Government Tourist Organisation in relation to programme budgeting and the concepts adopted by that organisation.

While the introduction of project budgeting by the Commission has given rise to additional work in the Commission's overseas offices the Commission has taken the view that this has been justified by the improved control achieved over its expenditure.

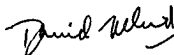
213. During our Inquiry we questioned witnesses carefully on the matter of a formula for Commonwealth contributions that had been recommended by the management consultants Harris, Kerr, Forster and Stanton Robbins. We were disturbed to find that while the Commission evidently appreciates the nature of the limitations imposed on the Department of the Treasury in allocating funds for the Tourist industry, it adhered to the principle that a formula should be determined for allocating Commonwealth contributions. On this matter we would observe that while in years of increasing tourist activity a formula of the nature recommended by the management consultants might result in larger Commonwealth contributions than would otherwise be made available, the application of such a formula in years of restricted or declining tourist activity might well result in reduced Commonwealth contributions. As a consequence this situation might inhibit the Commission in the exercise of its responsibilities in circumstances where a more intensive effort is, in fact, required.

214. A further matter to which we would refer is market research, a term described in evidence as something of a misnomer as it includes economic and developmental studies. While the evidence indicated that such market research as has been carried out in the past has been costed in detail it does not appear that the Commission has examined this facet of its work in terms of the increase in its costs. As the Commission is evidently anxious to develop a body of market research expertise in Australia we believe that the costs associated with such a development should be kept under close surveillance.

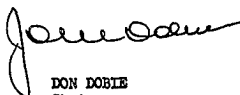
215. Finally we would refer to the controls maintained by the Commission over the use of telephones. It appears from

the evidence that administrative controls have been exercised through the recording and analysis of trunk call bookings and through staff circulars issued in December 1968, March 1969 and May, August and September, 1970. The evidence also shows that the Commission has recently introduced a telex service for its use in Australia. It was claimed that this facility appeared to have reduced considerably the number of telephone trunk calls made by the Commission's staff. In general the evidence reflected an awareness on the part of the Commission and its management of the need to retain telephone costs at minimum levels.

For and on behalf of the Committee,



DAVID N. REID
Secretary
Joint Committee of Public Accounts,
Parliament House,
Canberra. A.C.T.



DON DOBIE
Chairman

6 May 1971



APPENDIX 1

List of Exhibits

<u>Exhibit Number</u>	<u>Title</u>
1	Legislation under which the Commission is constituted
2	Organisation and Functions of the Commission
3	Finances of the Commission
4	Staffing of the Commission
5	Manual of Delegations and Authorisations
6	Use of Cost-Benefit Analysis
7	Resolution No.2/70 - Delegation of Powers
8	Communication Costs in all Offices 1968-69 and 1969-70
9	Bad Debts Written Off
10	Supplementary Submission on the Finances of the Commission
11	Supplementary Submission on the Finances of the Commission
12	Australian Tourist Commission Annual Report 1967-68
13	Australian Tourist Commission Annual Report 1968-69
14	Australian Tourist Commission Annual Report 1969-70

DUTIES OF THE STAFF OF THE COMMISSION (CLASS 5 AND ABOVE) AS AT 6 APRIL 1971*A U S T R A L I A N T O U R I S T C O M M I S S I O NDUTY STATEMENT

DESIGNATION:	Executive Director, ASTA Convention		
DIVISION:	Operations	BRANCH:	-
SECTION:	-	LOCATION:	Sydney
RESPONSIBLE TO:	Director of Operations		

DUTIES :

1. Responsible to the Chairman of the ASTA Host Committee and the Executive Chairman.
2. To record decisions of the Host Committee and Working Committees
3. To ensure execution of decisions of the Host Committee and the Working Committees.

*Source: Australian Tourist Commission

AUSTRALIAN TOURIST COMMISSION

DUTY STATEMENT

DESIGNATION :	Director of Operations		
DIVISION:	Operations	BRANCH :	-
SECTION :	-	LOCATION:	Head Office
RESPONSIBLE TO :	General Manager, Deputy General Manager.		

DUTIES :

1. Direct and develop the Commission's marketing plans and campaigns in accordance with its set objectives.
2. Control and direct the operations of the Commission's offices in Australia and overseas.
3. Recommend the engagement of advertising and public relations agencies as required, both in Australia and overseas and effectively control their work.
4. Direct supporting services within Australia to back-up overseas programmes.
5. Co-ordinate and negotiate with bodies interested in carrying out joint campaigns for the promotion of Australian tourism, including:
 - (a) travel interests both inside and outside Australia;
 - (b) State and local government tourist authorities in Australia;
 - (c) other destination areas which can be advantageously linked with travel to Australia.
6. Represent the Commission overseas as required at marketing discussions and at international tourist meetings.
7. Ensure that adequate processing facilities are available for the sale of travel to Australia and within Australia, and that full co-operation is maintained with overseas travel agents.

A U S T R A L I A N T O U R I S T C O M M I S S I O ND U T Y S T A T E M E N T

DESIGNATION :	Marketing Services Manager		
DIVISION:	Operations	BRANCH :	Marketing Services
SECTION :	-	LOCATION:	Head Office
RESPONSIBLE TO :	Director of Operations		

D U T I E S :

1. Plan, organise and direct the preparation and production of publications, editorial matter, photographs, display material and information for use in overseas marketing programmes and provide other supporting services for advertising and promotional activities overseas.
2. Supervise the activities of staff in Australia concerned with publications, promotions, photographic publicity and public relations work.
3. Co-operate with overseas managers and their staff in the preparation and publishing there of publications and other publicity material and the exercising of functional control over the quality of the material.
4. Assist the Director of Operations in developing advertising policies and programmes and in their implementation overseas.
5. Assist the Director of Development and Research in relationships with State Tourist authorities, regional tourist bodies and the travel industry as they affect the development of advertising, promotional or publicity material for overseas programmes.
6. Exert close control over the expenditure of funds for this work.
7. Deputise in an administrative capacity for the Director of Operations when the latter is overseas.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

D U T Y S T A T E M E N T

DESIGNATION :	Conventions and Group Tours Manager		
DIVISION:	Operations	BRANCH :	Conventions and Group Tours
SECTION :	-	LOCATION:	Head Office
RESPONSIBLE TO :	Director of Operations		

D U T I E S :

1. Develop and recommend to the Director of Operations plans and programmes to identify opportunities for conventions and special group travel to Australia.
2. Organise programmes to realise the market opportunities and co-operate closely with overseas managers and their staff in implementing and co-ordinating marketing and public relations programmes overseas to capture the business.
3. Co-operate closely with the Director of Development and Research defining what needs to be done in Australia to meet the needs of convention and special groups and assist the travel industry in Australia to co-ordinate their promotion efforts to capture the business.
4. Co-operate closely with carriers in developing conventions and special group business for Australia.
5. Advise the travel industry in Australia on the organisation and handling of conventions and special groups, foster a co-ordinated effort and maximise the economic benefits to Australia.
6. Maintain contact with professional and educational bodies and major community groups and associations in Australia, with the objective of identifying opportunities for conventions and special group travel to Australia and making them aware of what Australia has to offer.
7. Maintain close contact with public relations firms and convention organisers overseas and keep before them Australia's facilities and advantages for international conventions.
8. Co-operate with the Director of Development and Research in carrying out surveys of convention and special group travel.
9. In association with the Director of Development and Research foster the development of improved facilities in Australia for handling large conventions with special emphasis on international needs.
10. Maintain close relationships with Commonwealth government departments concerned with science, trade and education with the objective of identifying future opportunities and strengthening Australia's capacity to attract convention business.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

DUTY STATEMENT

DESIGNATION :	Public Relations Manager		
DIVISION:	Operations	BRANCH :	Marketing Services
SECTION :	Overseas Publicity	LOCATION:	Head Office
RESPONSIBLE TO :	Overseas Publicity Manager		

DUTIES :

1. Plan and implement Commission public relations and publicity within Australia.
2. Plan and organise a pro-tourism publicity programme in Australia.
3. Liaise with Australian press, radio and television.
4. Inform the Commission of the publicity it received within Australia and its general public image.
5. Prepare a regular newsletter of Commission activities for distribution in Australia.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

D U T Y S T A T E M E N T

DESIGNATION :	Information and Tours Manager		
DIVISION:	Development and Research	BRANCH :	Information and Tours
SECTION :	-	LOCATION:	Head Office
RESPONSIBLE TO :	Director of Development and Research		

D U T I E S :

1. Supervise the collection and dissemination of information on Australian travel facilities, services and developments.
2. Liaise with the Australian travel industry in the gathering of information.
3. Responsible under the Director for the development and implementation of policy proposals concerning tour programmes geared to the needs of the market and the facilities available.
4. Supervise the planning and organisation of itineraries and programmes for visiting travel agents and publicists.
5. Prepare a regular bulletin of travel information for overseas offices.
6. Supervise the development of an integrated central library/information service and supply basic information for publications and publicity as well as overseas inquirers.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

DUTY STATEMENT

DESIGNATION :	Overseas Publicity Manager		
DIVISION:	Operations	BRANCH :	Marketing Services
SECTION :	Overseas Publicity	LOCATION:	Head Office
RESPONSIBLE TO :	Marketing Services Manager		

DUTIES :

1. Plan and supervise the preparation of publicity material for the press, radio and television in overseas markets.
2. In co-operation with the Information and Tours Manager, assist in the planning of suitable itineraries for and the handling of visiting publicists.
3. Organise a programme of hometown publicity for all market areas.
4. Advise overseas offices of publicity opportunities.
5. Report to overseas offices on visits of overseas publicists.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

DUTY STATEMENT

DESIGNATION :	Photo Editor		
DIVISION:	Operations	BRANCH :	Marketing Services
SECTION :	Photographic	LOCATION:	Head Office
RESPONSIBLE TO :	Marketing Services Manager		

DUTIES :

1. Organise and direct photographic assignments for the Commission in Australia and negotiate contracts with photographers.
2. Liaising with the Overseas Publicity Manager, the Publications Manager and the Public Relations Manager, supply the photographic needs of the Commission overseas and in Australia.
3. Supervise the processing and captioning of photographs and organise the Commission's photographic library.
4. Supervise work of Staff Photographers and Photo Librarian.
5. Select suitable photographs from all sources to include in the photographic library and also when appropriate send direct to overseas offices.
6. Advise on the Commission's photographic policy.
7. Prepare cost estimates and control budget allocations for photographic services.

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A U S T R A L I A N T O U R I S T C O M M I S S I O N

D U T Y S T A T E M E N T

DESIGNATION :	Publications Manager		
DIVISION:	Operations	BRANCH :	Marketing Services
SECTION :	Publications	LOCATION:	Head Office
RESPONSIBLE TO :	Marketing Services Manager		

DUTIES :

1. Formulate and recommend publications policy in accordance with the approved Marketing Plan. Attend marketing discussions as necessary.
2. Direct and implement the publications programme, prepare budget estimates. Advise and exercise general control on publications produced overseas.
3. Administer the distribution to overseas offices of publications produced by the Commission and other travel and tourist bodies.
4. Administer and control the literature store.
5. Advise publishers, tour promoters and agents on travel publications.
6. Ensure the maintenance of the highest quality of publications produced by the Commission.
7. Liaise with the Photo Editor on the photographic content of the Commission's publications.
8. Liaise with the Director of Development and Research on the suitability of Australia's tourist attractions for inclusion in publications.
9. Liaise with State Tourist Authorities and the travel industry on policy considerations and on arranging for run-on copies of publications material.
10. Liaise with the Information and Tours Manager on the supply of material for Accommodation Guides and Travel Manuals.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

D U T Y S T A T E M E N T

DESIGNATION :	Group Tours Officer		
DIVISION:	Operations	BRANCH :	Conventions and Group Tours
SECTION :	-	LOCATION:	Head Office
RESPONSIBLE TO :	Conventions and Group Tours Manager		

D U T I E S :

1. Assist Conventions and Group Tours Manager in the planning of special interest tour programmes.
2. Assess the potential of special interest tours.
3. Collate and disseminate information on special interest tours.
4. Assist the Conventions and Group Tours Manager in the promotion of group tours and conventions.
5. Assist the Conventions and Group Tours Manager in soliciting co-operation of the Australian travel industry in the promotion of group tours.

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A U S T R A L I A N T O U R I S T C O M M I S S I O N

DUTY STATEMENT

DESIGNATION :	Manager, Sydney		
DIVISION:	Operations	BRANCH :	Marketing Services
SECTION :	Sydney	LOCATION:	Sydney
RESPONSIBLE TO :	Marketing Services Manager.		

DUTIES :

1. Manage Sydney office.
2. Represent the Commission in Sydney.
3. Supervise reception of visitors and organise seminars for visiting travel agents.
4. Assist Executive Director in organisation of 1971 ASTA Convention.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

D U T Y S T A T E M E N T

DESIGNATION :	Sound and Film Producer		
DIVISION:	Operations	BRANCH :	Marketing Services
SECTION :	Sound & Films	LOCATION:	Head Office
RESPONSIBLE TO :	Marketing Services Manager.		

DUTIES :

1. Supervise preparation of radio, television and film material for overseas offices.
2. Liaise with and assist visiting radio, television and film producers.
3. Liaise with Australian radio, television and film producers to select suitable material for the Commission's use.
4. Direct preparation of film and radio material for Commission use.
5. Advise on the production of original films, radio and television material for the Commission.
6. Prepare cost estimates and control budget allocations for film and radio production.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

D U T Y S T A T E M E N T

DESIGNATION :	Overseas Publicity Officer		
DIVISION:	Operations	BRANCH :	Marketing Services
SECTION :	Overseas Publicity	LOCATION:	Head Office
RESPONSIBLE TO :	Overseas Publicity Manager.		

DUTIES :

1. Write feature articles on Australian travel for overseas offices.
2. Prepare a regular newsletter of travel developments for overseas offices.
3. Act as Australian correspondent to Pacific Travel News, Austral News and other travel oriented journals.
4. Assist with overseas publicity and promotional projects.
5. Liaise with the publicity sections of Government Departments and Authorities.
6. Prepare a monthly report on the activities of the Commission's overseas offices.
7. Liaise with other sections of the Marketing Services Branch on matters of overseas publicity.
8. Prepare scripts for ATC produced films and audio-visual presentations.
9. Disseminate "Home-town" P.R. material to all markets.

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A U S T R A L I A N T O U R I S T C O M M I S S I O N

DUTY STATEMENT

DESIGNATION :	Reception Manager		
DIVISION:	Operations	BRANCH :	Marketing Services
SECTION :	Sydney	LOCATION:	Sydney
RESPONSIBLE TO :	Manager, Sydney.		

DUTIES :

1. Meet and assist visiting travel agents and publicists.
2. Arrange travel industry and publicity contacts and organise functions for the Commission's overseas visitors.
3. Escort duties throughout Australia.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

DUTY STATEMENT

DESIGNATION :	Director of Development and Research		
DIVISION:	Development & Research	BRANCH :	-
SECTION :	-	LOCATION:	Head Office
RESPONSIBLE TO :	General Manager, Deputy General Manager.		

DUTIES :

1. Responsibility for the activities of the Development and Research Division of the Commission.
2. Responsible for the development of initiatives and policy proposals in the area of travel development and facilitation in Australia and, in this, the establishment of close relations with key people in government departments and in the tourist and associated industries.
3. Responsible for the planning and organisation of market, product and economic research projects concerning the travel industry and its developmental and related problems.
4. Responsible for the formulation and implementation of policy proposals, and activities generally, relating to the Commission's statistical services, library/information services, tour programming, and local and international tourism meetings.
5. Responsibility for the continuing evaluation and review of the promotional and publicity techniques used in the travel industry and by the Commission itself.

A U S T R A L I A N T O U R I S T C O M M I S S I O ND U T Y S T A T E M E N T

DESIGNATION :	Tourist Development Manager		
DIVISION:	Development & Research	BRANCH :	Tourist Development
SECTION :	-	LOCATION:	Head Office
RESPONSIBLE TO :	Director of Development and Research		

DUTIES :

1. Propound programmes to ensure the adequate development of Australia's tourist resources to meet short-term and long-term needs of overseas visitor traffic.
2. Maintain effective relationships with those in Australia in government and industry concerned with the various aspects of tourism and to foster a greater tourist awareness among the Australian people.
3. Represent the Commission in relationships with government and industry to improve the facilitation of overseas visitors and to reduce barriers to international travel and co-operate with State Tourist Authorities and other bodies and organisations concerned with the greeting of visitors to Australia.
4. Advise on suitable itineraries for overseas travel agents, publicists and special visitors brought to Australia by the Commission for promotional purposes.
5. Assess from the overseas visitor's point of view the standards of travel developments within Australia and in other destination areas and on services to and from Australia.
6. Represent the Commission, as required, at conferences concerned with the development of Australia's tourist resources.

A U S T R A L I A N T O U R I S T C O M M I S S I O ND U T Y S T A T E M E N T

DESIGNATION :	Economist		
DIVISION:	Development & Research	BRANCH :	Economic and Market Analysis
SECTION :	-	LOCATION:	Head Office
RESPONSIBLE TO :	Director of Development and Research.		

DUTIES :

1. Undertake studies into the economics of various segments of the travel industry and into the extent and trends of the economic benefits of overseas tourism to the Australian economy.
2. Undertake and direct research into the development of adequate facilities in Australia for overseas tourists, in conjunction with the Tourist Development Manager.
3. Liaise with other organisations and the Tourist Development Manager to create a flow of statistical and qualitative data on the tourist infra-structure.
4. Liaise with State Tourist authorities and other Australian organisations in the carrying out of regional studies of tourism.
5. Prepare for dissemination papers on the role of tourism in the Australian economy.
6. Answer relevant queries from organisations and persons, and prepare relevant questionnaires from official bodies such as PATA and IUOTO.
7. Maintain a flow of relevant research data to overseas offices.
8. Undertake other duties which may arise within the Division on the direction of the Director.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

DUTY STATEMENT

DESIGNATION :	Development Projects Officer		
DIVISION:	Development & Research	BRANCH :	Tourist Development
SECTION :	-	LOCATION:	Head Office
RESPONSIBLE TO :	Tourist Development Manager		

DUTIES :

1. Undertake studies on special projects concerned with present or potential facilities, tours and attraction for overseas visitors.
2. Undertake continuing studies as to the adequacy, quality, rate of development and overseas tourist satisfaction with Australia's visitor plant and services.
3. Establish and maintain the ATC's confidential inventory and reference atlas of attractions, tours and visitor facilities graded in terms of readiness and suitability for visitors from Australia's major tourist market areas.
4. Liaise with other organisations to create a flow of factual, qualitative data on the visitor plant.
5. Liaise with other organisations such as the National Trust, national parks, wildlife and historical preservation organisations in the various States and Territories.
6. Answer relevant enquiries from organisations and persons, and prepare answers to relevant questionnaires from official bodies such as IUOTO, ECOSOC, ECAFE and PATA.
7. Maintain a flow of relevant travel development data, reports and summaries of visitors'/travel agents' satisfaction to overseas offices, and handle queries from such offices as to standards of, and visitor satisfaction with various attractions and facilities.

A U S T R A L I A N T O U R I S T C O M M I S S I O ND U T Y S T A T E M E N T

DESIGNATION :	Market Research Manager		
DIVISION:	Development & Research	BRANCH :	Market Research
SECTION :	-	LOCATION:	Head Office
RESPONSIBLE TO :	Director of Development and Research		

DUTIES :

1. Organise and direct market research and product research studies to determine the best means and markets for the Commission to conduct its programmes, the reactions of visitors and their needs.
2. Analyse visitor statistics to determine trends and maintain continuing analyses of Australia's position in international tourism and the cost effectiveness of its programmes.
3. Liaise with Government departments to ensure that the best possible data on visitors is being collected and published.
4. Prepare regular Bulletins on the state and characteristics of the visitor flow, for distribution within Australia and to overseas offices of the Commission.
5. Direct the Research Officer in the answering of relevant queries from organisations, persons and the preparation of relevant questionnaires from official bodies such as PATA and IUOTO.
6. Liaise with the Director of Operations to service the overseas offices with research material.
7. Undertake other duties which may arise within the Division, on the direction of the Director.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

DUTY STATEMENT

DESIGNATION :	Development Projects Assistant		
DIVISION:	Development & Research	BRANCH :	Tourist Development
SECTION :	-	LOCATION:	Head Office
RESPONSIBLE TO :	Development Projects Officer		

DUTIES :

1. As directed, prepare assessment reports on existing and proposed tourist plant developments.
2. Participate as a team member in area studies and prepare any necessary assessment reports.
3. Liaise at the appropriate level with Commonwealth and State authorities, and with industry, on tourist development matters.
4. Undertake research tasks on matters related to the development of accommodation plant and associated tourist facilities.
5. Undertake other tasks related to the work of the Branch, as directed.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

DUTY STATEMENT

DESIGNATION :	Director of Finance and Administration		
DIVISION:	Finance & Administration	BRANCH :	-
SECTION :	-	LOCATION:	Head Office
RESPONSIBLE TO :	General Manager, Deputy General Manager		

DUTIES :

1. Administer the policies determined by the Commission and recruit, organise and direct office staff in Australia engaged in the performance of administrative responsibilities.
2. Maintain financial records as required by Part V of the Australian Tourist Commission Act, administer the Commission's budgeting procedures and provide periodical reports to the Commission on the budget position.
3. Plan future budget programmes.
4. Maintain effective liaison and administrative contact with appropriate government departments and instrumentalities.
5. Ensure sound administrative practices are followed in the Commission's overseas offices.
6. Attend to the Commission's purchasing of supplies and equipment and the managing of its properties and assets.
7. Advise the General Manager in respect of all contractual matters and the acquisition and disposal of property. Liaise with the Deputy Crown Solicitor as necessary.
8. Organise secretarial services to the Commission relating to the preparation for and conduct of meetings and in giving administrative effect to the Commission's decisions.

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A U S T R A L I A N T O U R I S T C O M M I S S I O N

DUTY STATEMENT

DESIGNATION :	Data Processing Officer		
DIVISION:	Finance & Administration	BRANCH :	Finance
SECTION :	Accounts	LOCATION:	Head Office
RESPONSIBLE TO :	Chief Accountant		

DUTIES :

1. Assist with the management of the Commission's accounting arrangements and ensure the proper maintenance of ledgers, books of account and subsidiary records of financial transactions.
2. Ensure that all payments out of the moneys of the Commission are properly authorised and correctly made.
3. Assist with banking arrangements and control of cash resources.
4. Control the flow of data to the computer service bureau, with particular attention being given to -
 - (a) the accuracy of account codings,
 - (b) the reconciliation of machine processed data with source data,
 - (c) the prompt correction of computer-rejected errors,
 - (d) the updating of master files,
 - (e) the regular processing of data according to programme,
 - (f) the regular and prompt conveyance of punched tapes to the bureau.
5. Collect, or supervise the collection of printed reports from the bureau and their dissemination.
6. Liaise with the bureau and its management, reporting any matter concerning the bureau's efficiency direct to the Director of Finance and Administration.
7. As directed, prepare correspondence and business papers for the Commission relative to the operation of the computer service bureau and assist the Chief Accountant with finance management.
8. Assist with the preparation of reports for branch managers on expenditure and budget progress.
9. Supervise the work of the Branch Accounts Officer, Accounts Payable Clerk and the Accounting Machinist.
10. In the absence of the Chief Accountant, supervise the activities of the Accounts Section.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

D U T Y S T A T E M E N T

DESIGNATION :	Budget Control Officer		
DIVISION:	Finance and Administration	BRANCH :	Finance
SECTION :	Budgetary Control & Internal Audit	LOCATION:	Head Office
RESPONSIBLE TO :	Director of Finance and Administration		

DUTIES :

1. Prepare financial tables, schedules and explanatory notes for annual and periodical draft budgets and budget reviews.
2. Prepare monthly reports on budget progress and cash flow.
3. Provide management with ad hoc information concerning budget commitments and progress.
4. In conjunction with the Chief Accountant -
 - (a) Control the transfer of funds overseas in accordance with branch office requirements and budget limitations;
 - (b) Conduct the internal check of overseas accounts;
 - (c) Process requisitions for funds and ensure that all budgetary commitments are properly recorded;
 - (d) Prepare statements on the interpretation of computer printed reports.
5. Maintain progressive records of budget progress.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

D U T Y S T A T E M E N T

DESIGNATION :	Executive Assistant		
DIVISION:	Non-Divisional	BRANCH :	-
SECTION :	-	LOCATION:	Head Office
RESPONSIBLE TO :	General Manager		

DUTIES :

As directed by the General Manager, responsible to the Deputy General Manager and Directors of Operations and Development and Research.

1. At the direction of the General Manager - or, as appropriate, the Deputy General Manager or Divisional heads - to carry out special investigations and assignments and prepare reports as required.
2. Assist the General Manager with his correspondence, particularly in relation to Ministerial or Commission requests where a co-ordinating role involving more than one Division is involved.
3. Undertake special representational duties as required by the General Manager.
4. Assist the Director of Operations in the development of broad marketing policy and, as appropriate, in the implementation of marketing and promotional programmes.
5. Assist in the critical analysis and assessment of marketing projects.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

DUTY STATEMENT

DESIGNATION :	Office Manager		
DIVISION:	Finance and Administration	BRANCH :	Administration
SECTION :	-	LOCATION:	Head Office
RESPONSIBLE TO :	Director of Finance and Administration.		

DUTIES :

1. Supervise the staff of the Administration Branch.
2. Direct and arrange the provision of personnel and general management services, personally attending to the more complex and important matters; in particular to:
 - (a) Check and certify the correctness of all salary, allowances and superannuation variation advices.
 - (b) Prepare instructions and recommendations and continually review office practices and procedures.
 - (c) Supervise the activities of the central files registry.
 - (d) Assist and advise Senior officers on personnel and establishment matters.
 - (e) Continually review the ATC Staff Rules and where necessary, in the light of changed industrial or other circumstances, submit proposals for amendments.
 - (f) Advise Management and staff generally on service conditions and interpret the staff rules as required.
3. Fulfil the function of "Training Officer" for the Commission, in particular to:
 - (a) Plan, compile supporting material, obtain appropriate visual aids, and generally implement an integrated in-service training programme, at various levels of the organisation.
 - (b) Publicise and co-ordinate applications by Commission staff to undergo special courses in tourist training and supervise and report on progress in such courses.
 - (c) Advise on and explore outside opportunities such as 'summer-schools', executive-development and Public Service Board courses, to which the attention of Management should be drawn in respect of Commission staff at various levels.
 - (d) Carry out a programme of induction and in-service training of general clerical and secretarial staff.
4. Assist the Director with the implementation of Commission and Management policy on administrative matters.
5. Prepare correspondence as necessary, for his own and, where appropriate, the Director's signature.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

DUTY STATEMENT

DESIGNATION :	North American Manager		
DIVISION:	Operations	BRANCH :	-
SECTION :	-	LOCATION:	San Francisco
RESPONSIBLE TO :	Director of Operations.		

DUTIES :

1. Plan, organise and direct the Commission's marketing programmes and travel representation throughout the Americas.
2. Supervise regional offices and staff within this area.
3. Plan, organise and direct marketing personnel to carry out promotional programmes in selected markets in North America and co-operate with carriers and tour operators as required.
4. Develop and maintain effective relations with the Commission's advertising agents, public relations consultants and firms carrying out market research, and arrange for the employment of their resources to enhance the Commission's marketing programmes.
5. Plan, organise and direct publicity activities in the area with national and local media.
6. Arrange visits to Australia by appropriate North American tour operators, travel agents and publicists.
7. Exert close control over the expenditure of funds and ensure that the offices in the area are soundly administered.
8. Develop programmes to encourage group tours, conventions and new types of tourist business to Australia.
9. Provide regular reports on the Commission's activities in the area.
10. Represent the Commission as required on such bodies as the Pacific Area Travel Association and the American Society of Travel Agents.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

D U T Y S T A T E M E N T

DESIGNATION :	Manager, Western Region		
DIVISION:	Operations	BRANCH :	-
SECTION :	-	LOCATION:	San Francisco
RESPONSIBLE TO :	Manager, North America.		

DUTIES :

1. Plan, organise and direct the Commission's marketing programmes and travel representation throughout the Western region of the United States.
2. Supervise the operations of the San Francisco and Los Angeles offices and staff of those offices.
3. Exert close control over the expenditure of funds in the regional offices.
4. Plan, organise and direct promotional programmes in the Western region.
5. Co-operate and maintain personal contact with carriers, tour operators and travel agents in the interests of promoting sound long-term relationships in the region.
6. Plan, organise and direct publicity activities in the region.
7. As directed, arrange visits to Australia by appropriate tour operators, travel agents and publicists.
8. Service travel agents, tour operators and the public with literature and information on travel to Australia.
9. Develop programmes to encourage group tours, conventions and new types of tourist business to Australia.
10. Arrange travel seminars and organise lectures which will arouse an interest in Australia.
11. Provide regular reports to the Manager, North America, on the Commission's activities in the region.
12. Supervise film library and maintain adequate supplies of promotional literature.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

D U T Y S T A T E M E N T

DESIGNATION :	Publicity Officer, North America		
DIVISION:	Operations	BRANCH :	-
SECTION :	-	LOCATION:	San Francisco
RESPONSIBLE TO :	Manager, North America.		

DUTIES :

1. Assist the Manager in all matters of publicity.
2. Liaise in publicity matters with international and national carrier companies and tour operators.
3. Initiate, write and produce booklets, newsletters, pamphlets, newspaper and magazine supplements dealing with Commission activities and Australia's tourist attractions.
4. Arrange and supervise promotions and press conferences.
5. Prepare scripts for public presentation.
6. Arrange the placement of travel articles.
7. Liaise with travel writers and arrange visits of journalists to Australia.
8. Supervise and maintain the San Francisco office photographic, film and reference libraries.

A U S T R A L I A N T O U R I S T C O M M I S S I O ND U T Y S T A T E M E N T

DESIGNATION :	Manager, Eastern Region		
DIVISION:	Operations	BRANCH :	--
SECTION :	--	LOCATION:	New York
RESPONSIBLE TO :	Manager, North America.		

DUTIES :

1. Plan, organise and direct the Commission's marketing programmes and travel representation throughout the Eastern region of the United States.
2. Supervise the operations of the New York office and the staff of that office.
3. Exert close control over the expenditure of funds in his office.
4. Plan, organise and direct promotional programmes in the Eastern region.
5. Maintain effective relations with the Commission's advertising agents, public relations consultants and firms carrying out market research.
6. Co-operate and maintain personal contact with carriers, tour operators and travel agents in the interests of promoting sound long-term relationships in the region.
7. Plan, organise and direct publicity activities in the region with national and local media.
8. As directed, arrange visits to Australia by appropriate tour operators, travel agents and publicists.
9. Service travel agents, tour operators and the public with literature, information and newsletters on travel to Australia.
10. Develop programmes to encourage group tours, conventions and new types of tourist business to Australia.
11. Arrange travel seminars and organise lectures which will arouse an interest in Australia.
12. Provide regular reports to the Manager, North America, on the Commission's activities in the region.
13. Supervise film library and maintain adequate supplies of promotional literature.

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A U S T R A L I A N T O U R I S T C O M M I S S I O N

DUTY STATEMENT

DESIGNATION :	Manager, South-Eastern Region		
DIVISION:	Operations	BRANCH :	-
SECTION :	-	LOCATION:	Los Angeles
RESPONSIBLE TO :	Manager, Western Region for the area covering Southern California, Arizona, New Mexico and Texas.		

DUTIES :

1. Plan, organise and direct the Commission's marketing programmes and travel representation throughout the South-western region of the United States.
2. Supervise the operations of the Los Angeles office and the staff of that office.
3. Exert close control over the expenditure of funds in his office.
4. Plan, organise and direct promotional programmes in the South-western region.
5. Co-operate and maintain personal contact with carriers, tour operators and travel agents in the interests of promoting sound long-term relationships in the region.
6. Organise and carry out publicity activities in the region.
7. As directed, arrange visits to Australia by appropriate tour operators, travel agents and publicists.
8. Service travel agents, tour operators and the public with literature and information on travel to Australia.
9. Develop programmes to encourage group tours, conventions and new types of tourist business to Australia.
10. Arrange travel seminars and organise lectures which will arouse an interest in Australia.
11. Provide regular reports to the Manager, Western region, on the Commission's activities in the region.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

DUTY STATEMENT

DESIGNATION :	Manager, United Kingdom		
DIVISION:	Operations	BRANCH :	--
SECTION :	-	LOCATION:	London
RESPONSIBLE TO :	Director of Operations		

DUTIES :

1. Plan, organise and direct the Commission's marketing programmes and travel representation in the United Kingdom.
2. Plan, organise and direct marketing personnel to carry out promotional programmes in selected markets within the area and to co-operate with carriers and tour operators, as required.
3. Develop and maintain effective relations with the Commission's advertising agents, public relations consultants and firms carrying out market research and arrange for the employment of their resources to enhance the Commission's marketing programmes.
4. Plan, organise and direct publicity activities in the area with national and local media.
5. Arrange visits to Australia by appropriate travel agents, tour operators and publicists.
6. Exert close control over the expenditure of funds and ensure that the offices in the area are soundly administered.
7. Develop programmes to encourage group tours, conventions and new types of tourist business to Australia.
8. Provide regular reports on the Commission's activities in the area.
9. Represent the Commission as required on such bodies as the Association of British Travel Agents and the Chapters of the Pacific Area Travel Association.

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A U S T R A L I A N T O U R I S T C O M M I S S I O N

D U T Y S T A T E M E N T

DESIGNATION :	Publicity Officer, United Kingdom/Europe		
DIVISION:	Operations	BRANCH :	-
SECTION :	-	LOCATION:	London
RESPONSIBLE TO :	Manager, United Kingdom.		

DUTIES :

1. Assist the Manager in all matters of publicity.
2. Liaise in publicity matters with international and national carrier companies and tour operators.
3. Initiate, write and produce booklets, newsletters, pamphlets, newspaper and magazine supplements dealing with Commission activities and Australia's tourist attractions.
4. Arrange and supervise promotions and press conferences.
5. Prepare receipts for public presentation.
6. Arrange the placement of travel articles.
7. Liaise with travel writers and arrange visits of journalists to Australia.
8. Supervise and maintain the London office photographic, film and reference libraries.
9. Supervise the London office in the absence of the Manager.

A U S T R A L I A N T O U R I S T C O M M I S S I O NDUTY STATEMENT

DESIGNATION :	Travel Services Manager		
DIVISION:	Operations	BRANCH :	-
SECTION :	-	LOCATION:	London
RESPONSIBLE TO :	Manager, U.K.		

DUTIES :

1. Make regular calls on travel agents, carriers and wholesalers. Ascertain their needs so far as information, publications and publicity material is concerned and ensure prompt provision of such material.
2. Ensure that travel agents have suitable supplies of Australian display material. Advise on and encourage the prominent display of the material.
3. Assist wholesalers in the development of special interest and other general tours to Australia.
4. Prepare material for and conduct seminars for the travel trade throughout the U.K., as required.
5. Overall supervision of promotions and special projects as required.
6. Supervise the activities of the Travel Counsellor in handling public enquiries.
7. Carry out other duties associated with the general servicing of the travel industry in the U.K. as appropriate.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

DUTY STATEMENT

DESIGNATION :	Manager, Europe		
DIVISION:	Operations	BRANCH :	-
SECTION :	-	LOCATION:	Frankfurt
RESPONSIBLE TO :	Director of Operations		

DUTIES :

1. Control and direct the Commission's marketing plans and campaigns in Europe.
2. Manage the Commission's office in Frankfurt.
3. Exert close control over the expenditure of funds in his office.
4. Represent the Commission as required at marketing discussions and international tourist meetings.
5. Control the Commission's financial budget for his region of operations, subject to established policy and financial instructions from Head Office.
6. Develop and maintain effective relations with the Commission's advertising agents, public relations consultants and firms carrying out market research.
7. Plan, organise and direct publicity activities with local media.
8. Arrange visits to Australia by appropriate travel agents, tour operators and publicists.
9. Develop programmes to encourage group tours, conventions and new types of tourist business to Australia.
10. Provide regular reports on his activities.

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A U S T R A L I A N T O U R I S T C O M M I S S I O N

DUTY STATEMENT

DESIGNATION :	Asia/Pacific Manager		
DIVISION:	Operations	BRANCH :	-
SECTION :	-	LOCATION:	Head Office
RESPONSIBLE TO :	Director of Operations		

DUTIES :

1. Plan, organise and direct the Commission's marketing programmes and travel representation in New Zealand, the Pacific and the East-Asian area.
2. Carry out specific promotions in the South East Asian area as required.
3. Supervise regional offices and staff within this area.
4. In association with the Director of Development and Research to assess the special needs of the area in the development of Australian tourist facilities.
5. In association with the Director of Development and Research to assess prospects in the area for future market development.
6. Plan, organise and direct marketing personnel to carry out promotional programmes in selected markets within the area, and co-operate with carriers and tour operators as required.
7. Develop and maintain effective relations with the Commission's advertising agents, public relations consultants and firms carrying out market research, and arrange for the employment of their resources to enhance the Commission's marketing programmes.
8. Plan, organise and direct publicity activities in the area with national and local media.
9. Arrange visits to Australia by appropriate travel agents, tour operators and publicists.
10. Exert close control over the expenditure of funds and ensure that the offices in the area are soundly administered.
11. Develop programmes to encourage group tours, conventions and new types of tourist business to Australia.
12. Provide regular reports on the Commission's activities in the area.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

D U T Y S T A T E M E N T

DESIGNATION :	Manager, Japan		
DIVISION:	Operations	BRANCH :	-
SECTION :	-	LOCATION:	Tokyo
RESPONSIBLE TO :	Director of Operations.		

DUTIES :

1. Responsible for operations of the Commission in the region.
2. To assist the Director of Operations in preparing the part of the annual marketing programme related to his region.
3. To implement marketing activities in the region.
4. Responsible to Director of Operations for budget control for all Commission activities in the region.
5. To negotiate co-operative activities with the travel industry.
6. Responsible for servicing the travel trade in the region.
7. Responsible for supplying travel information to the general public in the region.
8. Responsible for publicising Australia as a travel destination in the region.
9. Responsible for supervision of advertising and making contact with the Commission's advertising agency in the region.
10. Representation of the Commission at official functions and with national and international bodies.
11. Responsible for keeping Head Office informed of trends and developments in the market.
12. Responsible for the supervision of staff under his control.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

D U T Y S T A T E M E N T

DESIGNATION :	Manager, New Zealand		
DIVISION:	Operations	BRANCH :	-
SECTION :	-	LOCATION:	Auckland
RESPONSIBLE TO :	Director of Operations.		

DUTIES :

1. Control and direct the Commission's marketing plans and campaigns in New Zealand.
2. Manage the Commission's office in Auckland.
3. Exert close control over the expenditure of funds in his office.
4. Represent the Commission as required at marketing discussions and international tourist meetings.
5. Control the Commission's financial budget for his region of operations, subject to established policy and financial instructions from Head Office.
6. Develop and maintain effective relations with the Commission's advertising agents, public relations consultants and firms carrying out market research.
7. Plan, organise and direct publicity activities with local media.
8. Arrange visits to Australia by appropriate travel agents, tour operators and publicists.
9. Develop programmes to encourage group tours, conventions and new types of tourist business to Australia.
10. Provide regular reports on his activities.

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A U S T R A L I A N T O U R I S T C O M M I S S I O N

DUTY STATEMENT

DESIGNATION :	Assistant Manager		
DIVISION:	Operations	BRANCH :	-
SECTION :	--	LOCATION:	Auckland
RESPONSIBLE TO :	Manager, New Zealand		

DUTIES :

1. Assist the Manager in the implementation of the marketing programme.
2. Make regular calls on members of the travel trade to ascertain their needs and service them.
3. Assist the travel trade in consumer promotions.
4. Prepare material for seminars and assist the Manager in conducting seminars.
5. Supervise the activities of the Promotions Officer and Travel Counsellor.
6. General assistance to the Manager in special projects.
7. Represent the Commission at official functions and with national and international bodies.
8. Deputise for the Manager in the latter's absence.

A U S T R A L I A N T O U R I S T C O M M I S S I O ND U T Y S T A T E M E N T

DESIGNATION :	Chief Accountant		
DIVISION:	Finance and Administration	BRANCH :	Finance
SECTION :	Accounts	LOCATION:	Head Office
RESPONSIBLE TO :	Director of Finance and Administration.		

DUTIES :

1. Manage the Commission's accounting arrangements and ensure the proper maintenance of ledgers, books of account and subsidiary records of financial transactions. Maintain adequate control over the incurring of liabilities and ensure that all payments (including salaries) out of the moneys of the Commission are, properly authorised and correctly made.
2. Supervise the preparation and control of data to the computer service bureau.
3. Control the Commission's banking arrangements and cash resources and make periodic checks as programmed or as directed.
4. Prepare estimates of expenditure and reviews thereof as required and regularly advise the Director of the cash position.
5. As directed, prepare correspondence and business papers for the Commission relative to finance and accounts and assist the Director in relation to finance management.
6. In conjunction with the Budget Control Officer -
 - (a) Supervise the transfer of funds overseas in accordance with branch office requirements.
 - (b) Supervise the audit of overseas accounts.
 - (c) Prepare reports for branch managers on expenditure and budget progress.
 - (d) Prepare reports for management interpreting the content of project and responsibility reports received from the bureau.
7. Assist the Director in the preparation of financial data for the Commission's Annual Report.
8. Conduct regular checks on the maintenance of internal controls and data flow and adherence to established procedures.
9. In the absence of the Director, supervise the activities of the Finance and Administration Division.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

D U T Y S T A T E M E N T

DESIGNATION :	Deputy General Manager		
DIVISION:	Non-Divisional	BRANCH :	-
SECTION :	-	LOCATION:	Head Office
RESPONSIBLE TO :	General Manager		

DUTIES :

1. Deputise for the General Manager in the latter's absence.
2. Co-ordinate projects involving various decisions.
3. Act as Secretary to the Commission and undertake, as a personal responsibility, such special projects as may be allocated by the Commission.
4. Assume primary responsibility for the budgetary, financial and administrative activities of the Commission.
5. Engage in matters of policy nature with Government departments and authorities and ensure that adequate liaison is maintained with these authorities.
6. As directed by the Commission or the General Manager, act as spokesman for the Commission and make public speeches as required.

A U S T R A L I A N T O U R I S T C O M M I S S I O N

D U T Y S T A T E M E N T

DESIGNATION :	Special Projects Officer		
DIVISION:	Development and Research	BRANCH :	Special Projects
SECTION :	-	LOCATION:	Head Office
RESPONSIBLE TO :	Director of Development and Research.		

DUTIES :

1. Primary responsibility for secretariat servicing of the Tourist Ministers' Council.
2. In consultation as necessary with other Departments and agencies, responsible for development of policy proposals in relation to the development of the Australian tourist/accommodation industry.
3. Liaise with and, as appropriate, direct private consulting agencies which may be engaged to conduct research on behalf of the ATC.
4. Undertake and direct economic and market research projects.
5. Preparation of briefing material for ATC delegations to local and international tourism meetings.
6. Responsibility for preparation of response to ad hoc Ministerial and Commission requests falling within Development and Research Division.
7. Carry out special investigations and assignments as directed.

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A U S T R A L I A N T O U R I S T C O M M I S S I O N

D U T Y S T A T E M E N T

DESIGNATION :	North American Marketing Manager		
DIVISION:	Operations	BRANCH :	-
SECTION :	-	LOCATION:	San Francisco
RESPONSIBLE TO :	North American Manager.		

DUTIES :

1. Initiate and recommend plans and implement approved programmes to market tourism and travel to Australia in North America.
2. Plan and direct the services of Australian marketing teams to carry out promotional programmes in selected areas and to supplement the activities of the regional offices.
3. Utilise the services of the advertising and public relations firms and obtain necessary marketing support from Australia to ensure the integration and co-ordination of the Commission's programmes within the limits of funds available.
4. Initiate measures to test the effectiveness of marketing programmes, media use and the adequate distribution of materials.
5. Identify areas for gaining additional tourist business for Australia.
6. Advise on marketing problems arising from visitor dissatisfaction, etc. which might hinder the Commission's promotional programmes.

EXTRACTS FROM FINANCIAL CONTROLLER'S REPORT
ON ACCOUNTING PROCEDURES DATED 31 JANUARY 1968

PROPOSALS FOR MECHANISED ACCOUNTING

1. The system of accounting currently in use employs manual methods of processing and recording accounts paid and income received and for payroll preparation. Budgetary control has not yet been incorporated into the system. Whilst it is conceded that most accounting functions can be performed efficiently by manual methods, such methods cannot provide, with the same degree of efficiency, the arithmetical proofs and checks that a properly designed mechanised accounting system is capable of producing. Mechanised accounting can simultaneously perform several bookkeeping functions and produce a like number of records. Staff are released for more important and productive employment in controlling, checking and reporting. Manual methods often entail considerable rewriting and summarising - tasks which are often performed as an automatic or by-product phase of machine processing.
2. The adoption of mechanised accounting methods at this stage of the Commission's development, when changes in many other functional and administrative matters are also being considered, should result in a system specially tailored to suit the needs of the Commission for many years. In any case, a well-designed mechanised system would be capable of adapting itself to new tasks and increased output requirements.
3. The system recommended to the Commission would be based on a Type 32, 10-register accounting machine marketed by the National Cash Register Co Pty Ltd.
4. As stated earlier in this report, the various accounting programmes, forms design and underlying control system are derived from a recent product investigation and machine installation already tried and proved with another authority. A brief description of the various programmes to be employed will be sufficient indication of the real value of machine accounting.

(a) Payroll

The machine will simultaneously produce -

- . An employee's earnings record card showing detailed payments and deductions for each pay period and progressive total earnings and deductions to date
- . A paysheet showing details of gross earnings, tax, superannuation, classified other deductions and nett pay for the period, all totalled and balanced
- . A Pay Advice for each employee
- . The cheques for nett payments.

(b) Accounts Payable

This programme has already been described in some detail earlier in this report. The payment of accounts will be dealt with in two stages -

- 1) the recording of suppliers' invoices in the ledger accounts, and
- 2) the preparation of cheques for payment.

Stage 1 will simultaneously produce the following information and records -

- . A 3-part form consisting of payment advice, payment voucher and creditors' ledger, prepared from the invoices
- . A summary or list of all invoices posted to the ledger
- . Ledger cards showing - the number and amount of the voucher, the balance of funds approved and allocated to the expense item and progressive expenditure in each item
- . An audit or proof sheet showing details of all ledger postings and balances.

Stage 2 will consist of -

- . Recording the payment by cheque on the 3-part form
- . Production of the payment cheque
- . A cash book, balanced against the total of invoices charged to the accounts.

(c) Monthly Reports

As a by-product of the monthly routine of proving or preparing a trial balance of the ledger, the system will, as described earlier, produce a form of report showing in respect of each account -

- . Budget provision for the year
- . Allocation of the budget to various projects
- . Total amounts expended for the month and for the year to date against each project allocation
- . Total funds allocated and expended
- . Funds remaining unspent in each project allocation
- . Funds still available in the account budget for allocation.

In the above, the term "allocation" is synonymous with "commitment". The report thus produced each month will be used for the preparation of financial reports to the Commission and management.

OVERSEAS ACCOUNTS

5. The machine programmes and procedures used in Head Office accounting are suitable also for recording the budgets and expenditures of the Commission's overseas offices. The speed of present-day airmail services should enable overseas offices to inform Head Office at more frequent intervals of details of their expenditures for processing at Head Office, which in turn will be able to produce more informative and up-to-date reports on the progress of overseas budgets.

6. The present system consists of the remittance of funds overseas monthly according to a schedule which takes into account the probable payment dates for marketing and publicity activities and certain administration costs. The overseas offices report back monthly by means of an Appropriation Ledger sheet which shows account classifications for all expenditure. The control of overseas budgets is largely left in the hands of the local managers.

7. No immediate need is seen for any drastic change in the method of overseas budget allocation and the remittance of funds, but in the preparation of the remittance schedule for 1968/69, a closer study is to be made of actual cash requirements to reduce if possible the large amounts of unspent funds on certain items which accumulate for several months in overseas bank accounts. Provision will need to be made however for some carry-over to enable urgent payments of an unforeseen nature to be made.

8. The introduction of machine accounting and stricter budgetary control in Head Office should include a review of the procedures used in recording overseas expenditures. The new methods suggested below will reduce the amount of clerical bookkeeping work overseas and facilitate a more efficient integration of overseas accounts in Head Office records.

(a) Recording of Budget Allocations

A requisition will be prepared monthly in Head Office from the remittance schedule to enable budget allocations to be recorded in the ledger accounts. A copy of the requisition will be forwarded to the overseas offices as an advice as to the details of the funds remitted. Requisitions will show amounts in both Australian and foreign currencies.

(b) Recording of Expenditures

The present appropriation ledger sheet will be replaced by a simpler cash book showing details of receipts issued and cheques drawn in local currencies and accounts to be charged. The cash book sheet will be airmailed to Head Office weekly and after conversion to Australian currency will be used as the posting medium for the ledger accounts. Invoices, payment vouchers and bank reconciliations will be forwarded to Head Office at monthly intervals for checking and retention for audit.

(c) Reporting

The same type of detailed monthly reports produced for the Head Office accounts will be available for the preparation of progress reports to overseas managers. Weekly advices

to overseas managers of budget progress will be made possible by the use of the Rank Xerox copying process to produce photostat copies of the actual ledger cards affected by postings from the cash book.

9. The procedures suggested above should result in the Head Office accounts showing details of overseas transactions never more than two weeks old as compared with six to eight weeks as at present. Overseas managers will be better informed on the state of their budgets.