



Government
of South Australia

TRS19D1025

Mr Peter Malinauskas MP
Member for Croydon
488 Port Road
WELLAND SA 5007

Treasurer
Level 8
State Administration Centre
200 Victoria Square
Adelaide SA 5000
GPO Box 2264
Adelaide SA 5001
DX 56203 Victoria Square
Tel 08 8226 1866
treasurer.dtf@sa.gov.au

croydon@parliament.sa.gov.au

Dear Mr Malinauskas

APPLICATION UNDER THE *FREEDOM OF INFORMATION ACT 1991*

I refer to your application made under the *Freedom of Information Act 1991* (FOI Act), dated 10 May 2019.

Your application seeks access to:

"Since 1 February 2019, copies of any and all documents (including but not limited to physical, electronic or written briefs, internal discussion papers, minutes, emails, diary entries, and any other correspondence) between the Office of the Hon Rob Lucas MLC, Treasurer and the Office of the Premier, the Hon Steven Marshall MP, regarding all advertising campaigns, the scope of their publication and costing for the remainder of the 2018/19 financial year (for the period 1 February to 1 May 2019)."

The legislative prescribed timeframe to determine this application has expired and is now deemed to have refused you access to all documents relevant to your application. However, I have determined to process the request as if the statutory timeframe had been met.

The purpose of this letter is to advise you of my determination. An extensive search was conducted within this office.

A total of 2 documents were identified as answering the terms of your application and I have determined as follows.

I grant you access in full to 1 document; a copy of which is enclosed.
I grant you access in part to 1 document; a copy of which is enclosed.

Document Released in Full

Document 2

Document Released in Part

Document 1 is a briefing which was sent to the Premier's Office about the payroll tax communications campaign.

The attached table is released in part as it contains breakdown costs. I understand there is a confidentiality clause included in contracts between media companies and the Government which prevents the public disclosure of these costs.

Exemptions

Clause 13 – Confidential material

- (1) *A document that is a contract entered into by the Crown or an agency after the commencement of this subclause is not an exempt document by virtue of subclause unless*
 - (a) *it contains matter the disclosure of which would, under a term of the contract, constitute a breach of the contract or found an action for breach of confidence; and*
 - (b) *that term of the contract has been approved by—*
 - (i) *in the case of a contract entered into by the Crown—a Minister; or*
 - (ii) *in the case of a contract entered into by a State Government agency—the responsible Minister for the agency; or*
 - (iii) *in the case of a contract entered into by an agency that is not a State Government agency—the agency.*

Please note, in compliance with Premier and Cabinet Circular PC045 - *Disclosure Logs for Non-Personal Information Released through Freedom of Information* (PC045), the Department of Treasury and Finance is now required to publish a log of all non-personal information released under the *Freedom of Information Act 1991*.

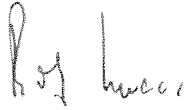
In accordance with this Circular, any non-personal information determined for release as part of this application, may be published on the DTF website. A copy of PC045 can be found at the following address: <https://dpc.sa.gov.au/resources-and-publications/premier-and-cabinet-circulars>. Please visit the website for further information.

As I am determining this application as Principal Officer, Section 29(6) of the Act does not provide for an internal review. If you are dissatisfied with my determination you are entitled to exercise your rights of external review with the Ombudsman.

Alternatively, you can apply to the South Australian Civil and Administrative Tribunal. If you wish to seek a review, Section 39(3) of the Act states you must do so within 30 calendar days of receiving the determination.

If you require any further information, please contact Vicky Cathro on (08) 8226 9769.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Rob Lucas', written in a cursive style.

Hon Rob Lucas MLC
Principal Officer

15 August 2019

RELEASE

2

Cathro, Vicky (DTF)

From: Robertson, Julian (DTF)
Sent: Monday, 27 May 2019 4:45 PM
To: Cathro, Vicky (DTF)
Subject: FW: Payroll tax cut campaign ads

From: Heggen, Belinda (DPC)
Sent: Tuesday, 12 March 2019 4:36 PM
To: Robertson, Julian (DTF) <Julian.Robertson@sa.gov.au>; Lees, Sue (DTF) <Sue.Lees@sa.gov.au>
Subject: Payroll tax cut campaign ads

Sue/Julian,
Links to our ads below as promised.

<https://youtu.be/h3LxZ7GoiWc>
<https://youtu.be/p59nXS3iqNU>

Belinda Heggen
Senior Media Adviser
Office of the Premier of South Australia



Office of the Premier
of South Australia

Level 15, State Administration Centre, 200 Victoria Square Adelaide
E: Belinda.Heggen@sa.gov.au | **M:** 0400 322 604 | **W:** www.premier.sa.gov.au

RELEASE IN PART



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MINUTES *forming* ENCLOSURE to:

Physical ID: TRS19D0332

TO: MR PAUL ARMANAS
COMMUNICATIONS DIRECTOR
PREMIER'S DELEGATE

RE: PAYROLL TAX COMMUNICATIONS CAMPAIGN 2019

Recommendations/Issues: It is recommended that you:

- Note the payroll tax communications campaign

Noted

- Sign the Response to Submission form from Jehad Ali, Head of Profession, Department for the Premier and Cabinet (DPC)

Approved/Not-Approved

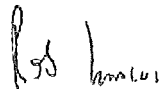
PREMIER'S DELEGATE

21/2/19

Key Points:

- In 2018 the Government introduced a Bill to exempt the state's 3,500 businesses with taxable payrolls of up to \$1.5 million from paying any payroll tax from 1 January 2019.
- The change delivers one of the Government's key election commitments and is designed to help stimulate jobs growth and drive investment.
- A communications campaign has been developed to raise awareness of the payroll tax reforms and the benefits for businesses and the broader community and will complement RevenueSA's operational payroll tax communications to affected businesses.
- The Premier's Office and DPC have been engaged during the development of the campaign strategy and creative direction.

- As part of the whole of government communications approval process, the Head of Profession approved the campaign and issued a Response to Submission (attached).
- I have signed the Response to Submission form and am forwarding it to you as the Premier's delegate for noting.
- The total budget for the campaign is \$400,000 ex GST, comprising of a media buy of \$250,000, \$100,000 for creative development and production, \$30,000 for research and a \$20,000 contingency.
- The campaign is planned to launch on Sunday 3 March for a duration of six weeks.



Hon Rob Lucas MLC
Treasurer

20 February 2019

Attachment 1 – Communications campaign
Attachment 2 – Creative concept
Attachment 3 – Media plan
Attachment 4 – Response to Submission form

Communications campaign

Payroll tax reforms 2019

Introduction

South Australia's 143,000 small businesses form the backbone of our economy and are key drivers of the State's growth and employment.

The State Government is committed to making South Australia globally connected, competitive and the best place to do business. As part of a suite of reform measures designed to stimulate economic growth and investment, the government announced a \$157.2m job creation measure in the 2018 State Budget to abolish payroll tax for small businesses from 1 January, 2019.

Payroll tax is a state based tax that businesses are required to pay calculated on total payroll (total wages paid to employees) in a year.

From 1 January 2019, South Australian businesses with annual taxable wages of up to \$1.5 million are no longer liable to pay payroll tax, and those with taxable wages between \$1.5 million and \$1.7 million benefit from a reduced payroll tax rate (between 0 and 4.95%).

Approximately 3,500 South Australian businesses will benefit from the changes, saving them up to \$44,550 a year.

A further 350 businesses with payrolls between \$1.5 million and \$1.7 million will receive a reduction in the amount of payroll tax they are required to pay.

The below table outlines the changes to payroll tax thresholds:

Effective Date	South Australian Payroll Tax				
	Under \$600,000	\$600,001 to \$1m	Over \$1m to \$1.5m	Over \$1.5m to \$1.7m	Over \$1.7m
From 1 January 2019	nil			variable from 0% to 4.95%	4.95%
1 Jul 17 to 31 Dec 18	nil	2.5%	variable from 2.5% to 4.95%	4.95%	

Revenue SA is the state government agency responsible for the collection of payroll tax and employers liable to pay payroll tax must register with Revenue SA.

The Department of Treasury and Finance (DTF) is developing an advertising campaign that aims to communicate the changes to South Australian businesses and to keep the broader community abreast of the government's job creation policies.

Strategic objectives

This communications activity strategically aligns with the government's priorities of more jobs, lower costs and better services for South Australians:

Lower costs: From 1 January 2019, South Australian businesses with annual taxable wages of up to \$1.5 million are no longer liable to pay payroll tax.

More jobs: The reforms will provide greater confidence to small businesses wanting to expand and are estimated to retain around \$44 million per year in small businesses to reinvest into their operations to drive growth.

Situational Analysis

In 2018, the Government introduced the Payroll Tax (Exemption for Small Business) Amendment Bill 2018 to Parliament to exempt the State’s 3,500 businesses with taxable payrolls of up to \$1.5 million from paying any payroll tax from 1 January 2019.

Provision has been made in the 2018-19 State Budget for payroll tax relief, with the reform expected to save businesses an estimated \$44 million per year.

The change delivers one of the Government’s key election commitments and is part of a suite of reform measures designed to stimulate economic growth and investment, including cuts to ESL bills for households and businesses and the creation of an additional 20,000 apprenticeships and traineeships over the next four years.

SWOT Analysis

<p>Strengths</p> <ul style="list-style-type: none"> - Businesses with payroll up to \$1.5m per year will be exempt from payroll tax from 1 Jan 2019. 	<p>Weaknesses</p> <ul style="list-style-type: none"> - Consumer involvement in the subject of payroll tax is low. - Complexity of the payroll tax requirements
<p>Opportunities</p> <ul style="list-style-type: none"> - Businesses directly affected by the changes will experience tangible benefits from 1 Jan 2019. 	<p>Threats</p> <ul style="list-style-type: none"> - The changes do not benefit all businesses, only those with taxable payroll below \$1.7m.

Project Management

Nora Kyriakides, Manager, Communications and Digital Engagement, DTF is responsible for the campaign. Project management support will be provided by DPC Communications in the development and delivery of the communications campaign due to their specialist advertising experience.

Media – Wavemaker

Creative – The Rowdy Group

Market Research - Haymakr

Target Audiences

Small businesses:

- There are more than 143,000 small businesses operating in South Australia, or 98% of all businesses in the state.
- There are three distinct groups of businesses impacted by the payroll tax reforms:
 - Small businesses who have not previously paid payroll tax (payroll below \$600,000 per annum). Prior to the reforms payroll tax may have been a barrier for some of these businesses to grow.
 - Those within the new threshold (payroll up to \$1.5m per annum) who will no longer be liable to pay payroll tax.
 - Small to medium businesses in the variable threshold (payroll between \$1.5 – 1.7m) who will receive a reduction in the amount of payroll tax they are required to pay.

Broader South Australian community (all people 18-54 years)

Geographic target

Metropolitan and regional South Australia.

Barriers/Critical Success Factors

Complexity of the payroll tax system

Mitigation – Ensure information communicated is single minded and simple. Direct affected business to the Revenue SA website for further, more detailed information.

Communication Objective

Increase awareness of the payroll tax reforms by 6% post campaign (Benchmark 15%).

- An increase of 6% is a statistically significant increase from the benchmark of 15%, however a stretch target of 10% is desired.
- The benchmark has been established in consultation with Haymakr research and is based on previous research findings and the subsequent level of market coverage of the issue.

Key messages

Payroll tax is now abolished for South Australian small businesses.

This means businesses with a payroll up to \$1.5m per year will no longer have to pay this tax.

Lower costs mean more businesses will have confidence to grow – creating South Australian jobs.

URL (tbc)

Communication Strategies and Tactics

The government maintains a continued focus on growing the State's economy and providing an environment where businesses thrive, creating more jobs for South Australians. Communications will ensure that small businesses understand the reforms and provide them with greater confidence to expand and reinvest in their operations to drive growth.

By illustrating the changes for small business, we aim to also keep the community abreast of the environment being created to support the State's small businesses to grow our economy and create more jobs for South Australians.

Creative Strategy

The creative strategy will be developed by the Rowdy Group and applied across all tactical communications activities and content. Key messages will be single minded and simple to understand, be delivered in a credible and authentic voice and in an optimistic and encouraging manner.

A dedicated campaign URL will be created to direct audiences to a specific Payroll Tax landing page on the Revenue SA website for further information. The URL will be used as the call to action across all creative assets and content.

Advertising campaign

An integrated advertising campaign will underpin the communications strategy and will commence with television across metropolitan Adelaide and regional South Australia. This will drive broad reach, engage and educate audiences on the reforms in the initial weeks of the campaign. Programming will include a mix of general entertainment, AFL (Port and Crows round one games) and news, with spots prioritised to peak viewing times (80%).

To build incremental reach and frequency, TV will be complimented by metropolitan radio – with a 30 second commercial in breakfast and drive sessions, and a 10 second Australian Traffic Network spot close to news/traffic updates across all six commercial stations. A script will also be translated into the top ten languages (in South Australia) and broadcast on radio 5EBI during in-language programs/content.

A print advertisement will be inserted across all regional press mastheads to build frequency in regional South Australia and compliment regional television advertising.

Digital advertising will run throughout the campaign period, including:

- News.com.au and the advertiser.com.au with high impact ad formats and 100% share of voice homepage takeovers on landmark high audience dates.
- InDaily with 100% share of voice homepage sponsorship and the registered eDM to over 84,000 subscribers which has a highly engaged audience.
- YouTube will dive broad audience reach and include non-skip video ads and retargeting.
- Social media video posts.

Owned Assets

The Revenue SA website will provide the source of further, detailed information on the reforms and the campaign URL will direct audiences to this site.

The campaign will be complimented with content on the government's owned assets, including social media platforms, articles in electronic direct mail newsletters to various industry sectors, the State Administration Centre building lift display screens will be updated with the campaign message and media relations activities (including the 5AA Our State radio segment).

Other activities

Revenue SA is responsible for communicating operational payroll tax information to affected businesses. This advertising campaign seeks to sit above and compliment Revenue SA's detailed tactical communications.

Budget

Activity	Proposed Budget \$ ex GST	Proposed Budget \$ inc GST
Media	250,000	275,000
Creative/Production	100,000	110,000
Research	30,000	33,000
Contingency	20,000	22,000
TOTAL	400,00	440,000

Timing

Campaign launch Sun 3 March. Duration 6 weeks (date TBC)

Evaluation

An evaluation report will be prepared following the completion of the campaign and post campaign market research, anticipated at the beginning of May 2019.

Campaign Objective	Benchmark	Campaign KPI	Evaluation
Increase awareness of the payroll tax reforms.	15%	Achieve an increase in awareness of 6% at the conclusion of the campaign. An increase of 6% is a statistically significant increase from the benchmark of 15%, however a stretch target of 10% is desired.	Post campaign market research.

Contact

Nora Kyriakides, Manager, Communications and Digital Engagement, DTF

8226 7398

Nora.Kyriakides@sa.gov.au

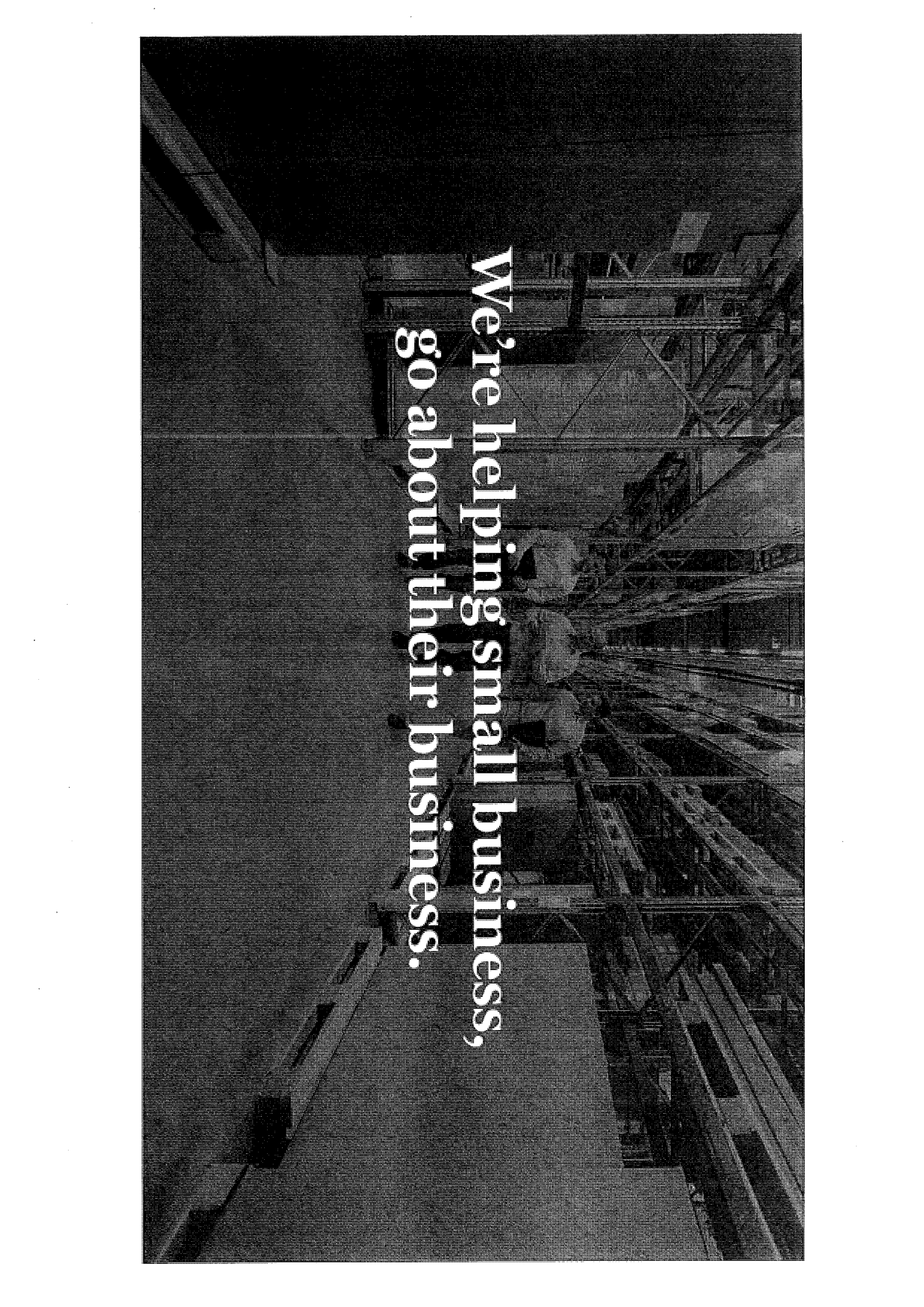
DTR Payroll tax communications campaign.



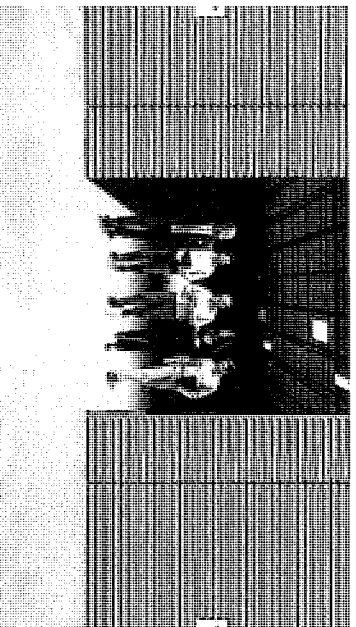
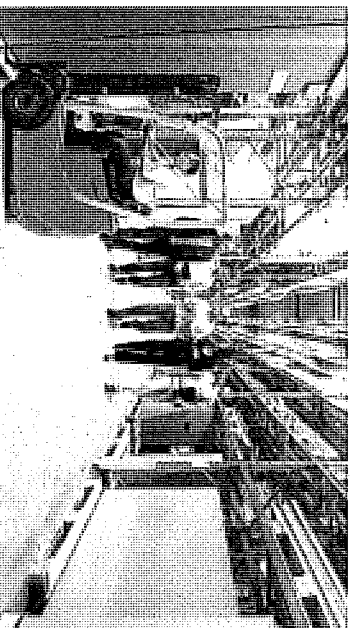
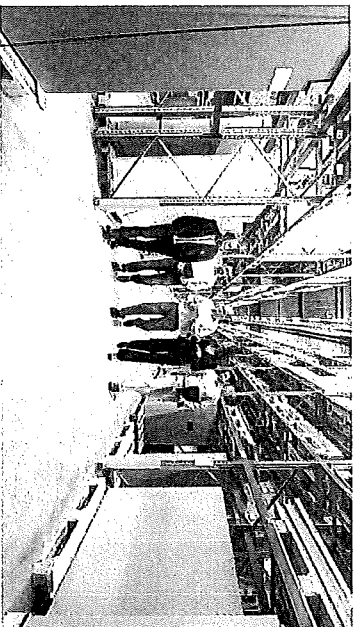
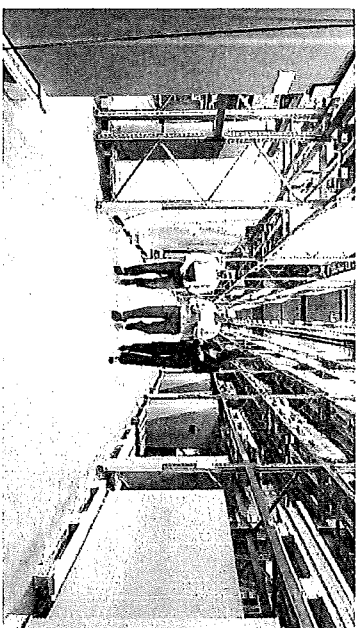
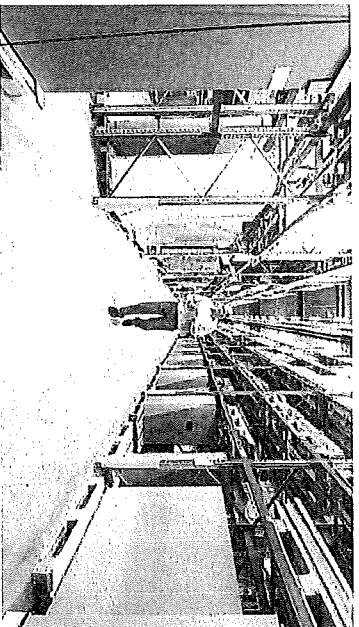
Direction 1

The South Australian Government wants to help South Australian small businesses. The more they grow, the more South Australian jobs they create, the more equipment they'll use, the more upgrades they'll require – and all that leads to a stronger economy.



A black and white photograph of a construction site. The image shows a dense network of steel beams, girders, and scaffolding, creating a complex geometric pattern. The perspective is from a low angle, looking up and slightly to the side, emphasizing the height and scale of the structure. The lighting is dramatic, with strong highlights and deep shadows, giving the scene a gritty, industrial feel. The overall composition is busy and detailed, capturing the intricate nature of heavy construction work.

*We're helping small business,
go about their business.*



TWO SCRIPT 1

There are thousands of South Australian small businesses. And as every business owner knows, lower costs can help their business grow.

That's why we've abolished payroll tax.

These savings can be better spent on growing their business, finding new opportunities, buying better equipment and creating more South Australian jobs.

So, if you're a small business and you'd like to find out more, visit nopayrolntax.sa.gov.au

It's just one of the ways we're helping small business, go about their business.

A message from the Government of South Australia.

(Authorisation Tag)

Visuals used for the above storyboard are based on the use of a warehouse. Actual footage is subject to change and will be determined based on small businesses proposed by the client.



Radio script

There are thousands of South Australian small businesses.

And as every business owner knows, lower costs can help their business grow.

That's why we've abolished payroll tax.

These savings can be better spent on growing their business, finding new opportunities, buying better equipment and creating more South Australian jobs.

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It's just one of the ways we're helping small business, go about their business.

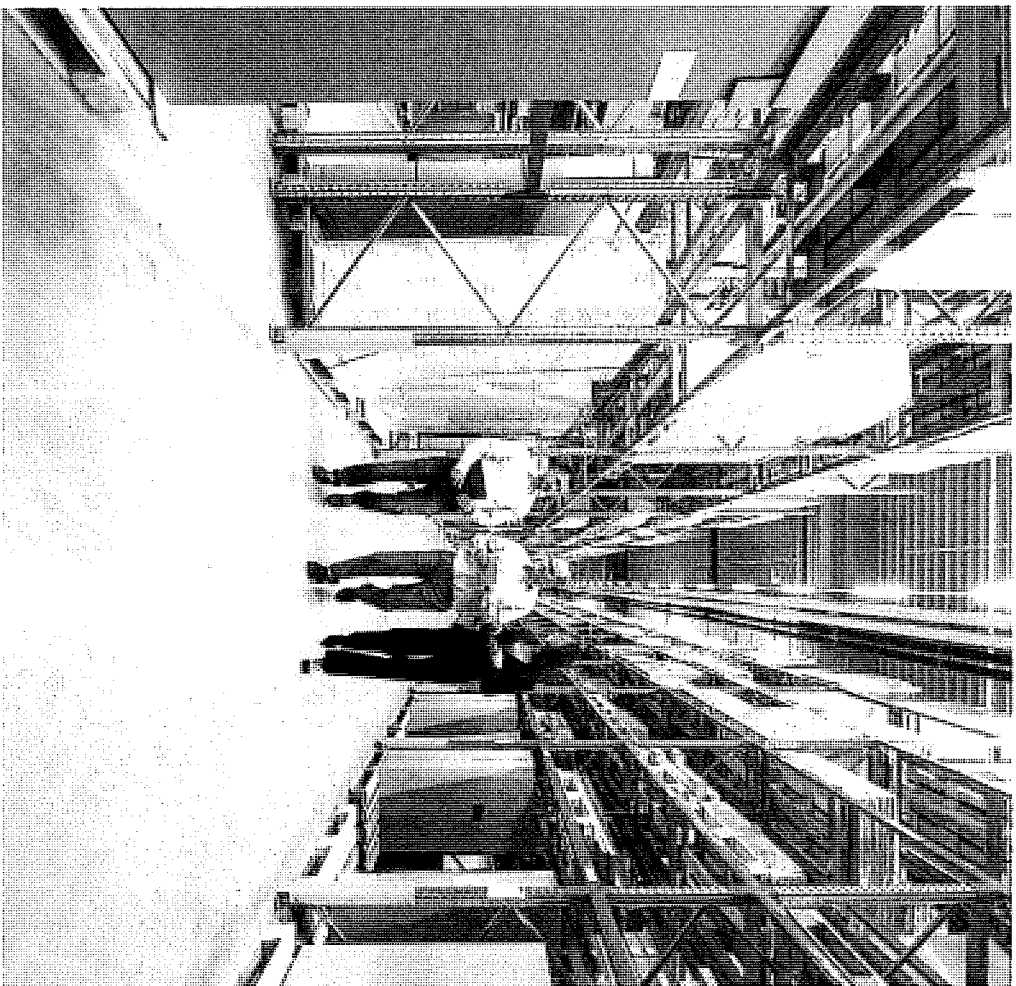
A message from the Government of South Australia.

(Authorisation Tag)



Print example.


Visuals used in the print execution are based on the use of a warehouse. Actual footage is subject to change and will be determined based on small businesses proposed by the client.



**We're helping
small business,
go about their
business.**

Small business is the backbone of the American economy. It's the engine of job creation and innovation. At [Company Name], we understand the challenges small business owners face and we're here to help. Our team of experts provides the resources and support you need to succeed. From financing to marketing, we've got you covered. Contact us today to learn more.

Small Business Administration
U.S. Department of Commerce



Thank you.



MINISTERIAL APPROVAL



Government of South Australia

To: Treasurer

Campaign:	Payroll Tax Campaign
Department:	Department of Treasury and Finance
Campaign ID:	19-180
Responsible Officers:	Kyriakides, Nora (DTF), Rossetto, Nikki (DPC)
Campaign Total Value:	\$400,000
Campaign Start:	03 March 2019
Campaign Completion:	13 April 2019
Evaluation Due:	03 June 2019
HoP Approval Date:	15 February 2019

Head of Profession Comments / Recommendations:

I approve the Payroll Tax communications activity presented by DTF.
 The communications presented has been independently researched via focus groups consisting of small business owners and the general public.
 Focus group participants welcomed the campaign, with feedback highly supportive of the messages being promoted. Key improvements included ensuring the campaign was well branded (Government of South Australia) and clearly utilised South Australian small businesses. Creative expenditure proposed is \$100,000.
 The media planned will reach both metropolitan and regional audiences – and consists of various mediums including a heavy television presence, digital, radio and regional press.
 The total media expenditure proposed is \$250,000. Any revisions to the media schedule presented will require uploading onto the CAP and be Noted ahead of implementation.
 While the final creative materials have not been presented, I approve DTF's request to proceed with production. However, the final creative assets must be inline the concepts presented, be uploaded on to the CAP and Noted ahead of entering the public domain.
 Any increase in the total campaign budget will require further approval from the Head of Profession, Minister and Premier's Delegate prior to incurring further expenditure.
 A final campaign evaluation is due by 3 June 2019.

IMPORTANT

This form must accompany the campaign materials required for Ministerial approval. Once approved by the Minister and noted by the Premier's Delegate, upload this form into the Communications Approval Portal. Enquiries: govcommunications@sa.gov.au

<p>MINISTER'S APPROVAL Approved <input checked="" type="checkbox"/> / Not Approved <input type="checkbox"/></p> <p>Name: <u>Rob Lucki</u></p> <p>Signed: <u>Rob Lucki</u> Date: <u>20/2/19</u></p>	<p>NOTED BY THE PREMIER'S DELEGATE</p> <p>Name: <u>James Stevens</u></p> <p>Signed: <u>[Signature]</u> Date: <u>21/2/19</u></p>
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