

6 **Cabinet Notes for Discussion**

Not Relevant

603 **TICKET SCALPING (Jennifer Rankine) – NOTED (VOLUNTARY CODE OF CONDUCT PREFERRED)**

Not Relevant

603

**TO: THE PREMIER FOR CABINET TO NOTE**

**RE: TICKET SCALPING**

**1. PROPOSAL**

1.1 That Cabinet note my intention to seek approval to draft a Bill that will tackle the issue of ticket scalping.

**2. BACKGROUND**

2.1 Ticket scalping is the practice of re-selling sporting or entertainment event tickets at a price which is higher than the face value or for commercial purposes.

2.2 Scalping of tickets for major sporting or entertainment events is not illegal under the SA Fair Trading Act or other legislation.

2.3 In November 2006, I formed the ticket scalping working party. This group included representatives from my Office, the Commissioner for Consumer Affairs and the following key industry representatives:

Clause 6(1)  
Information  
concerning  
personal affairs

Concert Management Services  
Ebay Australia Pty Ltd  
Ticketek  
The Event Shop Pty Ltd  
South Australian Cricket Association  
South Australian National Football League  
Big Day Out  
Chugg Entertainment

2.4 The working party was formed to examine the following strategies that would address the problem of scalping by controlling the re-sale of tickets.

- Development of a draft Code of Conduct. Unlike other industry codes, the draft Code is designed to be broad in nature and specifically attack the issue of scalping.

Features of the draft Code of Conduct include:

- a description of ticket scalping and warning about its associated problems;
- direction on acceptable practice for ticket sales areas, internet sites and telephone centres;
- direction on refund policy;

- direction on the display of advisory notices in premises where event tickets are sold;
  - inclusion of similar notices on sellers' and promoters' websites and other sites where tickets may be sold, or resold;
  - incorporation of similar advisory information in messages played to telephone callers while they are on hold; and
  - in conjunction with the draft Code, the inclusion of advisory notices, explanatory information and contact details on the OCBA website.
- Investigation of what information is available from a range of sources and what use might be made of that by Government and private enterprise in order to detect and address scalping.
  - The passage of legislation in South Australia.

### **3. DISCUSSION**

**3.1** As a result of the deliberations of the ticket scalping working party, and research into initiatives which apply interstate, I am now considering legislation that will tackle the issue of ticket scalping by:

- Making it an offence to re-sell tickets to major events at more than 10% above the original purchase price.
- Making it an offence to buy scalped tickets at more than 10% above the original purchase price.

The working group felt that the level of 10% featured in the Queensland Major Sports Facilities Amendment Bill was appropriate for South Australia. This requirement will feature in the Ticket Sales and Scalping Code of Conduct currently being developed by the working group.

- Making the penalty apply to each individual transaction.

This serves as a greater deterrent for the 'professional' ticket scalper who would normally be involved in multiple transactions for the one event.

- Requiring any seller of tickets to display ticket numbers and the original ticket price within the advertisement of sale.

This measure will assist with consumer awareness and the detection of ticket scalping offences.

- Standardised conditions of sale.

This measure will assist with consumer awareness, consistency within industry and industry compliance.

- Providing an exemption for non-profit charitable and community organisations selling tickets above the 10% margin for fundraising purposes.

This feature forms part of the Queensland Major Sports Facilities Amendment Bill and is desirable for South Australia.

**3.2** These measures will:

- prevent scalpers from profiteering.
- help deter people from being tempted to buy tickets from scalpers.
- help minimise the market available to scalpers.
- increase the total penalty paid by people who sell large numbers of tickets.
- allow people who have a genuine reason for not being able to attend an event they purchased a ticket for to recoup their outlays.
- enable promoters to more easily identify and cancel any scalped tickets.
- allow charitable organisations to continue valuable fundraising opportunities.

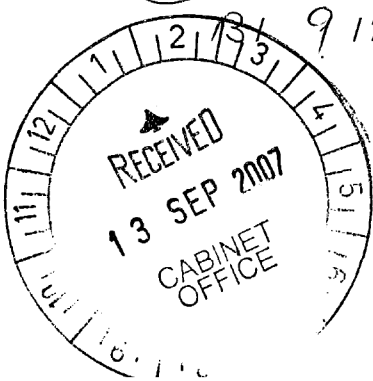
**4. RECOMMENDATION**

- 4.1** That Cabinet note my intention to seek approval to draft a Bill that will tackle the issue of ticket scalping

*In Cabinet*

17 SEP 2007

*Jennifer Rankine*  
Hon Jennifer Rankine MP  
MINISTER FOR CONSUMER AFFAIRS



*Voluntary Code of Conduct proposal*