



Society Embarks on International Bilateral Auction Agreement with China

On Tuesday 20th November 2007, Society CEO, **Garry Topp**, and Society Vice President **Wally Karpiuk**, and Board Advisor and **Messenger Community News~Mortgage Choice Golden Gavel** Trustee, Lindsay Warner, welcomed to Australia a delegation from Beijing in China. The delegation included **Wang Changtai**, Vice Chairman of Beijing Association of Auctioneers, **Jin Fang**, General Manager Beijing *Antique City Group* representing the biggest antique trading centre in Asia Pacific with 25,800 sqm of operating space, **Li Yidong**, Beijing Auctioneers Association, **Tian Jian**, Director of Assessment Beijing Supreme Court, **Wang Weiqin**, Assistant Judge of Assessment and Auction Office Beijing Supreme Court, **Zheng Yuying**, Deputy Chief of Judgement Enforcement Beijing Supreme Court.

The delegation entered into formal discussions with a delegation from the Society which ultimately culminated in the signing of a historical Memorandum of Understanding between the Society of Auctioneers & Appraisers (SA) Inc. and the Beijing Association of Auctioneers. This agreement will ensure that each party will work together on Auctioneering activities with the aim of:

- Enhanced understanding of the Auction process
- Facilitating mutually beneficial opportunities in relevant technologies, products and expertise
- Exploring the possibilities for building support for an equitable practical and effective change of Auctioneering ideas and processes.

The parties envisage joint activities in the following areas:

- Friendship and mutual admiration and relationship building
- Search and expand the methods of communication
- Cooperation on technology
- Prosperity to the local economy
- Capacity building and public awareness

The first move will be links between the two organisations' websites. Chief Executive Garry Topp says "There remains great potential for growth and this agreement gives us the opportunity of working with one of the largest financial powers of the world and from Beijing's point of view, the opportunity to forge close working relations with Australia's only dedicated Auctioneering Society".



Mr Wang with a autographed copy of "Light on Earth" presented by Peter du Plessis

The Chinese delegation hosted by CEO, Garry Topp, had an extensive tour of which incorporated viewing **du Plessis Antiques and Fine Art Auction Rooms** then witnessed **State Government cars** being sold live online by Society Auctioneer Brett Roenfeldt FSAA (Life). The delegation was also given a demonstration by **Dr Michael Groves** of the effectiveness of online bidding using their **Real-Bid online bidding system**. The delegation had the opportunity to view an on-site Commercial Auction at 58 Jetty Road Glenelg, where a record price of \$2,305,000 was achieved for a **Torrens Title maisonette** with Commercial Tenancies returning \$98,000 p.a. on a site area of only 280 sqm representing approx. 4.5% return.

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Rural Report

by STEVE REDDEN



The 2006-2007 year was very trying for most of rural areas of S.A. with the exception of the higher rainfall areas of the Lower

North and the lower South East. The poor yields in cereal crops were offset in these areas by record grain prices. Forward contracting became the major topic of conversation as many farmers locked in to prices early that nearly doubled by harvest time. The marginal areas of the state had another very tough year and some farmers will need to consider their viability before putting in another crop in 2008.

Livestock prices fluctuated over the last 6 months but have seen excellent returns in recent weeks. As the supplies of grass fed stock dry up in the coming months the lack of grain fed stock will become evident and record prices for lamb and beef could be just around the corner. The pig industry is doing it tough at present because of its dependence on grain purchases and many producers are leaving the industry or reducing their herd numbers to survive. Canadian and Danish pork and bacon are being dumped into our market and keep the returns to local producers as lean as their bacon.

Broadacre real estate is selling very strongly in the higher rainfall areas whereas the market for marginal country has tightened up considerably following two drought years in a row. Residential prices are booming in selected locations affected by urban expansion (Gawler, Riverton), tourism (Port Lincoln, Yorke Peninsular, K.I.) and mining (Whyalla, Port Augusta, Port Pirie). The chase for water is seeing a transfer of Dairies from the traditional areas around Murray Bridge, Jervois & Meningie to the lower south east as water licenses are traded, leased and sold along the Murray.

The Society is getting involved with recognition and training rewards for the finalists of the S.A. JUNIOR HEIFER EXPO currently run by Ben Finch, Elders Stud Stock auctioneer. The Society is keen to give recognition to the finalists and offer free training to the budding auctioneers Ben identifies through this programme.

The lack of rain in the majority of S.A. means that there is very little subsoil moisture at present in the grain growing areas, good opening rains in April/May would be much appreciated. ●

Society Agreement with China (continued)



was Brett Roenfeldt. Brett was then interviewed by the delegation who posed a range of questions in respect to the techniques used on the day. This was highly informative and gave them a real insight into the strategies used by South Australian Auctioneers.

After witnessing these auctions, the delegation, through the interpreter, indicated bidding was very fast in comparison to Beijing protocol. The Auctioneer for this successful result

The Society was honoured with a special presentation of a gift of an Imperial yellow ground circular charger featuring five footed Imperial dragons with rose decoration and an inset with four circular cartouche

panels containing exotic birds and children playing beneath gnarled pines, as well as gifts for Society delegates.

In return, the Society presented all Chinese delegates with gifts to promote South Australia. Brett Roenfeldt presented each delegate with a bottle of his award winning 2005 Genius Shiraz which was very much appreciated and Peter du Plessis presented autographed copies of Stavros Pippas' *Light on Earth* photographs – personally signed and bound books of 132 pages of celebrating

the creative powers of light magically transforming scenic landscape pictures by capturing light at the critical moment. All gifts were welcomed with thanks.

This is a landmark agreement which will serve to strengthen the Society especially as Beijing's 200 Auction Houses currently generate sales in excess of \$12 billion each year in comparison with total turn over in SA from Members of approximately \$3 billion.

Society CEO, Garry Topp, will travel to



A celebratory toast

Beijing early next year and looks forward to reciprocal deliberations with Mr Wang and the Chinese delegates. ●



Trustees Report

by LINDSAY WARNER



With months of planning and strategic organizing behind us, the 2008 Messenger Community News~Mortgage Choice Golden

Gavel is about to unfold. With a specific agenda to keep raising the bar in our profession, this year's event will commence with the launch on Tuesday 26th February at the Adelaide Symphony Orchestra, Hindley Street, Adelaide. A small hint about our theme this year can be gleaned from the launch venue at the ASO. After our successful event last year being the Festival of Auction, the 2008 event will be themed as "A Symphony of Auction". All of the fanfare will be delivered at the launch and we can only suggest and recommend that all our members come together to be part of this exciting launch.

The 26th will also be the launch pad for major announcements associated with our major and strategic partners which will bring specific advantages to all parties.

With our industry coming under greater scrutiny with pending legislation, this major training and marketing event is a must attend for all our members. See you there. ●

General Auctioneers

The Occupational Health, Safety and Welfare Regulations 1995 – Requirements and Duties of Auctioneers



On 18th September 2007 Society CEO, Garry Topp, attended a meeting with SafeWork SA, Mr C.S.Wong (Chief Officer – Hazard Management).

The reason for the meeting was to clarify certain procedures and duties of Auctioneers as a result of a recent communication between a Chartered Accountant and SafeWork SA.

The meeting resolved and reinforced that:

- The Vendor or administrator and the Auctioneer are considered as suppliers under the act.
- The supplier of plant must ensure that risks to health and safety from the use of plant must be eliminated or, where that is not reasonably practicable, minimised.
- Where it is reasonably practicable to minimise the risks associated with the use of the plant, the supplier must ensure that any faults are, so far as reasonably practicable,

identified.

- Persons to whom the plant is supplied must then be advised in writing about these faults, and that, where appropriate, the plant should not be used until these faults have been rectified. This may be expressed in the conditions of sale.

- If the plant is beyond economical repair (including the cost of assessment of its condition by a competent person), it must be clearly documented and marked for use as scrap or spare parts only.

- The supplier must also provide, wherever available, relevant health and safety information prepared by the designer or manufacturer of the plant. Suppliers must also provide the person who has been supplied with the item of plant, any record kept (for example, inspection and repair logbook) by its previous owner.

As a result of the discussions with SafeWork SA we make the following recommendations to Auctioneers:

- Ask the Vendor to supply details of Operation Manuals, Risk Assessment, Hazard Identification,

Known Faults, Maintenance Records, Certificates of Conformance etc and any other relevant information (Society Form OH,S&W Information Vendor Disclosure) – The Society Agency Agreement requires the Vendor to provide this information at least 7 days prior to the Auction.

- When and if supplied, include reference in auction catalogue and ensure the purchaser receives them – (suggest keep in office marked with the lot number for viewing by potential purchasers).

- If no information is obtainable, make the necessary notification in the catalogue.

- If a safety hazard assessment has not been carried out, make reference in the catalogue and state that the item of plant cannot be used in a workplace until a safety inspection and hazard identification has been carried out and any modifications necessary as a result of the hazard assessment have been made (put this in the catalogue in every instance), and put a warning sticker on the Lot (The Society provides warning stickers). NB: The catalogue information is then reaffirmed in the purchase invoice!

- Use The Society's Bidder's Registration Form in duplicate that requires the buyer to sign off on various issues including the OH,S&W requirements, ensure the prospective bidder gets a duplicate copy.

- Do not allow the public to test items themselves under any circumstances, have staff on duty for this purpose or don't allow testing, starting etc. at all!

- Update Best Practice Procedures to comply with all of the above and include all risk control measures.

All General Auctioneers are also advised that on 1st December 2007 we released a new updated Warning Sticker which must be used from now on. These are available from Society Key Sponsor, Bowden Printing, call Luke Bowden on 8340 3588. ●

WARNING

ADVICE RELATING TO OCCUPATIONAL HEALTH AND SAFETY RESPONSIBILITIES

The Occupational Health Safety and Welfare Act 1989 imposes obligations on designers, manufacturers importers, suppliers and employers in respect of safety for plant for use in a workplace. This includes the provision of readily available health and safety information.

Your attention is drawn to the fact that no / insufficient information is available to determine the safety status of this item of plant. A hazard identification, risk assessment and control process has not been carried out. This item of plant is not to be placed into service in its current state.

You are reminded of the employers responsibilities for hazard identification, risk assessment and control before the item of plant is placed into service.

Party on Brougham

The joint Society of Auctioneers & Appraisers (SA) Inc. and Real Estate Institute of SA Christmas End of Year Celebration was enjoyed by all!

After a busy year we all met at the "Number 10" Bar & Restaurant in O'Connell Street, North Adelaide on Thursday, 22nd November for **great food, sensational wines and Live Entertainment by "Black Magic"**. It was the perfect formula for our leading Real Estate and General Auctioneers and Appraisers to enjoy the end of year festivities with Sponsors, Associates and Guests. ●



Online Bidding for Property Auctions Launched in Australia



Wayne Johnson

Online bidding for residential property has been launched for the first time in Australia. The online bidding service provided by PTY Auctions Ltd (www.ptyauctions.com.au), allows vendors to have their property auction broadcast live via the internet to a worldwide audience of affluent buyers. The breakthrough proprietary technology utilising streaming audio and video allows remote bidders to participate fully in the auction.

PTY Auctions has worked closely with Century 21 to pioneer the system which has

been enthusiastically received by real estate agents, vendors and bidders alike. Offshore and interstate buyers have had the chance to participate in numerous auctions over the past 3 months including the auction for 91 Roland Avenue Wahroonga which saw a final highest on-line bid of \$1,135,000.00.

The development of the website took approximately 18 months, with the majority of that time being spent working with industry leaders and state regulators including the Office of Consumer and Business Affairs South Australia. The PTY Auctions service currently conforms to the Statutes Amendment (Real Estate Industry Reform) Bill 2006 (the Bill) currently before the South Australian Parliament.

The bill is substantially similar to the New South Wales Property Stock and Business Agents Act 2002 which PTY Auctions currently operates under.

According to Gavin Stuart of PTY Auctions, "we are seeing growing demand for on-line bidding at property auctions not only locally but internationally. With improvements in technology and the introduction of broadband wireless infrastructure, over the last several years, it now makes it possible to deliver and accept timely information over the internet and it's only going to get faster."

If you would like to know more about the on-line bidding service please visit the website at www.ptyauction.com.au or email us at info@ptyauctions.com.au ●

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