

Issues raised by the Auditor-General's role in compliance

Introduction

- 3.1 The Committee was interested to see the impact of the introduction of the Guidelines and the involvement of the Auditor-General in scrutinising government advertising on the ANAO's role and functions, and if there were any resultant effects on agencies and their advertising campaigns.

Agencies

- 3.2 With the introduction of the Guidelines in July 2008, there was an immediate effect on agencies that were planning to run an information or advertising campaign. As well as the usual campaign arrangements, they now needed to ensure that their campaign fulfilled the conditions of the Guidelines and was able to be reviewed by the Auditor-General.¹
- 3.3 The Committee wished to gain an idea whether there was any impact from the introduction of the Guidelines, so canvassed the view of a number of agencies who had been subject to the review process to better gain an understanding of their perspectives.
- 3.4 The Committee considered four campaigns in some depth to gain an idea of the impact of the review by the Auditor-General. These were:

1 Department of Finance and Deregulation, *'Guidelines on Information and Advertising Campaigns by Australian Government Departments and Agencies'* (July 2008), p 3.

- National Binge Drinking Campaign (November 2008 – June 2009): Department of Health and Ageing
- Child Care Tax Rebate Campaign (June – October 2008): Department of Education, Employment and Workplace Relations
- Small Business and General Business Tax Break Campaign (July – December 2009): Australian Taxation Office
- Climate Change Household Action Advertising Campaign Phase One. (July 2008): Department of Climate Change.

Effect of the ANAO review on agencies

3.5 Mr Lewis of Finance confirmed that the ANAO review was a demanding process. It was rigorous and involved significant effort on the part of all the stakeholders.²

3.6 Dr Parkinson, Secretary of the Department of Climate Change, observed that the process:

...definitely puts a series of hoops which are quite serious to meet and which require considerable effort from staff from Departments to meet.³

3.7 Dr Parkinson also clarified that he considered that there was a great deal of integrity to the process, and that he was very impressed with the professionalism of the Auditor-General and his officers and the assistance of Finance.⁴

3.8 The Department of Health and Ageing explained to the Committee that they engaged with audit staff as they worked through the development of its campaign. The agency provided more detail of the form of this interaction:

It is not my understanding that the ANAO request us to make changes as we go through that. It is more about ensuring that they are completely across what we have been doing and how we have come to the decisions we have come to with the campaign. So when it comes to them formally, after certification, they are completely across how we have got to where we are at.⁵

2 Mr Simon Lewis, transcript, 9 September 2009, p 28.

3 Dr Martin Parkinson, transcript, 9 September 2009, p 27.

4 Dr Martin Parkinson, transcript, 9 September 2009, p 27-8.

5 Ms Samantha Palmer, transcript, 26 October 2009, p 14.

- 3.9 The ANAO advised in their initial submission that while agencies still had some work to do to align their business processes to support effective compliance with the core requirements of the Guidelines, there was an expectation that this would improve over time.⁶
- 3.10 The Auditor-General informed the Committee on 22 February 2010 that he considered that agency processes were becoming better and more disciplined.⁷ The Committee was told that some larger agencies, such as the ATO and the Department of Health and Ageing had their business processes and administrative processes in place to a very high level of efficiency.⁸

Time taken to complete the review

- 3.11 The Committee was curious as to whether the detailed ANAO review process had an impact on the release of advertising campaigns.
- 3.12 The ANAO advised agencies to allow five working days from the submission of final documentation to the issue of a review report.⁹
- 3.13 The ANAO explained that they worked with each agency during the development of the campaign to ensure they were well placed to undertake a final assessment of the campaign at the appropriate time.¹⁰ The ANAO described the review as:

... an iterative process undertaken with the agencies over a period of weeks or months, prior to the receipt of the final certification.¹¹

- 3.14 The Department of Health and Ageing provided the Committee with a timeline from the certification of their campaign to its launch:

The secretary of the Department of Health and Ageing certified the campaign on 14 November 2008. The ANAO review report was provided to the minister on 18 November 2008. The ministerial launch of the campaign occurred on 21 November. And the material started to appear in the media on 23 November.¹²

6 Australian National Audit Office, Sub 1, p 18.

7 Mr Ian McPhee PSM, transcript, 22 February 2010, p 25.

8 Mr Michael White, transcript 22 February 2010, p 30.

9 Australian National Audit Office, *'Campaign Advertising Review 2008-09'* (2009), p 43.

10 Australian National Audit Office, Sub 1, p13.

11 Australian National Audit Office, *'Campaign Advertising Review 2008-09'* (2009), p 43, footnote 52

12 Ms Samantha Palmer, transcript, 26 October 2009, p 11.

- 3.15 The Committee expressed concerns about the length of time between the certification of the campaign by the Department's Secretary and the release of the ANAO compliance report. The ANAO assured the Committee:

We work in parallel with the department, so we have obviously been involved much earlier than 14 November.¹³

- 3.16 The Department of Health and Ageing supported this assertion from the ANAO.¹⁴
- 3.17 The ANAO reported that by February 2010 most agencies had developed their processes to enable the desired five-day turnaround. Additionally most agencies had also provided all documents in advance of that process enabling the ANAO to complete their work within the five days.¹⁵

Scope of the ANAO review

- 3.18 The Auditor-General provided a report to the relevant Minister on the proposed campaign's compliance with the Guidelines. This report provided a limited assurance opinion through inquiry, observation and analysis of key documents and information that the Guidelines had been adhered to.¹⁶
- 3.19 The ANAO review did not extend to an assessment of the general system controls and supporting procedures that agencies have in place to manage advertising activities, but focused on matters relating specifically to the proposed campaign.¹⁷
- 3.20 Agencies were advised by the ANAO that undertaking these reviews did not limit the Auditor-General's discretion to include matters relating to the information and advertising campaigns which may have been reviewed against the Guidelines within the scope of other audit activity at another time.¹⁸
- 3.21 The ANAO stated that if there were issues with aspects of a campaign they would ask the agency to clarify how those aspects meet the Guidelines.

13 Mr Ian McPhee PSM, transcript, 26 October 2009, p 11.

14 Ms Samantha Palmer, transcript, 26 October 2009, p 14.

15 Mr Michael White, transcript 22 February 2010, p 31.

16 Australian National Audit Office, Sub 1, p 12.

17 Australian National Audit Office, Sub 1, p 13.

18 Australian National Audit Office, Sub 1, p 13.

- 3.22 The Committee asked the Auditor-General if he had experienced a situation where the ANAO was concerned with content after receiving the advertising material from an agency. The Auditor-General indicated:

We have quite an involved process with departments, Senator, and on occasions we raise issues with them about the campaigns and the basis for the decisions relating to those campaigns. So the answer is yes.¹⁹

Issues identified by the ANAO

The need for a campaign

- 3.23 The *Guidelines on Campaign Advertising by Australian Government Departments and Agencies* stated that:

...campaigns should not be instigated unless the need is demonstrated, target recipients are clearly identified and the campaign is based on appropriate research.²⁰

- 3.24 Finance clarified the scope of campaign advertising:

In terms of campaign advertising, it is all Australian government advertising that informs the community and/or specific target audiences about their rights, entitlements and obligations, and may encourage consideration of particular issues; for example, giving up smoking.²¹

- 3.25 The ANAO identified the blurring of the distinction between ordinary business activities and advertising as being a possible issue.²²

- 3.26 In terms of identifying the need for a campaign, the Guidelines required that campaigns should not be instigated unless the need is demonstrated, target recipients are clearly identified and the campaign is based on appropriate research.²³

19 Mr Ian McPhee PSM, Senate Finance and Public Administration Committee, transcript, 23 February 2009, p 120.

20 Department of Finance and Deregulation, *Guidelines on Information and Advertising Campaigns by Australian Government Departments and Agencies* (July 2008)

21 Mr Simon Lewis, transcript, 11 March 2009, p 26.

22 Australian National Audit Office, *Campaign Advertising Review 2008-09* (2009), p 52.

23 Australian National Audit Office, Sub 10, p 19.

Reviewing a campaign for compliance with the Guidelines

- 3.27 The Committee was interested in gaining an understanding of the level of evidence the ANAO used when reviewing a campaign for compliance with the Guidelines.
- 3.28 The ANAO stated that they would review the process from the briefing documentation, through the research report, the conceptual research and market testing, to consider whether there was any disconnect with the initial research. They would also check to see if any elements of the campaign were unexplained.²⁴
- 3.29 The ANAO was asked what action it would take where the purpose of the campaign is to provide information about a policy change which required no action from recipients.
- 3.30 An example is the increase in the Age Pension announced in the 2009 Federal Budget. This resulted in increased payments being made automatically and did not require the recipient to inform relevant agencies of any further or new information. Mr Holbert from the ANAO explained:
- Levels of awareness are critical. If everybody is aware of the program and the detail that is entailed we would be looking for where the knowledge gap and the lack of understanding were that warrant the campaigns. The research goes to both the shape of campaign and the need for the campaign.²⁵
- 3.31 Some Committee members questioned the need for a campaign on the increase to the Child Care Tax Rebate from 30 per cent to 50 per cent which also required no action from recipients.
- 3.32 The Auditor-General replied that it is considered an underlying principle that all members of the public have equal rights to access comprehensive information about government policies, programs and services which affect their entitlements, rights and obligations.²⁶

Review of NESB and Indigenous materials

- 3.33 The Guidelines clearly outlined that attention needs to be paid to communicating with any disadvantaged individuals or groups who were identified as being within the designated target audience. It states:

24 Mr Robert Holbert, transcript, 13 May 2009, p 8.

25 Ibid

26 Mr Ian McPhee PSM, transcript, 26 October 2009, p 24.

- Particular attention should be given to the communication needs of ...those for whom English is not a convenient language in which to receive information.
 - There should be recognition of the full participation of women, ethnic and Aboriginal and Torres Strait Islander communities in Australian society by realistically portraying their interests, lifestyles and contributions to Australian society. Care should be taken that this is not done in a stereotypic way.²⁷
- 3.34 The Committee is aware of the fact that many campaigns have provision for the development of targeted advertising to inform those of non-English speaking (NESB) and Indigenous backgrounds. Often these materials are developed after the main campaign materials have been finalised and can be released long after the initial release of the main campaign materials.
- 3.35 The ANAO provided a separate compliance review for these materials.
- 3.36 The ANAO commented on this process:
- We have taken the view that we have to weigh up, I guess, the timeliness of the advertisements going out, and we have accepted agencies splitting out the English-speaking from the non-English-speaking and in some cases Indigenous campaigns. So we have accepted that. Otherwise, it would have resulted in campaigns being considerably delayed before they commenced.²⁸
- 3.37 The Committee asked about the efficiency of splitting the main campaign and the materials for minority groups in the community. The ANAO replied:
- There is no question that we would dearly like agencies to present us with the complete package of material at the one time. We encourage that. The question we face, though, is if agencies are not prepared, should the whole campaign be delayed and the benefits of the campaign be delayed for that reason alone? From an audit perspective we make it very clear what it is we have covered and so a reader of our certificate will clearly understand what we have and have not looked at.²⁹
- 3.38 Some Committee members expressed a concern that if NESB and Indigenous materials for a campaign are not released at the same time as

27 Department of Finance and Deregulation, *Guidelines on Information and Advertising Campaigns by Australian Government Departments and Agencies* (July 2008).

28 Mr Ian McPhee PSM, transcript, 26 October 2009, p 13.

29 Ibid.

the main campaign material that this could be perceived as an accessibility issue.

Cost-benefit analysis

3.39 The ANAO identified the issue of the cost-benefit analysis as being an area of the Guidelines where more detail would have been helpful.

3.40 On 30 January 2009, the Auditor-General wrote to the then Special Minister of State seeking amongst other things, greater clarity of the goal of the cost-benefit analysis:

...ie: whether the goal is to balance the effectiveness of a campaign with its estimated cost; or whether the goal is to maximise the effectiveness of a campaign, with cost being a secondary factor. While accepting that cost-benefit in this context is not a matter for precise measurement, it is an area where significant additional costs can be incurred to improve the marginal effectiveness of a campaign, and it is not clear this is necessarily in the interests of the efficient use of public monies.³⁰

3.41 Mr Michael White told the Committee that Finance would provide advice on how the cost of campaigns would be calculated.³¹

3.42 The ANAO told the Committee about the processes that they used when considering the cost-benefit analysis of a specific campaign:

I think it is important to also observe that there was no television and no radio. The first question we ask with some of these arrangements is: why won't direct mail in itself do the job? It is a reasonable question. As the department has explained, nevertheless that will get to existing recipients of the benefits but there will always be potential receivers of the benefit and others who need to know. So you need to get to them. Again, the whole campaign has to be based on a cost-benefit analysis. The assessment was that magazine and newspaper articles would do the job in this case, with no radio and no television. That is quite powerful, because the thing that we particularly focus on in the Audit Office, apart from the general adherence to the guidelines, is television, then radio and then other media. We have had none of that in these campaigns.³²

30 Australian National Audit Office, Exhibit 1.

31 Mr Michael White, transcript 13 May 2009, p 21.

32 Mr Ian McPhee PSM, transcript, 26 October 2009, p 27.

3.43 Ms Sally Webster from the University of Canberra told the Committee that it was important that in any cost benefit analysis, value for money was more than just procedures and keeping the number of campaigns to a minimum. She considered that the advertising focus should be more than just money spent, it should:

...reach the target audience in a creative way that informs and persuades.³³

3.44 This was echoed by Mr Scott McClellan from the Australian Association of National Advertisers who informed the Committee that he considered that there was tension between the need to evaluate and be accountable and the need to be creative.³⁴ He considered that the pendulum had perhaps swung too far back towards being accountable.³⁵

Websites

3.45 The Auditor-General informed the Committee that linkages to websites and defining the boundaries was very much a contemporary issue.³⁶

3.46 The ANAO had had discussions with Finance around the identification of a boundary around materials for campaigns. Mr Michael White told the Committee that much of that discussion was focused on the depth of review for websites where links are attached. He stated:

Certainly there is a rule that all of the government campaigns refer to either an agency or the .gov.au website, and that is the only website that the campaign materials go directly to. We do look at the prime websites of agencies, if they are included with those materials, to ensure that those requirements have been followed.³⁷

3.47 The ANAO were careful to ensure that they did not go outside the bounds of the campaign advertising reviews.³⁸ The Auditor-General also informed the Committee that it would not be possible to look at a campaign with a link to another website and review that entire website for adherence to government policy due to the time factor.³⁹

33 Ms Sally Webster, transcript, 21 September 2009, p 8.

34 Mr Scott McClellan, transcript, 23 November 2009, p 31.

35 Mr Scott McClellan, transcript, 23 November 2009, p 31-2.

36 Mr Ian McPhee PSM, transcript, 9 September 2009, p 11.

37 Mr Michael White, transcript 13 May 2009, p 21.

38 Mr Simon Lewis, transcript, 9 September 2009, p 12.

39 Mr Ian McPhee PSM, transcript, 9 September 2009, p 13.

- 3.48 The ANAO noted that the primary guide for websites is the *Web Publishing Guide*, issued by the Australian Government Information Management Office, to assist agencies to manage their websites, and to identify their legal and policy obligations.⁴⁰

Impact of the Guidelines on creativity

- 3.49 As mentioned above, there was concern expressed during the inquiry as to whether the accountability processes allow for more creative decisions in government advertising.⁴¹ Ms Webster raised the concern that the introduction of the Guidelines may have caused a risk averse approach from public servants:

... afraid to be bold and innovative in their choice of creative campaigns due to the range of auditing and approval processes that are now in place.⁴²

- 3.50 The ANAO maintained that they were not involved during the creative process at all and would excuse themselves if asked questions during the creative process.⁴³ They did look at the creative material as part of the review but only once it had been finalised.⁴⁴
- 3.51 When questioned by the Committee as to whether the ANAO considered campaigns were becoming less creative, the ANAO were clear that they felt this was not happening.⁴⁵

The Auditor-General's role in compliance

Auditor-General's involvement in decision-making

- 3.52 As mentioned in Chapter 1, the Auditor-General wrote to the Prime Minister in 2007, expressing his concern about the possibility of the person

40 Australian Government Information Management Office 'Web Publishing Guide' as viewed at <http://webpublishing.agimo.gov.au/> on 11 May 2010

41 Ms Sally Webster, transcript, 21 October 2009, pp 5-6.

42 Ms Sally Webster, transcript, 21 October 2009, p 6.

43 Mr Michael White, transcript 10 February 2010, p 15.

44 Mr Michael White, transcript 10 February 2010, p 16.

45 Mr Michael White, transcript, 22 February 2010, p. 20.

reviewing government advertising being placed in an unenviable position.⁴⁶

- 3.53 Additionally some Committee members expressed concerns that scrutinising government advertising was placing the Auditor-General and ANAO in a decision-making role, rather than just an auditing or review role. This was based on the observation that some campaigns did not proceed or were changed following discussions with the ANAO.
- 3.54 The ANAO advised the Committee that there were campaigns that were modified as a result of enquiries and concerns from the ANAO.⁴⁷ Additionally campaign materials had been altered following a campaign launch requiring a second Auditor-General's report.⁴⁸
- 3.55 The ANAO further advised the Committee that there was one campaign that did not proceed after the ANAO had outlined the additional evidence required to enable the agency to demonstrate compliance.⁴⁹ The proposal was in the early stage of the review process and had not reached the stage where the ANAO had received certification from the agency.⁵⁰
- 3.56 The Auditor-General told the Committee that the ANAO tried to be constructive in its approach to working with agencies. If an agency had a campaign which did not comply with the Guidelines, but subsequently modified their approach, the ANAO would provide another view as to whether that would be acceptable.⁵¹
- 3.57 Mr Holbert specified that the advice provided to agencies was to outline the additional evidence and documentation that the agency would need to provide in order to demonstrate compliance.⁵²
- 3.58 The ANAO advised the Committee that there were 11 campaigns that were issued an opening letter but did not proceed to finalisation.⁵³
- 3.59 The Auditor-General made the point to the Committee that the ANAO was not involved in the administration of campaigns and to conduct the

46 See *The Role of the Auditor-General* Chapter 1

47 Mr Ian McPhee PSM, transcript, 13 May 2009, p 11.

48 Australian National Audit Office, *'Campaign Advertising Review 2008-09'* (2009), p 35.

49 Mr Robert Holbert, transcript, 13 May 2009, p 20.

50 Mr Robert Holbert, transcript, 13 May 2009, p 19.

51 Mr Ian McPhee PSM, transcript, 11 March 2009, p 25.

52 Mr Robert Holbert, transcript, 13 May 2009, p 20.

53 Australian National Audit Office, Sub 21.

review, they required a certain level of evidence and support from the agency.⁵⁴

3.60 When challenged as to whether the ANAO was involved in co-decision making with agencies during the review process, the Auditor-General stated that they were obliged to raise any concerns regarding compliance with agencies. The Auditor-General clarified that the ANAO provided feedback but that agencies were not obliged to respond to that feedback.⁵⁵

3.61 The Auditor-General provided an analogy with the financial statements audit:

It is unheard of for an auditor not to give early warning on significant matters that affect the audit opinion. It is part of the standards that the auditors work with and it is absolutely the right way to go.⁵⁶

Weight of the review opinion

3.62 The Committee raised the question of the influence of the review by the Auditor-General.

3.63 The Guidelines stated that the Auditor-General was required to provide a report to the Minister responsible for the agency undertaking the campaign on the proposed campaign's compliance with the Guidelines.

3.64 The Guidelines also provided for the situation where a campaign could be exempted from compliance with the Guidelines on the basis of national emergency, extreme urgency or other extraordinary reasons the Cabinet Secretary considered appropriate.⁵⁷

3.65 For example, the Department of Health and Ageing's H1N1 Influenza (Human Swine Flu) Vaccination and Prevention Program was granted an exemption from the Guidelines based on the threat of a potential pandemic in Australia, which required urgent information activities to support public health and safety.⁵⁸

3.66 The Committee asked the Auditor-General to clarify if agencies were required to comply with ANAO review reports. The Auditor-General

54 Mr Ian McPhee PSM, transcript, 13 May 2009, p 6.

55 Mr Ian McPhee PSM, transcript, 9 September 2009, p 24.

56 Mr Ian McPhee PSM, transcript, 9 September 2009, p 25.

57 Department of Finance and Deregulation, *Guidelines on Information and Advertising Campaigns by Australian Government Agencies and Agencies* (July 2008)

58 Department of Finance and Deregulation, *Campaign Advertising by Australian Government Agencies and Agencies, Half Year Report 1 July – 31 December 2009*, p 10.

informed the Committee that the review process performed by the ANAO provided a review opinion rather than an executive function.⁵⁹ The Auditor-General explained:

The reality is that it is like any audit report. I put them up and there are my recommendations. At the end of the day it is up to the executive to decide whether to accept them or not.⁶⁰

- 3.67 However, some Committee members felt that there was a perception amongst agencies that the ANAO had the power of veto when it came to campaigns proceeding.
- 3.68 Conversely, some Committee members were concerned that if the Auditor-General had reported that the campaign did not comply with the Guidelines, there was nothing in the Guidelines to actually prevent a campaign going ahead.

Other issues

Partisanship/Guideline 3

- 3.69 There was particular interest from Committee members about the process of the Auditor-General assessing the compliance of campaigns against Guideline 3.
- 3.70 Guideline 3 stated that material should not be directed at promoting party political interests.
19. Material should be presented in a manner free from partisan promotion of government policy and political argument, and in objective language. The dissemination of information using public funds should not be directed at fostering a positive impression of a particular political party or promoting party political interests. Dissemination of information may be perceived as being party-political because of any one of a number of factors, including:
- a. the content of the material - what is communicated;
 - b. the source of the campaign - who communicates it;
 - c. the reason for the campaign - why it is communicated;
 - d. the purpose of the campaign - what it is meant to do;

59 Mr Ian McPhee PSM, transcript, 8 February 2010, p 10-11.

60 Mr Ian McPhee PSM, transcript, 11 March 2009, p 23.

- e. the choice of media - how, when and where it is communicated;
- f. the timing, geographic and demographic targeting of the campaign;
- g. the environment in which it is communicated; or
- h. the effect it is designed to have.

20. The information and material presented in a campaign should not:

- a. mention the party in government by name;
- b. directly attack or scorn the views, policies or actions of others such as the policies and opinions of opposition parties or groups;
- c. include party-political slogans or images;
- d. be designed to influence public support for a political party, a candidate for election, a Minister or a Member of Parliament; or
- e. refer or link to the websites of politicians or political parties.⁶¹

3.71 Some Committee members contended that if a government is promoting its policies by advertising using public money when the opposing party disagrees with the policies, this could be seen as partisan promotion of government policy. Members also expressed concern that in a competitive political system, practically any expenditure on advertising by governments is liable to be interpreted in some quarters as “partisan promotion.” This could place the Auditor-General, whose primary client is the Parliament, not the Executive, in a difficult position where a positive review report could be seen as publicly endorsing controversial promotion of government policy. It was this concern in large part that led to the Committee’s inquiry.

3.72 The Institute of Public Administration Australia (IPAA) had the following view in their submission to the Committee’s inquiry into the Auditor-General’s Act:

...declaring whether something being advertised is political or ‘non-political’ is a minefield for the Auditor-General. It involves a subjective determination, nuanced in the contours of the day-to-day politics. We may all be able to spot blatant political advertising, but so much of what a government advertises is not in this category and would be subject to various legitimate

61 Department of Finance and Deregulation, *Guidelines on Information and Advertising Campaigns by Australian Government Agencies and Agencies* (July 2008)

explanations. Was the terrorism alert advertising political or not?
Was the industrial relations advertising political or not? These are
not matters to be decided by the Auditor-General.⁶²

3.73 Following a request from the Committee, the ANAO obtained legal advice on the meaning of *a manner free from partisan promotion of government policy and political argument, and in objective language* which they provided to the Committee. The advice stated that:

...it would be possible for there to be an information program conducted by the Government about a particular government policy that did not within the meaning of the Guidelines amount to an 'excessive dedication to' that policy and did not display 'bias' or 'prejudice' in favour of that policy, notwithstanding that competing political parties did not support that policy.⁶³

3.74 Mr Grant of Finance told the Committee that the legal advice indicated that a campaign did not need to have bipartisan support to satisfy the Guidelines.⁶⁴ He stated that the Guidelines do not specify that the government policy is supported or not by the rest of the parliament.⁶⁵

3.75 The Auditor-General informed the Committee that he considered that there was capacity to expand the Guidelines around the issue of what might be partisan, including the level of research support required to make a decision.⁶⁶

Involvement of Ministers

3.76 The *Campaign Advertising Review 2008-09* stated that clearly defining the role of Ministers and that of agencies in advertising campaigns was a challenge. The ANAO maintained that:

The involvement of Ministers and their offices under former arrangements in making key decisions in approving strategies and briefs, in selecting certain consultants, and in the approval of final creative material and media plans meant that the basis for decisions and the accountability for decisions were not always clear⁶⁷

62 Institute of Public Administration Australia, sub 5 (submission to the Inquiry into the Auditor-General's Act, Joint Committee of Public Accounts and Audit), npn.

63 Australian National Audit Office, Exhibit 13.

64 Mr John Grant, transcript, 26 October 2009, p 20.

65 Mr John Grant, transcript, 26 October 2009, p 22.

66 Mr Ian McPhee PSM, transcript, 22 February 2010, p 23.

67 Australian National Audit Office, *'Campaign Advertising Review 2008-09'* (2009), p 9.

3.77 Upon the release of the Guidelines in July 2008, the Government's media release stated:

Ministers will be briefed on the progress of campaign development, but responsibility for that development will be wholly undertaken by the commissioning department, with assistance from the Department of Finance and Deregulation.⁶⁸

3.78 The *Business Planning Processes for Campaign Information and Advertising Activities* (February 2009) provided the following guidance on the role of Ministers:

Ministers are responsible for authorising campaign development in their portfolios, consistent with normal financial management processes, and for authorising the launch of a campaign. While Ministers do not have responsibility for campaign development, they have a legitimate interest in the development of campaigns in their portfolios. It is reasonable that Ministers be briefed at strategic stages of campaign development.

3.79 The Auditor-General told the Committee that he considered that the review process was necessary to allow agencies to follow the Guidelines as set out and to be independent of any other views that Ministers or their offices may have in the details of the campaign.⁶⁹

3.80 The Auditor-General made the point that:

The issue that we have been promoting strongly is that the decisions on the implementation of these campaigns are the decisions of the department. For instance, we did not want ministers deciding to run television before the research had been done. The case as to whether the guidelines have been satisfied or not has to be made on its merits not on the basis of government decisions. That is the point we have been making. We have never said it is inappropriate for ministers' offices to be consulted on campaigns. The important factor from our perspective is who has the decision making responsibilities. The guidelines are very clear about the secretary's responsibilities in terms of campaign design and implementation. We have been very clear all the way through about that matter.⁷⁰

68 New Advertising Guidelines joint media release, viewed at http://www.smos.gov.au/media/2008/mr_222008_joint.html on 19 May 2010

69 Mr Ian McPhee PSM, transcript, 11 March 2009, p 13.

70 Mr Ian McPhee PSM, transcript, 9 September 2009, p 17.

- 3.81 Additionally, the Committee was informed that as part of the review process, the ANAO sought representation from chief executives that their certification was based on their opinions and that they had not been directed by Ministers or their officers in relation to any aspects of a campaign.⁷¹
- 3.82 In practice, the distinction between Ministers being 'consulted', as distinct from having decision-making powers was not always clear-cut, in the evidence to the inquiry.⁷² For example, evidence was provided to the Committee that during the development of the climate change advertising campaign, the Minister's office provided feedback on an aspect of the campaign which was subsequently changed. When asked to clarify this impact of this feedback, Dr Parkinson affirmed that he was not directed by the Minister or the Minister's office and the decision was his alone.

I was not given any directives by the minister or the minister's office. More importantly, were I given directives, I would not have accepted them because of these guidelines, which I think are very valuable.⁷³

71 Mr Ian McPhee PSM, transcript, 13 May 2009, p 6.

72 Transcript, 9 September 2009, p 17.

73 Dr Martin Parkinson, transcript, 9 September 2009, p 18.

