

Chapter 5

Decision-making processes

Introduction

5.1 In this chapter, the Committee outlines the processes involved in decision-making on Commonwealth government advertising, including the role of the Government Communications Unit and the Ministerial Committee on Government Communications.

5.2 The chapter is divided into three sections. The rest of this introductory section discusses the institutions and participants in the decision-making processes. Section two discusses these processes – including at what point and by whom various decisions are made. Section three discusses some criticisms and issues relating to the decision-making processes.

Government Communications Unit (GCU)

5.3 The evolution and history of the GCU is summarised by the following excerpt taken from its web site:

The GCU traces its origins to the Commonwealth Advertising Division, established in 1941 to coordinate government advertising, and to the Information Coordination Branch, established in 1982, to improve the delivery of government information. These units merged in 1984 to become the Office of Government Information and Advertising (OGIA) in 1989. In 1997 OGIA transferred from the Department of Administrative Services to the Department of Finance and Administration and, in 1998, as the GCU, it became part of the Department of the Prime Minister and Cabinet.¹

5.4 Like its predecessors, the GCU is tasked with the role of coordinating and providing advice on the executive government's communications strategies, including advertising campaigns. In broad terms, the GCU assists ministers and their departments with 'communications issues' and provides secretariat support to the Ministerial Committee on Government Communications (MCGC). The GCU also manages the Central Advertising System (discussed below) and provides 'advice about the implementation of Australian Government branding'.²

5.5 The GCU's principal functions are to:

- provide strategic advice on proposed communications issues to the Prime Minister and the Ministerial Committee on Government Communications (MCGC);

1 GCU, <http://www.gcu.gov.au/code/about/index.html> (accessed 14 September 2005).

2 GCU, <http://www.gcu.gov.au/index.html> (accessed 14 September 2005).

- maintain a whole of government overview of current and forecast communications activities;
- provide advice to the MCGC on major and/or sensitive campaigns;³
- provide advice on communications best practice, including research, public relations and advertising, to the MCGC and departments and agencies;
- monitor current industry developments and trends;
- provide a secretariat to the MCGC;
- maintain a register of communications consultants (including advertising agencies, public relations consultants, market research companies, graphic designers, writers and the like) interested in undertaking government work which is drawn on by departments and agencies seeking to engage consultants for communications activities;
- assist in developing communications strategies and briefs for consultants; and
- manage the Central Advertising System (CAS) to achieve effective media planning and cost-effective media placement for government advertising.⁴

Central Advertising System (CAS)

5.6 CAS operates as both a monopoly buyer of government advertising time and space,⁵ and a monopoly supplier of government advertising contracts. In theory this unique situation should give the government significant market power, enabling it to influence the price of goods and services. The GCU states that the CAS:

...allows the Government to establish contractual arrangements, which have consistently achieved significant savings in the cost of media placement for departments and agencies.⁶

5.7 According to the government website ads.gov.au, 'the Commonwealth Government is generally one of the largest national advertisers in Australia'.⁷ Dr Sally Young, Lecturer, Media and Communications Program, University of Melbourne, stated that: 'the federal government has recently become the biggest advertiser in the

3 A definition of 'major' and 'sensitive' is provided in the discussion on the MCGC below.

4 GCU, <http://www.gcu.gov.au/code/about/index.html> (accessed 14 September 2005); See also: *Submission 5* (PM&C) p.3; <http://www.ads.gov.au/dir154/tss/horizon/tender.nsf/About.html> (accessed 14 September 2005); Dr Richard Grant, *Research Note*, Parliamentary Library, 21 June 2004; [ads.gov.au: http://www.ads.gov.au/dir154/tss/horizon/tender.nsf/About.html](http://www.ads.gov.au/dir154/tss/horizon/tender.nsf/About.html) (accessed 14 September 2005).

5 Technically, this is a monopsony. Monopsony is a state in which demand comes from one source. If there is only one customer for a certain good, that customer has a monopsony in the market for that good; it is analogous to monopoly, but on the demand side, not the supply side.

6 GCU, <http://www.gcu.gov.au/code/about/index.html> (accessed 14 September 2005).

7 <http://www.ads.gov.au/dir154/tss/horizon/tender.nsf/About.html> (accessed 14 September 2005).

country out-spending commercial giants such as Coles-Myer, Holden, McDonalds and Coca-Cola'.⁸

5.8 Every Commonwealth department and agency that is subject to the *Financial Management and Accountability Act 1997* (FMA Act) must place *all* advertising, both campaign and non-campaign, through the CAS.⁹

5.9 Although the CAS is managed by the GCU, media specialists, or 'master media placement agencies', are engaged to 'assist in media planning, placement and rates negotiations with media outlets'.¹⁰ Both Universal McCann and hma Blaze have been engaged on four-year contracts, which expire on 30 September 2006, to perform these activities—the former handling aspects relating to campaign advertising and the latter handling all non-campaign advertising.¹¹

5.10 In its submission, PM&C stated that the primary rationale for having the CAS is to 'consolidate government advertising expenditure' and to 'ensure that Australian Government departments and agencies do not compete against each other for media time and space' as doing so would bid up the price, thereby increasing the cost for taxpayers.¹²

Ministerial Committee on Government Communications (MCGC)

5.11 The Prime Minister established the Ministerial Committee on Government Communications (MCGC) in 1996.¹³ It replaced the former Ministerial Committee on Government Information and Advertising (MCGIA),¹⁴ which had been established in 1982.¹⁵

5.12 The MCGC has a mandate to:

- approve the manner in which communications campaigns are delivered;
- ensure that all government information activities meet the information needs of the community; and

8 Dr Sally Young, *Submission 3*, p.3; see also Dr Graeme Orr, *Submission 2*, p. 6.

9 Department of the Prime Minister and Cabinet, *Submission 5*, p. 1.

10 Department of the Prime Minister and Cabinet, *Submission 5*, p. 1.

11 Department of the Prime Minister and Cabinet, *Submission 5*, p. 1.

12 Department of the Prime Minister and Cabinet, *Submission 5*, p. 1.

13 Department of the Prime Minister and Cabinet, *Annual Report 1998-99*, p. 72.

14 Auditor-General, *Commonwealth Government Information and Advertising*, Audit Report No. 30, 6 June 1995, pp 3-4.

15 Finance and Public Administration Legislation Committee (2002) Report on the Charter of Political Honesty Bill 2000 [2002] and three related bills, p. 102.

- make key decisions relating to major and/or sensitive information activities undertaken by Commonwealth departments and agencies subject to the FMA Act.¹⁶

5.13 In regard to the last point, 'major' is defined as an information activity that involves the expenditure of \$100,000 or more. This sum is either the cost of the actual advertising campaign itself or any market research to the value of, or higher than, \$100,000.¹⁷ 'Sensitive' is defined as an information activity which covers issues that 'might offend sections of the community or produce negative reactions from target groups'.¹⁸

5.14 The MCGC is also responsible for:

- selecting the successful consultant from a shortlist prepared by the department, assisted by the GCU; and
- approving the creative material and the media plan before it is placed in the media.¹⁹

5.15 Furthermore, the MCGC is 'responsible for scrutinising all departmental proposals for information activities to ensure that they are justified and well directed'.²⁰

5.16 The Special Minister of State, Senator Abetz, chairs the MCGC. The name 'Ministerial Committee', however, is a misnomer because Senator Abetz is the only minister who is a permanent member of the committee. The other five permanent members include a parliamentary secretary, backbench MPs and senior ministerial staff.²¹

5.17 In addition to the permanent members, the responsible portfolio minister for the department proposing the campaign or their delegate sits on the MCGC for the

16 Department of the Prime Minister and Cabinet, *Submission 5*, p. 2; GCU, <http://www.gcu.gov.au/code/about/index.html#mcgc> (accessed 14 September 2005); <http://www.ads.gov.au/dir154/tss/horizon/tender.nsf/About.html> (accessed 14 September 2005).

17 GCU, http://www.gcu.gov.au/code/infodept/gcu_req.html (accessed 14 September 2005).

18 Finance and Public Administration Legislation Committee (2002) Report on the Charter of Political Honesty Bill 2000 [2002] and three related bills, p. 102.

19 GCU, <http://www.gcu.gov.au/code/about/index.html#mcgc> (accessed 14 September 2005).

20 Department of the Prime Minister and Cabinet, *Guidelines for Australian Government Information Activities—Principles and Procedures*, February 1995, p. 4.

21 The current membership of the MCGC in addition to Senator Abetz is Mr Petro Georgiou MP, Mr Tony Smith MP, Mr Andrew Robb MP, Ms Sussan Ley MP and Mr Tony Knight. *Estimates Hansard*, Senate Finance and Public Administration Legislation Committee, 31 October 2005, p. 63.

deliberations on that campaign. The frequency of MCGC meetings is determined on an 'as needed basis'.²²

5.18 Evidence given at a supplementary budget estimates hearing of the Finance and Public Administration Legislation Committee, in relation to the WorkChoices campaign, suggests that the MCGC meets at least once or twice a week when considering significantly high profile advertising campaigns. Referring to this campaign, Mr Williams, First Assistant Secretary, Department of the Prime Minister and Cabinet, stated that the MCGC held meetings on '12 August, 16 August, 18 August, 22 August, 30 August, 2 September, 6 September, 9 September, 13 September, 23 September, 27 September, 3 October and 6 October [2005]'.²³ He went on to say that 'those meetings basically considered the iterative process of developing an advertising campaign that resonates with the target audience, based on research'.²⁴

The decision-making processes

5.19 The overarching principles and regulations governing the processes are the:

- *Guidelines for Australian government information activities: principles and procedures* (the guidelines), February 1995; and
- Commonwealth Procurement Guidelines, 'which are based on the principles of value for money, open and effective competition, ethics and fair dealing, and accountability and reporting'.²⁵

5.20 Within these broad guidelines the decision-making processes can be thought of as having at least three distinct phases: a developmental/research phase, a communications strategy and consultant selection phase and lastly, the advertising production and placement phase. Most of these phases are iterative processes involving the responsible department, its minister, the GCU and the MCGC. Excluding the GCU, each of these participants is responsible and accountable for making particular decisions along the way. These phases and their respective decisions are discussed later in the chapter.

5.21 Before moving to these, however, it is necessary to clarify who initiates government advertising campaigns.

22 *Committee Hansard*, 19 August 2005, p. 107.

23 *Estimates Hansard*, Finance and Public Administration Legislation Committee, 31 October 2005, p. 97.

24 *Estimates Hansard*, Finance and Public Administration Legislation Committee, 31 October 2005, p. 97.

25 GCU, <http://www.gcu.gov.au/code/about/index.html#mcgc> (accessed 14 September 2005).

Campaign Initiation

5.22 The Special Minister of State, Senator Abetz, in his opening statement to the Committee's public hearing said:

I want to make one point clear in relation to oversight: the departments initiate campaigns. It is a common error among submissions [to this inquiry] that the Ministerial Committee on Government Communications somehow performs a proactive role in initiating campaigns. It does not.²⁶

5.23 Explaining the overall process Senator Abetz reiterated this point and told the Committee that:

In general terms, there is a departmental initiative. The department believes that it needs some communication around it, as a result of which a communication strategy is developed by the department. That goes from the department to the Government Communications Unit and things get developed from there. Depending on what decisions are made, a shortlist of possible agencies is provided. These agencies are asked for submissions, they are put through a rigorous process and, usually, the final two are submitted to the committee [MCGC] for examination and determination. Then a decision is made. The funding for the campaigns comes out of the particular department that has initiated the campaign.²⁷

5.24 The Committee notes that while the MCGC does not initiate advertising campaigns, portfolio ministers, who will sit on the MCGC, may do so. As Mr Williams observed:

...the minister is fulfilling two roles in a sense. He is fulfilling his role as a minister, so he approves material going to the MCGC, but he is a member of the committee for the purposes of considering the items that are being deliberated upon by the committee.²⁸

5.25 The Committee accepts that the MCGC is not likely to formally initiate advertising campaigns itself. There are, however, obvious links between key participants which suggest that it is unrealistic to draw a hard line between departmental and ministerial initiation of advertising campaigns.

5.26 This important point emerged in discussion at a public hearing of the Committee:

Senator STEPHENS—Minister, my question to you is this: if the department did not come up with an advertising proposal or a campaigning proposal, would there be circumstances where the Prime Minister or perhaps you or the ministerial group itself might say that a public communication campaign would help to support this legislation?

26 *Committee Hansard*, 19 August 2005, p. 78.

27 *Committee Hansard*, 19 August 2005, p. 83.

28 *Committee Hansard*, 19 August 2005, p. 93.

Senator Abetz—I indicated in my opening statement that the MCGC is not a proactive body but a reactive body. We react to that which is put to us by the various departments when they consider there is a need.

Senator CARR—So you never propose a campaign?

Mr Williams—Not that I can recall.

Senator Abetz—No.

Mr Williams—That is not to say discussions are not held between ministers' offices and ultimately a minister will come forward with his department suggesting a campaign.²⁹

5.27 In other words, Senator Abetz's insistence that *departments* initiate campaigns should not be understood to mean that *ministers* have little role in this process. The Ministerial Committee on Government Communications does not, as a body, initiate campaigns but equally, the Committee does not believe that public servants initiate major campaigns unbidden and without ministerial direction and oversight.

5.28 There may be government communications activities, such as defence force recruitment, electoral or taxation related advertising, that are managed and initiated routinely by departments. However, major and sensitive campaigns such as the WorkChoices campaign are instigated by ministers at the highest level of government. Based on ministerial directives, the department 'initiates' the formal process with the GCU and MCGC.

Development and research phase

5.29 Notwithstanding who initiates a particular government advertising campaign, the formal processes start within the responsible portfolio department. At this stage and throughout all the processes, departments liaise with the GCU. Research consultants, according to their expertise, may also be engaged to assist in developing aspects of the campaign. The GCU's role, according to Mr Williams, 'is essentially as a facilitator'.³⁰ He stated that:

A department would come to the GCU with advice of a prospective campaign. Generally, depending on the nature and urgency of the campaign, we will start with some developmental research on the topic which will ultimately lead to a communication strategy and the appointment of consultants. GCU's role in that case is to look at the briefs that will go out to consultants to respond to. It will work with the department to identify a list of appropriate consultants to be approached. It will look at the communication strategy to see what the message is, what the target audience is and other issues associated with a proper communication strategy.³¹

29 *Committee Hansard*, 19 August 2005, p. 109.

30 *Committee Hansard*, 19 August 2005, p. 87.

31 *Committee Hansard*, 19 August 2005, p. 87.

5.30 Mr Williams went on to say:

The GCU's role is to help get those lists and briefs into a shape that is proper to go out for the tender process. It is [also] there to ensure that the department is programmed into a meeting of the MCGC to have the MCGC consider it.³²

5.31 The briefs and lists of possible consultants are first put to the portfolio minister for their general approval. Once approved the material is taken to the MCGC. If the MCGC's approval is given, the department and the GCU then begin the detailed development phase.

Communications strategy and consultant selection phase

5.32 During this phase several issues must be addressed and further developed from the previous phase. These include identifying a target audience, developing a communication strategy and identifying a list of appropriate consultants for select tender.³³ At this time the master media planning and placement agency is also preparing the media strategy and plan according to its brief from the department. Again, both the portfolio minister and MCGC are appraised of and *approve* the communications strategy, briefs and consultant list, and *note* the draft media plan.³⁴

5.33 As indicated above, consultants are assessed through a select tender process. The consultants who would be considered must be registered with the GCU. The following exchange provides a concise explanation of this register:

Mr Williams—We do not go to open tender. We use a selective tender process. We take companies who are registered on the GCU register of consultants ... [which] is covered by the Commonwealth Procurement Guidelines.

Senator CARR—It is a panel?

Mr Williams—It is not a panel; it is a register.

Mr Taylor—We advertise every year inviting any companies in this field that would be interested in undertaking government work and those details are registered, along with their relevant experience et cetera. It could be in public relations, research, creative advertising companies et cetera. That is the list that we draw from to compile a list of candidates with relevant experience for particular campaigns.³⁵

5.34 Following selective calls for tenders, the department, GCU and research consultant (if one is engaged) evaluate and test the tenders received. The department then recommends, or shortlists, two consultants for which the portfolio minister's

32 *Committee Hansard*, 19 August 2005, p. 87.

33 Senator the Hon. Eric Abetz, *Submission 9*, p. 3.

34 Department of the Prime Minister and Cabinet, *Submission 5*, Attachment A.

35 *Committee Hansard*, 19 August 2005, pp 88-89.

approval is needed before the shortlist is considered by the MCGC. It is at this point that the MCGC selects the successful consultant.³⁶

Advertising production and placement phase

5.35 This phase of the process is where two final decisions are made before the advertising campaign goes public. The successful consultant further develops and refines the 'creative materials'. According to the submission of Senator Abetz, the 'MCGC closely monitors creative development of the campaign including subsequent testing of materials to ensure they are capable of appropriately achieving the communications objective'.³⁷ The MCGC approves all the materials pre-production and again approves the final materials post-production. In other words, the MCGC first approves the concept for the campaign and second, it approves the final campaign product.

5.36 The final decision to be made concerns the plan for placing the advertisement in the media. The department, creative agency or consultant and the master media placement agency 'review and book a media plan', which is considered and given final approval by the MCGC.³⁸

Summary of the decision-making processes

5.37 It is evident from the discussion above that there are various levels of decision-making during different phases of the overall process. These decisions are made at many levels of executive government, including departmental, ministerial, and the MCGC. Appendix 4 lists each step in the decision-making processes.

5.38 The Committee notes that the MCGC is the *prime* decision making body for government advertising campaigns. The MCGC makes the final decision at each phase of the process and is responsible for making the following key decisions:

- first, it must approve all the associated materials, including, but not limited to, briefs and lists of possible consultants;
- second, it must (i) approve the communications strategy and (ii) select the successful consultant; and
- third, it must (i) approve the final creative concept and final creative materials and (ii) the media placement plan.

5.39 The final question relating to decision making that the Committee examined was on whose authority the decision to expend Commonwealth funds on government advertising campaigns is made. As Senator Carr put it, 'is it the decision of the portfolio

36 Department of the Prime Minister and Cabinet, *Submission 5*, Attachment A.

37 Senator the Hon. Eric Abetz, *Submission 9*, p. 4.

38 Department of the Prime Minister and Cabinet, *Annual Report 1998-99*, p. 72; Department of the Prime Minister and Cabinet, *Submission 5*, Attachment A.

minister, the relevant agency's communications unit, the MCGC or the GCU? Which one is it?³⁹

5.40 The Committee heard that the responsible department, and by extension, the portfolio minister makes the final decision.⁴⁰ When the question of who makes the decision to expend funds was put to GCU officials, the Committee was told:

Mr Williams—The delegate within the department or agency who has the power to commit funds on behalf of that agency.

Senator CARR—It is the department that makes that decision?

Mr Williams—Yes.⁴¹

Criticisms and issues relating to the MCGC and GCU processes

5.41 The following three matters relating to the MCGC and GCU processes were raised:

- efficiencies of centralised processes;
- evaluation of advertising campaigns; and
- application of the 1995 Guidelines.

Efficiencies of centralised processes

5.42 Professor Bartos, Visiting Fellow, Asia-Pacific School of Economics and Government, Australian National University (and former deputy secretary to the Department of Finance and Administration 1997 to 2003) questioned the merits of centralised processes for government advertising and, in particular, the extent of any savings resulting from the GCU and the CAS.

5.43 Professor Bartos argued that 'the idea that centralised purchasing secures discounts for government has been comprehensively disproven in relation to a range of other formerly centralised services'.⁴² He noted that 'government rates' in many cases may be nominally lower than the market's but suggested that centralised regimes inevitably cause other associated inefficiencies, thus raising the overall cost. 'The devolution of responsibility for their own purchasing decisions', according to Professor Bartos, 'has meant agencies have greater scope for innovation and for tailoring services to best meet their needs, generally at a lower cost'.⁴³

39 *Committee Hansard*, 19 August 2005, p. 86.

40 Senator the Hon. Eric Abetz, *Submission 9*, p. 3.

41 *Committee Hansard*, 19 August 2005, p. 86.

42 Professor Stephen Bartos, *Submission 7*, p. 9.

43 Professor Stephen Bartos, *Submission 7*, p. 9.

5.44 For example, Professor Bartos noted that large advertisers, such as the Department of Defence, are by themselves more than likely to obtain media discounts based on sheer volume and without the need of a centralised purchasing system. Savings then, are more likely found in smaller agencies without purchasing power.

5.45 However, he argued that these savings are nominal and with the real costs considered any savings are quickly eroded. Professor Bartos stated:

...any savings on the advertising rate are likely to be more than offset by the additional costs of having to go through the CAS and GCU processes. These *compliance costs* [emphasis added] are considerable – they involve additional expenditure within agencies associated with the time and effort involved in shepherding proposals through the processes, and also some risk to delivery of government programs given the delays they entail.⁴⁴

5.46 Professor Bartos went on to say:

The cost of maintaining the GCU itself is also a factor, but a much lower cost than the invisible – but real – costs of compliance spread across FMA Act agencies as a whole.⁴⁵

5.47 Another submission, from The Agency Register, stated that as of January 2005 there were about 915 advertising agencies operating in Australia but that the number of agencies contracted for major federal government advertising campaigns since 2001 was only around 20.⁴⁶ If these figures represent an accurate picture they suggest that the current level of competition for government advertising contracts is perhaps not as high as might be desirable. Lower competition implies higher prices than otherwise would be likely.

5.48 A second argument given for the centralised processes was that it ensures that agencies do not compete for advertising time and space. Commenting on this argument, Professor Bartos thought that excessive competition was unlikely, except perhaps during the pre-election 'advertising spike'. He stated that: 'if there were no such spike, this justification for centralised purchasing would be much less plausible'.⁴⁷

5.49 The Committee notes two points here. First, this centralist approach is in contrast to the government's overall preference for the devolution observed in many other areas of public administration. Second, this discrepancy, together with the close editorial control exercised by the MCGC, enhances the perception that at least some government advertising campaigns may be used for political ends.

44 Professor Stephen Bartos, *Submission 7*, pp 9-10.

45 Professor Stephen Bartos, *Submission 7*, p. 10.

46 The Agency Register, *Submission 10*, p. 1.

47 Professor Stephen Bartos, *Submission 7*, p. 10.

Evaluation of advertising campaigns

5.50 The Committee notes that responsibility for evaluation of government advertising campaigns resides solely with the initiating department. Evidence to the Committee indicated that the MCGC's formal involvement with particular advertising campaigns ceases once the campaign goes to air or print.

5.51 The Committee is unable to determine the extent to which departmental evaluations of the efficiency and effectiveness of campaigns are made available to and considered in detail by the MCGC. This of itself suggests that the intensity of evaluations is limited.

5.52 The Committee notes that there are at least three forms that evaluation of the effectiveness of campaigns might take, and that need to be distinguished here.

5.53 The first involves the *tracking* of the impact of a campaign, measured in terms of the public's awareness of a particular issue or their support for a particular proposal. The second involves evaluating whether the campaign met its planned target of reach and frequency of media placements. Finally, the third would involve evaluation of the efficiency and effectiveness of particular *facets* of the media strategy, or of particular creative concepts. Was it, for example, the radio advertisements or the television advertisements that really grabbed people's attention? Did the advertisement with one slogan have more impact than the alternate slogan? Did the *volume* of the advertisements placed create negative feedback from the community? What is the evidence that the particular target audience (for example, those entitled to family benefits payment) was actually reached by the advertisements?

5.54 In relation to the first form of campaign evaluation, tracking of a campaign's impact is done by departments and that the results of this tracking can be made available to the MCGC.⁴⁸ Mr Williams described the methodology used for tracking research in the following terms:

[T]racking research is done against a benchmark. It is a standard process. You attempt to benchmark knowledge levels and familiarity with particular issues, and your tracking research will tell you whether you are building on that benchmark. At the end of the campaign in your final element of tracking research you will be able to get a view on how much you have changed people's knowledge, based on the particular issue that the campaign has been focusing on.⁴⁹

5.55 In relation to the WorkChoices advertising campaign, for example, the Department of Employment and Workplace Relations (DEWR) advised a Senate Estimates hearing that focus group and tracking research was undertaken and the

48 Mr Greg Williams, *Committee Hansard*, 7 October 2005, p. 25.

49 Mr Greg Williams, *Estimates Hansard*, Senate Finance and Public Administration Legislation Committee, 31 October 2005, p. 99.

results provided to the department and thence to the GCU and the MCGC.⁵⁰ Evidence indicated that those results were provided at times once or twice per week, and at other times at longer intervals.⁵¹

5.56 The second type of evaluation, the report on the campaign against its placement objectives, is routinely undertaken by the media placement company and, the Committee understands, is also provided to the MCGC. Mr Williams elaborated on the usefulness of this type of evaluation in the following terms:

When you are buying television you buy on the expectation of the programs you are in delivering certain ratings. The aggregate of that is in a sense the TARP [target audience rating point] weight of the campaign. Ex post you can see what those programs delivered in rating points and audience and you will get a more precise view on what you actually achieved. It is a standard process.⁵²

5.57 When questioned on the evaluations to be conducted on the WorkChoices campaign, Mr Williams indicated that only the first and second types of evaluation were planned. He said:

You should, through your tracking research, conducted by Colmar Brunton, get an indication of the target audience's reaction to the campaign in terms of knowledge levels growing of particular elements of the campaign. And you will get, on your TV spend at least, more precision on your reach and frequency outcomes because you will actually know what has been delivered. So between the two you will get a better picture - .⁵³

5.58 It appears from this evidence, then, that evaluations of the third type are not routinely conducted for major government advertising campaigns. That is, it does not appear that assessment of the effectiveness of particular facets of a campaign are commissioned by departments and provided to the MCGC.

5.59 Without such qualitative evaluation, however, it would seem that the MCGC is not in a position properly to assess the effectiveness of the media placement strategy and campaign concepts used for a particular campaign. This means that the MCGC is unlikely, as a body, to learn from past campaign successes or failures.

5.60 Given that the MCGC makes important decisions about the creative content and media placement strategy for government advertising campaigns, and given that

50 Mr John Kovacic, *Estimates Hansard*, Senate Employment, Workplace Relations and Education Committee, 3 November 2005, p. 62.

51 Mr John Kovacic, *Estimates Hansard*, Senate Employment, Workplace Relations and Education Legislation Committee, 3 November 2005, p. 62.

52 Mr Greg Williams, *Estimates Hansard*, Senate Finance and Public Administration Legislation Committee, 31 October 2005, p. 99.

53 Mr Greg Williams, *Estimates Hansard*, Senate Finance and Public Administration Legislation Committee, 31 October 2005, p. 99.

tens of millions of dollars of public funds are at stake, the Committee believes that this kind of evaluation should inform the MCGC's decision-making processes.

Application of the 1995 Guidelines

5.61 The Committee noted earlier in this chapter that the overarching guidelines for government advertising campaigns are the February 1995 *Guidelines for Australian government information activities: principles and procedures* (the guidelines).

5.62 The Committee is concerned that there appears to be no point in the decision-making processes of the MCGC at which the guidelines are formally considered and certified as having been met. This lessens accountability and makes it more difficult to assign responsibility.

5.63 Mr Williams advised that, as an advertising campaign is being developed, 'we look at the nature of the message and the target audience and we look to see that it is consistent with the guidelines', but that there is no formal process for a minister or someone representing the minister to certify that the campaign is in accord with the guidelines.⁵⁴

5.64 The Committee recognises that guidelines may well be internalised and followed without there being a formal certification process. Such a formal process can itself risk becoming a mechanical 'tick and flick' exercise which does little to guarantee that the guidelines shape the choices made in developing a campaign.

5.65 Nevertheless, the Committee is concerned about this matter for two reasons. First, it seeks assurance that the guidelines really do inform the development of campaigns and are not simply a form of policy 'theory' or smokescreen which has no effect in day to day practice. The question over the relationship between guidelines and practice in this case is particularly pertinent, given the fact that the targets set by the guidelines for advertising in non-English language media are consistently not being met. This issue is discussed in detail in Chapter 6.⁵⁵

5.66 Second, the Committee considers that it should be clear who it is that is accountable for the guidelines being met in relation to each campaign. Is it the portfolio minister whose department has commissioned the campaign? Is it the officials in the Government Communications Unit, or the Minister who chairs the MCGC?

5.67 Without clarity on this question, ministers or officials cannot be held to account in cases where the guidelines are not met. This may become particularly

54 *Estimates Hansard*, Senate Finance and Public Administration Legislation Committee, 25 May 2004, pp 143-145.

55 See paras 6.15-6.18.

relevant if some of the suggested revisions to the current guidelines, discussed in the following chapter, are adopted.

Conclusion

5.68 In this chapter, the Committee has outlined the decision-making processes involved in Commonwealth government advertising. It has highlighted concerns relating to the efficiencies of a centralised advertising system, feedback of detailed campaign evaluation to the MCGC and the extent to which the guidelines play a real role in shaping advertising campaigns.

5.69 The Committee also found that only limited evaluations of the effectiveness of campaigns are undertaken. While there is some degree of tracking of the impact of campaigns and reporting of campaigns against their objectives, no qualitative evaluation of the particular facets of campaigns occurs. This is a significant gap in the government's own oversight of its advertising strategies. Qualitative evaluations are routinely done as an element of program management across most areas of government activity. Without this form of evaluation the MCGC and relevant departments are unable to gauge the effectiveness of media strategies and campaign concepts. The Committee believes this needs to be rectified.

Recommendation 2

5.70 The Committee recommends that for all major government advertising campaigns, the responsible department should conduct or commission a qualitative evaluation of key facets of the campaign (such as media placement strategy, campaign concept, response of target audience, value for money and so on) and report the evaluation results to the MCGC.

5.71 In the next two chapters of the report, the Committee considers the adequacy of the current guidelines, suggested revisions to them and other measures to improve the accountability framework for government advertising.

