

**Senate Standing Committee on Environment and Communications**

**Answers to Senate Estimates Questions on Notice**

**Budget Estimates May 2017**

**Communications Portfolio**

**Australian Broadcasting Corporation**

**Question No: 120**

**Australian Broadcasting Corporation**

**Hansard Ref: Pages 132, 24/05/2017**

**Topic: ABC Outbidding**

**Senator McKenzie, Bridget asked:**

**Senator McKENZIE:** Finally, I just wanted to return to the evidence given in Senator Dastyari's select committee on 17 May by Mr Hywood, who had great concern about the ABC outbidding commercial new organisations. I know we have traversed this with other senators. Ms Higgins, you might be able to help me with this. I would like to know how much the ABC spent on AdWords auctions.

**Ms Guthrie:** I think we previously said that we would take that question on notice.

**Senator McKENZIE:** You have your chief financial officer here. I am sure she has the figures available. It is budget estimates, after all.

**Ms Guthrie:** In terms of our rough monthly spend—is that what you are interested in?

**Senator McKENZIE:** I want some quantification around these claims of how the ABC is using taxpayers' money.

**Ms Guthrie:** On an overall basis, our direct external marketing budget is 0.2 per cent of our total budget, which is roughly about \$2 million. Of that, a portion goes to search spend. Roughly it is about \$30,000 a month.

**Senator McKENZIE:** Could I have on notice a breakdown of how much you pay for the AdWords auction, Google and any social media advertising separate to that. Are there any other areas where the ABC is outbidding commercial news organisations?

**Ms Guthrie:** Again, I find it difficult to say that we are outbidding anybody because we have no idea whether anybody is actually in the auction. Based on how little we spend on a relative basis, and certainly on a cost-per-click basis, I deeply suspect that there is no auction pressure at all, which means that we are not outbidding commercial media.

**Answer:**

In the 2016 calendar year, the ABC spent a combined \$1.5 million on search engine marketing and social media marketing (\$1,049,630 on social media marketing and \$449,523 on search engine marketing). This represents approximately 0.14 per cent of the ABC budget.

The ABC is unable to provide a detailed breakdown of spend according to supplier as it will compromise contractual arrangements and is commercial-in-confidence.