

Opening Statement, Ian McPhee, Australian National Audit Office,

JCPAA hearing 23 November 2009 – Government Advertising

10.00 am Room 2S3 Parliament House

Submission No: 11

The Guidelines set out clearly the standards to be complied with by government agencies in administering advertising campaigns. They combine underlying principles with guidelines and guidance. They build on past experience and have been a positive development in the evolution of guidance in this sensitive area of public administration.

The ANAO's role in the review of certificates provided by CEOs in relation to advertising campaigns has made a positive contribution to the greater discipline now evident in the administration of advertising campaigns.

In my view, the ANAO makes a valuable contribution by:

- conveying to agencies good practice in relation to departmental processes for advertising campaigns;
- signalling expectations of the standard of supporting evidence to demonstrate compliance with the Guidelines; and
- providing timely assurance to Ministers, Parliament and public on a department's performance in relation to the Guidelines at the time.

In this context, at the Committee's hearing of 9 September, Dr Parkinson stated:

"...I would say as an observation that it (the involvement of the ANAO) definitely puts a series of hoops which are quite serious to meet and which require considerable effort from staff from departments to meet... I think it is actually to everyone's benefit that there is a high degree of integrity in the process. I would just say in the context of the climate change campaign that we were very, very mindful of the integrity which the ANAO would bring to the table, and the way in which we would have to satisfy their very high standards. I have been incredibly impressed with the professionalism that Mr McPhee and his officers have brought to the table."

However, I acknowledge and welcome the matters raised during the inquiry which could strengthen the Guidelines and make the overall process more robust. I have flagged a number of matters, including:

- The need for Chief Executives to make it clear on their certificate that the campaign is informed by departmental research and analysis, and is independent of any ministerial or Cabinet direction relating to the method, medium and volume of advertising.
- The need for greater clarity regarding the boundary between normal business activities, and activities subject to the guidelines, the definition of campaign advertising and those campaigns undertaken by outsourcing arrangements.
- Consideration of new media forms and methods, and websites.
- Greater clarity as to the requirements of the cost benefit analysis.
- Requiring departments to present campaign information on their websites, thereby further enhancing transparency.

The ANAO has been in discussion with Finance regarding the review of the Guidelines, but has not yet been provided with final terms of reference.

Several issues have also arisen in the course of the Committee's hearings, including:

- The need to consider special audiences.
- The robust discussion around the matter of partisanship.
- That the ANAO continues to maintain, and can be seen to retain, its independence from Government decision making.

The evolution of the administrative arrangements for government advertising we have seen through the adoption of the Guidelines and the early involvement of the ANAO, have strengthened arrangements in this sensitive area of public administration. The Committee's inquiry and the review of the Guidelines by the Minister can only be expected to strengthen the administrative arrangements for government advertising further.