



Australian Government
Department of Finance and Deregulation

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Committee Secretary
Joint Committee of Public Account and Audit
Department of the House of Representatives
PO Box 6021
Parliament House
CANBERRA ACT 2600

Dear Secretary

Role of the Auditor-General in scrutinising government advertising campaigns – Questions on Notice – Hearing 17 June 2010

Dr Allan Hawke appeared before the Joint Committee of Public Accounts and Audit (JCPAA) at its hearing on 17 June 2010. He appeared as author of the *Independent Review on Government Advertising Arrangements* and also as chair of the Independent Communications Committee (ICC).

There were several questions on notice that arose from the above hearing. The Department of Finance and Deregulation has responsibility for government advertising and also provides secretariat services to the ICC. We have therefore arranged to provide the JCPAA with answers to the above questions on notice on behalf of Dr Hawke.

If you require any further information please contact Mr Craig Donovan, Acting Director, Communications Advice Branch on 02 6215 2411.

Yours sincerely

John Grant
First Assistant Secretary
Procurement Division
Financial Management Group
9 July 2010

ANSWER TO QUESTION ON NOTICE

Joint Committee of Public Accounts and Audit
Role of the Auditor General in scrutinising government advertising
Thursday, 17 June 2010

Question reference number: PA 22

Type of Question: Question on Notice

Number of Pages: 1

Mr GEORGIU—No, when you say that secretaries have raised with you their serious concerns that the Auditor-General's role directly undermines the proper accountability of secretaries, can you tell us how many secretaries expressed that view?

Dr Hawke—No, I cannot. I would have to go back and check.

Mr GEORGIU—A large number?

Dr Hawke—I do not remember. I will have to go back and check. I am not going to hazard a guess.

Answer:

The majority of Secretaries raised this issue during my independent review of government advertising arrangements.

ANSWER TO QUESTION ON NOTICE

Joint Committee of Public Accounts and Audit
Role of the Auditor General in scrutinising government advertising
Thursday, 17 June 2010

Question reference number: PA 35

Type of Question: Question on Notice

Number of Pages: 1

Senator KROGER—I want to return to one other matter related to the words that you used to various questions, and that was that the assessments and then recommendations made in your review were your observations. You then later said that you get some things wrong.

Dr Hawke—Sure.

Senator KROGER—I was heartened by your comments in relation to the proper framework of the ICC to ensure transparency and accountability in the conduct of that commission. Given that you are heading up that commission and you are the one who conducted this review on your own, I am interested to know more than just your general observations; I am interested to know how many people you actually consulted in this process, who they were and on what basis you made the assertions you did to come up with your findings.

Dr Hawke—Again, I think I will have to take that one on notice. But I did consult a range. I think I might have consulted all secretaries that were available plus some statutory office holders, heads of agencies—like, maybe it was not the head but the deputy in the tax office—and a few others who had had some experience of campaigns.

Answer:

In conducting the *Independent Review of Government Advertising Arrangements*, I met with a range of people including the Auditor-General, 16 secretaries of departments, the Second Commissioner of Taxation, Senator the Hon Joe Ludwig, the Minister for Defence and former Special Minister of State, Senator the Hon John Faulkner, and Ms Sharon Grierson MP, the Chair of the Joint Committee of Public Accounts and Audit. These consultations informed my findings.

ANSWER TO QUESTION ON NOTICE

Joint Committee of Public Accounts and Audit Role of the Auditor General in scrutinising government advertising Thursday, 17 June 2010

Question reference number: PA 35 - 36

Type of Question: Question on Notice

Number of Pages: 1

Senator KROGER—I have just one further question which is a follow-up or clarification. You said that you received formal advice in relation to the resource mining super tax campaign on 24 May, is that right?

Dr Hawke—If I said that, that would be right. Let me just have a quick look—yes, 24 May.

Senator KROGER—And you received no advice prior to that date? When you received the letter in the mail, that was the first knowledge you had of that being taken outside of the purview of the ICC?

Dr Hawke—That may not be correct. I might have been told orally the same day or the day before. I was away when this process was happening—for part of it—and I came back to Australia in May. I have a vague recollection that somebody might have mentioned to me at some stage that an exemption had been sought. But I cannot remember when that was. I can check. I think I know the source of that. It was a department of finance official who mentioned this—probably not to me but to the whole of the committee.

Senator KROGER—So your recollection is that there was some verbal advice given prior to receiving that formal advice?

Dr Hawke—Yes, an oral advice was provided that the minister had made the decision and would be informing us in writing. That is my recollection of it.

Senator KROGER—Could you provide us with the details of that: who provided you with that advice and what the date was?

Answer:

The First Assistant Secretary of the Procurement Division in the Department of Finance and Deregulation contacted me on the afternoon of 27 May 2010 to advise that the Cabinet Secretary had agreed to an exemption for a tax reform campaign. I received a copy of the Cabinet Secretary's letter to the Treasurer on 28 May 2010.