

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

16 February 2012

Question No: AET 1038 - 1043

Topic: Government advertising (ATO)

Hansard Page: Written

Senator Bushby asked:

1038. What was the total cost of all advertising for 2007-08, 2008-09, 2009-10 and 2010-11?
1039. For each of those years, list whether the advertising is campaign or non-campaign and details of each advertising, including the program the advertising was for, the total spend and the business that provided the advertising services.
1040. Did the Department of Finance and Deregulation provide any advice about the advertising? Provide details of each advertising item.
1041. Did the Advertising comply with the Guidelines on Information and Advertising Campaigns by Australian Government Departments and Agencies? Provide the details for each advertising item.
1042. Provide details for any other communications program, including details of the program, the total spend and the business that provided the communication services.
1043. What advertising – Campaign and Non-Campaign – and other communications programs is the Department/Agency undertaking, or are planning to undertake?

Answer:

1038. The table below provides a breakdown of the total cost for campaign and non-campaign advertising.

Campaign advertising

| YEAR | Campaign advertising Cost \$ (GST Inclusive) | Non-campaign advertising Cost \$ (GST Inclusive) |
|---------|---|---|
| 2007-08 | 9,066,500 | 3,339,200 |
| 2008-09 | 19,796,600 | 1,327,100 |
| 2009-10 | 3,201,600 | 1,074,400 |
| 2010-11 | 901,300 | 917,600 |

1039. The following tables provide information on advertising undertaken by the ATO for 2007-08, 2008-09, 2009-10 and 2010-11.

Tables 1 and 2 provide information on campaign advertising. Table 1 provides a description of each advertising campaign and the timing of the campaign. Table 2 details the expenditure on advertising for each campaign and the business that provided the advertising services for the campaign.

Table 3 details the expenditure on non-campaign advertising for each year. Non-campaign advertising is simple, informative advertising that generally appears only once or twice and contains factual statements and typically has a low creative content.¹

TABLE 1: Timing and description of advertising campaigns

| CAMPAIGN | CAMPAIGN DESCRIPTION | 2007-08 | 2008-09 | 2009-10 | 2010-11 |
|--|---|---------|---------|---------|---------|
| Better super | A campaign to raise community understanding of the changes and benefits to superannuation. | ✓ | | | |
| Super and retirement | A campaign providing information to people who are retired or planning to retire on super benefits, how to find any lost super and providing their tax file number to their super fund. | ✓ | | | |
| Tax time | A campaign to promote tax time to all individual taxpayers to make it as easy as possible for them to prepare and lodge their own tax return. | ✓ | ✓ | ✓ | ✓ |
| Aggressive tax planning | A campaign to deter consumers from participating in tax exploitation schemes. | ✓ | ✓ | ✓ | ✓ |
| Small business alignment | A campaign to raise small business awareness of changes introduced by Government to standardise the eligibility criteria for small business tax concessions. | ✓ | | | |
| First home savers account | A campaign targeted at prospective first home buyers to provide them with information to understand the features and benefits of a First Home Savers Account. | | ✓ | | |
| Practical assistance for small business | A campaign focussed on providing practical help for small business to take control of their tax affairs. | | ✓ | | |
| Education tax refund (ETR) | A campaign to inform the public of the ETR. | | ✓ | | |
| Tax bonus payment | A campaign to inform the community about the Government's payment to individuals who paid tax in 2007-08 and whose taxable income did not exceed \$100,000. | | ✓ | | |
| Tax evasion | A campaign to raise community awareness about tax evasion, avoidance and crime issues and to deter the demand and supply of high risk or illegal activities. | | ✓ | ✓ | |
| Lost super | A campaign promoting the SuperSeeker tool and to encourage the community to reunite with their lost super. | | ✓ | ✓ | ✓ |
| Small business and general business tax break | A small scale public education campaign to ensure businesses were aware of the temporary small business and general business tax break that formed part of the Government's Nation Building and Jobs Plan to support economic growth and employment in Australia. | | | ✓ | |
| Project Wickenby | A cross-agency initiative, the campaign encouraged people with hidden income or assets overseas to take advantage of the offshore voluntary disclosure initiative. The follow-up activity in 2010-11 warned high wealth individuals and their advisors about the risks of hiding income offshore. | | | ✓ | ✓ |
| Small business benchmarks | A campaign to raise awareness of small business benchmarks and promote use of a support tool for small business and the ATO compliance tool to support honest businesses and promote a level playing field. | | | ✓ | ✓ |
| Super guarantee in high risk industries | A campaign targeting employers in industries identified at high risk of not complying with their super obligations for employees. In 2009-10, the road freight transport, automotive and electrical industries were targeted. In 2010-11, the computer system design, accommodation and | | | ✓ | ✓ |

¹ Guidelines on Information and Advertising Campaigns by Australian Government Departments and Agencies (March 2010)

| | | | | | |
|---|--|--|--|--|---|
| | accounting service industries were targeted. | | | | |
| Tax file number (TFN) protection | A campaign to promote the benefits of protecting your TFN to TFN holders that coincided with Consumer Fraud Awareness Week (March 2011). | | | | ✓ |

TABLE 2: Advertising campaign expenditure

| Campaign | Service provider | Service provided | Cost \$ (GST inclusive) ² | | | | Total |
|--|---------------------------------------|-------------------------------------|--------------------------------------|------------|---------|---------|-------------------|
| | | | 2007-08 | 2008-09 | 2009-10 | 2010-11 | |
| Better super | Universal McCann | Media placement | 7,710,600 | | | | 7,710,600 |
| Super and retirement | Hma Blaze Pty Ltd | Media placement | 177,300 | | | | 177,300 |
| Tax time | Hma Blaze Pty Ltd | Media placement | 393,500 | 213,800 | | | 1,359,200 |
| | Media Heads Pty Ltd | Media placement | 84,700 | 88,000 | 89,000 | 93,500 | |
| | Phillips Communications Group Pty Ltd | Advertising - creative | 49,500 | | | | |
| | Adcorp | Media placement | | | 156,500 | 90,000 | |
| | Universal McCann | Media placement | | | | 86,300 | |
| | Special Broadcasting Service (SBS) | Media placement (special audiences) | | | | 8,300 | |
| | Adcorp | Media placement (special audiences) | | | | 6,100 | |
| Aggressive tax planning | Hma Blaze Pty Ltd | Media placement | 109,500 | | | | 677,900 |
| | Universal McCann | Media placement | | 199,600 | | 212,300 | |
| | Adcorp | Media placement | | | 156,500 | | |
| Small business alignment | Hma Blaze Pty Ltd | Media placement | 361,400 | | | | 361,400 |
| First home saver accounts | Universal McCann | Media placement | | 2,624,600 | | | 3,206,600 |
| | George Patterson Y&R Pty Ltd | Advertising - creative | 180,000 | 402,000 | | | |
| Practical assistance for small business | Media Heads Pty Ltd | Media placement | | 178,800 | | | 178,800 |
| Education tax refund | Universal McCann | Media placement | | 4,179,000 | | | 4,956,600 |
| | Leo Burnett Pty Ltd | Advertising - creative | | 777,600 | | | |
| Tax bonus payment | Universal McCann | Media placement | | 10,976,400 | 259,700 | | 11,236,100 |

² Figures have been rounded to the nearest hundred dollar.

| Campaign | Service provider | Service provided | Cost \$ (GST inclusive) ³ | | | | Total |
|---|---------------------|------------------------|--------------------------------------|-------------------|------------------|----------------|-------------------|
| | | | 2007-08 | 2008-09 | 2009-10 | 2010-11 | |
| Tax evasion | Hma Blaze Pty Ltd | Media placement | | 58,600 | | | 112,100 |
| | Adcorp | Media placement | | | 53,500 | | |
| Lost super | Hma Blaze Pty Ltd | Media placement | | 65,200 | | | 277,500 |
| | Adcorp | Media placement | | | 157,600 | | |
| | Universal McCann | Media placement | | | | 54,700 | |
| Small business and general business tax break | Universal McCann | Media placement | | | 1,618,500 | | 1,982,900 |
| | Grey Worldwide | Advertising - creative | | 33,000 | 136,500 | | |
| | Media Heads Pty Ltd | Media placement | | | 194,900 | | |
| Project Wickenby | Universal McCann | Media placement | | | 222,200 | 124,400 | 346,600 |
| Small business benchmarks | Adcorp | Media placement | | | 99,900 | | 132,900 |
| | Universal McCann | Media placement | | | | 33,000 | |
| Super guarantee in high risk industries | Adcorp | Media placement | | | 56,800 | | 118,000 |
| | Universal McCann | Media placement | | | | 61,200 | |
| Tax File Number (TFN) Protection | Universal McCann | Media placement | | | | 131,500 | 131,500 |
| TOTAL | | | 9,066,500 | 19,796,600 | 3,201,600 | 901,300 | 32,966,000 |

³ Figures have been rounded to the nearest hundred dollar.

TABLE 3: Non-campaign advertising expenditure

| Campaign | Service provider | Service provided | Cost \$ (GST inclusive) ⁴ | | | | Total |
|--|---|----------------------------------|--------------------------------------|------------------|------------------|----------------|------------------|
| | | | 2007-08 | 2008-09 | 2009-10 | 2010-11 | |
| Windup notices | Hma Blaze Pty Ltd | Media placement | 454,300 | 416,600 | | | 1,647,600 |
| | Adcorp | Media placement | | 4,700 | 303,000 | 469,000 | |
| Recruitment | Hobsons Australia Pty | Graduate recruitment advertising | | 23,500 | | | 4,325,800 |
| | Hudsons Global Resources (Aust) Pty Ltd | SES recruitment advertising | | 52,100 | | | |
| | Hma Blaze Pty Ltd | Media placement | 2,761,300 | 594,300 | | | |
| | Adcorp | Media placement | | 21,900 | 554,300 | 318,400 | |
| SBS tax talk | Hma Blaze Pty Ltd | Media placement | 38,500 | 84,900 | | | 266,700 |
| | Adcorp | Media placement | | | 57,200 | 50,000 | |
| | SBS | Radio production | | | 29,000 | 7,100 | |
| National Indigenous Radio Service | Hma Blaze Pty Ltd | Media placement | 13,800 | 19,100 | | | 83,000 |
| | Adcorp | Media placement | | | 20,800 | 29,300 | |
| Vision Australia radio | Hma Blaze Pty Ltd | Media placement | | 22,900 | | | 68,900 |
| | Adcorp | Media placement | | | 21,600 | 24,400 | |
| Tenders | Hma Blaze Pty Ltd | Media placement | 27,500 | | | | 35,600 |
| | Adcorp | Media placement | | | 3,600 | 4,500 | |
| Tax agents' board notices | Adcorp | Media placement | | | 51,700 | | 51,700 |
| Business as usual advertising⁵ | Hma Blaze Pty Ltd | Media placement | 43,800 | 87,100 | | | 179,000 |
| | Adcorp | Media placement | | | 33,200 | 14,900 | |
| TOTAL | | | 3,339,200 | 1,327,100 | 1,074,400 | 917,600 | 6,658,300 |

⁴ Figures have been rounded to the nearest hundred dollar.

⁵ This is advertising that appeared only once or twice for example relocation of ATO offices/shopfronts or other public notices.

1040. Yes, the Department of Finance and Deregulation provided advice and guidance in relation to the following advertising campaigns as part of the external approval and review process:

- first home saver accounts
- tax bonus payments
- education tax refund
- small business and general business tax break.

The ATO also received agreement from the Department of Finance and Deregulation to conduct business-as-usual marketing and communication activities outside of the external approval and review process. This agreement covered work in relation to:

- tax time
- practical assistance for small business
- superannuation
- small business benchmarks.

1041. Yes, all advertising campaigns undertaken in the period 2007-08 through to 2010-11 complied with the *Guidelines on Information and Advertising Campaigns by Australian Government Departments and Agencies (the Guidelines)*.

Details for each advertising campaign are outlined in the response to question AET 1039.

1042. Details on all communication programs, the total spend and the business that provided the communication services has been provided in response to question AET 1039.

1043. The following tables show planned campaign and non-campaign expenditure for communication programs the ATO is undertaking or planning to undertake.

CAMPAIGN ADVERTISING

The budget figure includes costs associated with advertising and other communication activities subject to whole of government guidelines (*Guidelines on Information and Advertising Campaigns by Australian Government Departments and Agencies March 2010*).

| PROGRAM NAME | FORECAST YEAR RANGE | BUDGET \$ (GST Inclusive) |
|---|----------------------------|--------------------------------------|
| Super guarantee in high risk industries | 2011-12 | 50,000 |
| Aggressive tax planning | 2011-12 | 180,000 |
| Tax Time 2012 | 2011-12 | 237,600 |
| Project Wickenby | 2011-12 | 75,000 |
| Small business benchmarks | 2011-12 to 2012-13 | 40,000 |
| Goods and services tax (GST) compliance program | 2010-11 to 2013-14 | 2,764,000 |
| Reporting of taxable payments | 2011-12 to 2014-15 | 1,140,000 |
| Super reform measures* | 2011-12 to 2014-15 | 23,340,000 |

* These activities and the expenditure of funds are dependent on the passage of legislation.

NON-CAMPAIGN ADVERTISING

Non-campaign advertising is simple, informative advertising that generally appears only once or twice and contains factual statements and typically has a low creative content⁶.

NB: General recruitment, public notices and procurement advertising has not been included in the table below as there is no expenditure planned for this type of advertising.

| PROGRAM NAME | FORECAST YEAR RANGE | BUDGET (GST Inclusive) |
|---|---------------------|---------------------------|
| Advertising for graduate program | 2011-12 | 63,000 |
| Software development consultative group print advertising for 2011 new consultative members | 2011-12 | 8,000 |
| Digital advertising for promotion of new ATO property page | 2011-12 | 22,000 |

⁶ Guidelines on Information and Advertising Campaigns by Australian Government Departments and Agencies (March 2010).