

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

26 February 2014

Question: AET 1888

Topic: Pre-election commitments or decisions - Contracts (ATO)

Written: 7 March 2014

Senator BUSHBY asked:

1888) How much has your agency spent in the last year on PR firms, focus groups, lobbyists or external communications contracts or services? What were the decision processes for those contracts and what was the level of Ministerial or Minister office input into those decisions?

Answer:

1888) For the period 1 March 2013 to 28 February 2014, the ATO has entered into 52 arrangements with a contract value totalling \$22.371 million (GST inclusive) for public relations, external communications and market research services.

The decision making process included evaluations to ensure that the awarded contracts will be an efficient, effective, economical and ethical use of Commonwealth resources and compliant with the mandatory *Commonwealth Procurement Rules* and the *Financial Management & Accountability Regulations 1997*.

As an agency subject to the *Financial Management and Accountability Act 1997*, the ATO complies with the *Short-term Interim Guidelines on Information and Advertising Campaigns by Australian Government Departments and Agencies* (effective as-of November 2013) when considering Information and advertising campaigns. The guidelines state that all advertising valued over \$250,000 must be approved by the Assistant Treasurer and the Special Minister of State. The ATO has not entered any advertising contracts exceeding this threshold since the *Guidelines* have taken effect from November 2013.

Approximately \$17.9 million (80 percent of this spend) involved the engagement of a creative agency and advertising placement for the *Super Your Money Your Future* campaign directly related to a range of super reforms announced by the Australian Government in 2010. This significant campaign (Super Your Money Your Future) received Ministerial approval.

The ATO spent \$2.3 million or just over 10 percent on 19 different market research contracts across a range of tax products and services, not individually exceeding \$389,000.