

GOVERNMENT DEPARTMENTS — ADVERTISING

523. Hon TJORN SIBMA to the minister representing the Minister for Finance:

This question was redirected to the minister. I refer to government expenditure on advertising.

- (1) What is the value of the tender for government media booking, buying and planning services for advertising—common user agreement MBBP2018—which will take effect from 1 July 2018?
- (2) What is the allocated expenditure by government for each year of the contract until 30 June 2021?
- (3) To whom was the tender awarded and does the firm or firms have an eastern states headquarters?

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of the question.

- (1) The total contract award value is estimated to be \$300 million, including GST, over the potential five-year term of the contract.
- (2) Historically, only 55 per cent, or \$165 million, of the contract expenditure has been by government. This is expected to reduce in future, consistent with the government's commitment to reduce advertising by \$20 million per annum. Information on forecast annual expenditure is not available, as the estimated contract value is based on past use only.
- (3) The tender was awarded to Carat Australia Media Services Pty Ltd, which has its headquarters located in Melbourne, with a local office in Perth; and Initiative Media Australia Pty Ltd, which has its Australian headquarters located in Sydney, with a local office in Perth.