Opinion on Ministerial Notification – Hotel Perth Campaign Reports
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OPINION ON MINISTERIAL NOTIFICATION – HOTEL PERTH CAMPAIGN REPORTS

This report has been prepared for submission to Parliament under the provisions of section 24 of the Auditor General Act 2006.

It deals with a decision by the Minister for Tourism, the Hon Paul Papalia MLA, not to provide Parliament with 5 post campaign performance reports in full and certain performance information regarding the Hotel Perth Campaign.

CAROLINE SPENCER
AUDITOR GENERAL
24 February 2021
Auditor General’s overview

The disclosure of information in the public interest is a key criterion we use when forming an opinion on a Minister’s decision to withhold information from Parliament. This is because the provision of information to Parliament is fundamental to the principles of good governance, openness, and accountability in our Westminster system of responsible government. Sections 81 and 82 of the Financial Management Act 2006 (FM Act) were introduced to support the disclosure of information to Parliament. Consequently, the default position of a Minister should be one of disclosure, when it is not contrary to the public interest. This is also consistent with the aim of the Freedom of Information Act 1992.

Ministers rely on entities to provide robust advice to assist them in making decisions, including in relation to providing information to Parliament. As such, entities have an obligation and responsibility to provide complete and accurate advice that properly assesses requests for information in line with the default position of disclosure. Entities need to foster a culture of transparency to Parliament, and understand the implications for any advice to Ministers to withhold information.

Previous opinions by my Office on ministerial notices have highlighted that Tourism WA generally has good practices for assessing whether information can be provided to Parliament. It was therefore disappointing to see this was not the case on this occasion. Tourism WA’s process for assessing what information could be provided to Parliament for the question in this report was poor, and ultimately resulted in the Minister tabling records in Parliament that were doctored and lacked transparency about what information was redacted. This is deeply concerning to me.

When information is withheld from Parliament to preserve its confidentiality the items not provided, and the reasons for this, should be clear for all. Indeed, my role to provide opinions under section 82 of the FM Act is a safeguard to the accuracy of those stated reasons. I have included some detailed examples in this report to provide a useful guide for entities to consider when assessing information requests and providing advice to Ministers.
Ministerial decision not to provide information to Parliament

Introduction

This report deals with a decision by the Minister for Tourism, the Hon Paul Papalia MLA, not to provide Parliament with 5 post campaign performance reports in full and certain performance information regarding the Hotel Perth Campaign.

Section 82 of the Financial Management Act 2006 (the FM Act) requires a Minister who decides that it is reasonable and appropriate not to provide certain information to Parliament, to give written notice of the decision to both Houses of Parliament and the Auditor General within 14 days of the decision.

Section 24 of the Auditor General Act 2006 requires the Auditor General to provide an opinion to Parliament as to whether the Minister’s decision was reasonable and appropriate.

What we did

The Audit Practice Statement on our website (www.audit.wa.gov.au) sets out the process we follow to arrive at our section 82 opinions, including:

- a review of State government entity documents
- a review of any advice provided to the relevant Minister by entities, the State Solicitor’s Office or other legal advisers
- interviews with key entity persons including discussions about our draft findings and the Auditor General’s opinion.

Our procedures are designed to provide sufficient appropriate evidence to support an independent view to Parliament on the reasonableness and appropriateness of the Minister’s decision.

We have not performed an audit, however our procedures follow the key principles in the Australian Auditing and Assurance Standards.

Opinion

The decision by the Minister for Tourism, the Hon Paul Papalia MLA, not to provide Parliament with 5 post campaign performance reports in full and the number of people booking travel as a result of the Hotel Perth Campaign, was not reasonable and therefore not appropriate. Some of the information was publicly known or not commercially sensitive and, in some cases, there was no obligation of confidence.

The Minister tabled redacted documents in Parliament. However, the extent of redaction was not clear in the tabled documents. There were numerous undisclosed redactions, resulting in a higher implied level of completeness and transparency than would have been apparent from the tabled documents. Although the Minister followed the advice of Tourism WA, the advice was not correct as the Minister was not informed of the extent of redacted information.

These issues are extremely concerning and reflect poorly on the work undertaken by Tourism WA on this occasion, which is usually of a higher standard in these matters.
Background

In Parliament on 12 March 2019, Ms Libby Mettam MLA asked the Minister for Tourism for information about the Hotel Perth Campaign in Legislative Assembly Question on Notice 4858. Parts (e) and (h-i) requested the following:

I refer to the Hotel Perth Campaign and Question on Notice 4292 and I ask:

(e) Will the Minister table the performance report for the key performance indicators? If not, why not;

(h) Have any reports or assessments been prepared since the completion of the campaign? If yes, what are the reports or assessments and will the Minister table the reports? If not, why not;

(i) What was the increase in the number of people booking travel as a result of this campaign;

On 13 August 2019, the Minister declined to provide the full information requested in the above 3 parts, noting:

Information contained in the reports/assessments of the campaign, including the KPIs for the individual partners and the number of people booking travel directly with the travel partners, is commercially sensitive information and its disclosure could cause unreasonable detriment to both the State’s interests and the interests of Tourism Western Australia’s campaign partners. Tabling these reports in full could provide a competitive advantage to other States and reduce the effectiveness of the campaign and the State’s investment in it.

The full transcript of the parliamentary question and the Minister’s response is in Appendix 1.

On 21 August 2019, the Auditor General received the Minister’s notification of the decision not to provide the requested information in accordance with section 82 of the FM Act.

Key findings

The information not provided to Parliament comprised a document (Campaign Awareness Performance Research Report) and information on the increase in the number of people booking travel as a result of the campaign. Four other documents were provided but with information significantly redacted and, as our examination identified, some information missing.

The decision by the Minister for Tourism not to provide Parliament with 5 post campaign performance reports in full, and the number of bookings as a result of the Hotel Perth Campaign, was not reasonable and therefore not appropriate. The decision failed to recognise that some of the information was publicly known, not commercially sensitive, and in some cases, there was no obligation of confidence.

Failures in Tourism WA’s assessment process effectively misled the Minister

The Minister properly sought advice from the Western Australian Tourism Commission (Tourism WA) before responding to the request. The Minister’s decision was consistent with the advice provided by Tourism WA. Tourism WA based its recommendation on an assessment against its Release of Event Sponsorship and/or other Commercial Information Policy and Guidelines.

While this document generally provides suitable criteria for assessing whether information is commercially sensitive, we found that there were significant shortcomings in Tourism WA’s processes on this occasion which resulted in incorrect and misleading advice to the Minister.
These shortcomings reduced transparency about the context and extent of information being withheld from Parliament. We found:

- Tourism WA relied on their consultants and campaign partners (the contractors) to determine what information could be provided to Parliament and did not assess the contractor redactions across the 4 reports provided to the Minister and tabled in Parliament.

- Tourism WA did not provide the contractors with guidance on how to identify and justify redacting commercially sensitive information. Tourism WA did not document whether they agreed or disagreed with the contractors’ assessments of what information was commercially sensitive.

- In 1 instance, a contractor redacted information on the basis that they felt it was not relevant to the parliamentary question. There was no evidence that Tourism WA questioned this decision.

- Inconsistent approaches for redacting the information. This included information being blacked out, information removed without indicating what was deleted, page numbers removed, and pages renumbered. Consequently, Parliament would not know the total extent of redactions (Figures 1 to 3).

Figures 1 to 3 below illustrate examples of the inconsistent approaches for redacting the information Tourism WA provided to the Minister, where figure 1 shows redaction that is clear and of the expected standard, with the other figures lacking transparency as to what was not provided to Parliament.
Example of normal practice for redacting information in a document tabled in Parliament

SOCIAL RESULTS

FACEBOOK CAROUSELS
The average CTR is 0.63%, so this element of the campaign was slightly below this result too. In future, recommend having at least 2-3 variations of creative at this element.

The performance carousel featured the same creative as the display phase, which means we likely had ad creative fatigue. Recommend in the future having different creative for the different phases and streams – especially having creative that specifically speaks to the Bright Lights audience to really appeal to them.

FACEBOOK LINK ADS
Unfortunately remarketing to people who attended the Nice activation did not work as well as planned. The ads struggled to reach the attendees or people recently there – as such the full budget for this part was not spent out.

OAG comment: Original document with no information redacted. The version tabled in Parliament had black boxes indicating redacted information. This is in line with the normal process for redacting information and what we expected to be done consistently throughout the document.

Source: Tabled Paper 2642 and Post Campaign Report – 23 February to 9 March 2018

Figure 1: Example of redacted information being blacked out as per normal practice
Example of missing information in document tabled in Parliament – sections removed

### Tabled paper – 2 rows

**Q3 HOTEL PERTH – KEY LEARNINGS**

| TV maintains a primary channel to maximise reach & frequency of campaign messaging. Where possible need to lock in TV as early as possible to secure deals |
| Multiple forms of video (Pre Roll, In article) should continue to be considered is a way to extend reach & user site experience |
| Radio activations allowed us to drive engagement, as well as open up a new pool for remarketing |
| Online video showed good completion rates and the number of bookings from video show that it is reaching an incremental & engaged audience |
| Missing additional tagging opportunities allowed us to better optimise towards key media objectives being conversions, therefore what possible conversion tagging should be included moving forward |

![Figure 2](image)

#### Original document – 3 rows

**Q3 HOTEL PERTH – KEY LEARNINGS**

- TV maintains a primary channel to maximise reach & frequency of campaign messaging. Where possible need to lock in TV as early as possible to secure deals.
- Multiple forms of video (Pre Roll, In article) should continue to be considered as a way to extend reach & user site experience.
- Radio activations allowed us to drive engagement, as well as open up a new pool for remarketing.
- Online video showed good completion rates and the number of bookings from video show that it is reaching an incremental & engaged audience.
- Missing additional tagging opportunities allowed us to better optimise towards key media objectives being conversions, therefore what possible conversion tagging should be included moving forward.

OAG comment: Original document had 9 boxes of information. Redacted version tabled in Parliament had 6 boxes, with no indication the bottom 3 had been removed.

Source: Tabled Paper 2642 and Quarter 3 Hotel Perth Post Campaign Report

Figure 2: Examples of redactions where it was unclear what was redacted
### Example of reformatted and missing information in document tabled in Parliament

#### Source: Tabled Paper 2642 and Quarter 3 Hotel Perth Post Campaign Report

**Figure 3: Example of information removed without indicating what was deleted**

**Tabled paper**

<table>
<thead>
<tr>
<th>DISPLAY RESULTS (BOOKING)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PLACEMENT</td>
</tr>
<tr>
<td>Amour St Standard Display (Booking)</td>
</tr>
</tbody>
</table>

**OAG comment:** Original document had 6 columns of information. Redacted version tabled in Parliament had 5 re-aligned (reformatted) columns, with no indication the final column had been removed.
In addition to misleading redactions on certain pages, one document had pages removed. The extent of alterations of the tabled documents is demonstrated in Table 1 below, which further illustrates a lack of transparency about the context and extent of information withheld from Parliament in response to Question on Notice 4858.

<table>
<thead>
<tr>
<th>Post campaign reports and performance information not provided to Parliament in full</th>
<th>Number of pages in original document</th>
<th>Number of pages in version tabled in Parliament</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 Hotel Perth Post Campaign Report (Q3 Report)</td>
<td>56</td>
<td>40</td>
</tr>
<tr>
<td>Q4 Hotel Perth Post Campaign Report (Q4 Report)</td>
<td>18</td>
<td>16</td>
</tr>
<tr>
<td>Post Campaign Report – 23 February to 9 March 2018</td>
<td>22</td>
<td>22</td>
</tr>
<tr>
<td>Post Campaign Report – 6 to 31 May 2018</td>
<td>12</td>
<td>11</td>
</tr>
<tr>
<td>Campaign Awareness Performance Research Report</td>
<td>This 28-page report was not tabled by the Minister</td>
<td></td>
</tr>
</tbody>
</table>

Table 1: Number of pages in the original documents compared with versions tabled in Parliament

**Key criteria we used**

We assessed the confidentiality of information using our key criteria for information that is confidential to a third party. To be considered commercially confidential, all 4 criteria must be met. The criteria are:

- Criterion 1 – the information should be sufficiently secret
- Criterion 2 – the confidential information must be specifically identified
- Criterion 3 – disclosure would cause unreasonable detriment to the owner of the information. Disclosure would not be in the public interest
- Criterion 4 – the information was provided on the understanding that it would remain confidential.

**OAG assessment of the requested information**

The decision by the Minister not to provide Parliament with the following post campaign performance reports in full, and certain performance information regarding the Hotel Perth Campaign, was not reasonable and therefore not appropriate. Table 1 provides an overview of our assessment.
<table>
<thead>
<tr>
<th>Post campaign reports and performance information not provided to Parliament in full</th>
<th>Assessment against OAG confidentiality criteria</th>
<th>Overall assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 Hotel Perth Post Campaign Report (Q3 Report)</td>
<td>✗</td>
<td>✓</td>
</tr>
<tr>
<td>Q4 Hotel Perth Post Campaign Report (Q4 Report)</td>
<td>✗</td>
<td>✓</td>
</tr>
<tr>
<td>Post Campaign Report – 23 February to 9 March 2018</td>
<td>✗</td>
<td>✗</td>
</tr>
<tr>
<td>Post Campaign Report – 6 to 31 May 2018</td>
<td>✓</td>
<td>✗</td>
</tr>
<tr>
<td>Campaign Awareness Performance Research Report</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Number of people booking travel as a result of the campaign</td>
<td>✗</td>
<td>✓</td>
</tr>
</tbody>
</table>

Table 2: Summary assessment of requested information against OAG confidentiality criteria

**Detailed assessment against confidentiality criteria**

Criterion 1 was generally not met. We assessed the redacted information and found that the information in the Post Campaign Report – 6 to 31 May 2018 and the Campaign Awareness Performance Research Report was not generally known or ascertainable from public sources. However, some of the redacted information in the Q3 Report, Q4 Report and Post Campaign Report – 23 February to 9 March 2018, including the number of people booking travel as a result of the campaign, was not assessed as inherently confidential. This is because some of the information was generally known in the industry or inadvertently revealed in the unredacted information tabled by the Minister. Furthermore, as such information directly related to the Government giving an account to the Parliament of the purpose and results of expenditure of public money for a public campaign, such information could not reasonably be expected to be kept secret.

Criterion 2 and 4 were partly met. Tourism WA treated the information as confidential and consulted the contractors about what information it could release. We found that contractors were allowed to complete their own redactions of what they considered commercially sensitive information, including the number of people booking travel as a result of the campaign, without sufficient oversight or assessment by Tourism WA. This approach created inconsistency in what was considered confidential information.

We also assessed the contractual arrangements in place between Tourism WA and the contractors and found there was no contract or written agreement, with specific confidentiality provisions, between Tourism WA and the authors of the Post Campaign Report – 23 February to 9 March 2018 and the Post Campaign Report – 6 to 31 May 2018. Without explicit confidentiality arrangements between Tourism WA and a third party, no clear obligation of confidence exists.
Criterion 3 was not met. Tourism WA was unable to demonstrate that it had sufficiently assessed the confidentiality of the information and if it was in the public interest to disclose it. They did not review redactions across the 4 reports for consistency before they were provided to the Minister and tabled in Parliament. We found that disclosure of performance information in some reports, but not others, dilutes Tourism WA’s argument that it always considers this type of information as commercially sensitive. We also found the Minister had provided general information in response to a previous parliamentary question about the number of people booking travel as a result of the Hotel Perth Campaign.

Additionally, in our view, some of the general performance information in the Campaign Awareness Performance Research Report could have been disclosed without revealing the author’s research methodology.

Transparency and accountability to Parliament

Transparency and accountability are principles fundamental to good public governance in a liberal democracy. Western Australia’s legislative framework, and conventions, recognise the public interest is best served with disclosure of information to Parliament as it allows the Parliament and the public to understand and scrutinise the cost, performance and impacts of government decisions and actions.

In particular, transparency over the performance of government-funded and outsourced services is essential for Parliament to assess whether these services deliver value-for-money and have achieved intended outcomes.

When determining whether information can be provided to Parliament, entities have an obligation to provide Ministers with comprehensive and accurate advice. Allowing third parties to identify and suggest redactions of commercially sensitive, or confidential, information is appropriate. However, entities need to ensure they have tested and agreed with the suggestions and justifications provided, have completed sufficient reviews of the advice and have appropriately considered the public interest.

Tourism WA’s use of inconsistent approaches for redacting information, combined with the lack of a robust assessment of redacted information, reduced transparency for the Minister and Parliament as to the context and extent of information being withheld.
Response from Tourism WA

As the Office of Auditor General has acknowledged, this case is an aberration from Tourism WA’s past higher standard of performance on these matters.

Tourism WA is disappointed with its performance on this occasion and has taken several steps to ensure it does not happen again, including:

- additional written guidance for staff involved in preparing draft responses to parliamentary questions (these guidance notes included in an updated version of Tourism WA’s existing policy and guidelines on the Release of Event Sponsorship and/or other Commercial Information)
- ensuring specifically experienced staff are directly involved in reviewing any proposed redactions from documents
- introducing standardised reporting templates, wherever possible, in third party reporting on marketing campaigns.
Appendix 1

On 12 March 2019, Ms Libby Mettam MLA asked Legislative Assembly Question on Notice 4858

I refer to the Hotel Perth Campaign and Question on Notice 4292 and I ask:

(a) What was the final total cost of the campaign;
(b) On what basis were the two hotel campaign periods determined;
(c) Were there any events, concerts, exhibitions, sporting events or conferences in Perth during the two campaign periods? If yes, will the Minister provide a list of the events;
(d) Did the key performance indicators include an expected increase, in percentage terms, or were marginal increases in the four KPIs considered a success;
(e) Will the Minister table the performance report for the key performance indicators? If not, why not;
(f) Was the campaign deemed a success? if yes, on what basis was the campaign deemed a success;
(g) If yes to (c) will the Minister commit to expanding this program? If not, why not;
(h) Have any reports or assessments been prepared since the completion of the campaign? If yes, what are the reports or assessments and will the Minister table the reports? If not, why not;
(i) What was the increase in the number of people booking travel as a result of this campaign;
(j) How was the increase in the number of people booking travel as a result of this campaign measured; and
(k) What was the increase in "awareness of Perth" as a result of this campaign and how was this measured?

On 13 August 2019, the Hon Paul Papalia MLA replied:

(a) The campaign cost $1.99 million and was launched to counteract the decline in visitor numbers and poor perceptions of Perth as a tourism destination that were allowed to develop under the previous Government’s watch.
(b) To generate visitation during low and shoulder periods to support the tourism industry.
(c) The campaign ran over two defined periods, however, hotels that featured in the campaign had different ‘valid for travel’ dates that ran between February 2018 and March 2019. A considerable number of events, concerts, exhibitions, sporting events and conferences will have been held in Perth over the period when travel was undertaken.
(d) An increase in each of the KPIs was considered an indicator of success.
(e) Information contained in the reports/assessments of the campaign, including the KPIs for the individual partners and the number of people booking travel directly with the travel partners, is commercially sensitive information and its disclosure could cause unreasonable detriment to both the State’s interests and the interests of Tourism Western Australia’s campaign partners. Tabling these reports in full could provide a competitive advantage to other States and reduce the effectiveness of the campaign and the State’s investment in it. However, Tourism Western Australia, in consultation with the partners, has created redacted versions of the following Post Campaign Reports for tabling:

Q3 Hotel Perth Post Campaign Report – prepared by Tourism Western Australia’s media agency, Carat Pty Ltd, in consultation with Tourism Western Australia’s Strategic Creative Agency – Cummins & Partners. [See tabled paper no 2642.]

Q4 Hotel Perth Post Campaign Report – prepared by Tourism Western Australia’s media agency Carat, in consultation with Tourism Western Australia’s Strategic Creative Agency – Cummins & Partners. [See tabled paper no 2642.]

Post Campaign Report – 23 February to 9 March 2018 – prepared by Helloworld – Tourism Western Australia’s cooperative travel partner. [See tabled paper no 2642.]

Post Campaign Report – 6 to 31 May 2018 – prepared by Flight Centre – Tourism Western Australia’s cooperative travel partner. [See tabled paper no 2642.]

The Campaign Awareness/Performance Research Report that was prepared by Kantar Public, which were engaged by Tourism Western Australia, will not be tabled. Accordingly, I will notify the Auditor General’s office and both houses of Parliament that part (e) of this question will not be answered in full as per section 82 of the Financial Management Act 2006.

I can advise, however, that the Hotel Perth campaign, together with the Government’s action to reinstate an interstate representative promoting tourism to WA on the east coast, which was something the previous Government closed, has contributed to a surge in interstate visitors to WA. The National Visitor Survey for the year ending March 2019 shows that interstate visitors, nights and spend all increased compared to the previous year at a total (all purposes) level and for holiday and visiting friends and relatives (VFR) specifically. In addition, WA’s growth rate in interstate visitation was the highest of all States/Territories and WA’s market share of interstate holiday visitors increased from 3.5% to 3.7% year on year. Our market share of interstate holiday spend also increased, from 4.6% to 5.6% year on year.

(f) The campaign was considered a success based on increases across the following KPIs:

Sales revenue for Perth;

Room nights booked;

Number of people booking travel to Perth; and

Awareness of Perth.
(g) There are no plans to replicate the Hotel Perth campaign this financial year. Tourism Western Australia continues to build on the momentum created by past campaigns such as Hotel Perth, but it is important the agency continues to strive for continued growth by developing new campaigns.

(h) Refer to part (e).

(i) This information is commercially sensitive and its disclosure could cause unreasonable detriment to both the State’s interests and the interests of Tourism Western Australia’s campaign partners. Accordingly, I will notify the Auditor General’s office and both houses of Parliament that part (i) of this question will not be answered in full as per section 82 of the Financial Management Act 2006.

(j) The increase in people booking as a result of the campaign can be measured via the sales results provided by travel partners that featured holiday deals as part of the campaign. However, these results only include direct bookings with the travel partners and do not include bookings that people make through other sources, including online hotel booking sites and directly with hotels.

(k) ‘Awareness’ is measured through public recognition of the campaign and was independently assessed by Kantar Public, which found that 31 per cent of the east coast based target audience was familiar with the campaign.
<table>
<thead>
<tr>
<th>Number</th>
<th>Title</th>
<th>Date tabled</th>
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<tr>
<td>13</td>
<td>Opinion on Ministerial Notification – Release of Schedule of Stumpage Rates</td>
<td>24 February 2021</td>
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<td>12</td>
<td>Grants Administration</td>
<td>28 January 2021</td>
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<td>11</td>
<td>COVID-19 Relief Fund</td>
<td>21 December 2020</td>
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<td>9</td>
<td>Western Australian Registry System – Application Controls Audit</td>
<td>26 November 2020</td>
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<tr>
<td>8</td>
<td>Regulating Minor Pollutants</td>
<td>26 November 2020</td>
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<tr>
<td>7</td>
<td>Audit Results Report – Annual 2019-20 Financial Audits of State Government Entities</td>
<td>11 November 2020</td>
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<td>6</td>
<td>Transparency Report: Major Projects</td>
<td>29 October 2020</td>
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<td>4</td>
<td>Managing the Impact of Plant and Animal Pests: Follow-up</td>
<td>31 August 2020</td>
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<td>Waste Management – Service Delivery</td>
<td>20 August 2020</td>
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<td>2</td>
<td>Opinion on Ministerial Notification – Agriculture Digital Connectivity Report</td>
<td>30 July 2020</td>
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<td>1</td>
<td>Working with Children Checks – Managing Compliance</td>
<td>15 July 2020</td>
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