



Australian Government
**Department of Industry, Science,
Energy and Resources**

Senator Patterson
Acting Chair
Senate Economics Legislation Committee
Parliament House
CANBERRA ACT 2600

Dear Senator Patterson

On reviewing the Proof Hansard of the testimony given by the department at the Senate Estimates hearing on 28 October 2020, we find that some of the information provided to the Committee would benefit from clarification.

The following exchange occurred between Senator Pratt and myself - Ms Jane Urquhart, then Head of Division, COVID Response Taskforce (*page.65 of BE Hansard – 28 October refers*):

Ms Urquhart: We undertook work with McKinsey as part of a broader stream of work. The work that McKinsey undertook was \$5.5 million in value. The services provided were between 6 April and 29 May. McKinsey & Company provided two key inputs to the work that we undertook in the department. They provided us with an integrated and risk adjusted perspective on demand and supply outlook for medical PPE over time, to support government decision-making and prioritisation. They also assisted us with supply chain analysis for non-medical PPE.

We propose that the above excerpt of the BE Hansard be replaced by the following:

Ms Urquhart: We undertook work with McKinsey as part of a broader stream of work. The contract with McKinsey was \$5.5 million in value. The actual amount expended by the department to McKinsey was \$2,754,813 (including GST). The services provided were between 6 April and 29 May. McKinsey & Company provided two key inputs to the work that we undertook in the department. They provided us with an integrated and risk adjusted perspective on demand and supply outlook for medical PPE over time, to support government decision-making and prioritisation. They also assisted us with supply chain analysis for non-medical PPE.

The above amendment (underlined for ease of reference) adds financial context between the overall contract value with McKinsey and the actual amount expended by the department.

I apologise for any inconvenience caused and ask that you alert other members of the Committee to this correction.

Yours sincerely

Ms Jane Urquhart
Head of Division
Strategic Policy Division

26 November 2020