

Government restarts PwC gravy train with \$700,000 cash splash

Anthony Klan : 06/05/2024

New contracts with PwC's Indigenous Consulting were published last week — the same day the Finance Department issued a surprise notice indicating PwC Australia could soon resume federal government work.



PwC office in Canberra (Image: AAP/Lukas Coch)

The federal government has awarded more than \$700,000 to “PwC’s Indigenous Consulting” amid indications it is paving the way to resume contracts with disgraced consultancy PwC Australia, despite ongoing criminal investigations into the tax leak scandal.

Government procurement site AusTender has been updated to show PwC’s Indigenous Consulting (PIC) — which the Finance Department claims is “separate” from PwC Australia — has been given two new taxpayer-funded contracts totalling \$711,544.

The new contracts were [published](#) last week on April 30, the same day Finance issued a surprise “[procurement policy note](#)” that established PwC Australia can resume bidding for federal contracts on December 1.

The federal government’s lobbyist register was also updated on April 30 to show PwC Australia had engaged a [political lobbying firm](#) Brookline Consulting, run by [Lidija Ivanovski](#), former chief of staff to Richard Marles, Labor’s deputy leader and now deputy prime minister; and [Gerard Richardson](#), who until March last year was communications director to Treasurer Jim Chalmers.

The two contracts to PwC’s Indigenous Consulting are from the National Indigenous Australians Agency (NIAA), which is overseen by Anthony Albanese’s Department of Prime Minister and Cabinet (PM&C). They are a “limited tender” \$19,250 contract for a “[three-day workshop](#)” and a \$692,304.10 contract for “strategic planning consultation services”, at the cost of [more than \\$160,000 a month](#).

They are the first PwC-related contracts to be posted to AusTender since *The Klaxon* and *Crikey* in October last year [revealed](#) PwC's Indigenous Consulting had been given a [new \\$121,000 contract](#) from the Australian Human Rights Commission.

'Egregious betrayals'

Finance's "procurement policy note", which *The Klaxon* and *Crikey* [revealed](#) exclusively last week, approves PwC's Indigenous Consulting to be awarded new federal contracts and paves the way for "PwC Australia" to be granted federal government work from December 1.

Finance, which oversees all Commonwealth procurement, has claimed PwC's Indigenous Consulting is "separate" from PwC — echoing claims from PwC itself — but has provided no evidence to support its statement.

Responding to *The Klaxon* and *Crikey's* reporting, Greens Senator Barbara Pocock — who is a member of the ongoing Senate inquiry into consultancies — hit out at PwC Australia's "egregious betrayals".

"It's premature to consider paying PwC after the firm's egregious betrayals to the Australian people and their gov[ernment]," Pocock [posted to X](#) (formerly Twitter). "Especially when the government hasn't done enough to address the misconduct".

In January last year, it was revealed a PwC partner leaked confidential Australian government tax policy data, obtained while providing advice on preventing multinationals from avoiding Australian tax, to the firm and its clients.

Finance issued the open-ended "effective ban" on PwC on May 19 last year, with the government facing significant public pressure over a perceived failure to act.

In a much-heralded move, PwC last year "[divested its government business](#)" of [1,400 PwC partners and staff](#), selling it for the nominal sum of \$1 to private equity group Allegro, which rebranded the business as Scyne Advisory.

It was widely considered PwC would no longer be given any federal government contracts. Yet last week's [procurement policy note](#) states Finance has signed a "mutual agreement" with PwC Australia. It makes no mention of why any "agreement" with PwC was required.

The note also states Finance has "separately" conducted a "review" into PwC Indigenous Consulting and determined it "appropriate" it be given federal contracts.

The Klaxon asked Finance secretary [Jenny Wilkinson](#) whether she had approved that decision, and if not, whether she considered it "appropriate for the Commonwealth to continue engaging with PwC's Indigenous Consulting". Wilkinson refused to comment.

The move by Finance indicates the possible flow of millions in taxpayer funds to PwC Australia's partners following December 1.

Separate entities

PwC's Indigenous Consulting was created in 2013 by Luke Sayers, who was PwC Australia's CEO from 2012 to 2020, spanning the tax leaks affair. According to PwC, PIC "provides trusted advice to government" on "Indigenous matters" and "aims to be an emblem for Indigenous self-determination".

The NIAA said PwC's Indigenous Consulting was "separate" from PwC, yet, like Finance and PwC, it provided no evidence to support the claim.

The Klaxon and *Crikey* put questions to NIAA CEO [Jody Broun](#) this week, including why NIAA had given \$711,544 of taxpayer money to an arm of PwC. We were told, "PIC is a separate entity to Pricewaterhouse Coopers Australia."

PwC's Indigenous Consulting operates from PwC's Sydney headquarters, shares a website with PwC Australia, has PwC Australia partners as directors, and is 49% owned by PwC Australia.

As previously [revealed](#), the remaining 51% is owned by just two people, both First Nations. This allows it to access "limited tender" federal contracts intended for small Indigenous businesses (Indigenous "ownership" of "at least 51%" is required to access the scheme).

No federal government contracts to "PwC Australia" have been reported on AusTender since the "effective ban" in May last year.

PwC's Indigenous Consulting continued receiving federal contracts, at least until *The Klaxon* and *Crikey* revealed that on September 14 it had been given a [new \\$121,000 contract](#) from the Australian Human Rights Commission. No contracts to PwC Indigenous Consulting have been listed in the eight months between then and Tuesday, April 30.

PwC's Indigenous Consulting had received a \$745,293 contract on May 23 last year, [four days after the "effective ban"](#), and a [\\$91,982 contract](#) on August 30 last year. Both were from the NIAA.

Since 2015, PwC's Indigenous Consulting has been given more than \$44 million in federal contracts, AusTender shows, including a record \$13.78 million in 2022 alone.

The NIAA said Finance had "concluded it was appropriate for the Commonwealth to continue engaging" with PwC's Indigenous Consulting.

"The [NIAA] confirms that it published two contracts on AusTender with PriceWaterhouse Coopers' Indigenous Consulting on 30 April 2024," it stated.

"One contract (\$19,250) was for PIC to assist with the facilitation of a three-day workshop for the Office of Township Leasing.

"Another contract (\$692,304.10) is for PIC to assist with the planning, facilitation and outcomes of a National Strategy in remote First Nations communities in partnership with state and territorial governments and First Nations Health Organisations."

'Failure to change'

A string of investigations into PwC by regulators, including a criminal investigation by the Australian Federal Police, remain ongoing.

Five weeks ago, the Senate inquiry into consultancies, overseen by members of every Australian political party, including Senator Pocock, issued a highly damning interim report.

Titled "[PwC: The Cover-up Worsens the Crime](#)", the March 28 report found there were vast, ongoing problems at PwC, including a "failure to genuinely change".

"PwC have still made no genuine effort to fully investigate and address the issues," it reported.

"The committee does not see how PwC can recover their reputation while it continues to cover up".

This story was published in association with [The Klaxon](#).