PSU Reference No. SBT 97 URGENT

SENATE STANDING COMMITTEE ON ECONOMICS QUESTION

(Supplementary Budget Estimates 20 October – 21 October)

Question: SBT 97

Topic: Contractors (ATO)

Senator Bushby asked:

Has the department/agency ever employed Hawker Britton in any capacity or is it considering employing Hawker Britton? If yes, provide details.

Has the department/agency ever employed Shannon's Way in any capacity or is it considering employing Shannon's Way? If yes, provide details.

Has the department/agency ever employed John Utting & UMR Research Group in any capacity or is it considering employing John Utting & UMR Research Group? If yes, provide details.

Has the department/agency ever employed McCann-Erickson in any capacity or is it considering employing McCann-Erickson? If yes, provide details.

Has the department/agency ever employed Cutting Edge in any capacity or is it considering employing Cutting Edge? If yes, provide details.

Has the department/agency ever employed Ikon Communications in any capacity or is it considering employing Ikon Communications? If yes, provide details.

Has the department/agency ever employed CMAX Communications in any capacity or is it considering employing CMAX Communications? If yes, provide details.

Has the department/agency ever employed Boston Consulting Group in any capacity or is it considering employing Boston Consulting Group? If yes, provide details.

Has the department/agency ever employed McKinsey & Company in any capacity or is it considering employing McKinsey & Company? If yes, provide details.

Answer:

This response is limited to the ATO and does not include information relating to the broader Treasury portfolio.

In responding to the question relating to whether the ATO has ever employed the listed entities, the ATO has reviewed AusTender records from 1 July 2007, our internal procurement register which has records dating back to the year 2000 and our financial management system (SAP) which was introduced in 1999. In searching our records, all variations of the entity names as listed in the Australian Business Register were reviewed.

In responding to the question as to whether the ATO is considering employing any of the entities listed in the future, we note that there is the potential for these entities to respond to procurement activities in the future. However, until such time as those processes are finalised the ATO is not in a position to indicate whether we are considering entering into arrangements with these entities in the future.

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The ATO confirms that there are no contract gazettals listed in AusTender and no record of payments being made to the following entities:

Hawker Britton
Shannon's Way
John Utting & UMR Research Group
Cutting Edge
Ikon Communications
CMAX Communications
McKinsey & Company

McCann-Erickson was used in 1999 for a small general awareness campaign totalling \$10,633.20. McCann-Erickson under the trading name of McCann World Group Pty Ltd has been used on several occasions to raise awareness of a number of new measures. Details are set out in the following table:

AusTender Contract Notice ID	Description	Start Date	End Date	Value (including GST)	AusTender Approach to Market ID
CN131546	2008-09 First home Savers Accounts advertising	23/09/2008	30/06/2009	\$2,749,469	08.239
CN152366	2008-09 Education Tax Refund Campaign Advertising	18/01/2009	18/12/2009	\$5,501,304	09.033
CN164642	Government Campaign Advertising for the Tax Bonus Payment	28/02/2009	28/06/2009	\$9,000,000	09.033
CN181714	Aggressive Tax planning (ATP) internet banner and print advertising	07/05/2009	30/06/2009	\$201,595	Direct Source

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The Boston Consulting Group has been engaged on several occasions to assist with the Information Technology Sourcing program currently being undertaken in the ATO. Details are set out in the following table:

AusTender Contract Notice ID	Description	Start Date	End Date	Value (including GST)	AusTender Approach to Market ID
CN16037	ICT Sourcing consultancy Services	21/06/2007	10/08/2007	\$708,400	Select Tender
CN58578	ICT Sourcing Strategy	24/09/2007	31/01/2008	\$1,688,755	07.212
CN68869	Support to EUC Bundle Strategy	03/03/2008	28/03/2008	\$219,347	07.102
CN69008	Strategic Advisor to ICT Sourcing Program	03/03/2008	30/06/2008	\$436,819	07.102
CN95604	Strategic Direction to Centralised Computing Bundle	02/06/2008	04/07/2008	\$192,579	07.102
CN167694	ICT Sourcing Strategy Refresh & Vendor Projects Function	18/03/2009	30/06/2009	\$525,592	07.102
CN222769	Strategic Advisor Role, support Centralised Computing bundle, provide support to addressing Stakeholder engagement and provider additional support across all projects	01/07/2008	30/01/2009	\$1,854,885	07.102