



# **Australian Government**

Australian Government response to the  
Finance and Public Administration References Committee report:  
Management and assurance of integrity by consulting services

December 2025

## Introduction

The Australian Government welcomes the opportunity to respond to the Senate Finance and Public Administration References Committee (the Committee) final report from their *Inquiry into the Management and assurances of integrity by consulting services* (Consulting Services Inquiry).

The Committee tabled its final report on 12 June 2024, making 12 recommendations; this Government response addresses 11 of these recommendations, with PricewaterhouseCoopers (PwC) Australia to respond to the remaining recommendation. The Australian Government recognises the importance of this report and its recommendations and agrees, agrees in principle or agrees in part with eight of the Committee's recommendations and notes two recommendations. Recommendation 11 is not supported.

The Australian Greens made a further 22 recommendations. The Australian Government **notes** these recommendations.

The Government expects its suppliers to conduct themselves with high standards of ethics such that they consistently act with integrity and accountability. The Australian Government has undertaken a range of actions to strengthen supplier integrity and contract transparency, many of which already address the recommendations in this report. Additionally, several Committee recommendations are already being addressed through reforms currently underway.

These initiatives form a range of measures undertaken by the Australian Government to further bolster integrity protections following the breach of confidentiality by PwC Australia during consultations with the Department of the Treasury (Treasury) on the development of tax laws. The Government is committed to taking action to deter consultant misconduct and strengthen the resilience of regulatory frameworks.

On 15 August 2023, the Government announced a package of reforms to strengthen the integrity of the tax system, increase the powers of government regulatory bodies, and strengthen regulatory arrangements to ensure they are fit for purpose. The reform package builds on earlier measures to improve government processes including new legislation to strengthen the Tax Practitioners Board. The introduction of the Commonwealth Supplier Code of Conduct in July 2024 established the minimum expectations of suppliers while under contract to the Commonwealth, and Code clauses provides structure to both suppliers and Commonwealth entities on how supplier misconduct will be handled

This work also complements the Australian Government's Australian Public Service (APS) Reform agenda, which aims to reduce the Commonwealth's reliance on contractors and consultants and rebuild capability within the APS.

The Government provides the following response to the Committee's recommendations.

## Response to Recommendations

### ***Recommendation 1***

The Committee recommends that PwC be open and honest with the Australian Parliament and people, and with the international community, by promptly publishing accurate and detailed information about the involvement of PwC partners and personnel (including names and positions) in the breach of confidential government information.

**Response:** This recommendation is for PwC to respond to.

**Recommendation 2**

The Committee recommends that the Department of Finance update the Contract Management Guide to require that Australian Government contracts include a clause that states service providers have a duty to act in the public interest when delivering work for the Australian Government.

**Response:** The Government **agrees in principle** the recommendation.

The Commonwealth expects its suppliers to conduct themselves with high standards of ethics such that they consistently act with integrity and accountability. The Australian Government has developed the Commonwealth Supplier Code of Conduct (Code) as a key measure to strengthen supplier behaviour. The Code sets out the Government's expectation for suppliers to uphold similar values and behaviours to those expected of public officials in the APS Values. The Code notes that the standards and values expected of public servants are not expressed in terms of public interest.

The Code, which came into effect on 1 July 2024, places obligations on suppliers and their subcontractors to act ethically while under contract with the Commonwealth. In particular, [Expectation 1.4 – Emulate the Australian Public Service \(APS\) Values](#), states: *“When a supplier is undertaking work on behalf of the Commonwealth, they must uphold similar values and behaviours to those expected of public officials in the APS Values. This is always important, but particularly relevant where a supplier interacts with, or provides services to, the Australian Public”*.

The Commonwealth Contracting Suite and ClauseBank include standard clauses for inclusion in Commonwealth contracts, placing contractual obligations on suppliers to meet the expectations set out by the Code. [Guidance for Commonwealth entities](#) is available on the Department of Finance (Finance) website to assist officials manage these contractual obligations. Additionally, the Contract Management Guide, updated in August 2025, reinforces the importance of managing the ethical conduct of suppliers and ensures officials responsible for managing Commonwealth contracts are aware of the obligations of all parties under the Code.

**Recommendation 3**

The Committee recommends that the Department of Finance improve the training of officials undertaking procurement to ensure that the Australian Public Service is adequately equipped to ensure that value for money is obtained in circumstances where it is deemed necessary to engage consultants.

**Response:** The Government **agrees** the recommendation.

In late 2022 Finance commenced an APS wide procurement and contract management capability uplift program. This program included the launch of the Procurement and Contract Management Profession and the creation of the Commonwealth Procurement and Contract Management Training Suite in line with Recommendation 1 of the Joint Committee of Public Accounts and Audit Report 498: Commitment Issues – An Inquiry into Commonwealth Procurement.

The Suite now offers 18 courses for public officials, covering procurement and contract management basics and in-practice, probity and integrity, value for money, and delegate courses, all emphasising ethical behaviour.

As of 12 November 2025, Finance has delivered 372 facilitated sessions with over 11,700 attendances and there have been over 3,200 eLearning course completions.

The Profession provides opportunities for continuous professional development for APS officials through memberships with professional organisations, webinars and workshops led by experts in the procurement and contract management field and sharing knowledge and lessons through a community of practice.

Finance is working with Australian Government Consulting (AGC) to ensure greater distribution and awareness of the ‘Consulting Playbook’ (guidance prepared by AGC to support the APS to get better value for money when engaging external consultants).

**Recommendation 4**

The Committee recommends that the transfer of knowledge from the consultant to the Australian Public Service be factored into the design, management and evaluation of contracts.

**Response:** The Government **agrees** the recommendation.

The Australian Government is committed to an effective and capable public service to meet the challenges of the future. To deliver this, the Australian Government has introduced the Australian Public Service Capability Reinvestment Fund (the Fund), established Australian Government Consulting (AGC) and embedded knowledge transfer obligations in Commonwealth contracts.

The Fund is an innovative approach to investing in the organisational capability of the APS and supports the Government's priority to build capability to address service wide challenges. It invests in initiatives to strengthen the APS to deliver for the Australian community, now and into the future.

Under the 2023-24 Budget measure, *APS Capability Reinvestment Fund: 2023-24 projects funded under round one*, the Government has invested \$10.9 million over 2 years from 2023-24 to establish AGC, to deliver high-quality in-house consulting services to the APS, strengthen APS capability and support the APS to get better value from external consultants.

In May 2024, the Commonwealth Contracting Suite and ClauseBank were updated to include [Knowledge Transfer clauses](#), and guidance for entities on the Finance website to incorporate these clauses into their contracts. These clauses can be included in contracts where the value for money proposition relies of the retention of knowledge, skills and deliverables resulting from the contract being captured and retained by the Commonwealth.

**Recommendation 5**

The Committee recommends that the Department of Finance amend the Supplier Code of Conduct to include a requirement for service providers to:

- act in the public interest; and
- incorporate elements from the professional standard APES 110 that align with public sector values.

The Department of Finance should also publish guidance to illustrate examples of conduct that are consistent with these values.

**Response:** The Government **agrees in principle** the recommendation.

The Code places a number of obligations on suppliers including, for example, expectations that suppliers declare and manage conflicts of interest; protect sensitive, privileged, and confidential information; conduct their business with integrity; and uphold similar values and behaviours to those expected of public officials.

The APES 110 Principles are already captured by the Code. These are:

- Integrity;
- Objectivity;
- Professional Competence;
- Confidentiality; and
- Professional Behaviour

In particular, [Expectation 1.4 – Emulate the Australian Public Service \(APS\) Values](#), states:

*“When a supplier is undertaking work on behalf of the Commonwealth, they must uphold similar values and behaviours to those expected of public officials in the APS Values. This is always important, but particularly relevant where a supplier interacts with, or provides services to, the Australian Public”.*

#### **Recommendation 6**

The Committee recommends that the Department of Finance review its guidance on conflicts of interest and provide a clear and consistent definition of what constitutes a conflict of interest, a conflict-of-interest breach, and expectations around the management of conflicts of interest. The guidance should also emphasise that active management of conflicts of interest must be an element of APS project management of the contract.

**Response:** The Government **agrees** the recommendation.

As part of the Government's initial response to the PwC breach of confidentiality, the Treasurer announced a range of measures in August 2023, including that Finance will lead a review, with the support of an inter-agency reference group, to examine confidentiality and conflicts of interest (COI) arrangements across the Commonwealth. The review concluded in December 2024.

The aim of the review was to deliver outputs that would support entities in actively managing COI internal and external to the APS in a consistent manner to ensure that negative consequences of engaging with COI are not realised.

To support this outcome the review delivered:

- a unified approach to managing COI
- a common COI definition and risk-based principles
- key principles underpinning confidentiality and guidance on developing legally binding and enforceable confidentiality clauses, and
- a Resource Management Guide to support the definition and principles, and the active management of COI.

Resource Management Guide 208 (RMG 208) provides guidance to Commonwealth entities on actively managing confidentiality and COI when engaging external suppliers. It emphasizes proactive due diligence at the outset of engagements to identify and prevent conflicts. Where actual or perceived conflicts arise, entities must implement a documented management plan endorsed by a delegate, review it regularly, and maintain compliance throughout the engagement. RMG 208 works alongside the Commonwealth Supplier Code of Conduct, which requires suppliers to declare and manage conflicts, and contractual clauses such as the Notice of Significant Events, ensuring a robust framework for preventing, detecting, and responding to breaches.



**Recommendation 7**

The Committee recommends that the Department of Finance develop a central register for conflicts of interest breaches for use by government entities.

**Response:** The Government **notes** the recommendation.

The Australian Government is committed to ensuring high standards of supplier ethics and integrity, and providing visibility where supplier conduct does not meet these expectations. This includes ensuring that conflicts of interest (COI) are identified, assessed and managed, and considering where a failure to fulfil obligations around managing COI could constitute a breach of the Supplier Code of Conduct (the Code).

As COIs are unique to each activity, making the requirement to identify, assess and manage them is best managed by the responsible agency. However, awareness of interests that could give rise to a conflict of interest is an area that Finance is looking at. The review of confidentiality and COI arrangements that concluded in December 2024 (refer to response to Recommendation 6) examined options to support an appropriate level of transparency and consistency in the management of conflicts of interest.

The review concluded that existing mechanisms, such as the Code, and the Notice of Significant Events Clause, together with Resource Management Guide 208 (RMG 208) already achieve the intended purpose of such a register.

RMG 208 requires Commonwealth officials to conduct thorough due diligence on suppliers at the start of any external engagement to prevent COI. It states that if an actual or perceived conflict arises, entities must implement a documented management plan endorsed by the delegate, review it regularly, and ensure compliance throughout the engagement to actively manage COI. This process helps ensure that conflicts do not materialise.

In parallel, the Code obliges suppliers to declare and manage COI in connection with Commonwealth contracts. Breaching these obligations constitutes a breach of the Code, which may lead to remedial action or termination under contractual provisions. Such a breach also triggers the Notice of Significant Events Clause, requiring suppliers to promptly notify the Commonwealth. This notification enables the Commonwealth to mitigate risks that could compromise service delivery or damage its reputation.

Together, these measures provide a proactive framework to prevent, detect, and respond to COI without the need for a separate central register.

**Recommendation 8**

The Committee recommends that the Department of Finance improve the useability of AusTender by including:

- detailed, consistent and meaningful descriptions of contracts;
- clarity on the nature of contract extensions including links to the original contract notification; and
- information on any concerns raised in relation to the service provider.

**Response:** The Government **agrees in principle** the recommendation.

The Australian Government is committed to the transparency of Commonwealth procurements and contracts and improving access to and quality of procurement data. On 1 July 2024, Finance implemented reporting changes to increase the transparency of contracts published on AusTender, including a new AusTender reporting specification, which required entities, by 1 July 2025, to:

- provide standardised amendment reporting reasons that better reflect the contract amendment or extension undertaken
- report the value reduction where a contract has been descoped and results in a value reduction
- report the number and maximum extension options available under the contract, and
- report the number of suppliers that were invited where a contract has been awarded from a standing offer notice/panel arrangement or a limited tender process.

To support these changes, Finance published an update to [Resource Management Guide - Procurement Publishing and Reporting Obligations](#) (RMG 423), on 4 July 2024 which provides guidance for entities on their quality assurance obligations.

Finance undertakes quality assurance of contract data published on AusTender by checking data and alerting entities of anomalies, and regularly reminding entities of their reporting obligations.

Officials are required to undertake due diligence activities throughout the procurement lifecycle to identify and reduce risks and support assurance and accountability. This includes the verification and assurance of tenderers' claims and the verification of the delivery of goods and services during contract management. Commonwealth contracts generally contain provisions, including in relation to a supplier's performance and dispute resolution procedures, that allow the Commonwealth to identify and address any concerns that may arise throughout the delivery of the contract.

The retention and publication on AusTender of information on concerns raised in relation to the service provider would raise significant privacy and procedural fairness issues. The Government considers that existing mechanisms appropriately support officials to identify and address concerns relating to service providers.

***Recommendation 9***

The Committee recommends that the government commissions the Australian Law Reform Commission, or other appropriate body, to undertake a review of the legislative frameworks and structures of partnerships in Australia with particular focus on partnerships in excess of 100 partners. The review should make recommendations to provide for appropriate regulatory governance and oversight of structures of this scale.

**Response:** The Government **notes** the recommendation.

Treasury undertook public consultation on the regulation of accounting, auditing and consulting firms in Australia. One of the issues consulted on during that process was the appropriateness of current partnership limits. The Government will give further consideration to this matter as part of a Treasury review to ensure fulsome consideration of interacting issues.

**Recommendation 10**

The Committee recommends that the Australian government:

- require those organisations that operate professional standards as self-regulatory regimes, to report annually on the operation of those standards to the Joint Standing Committee on Corporations and Financial Services; and
- require these same organisations to appear before that Committee to provide oversight on the operation of the relevant standard.

The Committee recognises that the Commonwealth government may need to work with state and territory governments to implement this recommendation.

**Response:** The Government **notes** the recommendation.

Treasury consulted on the effectiveness of the self-regulatory framework as part of its public consultation on the regulation of accounting, auditing and consulting firms in Australia. The Government will further consider this issue as part of a Treasury review to ensure fulsome consideration of interacting issues.

### **Recommendation 11**

The Committee recommends that the Parliament legislate to establish a Joint Standing Committee to review and approve consultancy and services contracts with provisions and thresholds similar to those in the Public Works Act 1969 but appropriately adjusted to suit the requirements of providing oversight for this significant element of government spending.

**Response:** The Government **does not agree** the recommendation.

The proposed arrangement to review and approve contracts has the potential to create legal risk and conflict with Australia's international obligations. In accordance with those obligations, for procurements over the relevant threshold, paragraph 10.35 of the CPRs requires that, "unless the relevant entity determines it is not in the public interest to award a contract, it must award a contract to the tenderer that the relevant entity has determined:

- satisfies the condition for participation;
- is fully capable of undertaking the contract; and
- will provide the best value for money, in accordance with the essential requirements and evaluation criteria specified in the approach to market and request documentation."

A decision of a parliamentary committee which has the ability to approve a contract implies that it has the ability to prevent the awarding of a contract. This would likely be inconsistent with the Australian Government's international obligations which outline that a procuring entity (as listed in the relevant international agreement) must award a contract to the supplier the entity has determined meets the criteria and submitted the most advantageous tender. Any contravention of this, including a Committee intervening or overruling the decision of the procuring entity (as per CPR paragraph 10.35), risks suppliers taking action against the Australian Government under the *Government Procurement (Judicial Review) Act 2018*, and could result in the payment of compensation to supplier/s.

Implementation of this arrangement would also establish a significant tension and conflict between the role of the Parliament and the role of accountable authorities, as established in the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), to manage expenditure of public resources in an efficient, effective, economical and ethical manner.

The Government maintains a strong accountability and transparency framework which includes obligations on officials to report consultancy and service contracts.

- [Resource Management Guide - Procurement Publishing and Reporting Obligations](#) (RMG 423) sets out the publishing and reporting requirements for relevant entities under the Commonwealth Procurement Framework and other government policies. This includes obligations to identify consultancy contracts on AusTender.
- [Resource Management Guide - Annual reports for non-corporate Commonwealth entities](#) (RMG 135) sets out the annual reporting obligations for non-corporate Commonwealth entities, including information on consultancy contract expenditure.

Finance finalised specific training for SES delegates in November 2024. This training focuses on SES responsibilities and obligations under the Commonwealth Procurement Rules and the PGPA Act to promote the proper use and management of the public resources for which they are responsible. Training assists SES delegates to consider the most

appropriate financial arrangement to achieve the Government's policy outcomes, including the appropriate use of consultant arrangements. To date, Finance has delivered 31 sessions to 509 attendees with a further seven sessions scheduled up to March 2026.

It is essential that any improvement in oversight should not inadvertently call into question legitimate executive decision-making, undermine or increase the complexity of the procurement framework, delay the delivery of government objectives nor create avenues for complaints or compensation claims.

Finance notes Recommendation 1 of the Eighty Seventh Annual Report by the Parliamentary Committee on Public Works (tabled 24 March 2024) proposes a thorough review of the *Public Works Committee Act 1969*, with a view to repealing and replacing the legislation.

**Recommendation 12**

The Committee recommends that the Senate pass the following order: That:

- there be laid on the table, by the Minister for Finance, biannual statements on expenditure on consultancy contracts which provide for consideration to the value of \$2 million or more, by all Australian Public Service departments and agencies;
- the statements are due not later than the tenth day after the end of the preceding six-month period commencing 1 January and 1 July;
- each report is to include, in relation to each contract, details of the:
  - dollar value;
  - subject matter;
  - duration;
  - contracting government agency;
  - firm or entity providing the work;
  - an explanation of what the contract is expected to deliver/purpose of the contract;
  - any changes or extensions; and
  - any matters of probity or conflict of interest that have arisen in the conduct of the work.
- each report is to include the total amount of all current consultancy contracts in each agency or department.

The order is of continuing effect until the Senate Finance and Public Administration References Committee has reported to the Senate that Recommendation 8 and 11 of this report have been implemented.

**Response:** The Government **agrees in part** with this recommendation.

On 3 July 2024 the Senate approved an amended version of this recommendation supported by the Government, [Hansard - Senate 3/07/2024 Parliament of Australia \(aph.gov.au\)](https://aph.gov.au/Hansard/senate/2024/07/03).

## Australian Government response to the recommendations made by the Australian Greens

### ***Recommendation 1***

The Australian Greens recommend the Australian Government ensure that:

- PwC (or any of its related entities) should not be permitted to tender for government work until all matters arising from current investigations (eg by the Tax Practitioners Board (TPB), the Australian Federal Police (AFP), the Australian Taxation Office (ATO) and the National Anti-Corruption Commission (NACC) are completed, including investigation of recently surfaced matters related to preparation of responses to Request for Information notices for PwC clients and involvement in Foreign Investment Review Board approval processes.
- further, PwC should not be permitted to contract for government work until it has provided the Linklaters report to the Australian Senate.
- in view of its misdemeanours in the misuse of confidential information, PwC should be excluded from government contracting for 5 years.

**Response:** The Government **notes** this recommendation.

### ***Recommendation 2***

The Australian Greens recommend that:

- in view of the investigations underway extending back to 2012, any consulting entity led by Mr Luke Sayers should be excluded from Australian Government contracting until those investigations are concluded and any of their implications in relation to Mr Sayers considered and concluded.
- a ban from Australian Government contracts of at least 5 years should apply to any consulting entity led by its previous CEO, Mr Luke Sayers, who held leadership in the years of PwC's confidentiality misdemeanours.

**Response:** The Government **notes** this recommendation.

### ***Recommendation 3***

The Australian Greens recommend that:

- that the Australian Government requires departments and agencies to reduce spending on external consulting services by 15 per cent each year for five years and offset that decline with growth in public sector capacity.
- that employment numbers in the Australian Public Service (APS) grow at least in line with population growth in Australia.

**Response:** The Government **notes** this recommendation.



**Recommendation 4**

The Australian Greens recommend that the Australian Government commit to lifting APS wages at least in line with inflation and improve other employment conditions at least in line with community standards.

**Response:** The Government **notes** this recommendation.

**Recommendation 5**

The Australian Greens recommend that the Australian Government require:

- the Department of Finance to create a Contract Probity Office to exercise central oversight over government procurement, complementing devolved management of procurement.
- that the Contract Probity Office have the power to follow up when contracting failures occur in a department or agency and impose penalties and take regulatory action, modelled on Western Australia's debarment and suspension regime which enables the cancellation of existing contracts.
- that the Commonwealth Procurement Rules be amended to ensure they apply to all corporate Commonwealth entities.
- that either the Joint Committee on Public Accounts and Audit or the Australian National Audit Office conduct an annual review of consulting services in Commonwealth departments and agencies, highlighting systemic and significant issues or failures.

**Response:** The Government **notes** this recommendation.

**Recommendation 6**

The Australian Greens recommend that the Australian Government:

- require entities with government contracts to publish their client lists.
- require consultants undertaking public sector work to avoid any conflict of interest, actual or perceived, and disclose details of any material personal interest in connection with their contract.
- instate stronger investigative and enforcement mechanisms to ensure actual and perceived conflicts of interest are disclosed, investigated, penalised, and appropriately managed.
- ensure that undeclared conflicts of interest should attract a 5-year ban on public sector work.
- ensure that any consulting firm under investigation by a regulatory body must advise the government and cannot tender for new work until it is cleared.
- create a register of banned firms and individuals.

**Response:** The Government **notes** this recommendation.

The Australian Government refers to its response to the Committee's Recommendations 6 and 7.

**Recommendation 7**

The Australian Greens recommend that the Australian Government ensure more effective management of government contracts, with effective costing, control, milestone management and active management of 'land-and-expand' and power and relationship mapping.

**Response:** The Government **notes** this recommendation.

**Recommendation 8**

The Australian Greens recommend that the Australian Government require publication on AusTender the size and reasons for any amendments or variations to a contract.

**Response:** The Government **notes** this recommendation.

The Australian Government refers to its response to the Committee's Recommendation 8 with respect to recently implemented reporting changes to increase the transparency of contracts published on AusTender.

**Recommendation 9**

The Australian Greens recommend that AusTender be improved by:

- expanding AusTender disclosure requirements about the nature of work and its purpose.
- requiring publication on AusTender for the reasons for contract termination.
- improving the usability of the AusTender website.

**Response:** The Government **notes** this recommendation.

The Australian Government refers to its response to the Committee's Recommendation 8 with respect to recently implemented reporting changes to increase the transparency of contracts published on AusTender.

**Recommendation 10**

The Australian Greens recommend:

- that the Senate agree to an order of continuous effect to require the production of consultant reports, including draft versions that were never finalised, at the completion of each significant contract to ensure greater value for money and transparency.
- that the Senate conduct an annual Estimates process in relation to major consulting contracts, where consultancy firms can be required to appear.

**Response:** The Government **notes** this recommendation.

**Recommendation 11**

The Australian Greens recommend that any entities tendering or contracting to the Australian Government be banned from making political donations (direct, indirect, in-kind, pro-bono or otherwise) in the 12 months before applying for contracts, while an application is being considered, or 12 months after contract obligations have been completed.

**Response:** The Government **notes** this recommendation.

**Recommendation 12**

The Australian Greens recommend that the Australian Government stop the revolving door by enforcing a 1-year cooling-off period for:

- partners in partnerships and/or executives in consulting and other entities that have held a significant contract with government in the last 12 months from commencing in the public service.
- APS Senior Executives commencing with an entity that has contracted to government in the last 12 months in a related form of business.
- senior staff in a Minister's office from commencing with an entity that has contracted to government in the last 12 months.

**Response:** The Government **notes** this recommendation.

**Recommendation 13**

The Australian Greens Recommend that the Australian Government require that:

- the cooling off period for former Ministers and senior staff in the Code of Conduct for Ministers is extended from 18 months to 5 years, with strong enforcement.
- the Australian Public Service Commission to monitor and regularly publish data on the movement of personnel to and from the Australian Public Service and the largest 20 contractors to government.
- there is a review of current arrangements, to ensure that consultants with access to Government departments, including Defence, have appropriate passes and access which do not compromise security and enable land-and-expand.

**Response:** The Government **notes** this recommendation.

**Recommendation 14**

The Australian Greens recommend that the Australian Government:

- amend the Corporations Act 2001 to lower the maximum number of partners for accountants to 100.
- ensure that the states and territories refer their remaining power to regulate large partnerships to the Commonwealth.
- legislate transparency and reporting requirements for large partnerships as apply to corporations under the Corporations Act.
- ban the use of Everett Assignments and that the Government tax the distributions from trusts at the company tax rate of 30 per cent.

**Response:** The Government **notes** this recommendation.

**Recommendation 15**

The Australian Greens recommend that any firm providing audit services in Australia be prevented from providing non-audit services, including when engaging in business with the Australian Government.

**Response:** The Government **notes** this recommendation.

**Recommendation 16**

The Australian Greens recommend that the Australian Government:

- acknowledge that voluntarist and self-regulation has failed in the consulting sector and that enforceable standards are required, including powers of investigation and penalties.
- establish an Independent Regulator for the consulting industry, with an enforceable professional code of conduct, national standards, investigation powers and penalties for breaches.
- consider giving responsibility for regulating professional services in one independent institution, with investigative and enforcement powers.

**Response:** The Government **notes** this recommendation.

**Recommendation 17**

The Australian Greens recommend that the Australian Government:

- require that all consultancy and accounting firms must have the same whistleblower obligations as corporations under the Corporations Act.
- establish a National Whistleblower Commission.

**Response:** The Government **notes** this recommendation.

**Recommendation 18**

The Australian Greens recommend that the use and misuse of legal professional privilege to combat legitimate investigations of consultancy 103 malpractice should be reviewed and stricter rules and specific protocols be developed to limit misuse.

**Response:** The Government **notes** this recommendation.

**Recommendation 19**

The Australian Greens recommend that greater transparency of confidential tax settlements be provided, and clear protocols be established for their use.

**Response:** The Government **notes** this recommendation.

**Recommendation 20**

The Australian Greens recommend, to ensure robust regulation that is free of actual or perceived conflicts of interest or possible capture:

- that the Australian Government ban partners and former partners of consulting firms and other entities who are in receipt of income from those partnerships or entities, from membership of regulatory and standards setting boards for that industry.
- that the ban extend to anyone who has within the last 6 months received a material benefit, from such an entity;
- and, further, is a former executive officer of a company that is currently regulated by that entity if any of the following apply: the individual is receiving regular and ongoing benefits, or has within the last 6 months received a material benefit, from a company regulated by that entity; or if the individual holds shares in the company.

**Response:** The Government **notes** this recommendation.

***Recommendation 21***

The Australian Greens recommend that the Australian Government ensure robust investigation, and that regulators and investigators be protected from insecurity, political pressure or other forms of threat or constraint while conducting investigations.

**Response:** The Government **notes** this recommendation.

***Recommendation 22***

The Australian Greens recommend that the Senate consider options available to it in relation to KPMG's misleading and incorrect evidence to the inquiry.

**Response:** This recommendation is for the Senate to respond to.