

ESTIMATES BRIEF – Hot Issue

Additional Estimates – February 2026

CONSULTANT/CONSULTANCY

Use of consultants

Subject/Issue

Growth in consultancy contracts reported on AusTender.

Key facts and figures

- Since 2021-22, the value of all Australian Government procurement contracts has grown 33.0 per cent (\$78.7b to \$104.7b) while the value of consultancy contracts has only grown by 4.8 per cent.
 - Since 2021-22, the value of all procurement contracts (consultancy and non-consultancy) entered into with the large 9¹ consultancy firms has **reduced by 26.3 per cent**
 - Since 2021-22, the value of all procurement contracts (consultancy and non-consultancy) entered into with the Big 4 consultancy firms has **reduced by 51.0 per cent**

Key points

All procurement contracts

| | Large Consulting Firms - All contracts (as at 12/01/25) | | | |
|-------------------|---|---------------|----------------------------|---------------|
| | Big Four firms | | Largest 9 consulting firms | |
| | Total Value | Total Volume | Total Value | Total Volume |
| 2021-22 | \$1.6 billion | 1,974 | \$2.5 billion | 2,331 |
| 2024-25 | \$797.6 million | 995 | \$1.9 billion | 1,389 |
| Change | -\$831.6 million | -979 | -\$663.3 million | -942 |
| % Change | -51.0% | -49.6% | -26.3% | -40.4% |
| 2025-2026 YTD* | \$343.6 million | 432 | \$1.1 billion | 635 |

* Financial Year figures for 2025-26 include 1 July 2025 to 31 December 2025.

¹ Large consultancy firms consist of Deloitte, EY, KPMG, PWC, Scyne, Accenture, BCG, McKinsey and Nous Group.

CONSULTANT/CONSULTANCY

Consultancy Contracts

| Consultancy Contracts by Volume and Value (as at 12/01/25) | | | | |
|--|---------------------|--------------------------|--------------------|-------------------------|
| FY | Volume of contracts | Per cent of total volume | Value of contracts | Per cent of total value |
| 2020-2021 | 3,455 | 4.14% | \$578.7m | 0.87% |
| 2021-2022 | 3,735 | 4.08% | \$807.4m | 1.03% |
| 2022-2023 | 3,136 | 3.80% | \$574.9m | 0.78% |
| 2023-2024 | 3,200 | 3.85% | \$687.2m | 0.69% |
| 2024-2025 | 3,397 | 3.92% | \$845.8m | 0.81% |
| 2025-2026 YTD* | 1,584 | 3.57% | \$366.4m | 0.50% |

* Financial Year figures for 2025-26 include 1 July 2025 to 31 December 2025.

- AusTender values represent contract awarded value and not actual expenditure.
- The Strategic Commissioning Framework supports the engagement of consultants for independent advice to meet a temporary need or for urgent capability.
- A consultancy is defined as “the engagement of temporary services that:
 - involves the development of an intellectual output that assists with decision making, and
 - the intellectual output represents the independent view of the service provider.”
- Refer to **Attachment A** for a detailed breakdown of large firm consultancy contracts.
- Refer to SB26-000002 – External Labour for further information on the Audit of Employment and the Government’s \$6.8 billion save on consultants, external labour hire etc.

CONSULTANT/CONSULTANCY**Background**

The Government is committed to reducing the use of contractors, consultants and labour hire, and instead is focussed on building APS capability as part of its APS Reform agenda.

To determine if a consultancy must be listed on AusTender, the independent intellectual output must be the primary component of the contract in terms of value or importance. Procurement of consultancy services typically involve the supplier working independently and substantially retaining direction and control over the work that is performed to develop the independent intellectual output. Key features can include:

- the consultant retaining discretion regarding the performance and delivery of the services;
- development of independent output occurs without the entity's direct supervision or direction; and
- the output is expected to reflect the independent views or findings of the individual or organisation delivering the services.

The Strategic Commissioning Framework states that procuring consultants for core work is only appropriate if:

- there is a need for independent advice (for example, due to requirements in legislation or an assurance need) and it cannot be sourced from within the APS. This should be used on a one-off or limited basis; or
- there is a temporary need for unique specialist, innovative, technical and in-demand skills, at a level that would be inefficient to retain internally (that is, there is not an enduring demand for the skill); or
- there is a genuinely urgent and/or unforeseen need for a skill or capability in an area that is an enduring function, and extra support is needed while capability building or recruitment processes are underway.

| Top 10 Consultancy Contracts by Value for FY 2024-25 | | | | |
|---|---------------------------|-----------------|---|--|
| Agency | Contract Notice ID | Value | Contract Description | Firm |
| Department of Health, Disability and Ageing | CN4164818 | \$11,940,000.00 | Maintain the National Suicide and Self-harm Monitoring System | AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE |
| Department of Health, Disability and Ageing | CN4130507 | \$9,626,371.00 | Kruk Review Implementation | AUSTRALIAN HEALTH PRACTITIONER REGULATION AGENCY |
| Australian Submarine Agency | CN4101355 | \$9,531,500.00 | Industrial Uplift Strategy Delivery Partner | MCKINSEY PACIFIC RIM, INC. |
| Aged Care Quality and Safety Commission | CN4042611-A2 | \$9,455,336.00 | Provision of Digital Transformation Services | XAMPLIFY SERVICES PTY LTD |

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| | | | | |
|---|-----------|----------------|--|--|
| Department of Industry, Science and Resources | CN4137966 | \$8,637,000.00 | Preliminary sketch plan for laboratory renovation/extension | GHD PTY LTD |
| Department of Home Affairs | CN4120680 | \$7,800,000.00 | Internal Audit | AXIOM ASSOCIATES (AUST) PTY LTD |
| Department of Education | CN4162880 | \$7,478,734.00 | Early Education Service Delivery Prices Project | DELOITTE TOUCHE TOHMATSU |
| Department of Home Affairs | CN4120681 | \$6,000,000.00 | Internal Audit | SCYNE ADVISORY PTY LTD |
| Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts | CN4090061 | \$5,972,482.00 | USO Technical Trials | SCYNE ADVISORY PTY LTD |
| Department of Health, Disability and Ageing | CN4133998 | \$5,060,000.00 | Support the Administration and Quality and Effectiveness for Health Check Implementation | COMMONWEALTH SCIENTIFIC AND INDUSTRIAL RESEARCH ORGANISATION |

Supporting information**Questions on Notice**

- SQ25-000124 – Senator Barbara Pocock: Spend on consulting
- SQ25-000009 – Senator Barbara Pocock: Senate Order 23F Consulting services

Freedom of Information (FOI) Requests

- No FOIs asked.

Recent Ministerial Comments

- Nil

Relevant Media Reporting

- [Labor vowed to crack down on consultants, but spending is going up](#), Olivia Ireland and Brittany Busch, The Age, 27 July 2025.

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Consultation: Nil
PDR Number: SB26-000025

Large Consultancy Firms - Total Contracts

Attachment A

| Large Consultancy Firms - Total Contracts | | | | | | | | | | | | | | | | | | | | | | |
|---|----------|----------|-------|----------|-------|----------|-------|----------|-------|---------|-----------|----------|----------|---------|-------|----------|-------|---------|-------------------------------|------------|------------|------------|
| (As at 12 January 2026) | | | | | | | | | | | | | | | | | | | | | | |
| FY | Deloitte | | EY | | KPMG | | PWC | | SCYNE | | Accenture | | McKinsey | | BCG | | Nous | | Large Consultancy Firms Total | | | |
| | Count | Value | Count | Value | Count | Value | Count | Value | Count | Value | Count | Value | Count | Value | Count | Value | Count | Value | Count | % of Total | Value | % of Total |
| 2014-2015 | 260 | \$67.9m | 260 | \$102.9m | 441 | \$108.6m | 281 | \$113.9m | 0 | \$0.0m | 86 | \$224.8m | 0 | \$0.0m | 10 | \$15.9m | 47 | \$4.5m | 1,385 | 1.89% | \$638.5m | 1.04% |
| 2015-2016 | 320 | \$98.7m | 258 | \$96.0m | 481 | \$154.4m | 235 | \$171.7m | 0 | \$0.0m | 107 | \$325.5m | 3 | \$5.2m | 13 | \$17.6m | 48 | \$9.0m | 1,465 | 1.95% | \$878.2m | 1.44% |
| 2016-2017 | 330 | \$85.7m | 230 | \$81.3m | 507 | \$178.7m | 286 | \$111.3m | 0 | \$0.0m | 126 | \$484.5m | 6 | \$11.6m | 13 | \$11.4m | 65 | \$10.6m | 1,563 | 2.22% | \$975.2m | 2.01% |
| 2017-2018 | 327 | \$118.5m | 240 | \$104.9m | 543 | \$214.5m | 306 | \$179.4m | 0 | \$0.0m | 97 | \$230.1m | 8 | \$29.9m | 13 | \$24.4m | 52 | \$10.1m | 1,586 | 2.18% | \$911.9m | 1.34% |
| 2018-2019 | 340 | \$172.6m | 282 | \$119.7m | 539 | \$268.9m | 338 | \$191.9m | 0 | \$0.0m | 132 | \$279.2m | 13 | \$7.7m | 21 | \$14.8m | 86 | \$13.5m | 1,751 | 2.25% | \$1,068.3m | 1.74% |
| 2019-2020 | 347 | \$245.6m | 252 | \$108.8m | 576 | \$293.8m | 349 | \$212.2m | 0 | \$0.0m | 134 | \$936.8m | 30 | \$52.1m | 25 | \$16.4m | 75 | \$17.6m | 1,788 | 2.22% | \$1,883.4m | 3.52% |
| 2020-2021 | 400 | \$259.0m | 342 | \$271.0m | 589 | \$322.3m | 372 | \$248.8m | 0 | \$0.0m | 158 | \$494.8m | 34 | \$42.1m | 52 | \$39.6m | 107 | \$24.4m | 2,054 | 2.46% | \$1,701.9m | 2.56% |
| 2021-2022 | 531 | \$463.6m | 333 | \$245.5m | 660 | \$567.4m | 450 | \$352.7m | 0 | \$0.0m | 176 | \$733.8m | 32 | \$41.7m | 43 | \$46.9m | 106 | \$69.0m | 2,331 | 2.55% | \$2,520.6m | 3.20% |
| 2022-2023 | 432 | \$357.5m | 284 | \$370.1m | 528 | \$437.3m | 327 | \$272.3m | 0 | \$0.0m | 172 | \$543.8m | 19 | \$19.3m | 36 | \$35.9m | 86 | \$29.4m | 1,884 | 2.28% | \$2,065.6m | 2.79% |
| 2023-2024 | 322 | \$232.5m | 273 | \$225.0m | 479 | \$387.1m | 20 | \$15.2m | 51 | \$37.6m | 165 | \$577.6m | 13 | \$22.0m | 13 | \$13.7m | 120 | \$48.0m | 1,456 | 1.75% | \$1,558.7m | 1.56% |
| 2024-2025 | 349 | \$336.4m | 244 | \$273.5m | 393 | \$187.4m | 9 | \$0.3m | 74 | \$68.9m | 149 | \$793.1m | 13 | \$13.8m | 23 | \$136.9m | 135 | \$47.0m | 1,389 | 1.60% | \$1,857.3m | 1.77% |
| 2025-2026 YTD | 26 | \$11.8m | 24 | \$10.3m | 67 | \$34.7m | 1 | \$0.1m | 14 | \$6.2m | 10 | \$3.8m | 5 | \$5.2m | 8 | \$10.7m | 38 | \$8.4m | 193 | 0.43% | \$91.2m | 0.12% |

AusTender values represent contract awarded value and not actual expenditure.

CONSULTANT/CONSULTANCY

Large Consultancy Firms - Contracts flagged as Consultancy

| Large Consultancy Firms - Contracts Flagged as Consultancy | | | | | | | | | | | | | | | | | | | | | | |
|--|----------|---------|-------|---------|-------|---------|-------|----------|-------|---------|-----------|---------|----------|---------|-------|---------|-------|---------|-------------------------------|------------|----------|------------|
| (As at 12 January 2026) | | | | | | | | | | | | | | | | | | | | | | |
| FY | Deloitte | | EY | | KPMG | | PWC | | SCYNE | | Accenture | | McKinsey | | BCG | | Nous | | Large Consultancy Firms Total | | | |
| | Count | Value | Count | Value | Count | Value | Count | Value | Count | Value | Count | Value | Count | Value | Count | Value | Count | Value | Count | % of Total | Value | % of Total |
| 2014-2015 | 107 | \$16.6m | 102 | \$39.2m | 122 | \$24.0m | 89 | \$31.2m | 0 | \$0.0m | 5 | \$18.6m | 0 | \$0.0m | 5 | \$9.8m | 27 | \$3.0m | 457 | 12.87% | \$142.3m | 32.75% |
| 2015-2016 | 87 | \$19.1m | 107 | \$40.2m | 128 | \$28.0m | 119 | \$70.5m | 0 | \$0.0m | 10 | \$3.2m | 2 | \$0.3m | 8 | \$13.9m | 18 | \$3.9m | 479 | 13.30% | \$179.1m | 32.35% |
| 2016-2017 | 103 | \$26.1m | 91 | \$27.3m | 130 | \$27.0m | 120 | \$42.6m | 0 | \$0.0m | 3 | \$1.2m | 2 | \$10.2m | 3 | \$2.5m | 29 | \$4.9m | 481 | 13.65% | \$141.8m | 25.44% |
| 2017-2018 | 120 | \$19.2m | 92 | \$27.4m | 128 | \$35.6m | 109 | \$48.8m | 0 | \$0.0m | 5 | \$1.7m | 1 | \$16.1m | 4 | \$5.4m | 28 | \$7.4m | 487 | 13.21% | \$161.6m | 28.12% |
| 2018-2019 | 110 | \$29.0m | 106 | \$20.1m | 123 | \$38.9m | 89 | \$25.9m | 0 | \$0.0m | 9 | \$1.1m | 7 | \$3.9m | 11 | \$7.6m | 39 | \$7.7m | 494 | 13.82% | \$134.2m | 26.17% |
| 2019-2020 | 92 | \$25.6m | 77 | \$34.8m | 123 | \$35.7m | 112 | \$56.4m | 0 | \$0.0m | 15 | \$6.3m | 9 | \$11.7m | 8 | \$6.7m | 33 | \$6.5m | 469 | 13.66% | \$183.7m | 31.39% |
| 2020-2021 | 104 | \$19.2m | 83 | \$37.1m | 122 | \$46.0m | 130 | \$52.2m | 0 | \$0.0m | 23 | \$8.0m | 12 | \$16.8m | 22 | \$23.4m | 48 | \$12.7m | 544 | 15.75% | \$215.4m | 37.21% |
| 2021-2022 | 93 | \$30.4m | 105 | \$34.5m | 141 | \$63.1m | 166 | \$104.4m | 0 | \$0.0m | 7 | \$3.1m | 14 | \$15.1m | 19 | \$27.9m | 68 | \$18.6m | 613 | 16.41% | \$297.2m | 36.81% |
| 2022-2023 | 108 | \$31.2m | 100 | \$32.4m | 136 | \$43.6m | 109 | \$59.1m | 0 | \$0.0m | 8 | \$1.9m | 11 | \$8.2m | 24 | \$20.0m | 51 | \$16.0m | 547 | 17.44% | \$212.3m | 36.93% |
| 2023-2024 | 95 | \$34.8m | 111 | \$56.4m | 157 | \$45.2m | 0 | \$0.0m | 19 | \$10.5m | 15 | \$5.2m | 7 | \$4.3m | 10 | \$8.3m | 81 | \$37.3m | 495 | 15.47% | \$201.9m | 29.39% |
| 2024-2025 | 94 | \$47.1m | 91 | \$39.0m | 125 | \$32.4m | 1 | \$0.1m | 39 | \$32.2m | 6 | \$6.2m | 5 | \$12.0m | 18 | \$29.6m | 77 | \$30.3m | 456 | 13.42% | \$229.0m | 27.07% |
| 2025-2026 YTD | 26 | \$11.8m | 24 | \$10.3m | 67 | \$34.7m | 1 | \$0.1m | 14 | \$6.2m | 10 | \$3.8m | 5 | \$5.2m | 8 | \$10.7m | 38 | \$8.4m | 193 | 12.18% | \$91.2m | 24.89% |

AusTender values represent contract awarded value and not actual expenditure