



24 October 2025

Finance and Public Administration Committee
PO Box 6100
Parliament House
Canberra ACT 2600
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Dear Committee Secretary,

Parliamentary Joint Committee on Public Consultancy and Services Contract Bill 2025

As the primary union representing employees in the Australian Public Service (APS), the Community and Public Sector Union (CPSU) is committed to providing a strong voice for our members in key public policy and political debates.

The CPSU welcomes the opportunity to make a submission to this inquiry. We support the Bill and believe the establishment of a Parliamentary Joint Committee on Public Consultancy and Services Contracts (Committee) will provide much needed scrutiny and help drive overdue change in the use of consultants across the Commonwealth Government.

We are, however, concerned that gaps in the scope of the Bill exist that will reduce its effectiveness. In particular:

- Consultancy contracts under \$2 million will not be scrutinised, despite the potential for significant expenditure and risk; and
- Poor categorisation of contracts may result in consultancy contracts valued at \$2 million or more not being referred to the Committee.

To strengthen the Bill and ensure its intents are met, the CPSU recommends the following:

- The full text of all contracts should be published in contract notices on Austender to improve transparency;
- The Committee should receive a copy of the full contract text for any proposed consultancy referred to it; and
- The Committee be given own-motion powers to investigate specific contracts or highlight systemic issues in consultancy use.



Contracts valued under \$2 million need scrutiny

The CPSU welcomes parliamentary scrutiny of big-ticket consultancies over \$2 million but without stronger safeguards, smaller contracts risk slipping through the cracks. Transparency and accountability should not have a price tag.

The recent biannual statement on consulting services (related to Senate Order 23F) for 1 January to 30 June 2025 listed 130 contracts over \$2 million at a total value of \$637m.¹ While these represented approximately 68.8% of the total value of all active consultancy contracts on Austender, which was \$925 million, they accounted for only 7.7% of the 1,692 active consultancy contracts during that period.² A \$2 million threshold risks creating an incentive for consultancy contracts to be valued at under \$2 million to avoid scrutiny.

The CPSU has identified consulting arrangements that demand far greater scrutiny and oversight. For example, the CPSU is aware that McKinsey was paid \$742,500 for 25 days of work by the Commonwealth Scientific and Industrial Research Organisation (CSIRO) without even a report required.³ That is approximately \$30,000 per day for “advice”. Under the proposed Bill, this contract would escape external scrutiny, even though its cost and lack of deliverables raise serious questions about value for money.

Not every consultancy contract needs parliamentary approval but that does not mean they should escape scrutiny. Transparency and scrutiny must apply across the board.

Categorisation of consultancies by agencies is poor

The CPSU welcomes the Bill's broad definition of public consultancy contracts as a step in the right direction. We are concerned, however, the Committee will be too heavily reliant on agencies to self-report, risking gaps in oversight.

Even the Department of Finance acknowledges the distinction between a consultancy contract and a contract for services can be murky. The guidance notes that “*it is often more difficult...to distinguish between a contract for services and a contract for consultancy services.*”⁴ This ambiguity can result in agencies miscategorising consultancy contracts on Austender, undermining transparency and dodging scrutiny.

Consultancy contracts are being buried in plain sight. For example, out of the CSIRO's nearly 2,000 contract notices on Austender, only a single Management Advisory Services contract is flagged as a consultancy. The contract is not the \$742,500 contract for “advice” with McKinsey

¹ Parliament of Australia, Consulting services - Statement pursuant to the order of the Senate 3 July 2024 for the period 1 January to 30 June 2025, 22 July 2025. https://www.aph.gov.au/Parliamentary_Business/Tabled_Documents/11574

² CPSU analysis of active contracts between 1 January 2025 and 30 June 2025 flagged as consultancy on Austender as at 22 October 2025.

³ Austender, Contract Notice View - CN3916782, 29 September 2022. <https://www.tenders.gov.au/Cn/Show/b91112ee-f0a0-43e0-9247-7b041307f108>

⁴ Department of Finance, Contract Characteristics, 29 July 2021. <https://www.finance.gov.au/government/procurement/buying-australian-government/contract-characteristics>



previously referenced in this submission. This is despite CSIRO's 2023-24 Annual Report indicating that over \$8m had been spent on consultancies since 2017-18.⁵

Many Management Advisory Services contracts, which often meet the definition of consultancy contracts, are not being consistently tagged as such. The Department of Finance's Management Advisory Services Panel page even states that Management Advisory Services are commonly known as consultancies.⁶ This is not a new issue and was previously flagged by the Australian National Audit Office.⁷

Misclassification will have significant implications for the Committee. Contracts valued at \$2 million or more may not be submitted to the Committee for approval, despite clearly falling within the Committee's intended scope of scrutiny. This undermines transparency and accountability in public procurement.

Case Examples: Services Australia and MDBA

Services Australia had a \$9.9 million contract with Callida Consulting for 'Management Advisory Services' that was not included in the recent biannual statement.⁸ That statement listed only three contracts totalling \$15 million. Had the Callida contract been included, it would have represented 40% of the agency's total spend on active consultancies over \$2 million.

Similarly, the Murray Darling Basin Authority (MDBA) held a \$27.4 million contract with Scyne Advisory for 'Management Advisory Services' that was also omitted from the recent biannual statement.⁹ The statement listed just one MDBA contract worth \$2.7 million. Inclusion of the Scyne contract would have accounted for 91% of MDBA's total spend on consultancies over the \$2 million threshold.

These omissions suggest that the biannual statement may be significantly undercounting consultancy expenditure, particularly where contracts are tagged under alternative categories on AusTender. The result? Parliament is flying blind on millions in public spending on consultancies.

Publishing the full contract text

Establishing the Committee and requiring scrutiny for consultancies over \$2 million is a good start but there is room to go further. Proactive transparency and stronger accountability measures must be part of the picture.

Requiring the publication of the full text of all contracts on Austender would deliver increased transparency and accountability.¹⁰ This approach is already mandated in the Australian Capital Territory (ACT) under regulations for the Government Procurement Regulation 2007, which

⁵ Commonwealth Scientific and Industrial Research Organisation, 2023-24 Annual Report, p.101

⁶ Department of Finance. Management Advisory Services Panel. 17 October 2025.

⁷ <https://www.finance.gov.au/government/procurement/whole-australian-government-procurement/management-advisory-services-panel>

⁸ <https://www.anao.gov.au/work/information/australian-government-procurement-contract-reporting>

⁹ Austender, Contract Notice View - CN3998081-A2, 3 July 2025. <https://www.tenders.gov.au/Cn/Show/90f8d9f4-873a-48e5-bed0-f393a3bee990>

¹⁰ Austender, Contract Notice View - CN3903215-A2, 2 July 2025. <https://www.tenders.gov.au/Cn/Show/a561c4f9-3e8e-420d-bf97-c3bad07f76de>

¹⁰ Australian Capital Territory Government, Tenders ACT. <https://www.tenders.act.gov.au/>



requires the notifiable contracts register to include an electronic copy of the public text of the contract as made, along with any amendment of the contract. These documents must be accessible on a website free of charge.¹¹ Any genuinely confidential text, such as that related to national security, can be appropriately redacted.

Publishing the full text of public contracts is not radical, it is international best practice. A prominent international example is the United Kingdom, which requires the publication of the full text of public contracts with an estimated value of more than £5 million under the Procurement Act 2023.¹² Other countries where the proactive publication of contract text is legally required include Georgia, Colombia, and Slovakia.¹³

Greater transparency will reduce the risk of questionable consultancy contracts being approved, including those valued under \$2 million, and enable the identification of contracts that warrant more scrutiny by the Committee, including consultancies that have not been flagged as such. This simple change, in tandem with the establishment of the Committee, will strengthen accountability.

To do this, the CPSU recommends:

- Amending the Commonwealth Procurement Rules to require publication of the text of all contracts as part of reporting arrangements.
- Amending Section 8 of this Bill to include a requirement that the Minister provide to the Committee a copy of the text of the contract in respect of each public consultancy contract referred to the Committee, prior to approval.

These simple changes would strengthen oversight and ensure Parliament is not kept in the dark.

Own motion powers

The CPSU supports stronger oversight powers for the proposed Committee. While the Bill defines public consultancy contracts broadly, the Committee's authority falls short. Unlike the Joint Committee on Public Accounts and Audit, which can self-initiate inquiries under the Public Accounts and Audit Act,¹⁴ the proposed Committee, under Part 2, Section 7, will depend on referrals from Parliament or the Minister.¹⁵ This risks limiting its independence and effectiveness.

¹¹ Australian Capital Territory Government, Government Procurement Regulation 2007. <https://www.legislation.act.gov.au/View/sl/2007-29/current/html/2007-29.html>

¹² Cabinet Office – GOV.UK, Guidance: Contract Details Notices, 29 July 2025 <https://www.gov.uk/government/publications/procurement-act-2023-guidance-documents-procure-phase/guidance-contract-details-notices-html#:~:text=4..more%20than%20%C2%A35%20million.>

¹³ Charles Kenny, Four Leaders in Government Contract Publication, Center for Global Development, 12 November 2014. <https://www.cgdev.org/blog/four-leaders-government-contract-publication>

¹⁴ Parliament of Australia, Role of the Committee. https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Public_Accounts_and_Audit/Role_of_the_Committee

¹⁵ Parliament of Australia, Part 2—Parliamentary Joint Committee on Public Consultancy and Services Contracts, https://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;db=LEGISLATION;id=legislation%2Fbills%2Fs1462_first-senate%2F0002;query=id%3A%22legislation%2Fbills%2Fs1462_first-senate%2F0000%22;rec=0



To ensure real accountability, the CPSU recommends the Bill be amended to empower the Committee to report to both Houses of the Parliament directly, with such comment as it thinks fit, on any items or matters related to public consultancy contracts, or any circumstances connected with them, without waiting for a referral from either House or the Minister. Parliament should not have to wait for a referral to act on questionable deals.

Giving the proposed Committee greater independence is key to strengthening its ability to investigate consultancy contracts, whether it's systemic issues or individual deals, regardless of value. Aligning its powers with best practice ensures it can act proactively and in the public interest.

The CPSU is happy to provide further information regarding any of the matters raised in this submission and supplementary information on other relevant issues.

Sincerely,

Melissa Donnelly
National Secretary
CPSU-PSU Group