

**Question on notice no. 7**

**Portfolio question number: 7**

**2018-19 Additional estimates**

**Environment and Communications Committee, Communications and the Arts  
Portfolio**

**Senator the Hon Kristina Keneally:** asked the Department of Communications and the Arts on 19 February 2019—

Senator KENEALLY: Before the break, we had just canvassed that an additional \$15,000 was paid to Korn Ferry on 7 January 2019 for, as I believe you termed it, unexpected costs relating to background checks? Mr Eccles: That's right. Senator KENEALLY: And they were checks that are required by the nomination panel? Mr Eccles: Or were valued by the nomination panel. I will check. Senator KENEALLY: So they were valued. Are they an additional thing the nomination panel decided to do? Mr Eccles: I would need to check with the nomination panel as to the requirement behind that additional step. ... Senator KENEALLY: Which several of the board members have already said they didn't go through. Can we just be clear: the department can't say whether or not Mr Webster disclosed a conflict of interest, and with this high profile recruitment firm, Korn Ferry, the department did not do its own checks as to whether or not his Liberal Party membership or donors were declared; yet now you are paying Mr Webster's firm an extra \$15,000 to do unexpected background checks on these board, chair applicants? Mr Mrdak: No. Just to get the sequence, Mr Webster was identified in his CV through that process. We accepted that. I am not aware, but we will check, as to whether there was any reference to any conflict of interest in that. We are not aware, beyond his CV, that there was any reference to that. We did not undertake any further checks beyond that. We will check what role Mr Webster did or didn't play in supporting the panel on this occasion. I am not aware that he was involved with this task. To come to your last point in relation to this additional funding, it provides for additional background checking which we had not provisioned in the original contract. That does not of itself represent an additional payment to the firm.

**Answer —**

Please see attached.

**Senate Standing Committee on Environment and Communications**  
**Answers to Senate Estimates Questions on Notice**  
**Additional Estimates February 2019**  
**Communications Portfolio**  
**Department of Communications and the Arts**

**Question No: 7**

**Program 1.1**

**Hansard Ref: Page 26, 19/02/2019**

**Topic: Korn Ferry**

**Senator Kristina Keneally asked:**

**Senator KENEALLY:** Before the break, we had just canvassed that an additional \$15,000 was paid to Korn Ferry on 7 January 2019 for, as I believe you termed it, unexpected costs relating to background checks?

**Mr Eccles:** That's right.

**Senator KENEALLY:** And they were checks that are required by the nomination panel?

**Mr Eccles:** Or were valued by the nomination panel. I will check.

**Senator KENEALLY:** So they were valued. Are they an additional thing the nomination panel decided to do?

**Mr Eccles:** I would need to check with the nomination panel as to the requirement behind that additional step.

...

**Senator KENEALLY:** Which several of the board members have already said they didn't go through. Can we just be clear: the department can't say whether or not Mr Webster disclosed a conflict of interest, and with this high profile recruitment firm, Korn Ferry, the department did not do its own checks as to whether or not his Liberal Party membership or donors were declared; yet now you are paying Mr Webster's firm an extra \$15,000 to do unexpected background checks on these board, chair applicants?

**Mr Mrdak:** No. Just to get the sequence, Mr Webster was identified in his CV through that process. We accepted that. I am not aware, but we will check, as to whether there was any reference to any conflict of interest in that. We are not aware, beyond his CV, that there was any reference to that. We did not undertake any further checks beyond that. We will check what role Mr Webster did or didn't play in supporting the panel on this occasion. I am not aware that he was involved with this task. To come to your last point in relation to this additional funding, it provides for additional background checking which we had not provisioned in the original contract. That does not of itself represent an additional payment to the firm.

**Answer:**

The additional background checks were an additional service offered to the Nomination Panel by Korn Ferry. The Nomination Panel saw value in undertaking these additional background checks and the Department amended the value of the contract to allow these to be undertaken.