



Senator the Hon Richard Colbeck
Liberal Senator for Tasmania

Dame Meg Hillier
Chair
Public Accounts Committee
House of Commons
London
SW1A 0AA

Via email: pubaccomm@parliament.uk

11 September 2023

Dear Dame Hillier

The Senate Finance and Public Administration References Committee (the Committee) of the Australian Parliament is currently conducting an inquiry into the use of consultancies by the Public Service.

In the course of that inquiry and through the work of the other Senate Committees of the Australian Parliament, certain events have come to light that have given cause for significant concern for members of the Committee.

One matter relates to the actions of an individual participating in consultancies under signature to confidentiality arrangements with the Australian Treasury for the introduction of new laws in this country to deal with multinational tax avoidance.

It has been determined that the confidentiality clauses were clearly breached, and action is underway in Australia via both the Australian Tax Practitioners Board (TPB) and the Australian Federal Police to further investigate the matter following action by the TPB earlier this year to remove the practicing certificate of the offending partner Mr. Peter Collins, of consulting firm PwC.

What is clear, both from the evidence available to our committee and the nature of the breach of confidentiality, is that the matter has international implications.

The purpose of the breach was to use confidential tax office information to generate additional custom and revenue for PwC by pitching to global businesses the scheme to avoid tax based on the use of the, "inside information". The project was known inside PwC as "Project North America".

The attached (redacted) emails, made public through the Australian Senate Estimates process, show a clear link to the United States (and other jurisdictions) with traffic between our countries to establish the "project".

While authorities in Australia are undertaking further investigations, I am of the view that there are clearly implications in terms of the behaviours for the United States.

PwC International has been at pains to restrict further fallout from this matter to Australia. However, in my view that is not sustainable.

The Committee published the attached report in June this year, directly relating to the information that has come to light.

I believe the behaviours of PwC and the attempts to avoid taxes internationally may be a matter of interest to your committee.

The negotiations to prevent international tax avoidance were important reforms for our countries and attempts to circumvent that work deserve thorough investigation.

Given our Committee's remit is limited to matters locally, we would be pleased to discuss further should you decide to inquire into the United States-based links to these events, so that the matter might be more fully ventilated.

Yours sincerely



Richard Colbeck

Chair, Senate Finance and Public Administration References Committee