

General Debate

Contribution of Senator Deborah O'Neill

Enhancing good governance and empowering communities through inclusivity trust and opportunities for all

Good governance

- Good governance is reflected in the extent to which people can access justice, trust public institutions, benefit from high-quality public services, and have confidence that their vote matters
- Transparency and accountability are central

Importance of the audit function to high-quality public service and accountability

- The audit function, in government and in our economies, is a key check and balance in our financial system, and it provides everyone associated with the financial system, including investors, shareholders and creditors, with confidence in the system and international trade.

The Big Four – too big to fail

- The global audit market is now dominated by Big Four firms – KPMG, Deloitte, Price Waterhouse Coopers or PwC, and EY. They are also the companies that provide the Base Erosion Profit Shifting strategies that undermine the minimum 15% tax on in country multinational profits to which we agreed in our resolution in the 153 Assembly in Türkiye in May 2026.
- The Big Four audit the majority of the world's largest listed companies, and their combined revenue is larger than the GDP of some small nations.
- The Australian Government holds nearly 300 active contracts with KPMG valued at over \$650 million.

KPMG – ethics, accountability and public reputation

1. The misconduct

- In March this year, I reported to the Australian Senate information from an internal whistleblower regarding KPMG's misuse of confidential client information from some of our major banks, infrastructure companies and telcos to win lucrative audit work.

2. The cover-up

- The repeated complaints from the internal whistleblower were ignored or mishandled for two years.
- I raised those complaints in March 2026 in the Parliament.

3. The power of parliamentary inquiry

- Through parliamentary inquiry including extensive public hearings, which have been viewed by more than 200 people on Australia's Parliamentary Network. My Senate colleagues of a range of different political parties and I came together under the common cause of the public interest.
- We investigated KPMG in relation to what became a major audit and data-misconduct scandal revealing confidential client data leaks and the mishandling of whistleblower complaints all in the name of profit making.

4. The fallout

- The work of parliamentary committees resulted in the resignations of the KPMG Chief Executive, the Chair of the Board, audit partner resignations, early retirements and forced exits.
 - The Australian Government placed a pause on KPMG preventing it from bidding for new government work until 31 October 2026.
 - Over \$650 million in active KPMG contracts with Government departments and agencies, of which nearly \$20 million are for audit services including for the Reserve Bank of Australia and the Australian Electoral commission are under examination.
 - At the same time, one of its competitors, PricewaterhouseCoopers (PwC) was banned from working for the Australian Government for leaving confidential tax information for commercial gain.
- We have both the power and responsibility, dear colleagues, in our Parliaments to enhance good governance, to hold large companies to account for their social license to operate in our economies and to pay their fair share of tax for the public good.