



**The Hon Dr Andrew Leigh MP**

Shadow Assistant Minister for Treasury | Shadow Assistant Minister for Charities  
Member for Fenner

8 December 2020

Grant Hehir  
Auditor-General  
Australian National Audit Office  
GPO Box 707  
Canberra ACT 2601

Dear Auditor-General

I am pleased to see that your forward work program for 2020-21 includes a potential audit on the JobKeeper scheme. When COVID hit, Labor strongly encouraged the Australian Government to put in place a wage subsidy scheme, and we are pleased that the Morrison Government eventually acceded to pressure to do so. JobKeeper has doubtless saved hundreds of thousands of jobs.

However, Labor believes that with significant spending must come careful scrutiny. With a cost of over \$100 billion, it is vital to ensure that the JobKeeper program delivers value for money to the Australian taxpayer.

While I recognise the financial constraints that your office is operating under (as my colleague Julian Hill points out, the Coalition has reduced your budget by more than one-fifth in real terms since 2013), I believe a JobKeeper inquiry should be a high priority.

If your office proceeds with an inquiry into JobKeeper, I encourage you to seek answers to the following questions:

1. How many large firms manipulated their revenue? For example, there are reports of firms artificially adjusting the timing of invoices in order to engineer a revenue shortfall that qualified the business for JobKeeper.
2. How much JobKeeper support was paid out to large firms that experienced higher revenue in 2020 than 2019? For example, Harvey Norman qualified to receive JobKeeper from March to September based on an initial revenue drop, but enjoyed a surge in profits. Indeed, Gerry Harvey recently stated: 'This is like the greatest boom I've ever seen in my lifetime.'
3. How much JobKeeper support was paid out to large firms that paid executive bonuses? I note that the practice of companies receiving taxpayer support via

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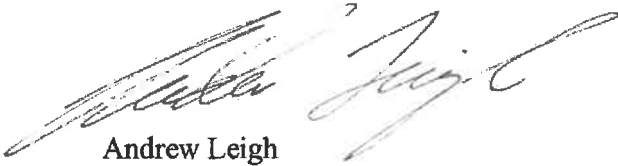
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JobKeeper and then paying executive bonuses has been criticised by the Australian Taxation Office, as well as by the Business Council of Australia.

Unfortunately, the Morrison Government has been unwilling to share much of the information around JobKeeper with the COVID Senate Committee, making it all the more important for the issue to receive scrutiny from your office.

I would be pleased to expand on any points in this letter.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Andrew Leigh', written in a cursive style. The signature is positioned above the printed name 'Andrew Leigh'.

Andrew Leigh