



MEDIA STATEMENT

Toner rip-off revealed in CCC report

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A Corruption and Crime Commission report has found that Western Australian state and local government public officers paid at least \$415,000 too much for toner cartridges, and also received gifts from the Victorian company involved, over a three-year period.

A report tabled in Parliament today found the public officers who ordered the toner received gifts from the company including gift vouchers, iPods, MP4 players, digital camcorders and LCD TVs. One officer received gifts totalling more than \$3,000.

The Commission's Director of Corruption Prevention, Roger Watson, said in most cases the employees did not report the gifts to their employers.

The report also found that the Victorian-based company, which operated through at least six subsidiary companies:

- Used aggressive sales techniques to pressure junior purchasing officers into buying quantities of toner cartridges their organisations often did not need;
- Sold toner at up to five times the price of toner available through government purchasing arrangements;
- Made false claims about the performance of cartridges. Toner cartridges tested by the Commission were sold as being able to print 30,000 pages, however, they averaged only 7,400 pages a cartridge when tested.
- Increased the price of toner over the period in which the agency was purchasing it. In one case it increased from \$299 to \$399 a cartridge over a nine-month period.

Mr Watson said a number of agencies purchased more toner from the company than they could use.

"One agency estimated it had enough toner to last up to five years even though the cartridges have a shelf life of only about two years.

“The report found that generally the gift policies and accountability mechanisms for public authorities did not sufficiently address the misconduct risks. It made seven recommendations to tighten procurement procedures and policies around the recording of gifts or offers of gifts,” he said.

Part of the Commission’s investigation into the matter included public hearings.

Information about their toner purchases has been forwarded by the Commission to the state and local government authorities involved to investigate so appropriate action could be taken if necessary.

Mr Watson said the agencies or staff involved in the purchase of the toner have not been named as the problem was widespread across the State and Local Government sectors and was due to failing to adhere to policies and procedures.

The report is available at
<http://www.ccc.wa.gov.au/Publications/Reports/Pages/PublishedReports2011.aspx>

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