

ATO: never fear, incompetent Oz bureaucrats are here!

by baz Saturday, Oct 2 2010, 10:42pm

national / social/political / commentary

[Attention Gillard, Keneally, Bligh and other Oz government 'leaders.']

Burgeoning, wasteful and thoroughly inept Oz government regulatory institutions reflect a dysfunctional Federal and State system in obvious need of DRASTIC reform and the purging of bureaucratic fat cats responsible for their INCOMPETENT and wasteful departments!

The following story is only one such case; I am personally aware of the NSW Food Authority, recently spending upward of \$350,000 (tax payer dollars) prosecuting a 'flea-market stall operator' for inadequately labelling food stuffs and stocking unpasteurised dairy products (which are sought after by the alternative health community). Bear in mind that this entire matter could have easily been resolved with warnings and advice from the 'authority,' however, certain bureaucratic incompetents wished to be film stars, or at the very least, strained to justify their jobs and bloated pay packets with this absurdly wasteful prosecution - which is still running at Sydney's Downing Centre; where, coincidentally, a magistrate recently dismissed a case against former PM, Paul 'fingers' Keating, for running a red light. The presiding magistrate arrived at her decision in the face of evidence from two (2) police officers stating clearly that the light was indeed RED when the former Prime Minister 'ran it!'

Ho hum, locals may all heave an exasperating sigh in this former penal colony - which is clearly as corrupt and administratively incompetent as it ever was! [Of course citizens are able to demand/insist on *competent, representative government*, but that would require a modicum of effort from a thoroughly apathetic population - incompetent fat cats and corrupt elite cabals all breathe a sigh of relief!] Never forget, dreamboats, the people DESERVE their governments!

Suck on the following [story](#) and realise it is only one example of incompetence that made the press:

Tax operation struggling to find victims

by Nick Tabakoff, The Daily Telegraph

IT started by accident, when a laptop computer was picked up during a raid on a Melbourne hotel room in February 2004. It was the genesis of Operation Wickenby - the much-trumpeted \$300 million investigation that began a year after that fateful raid.

But more than six years on, it is struggling to find victims. Some say it has recovered less than it has cost.

Yesterday, the Australian Taxation Office succumbed to pressure and ended Paul Hogan's two-week detention as a "prisoner in paradise" by allowing him to leave Australia.

Hogan had stood up to the ATO after The Daily Telegraph first revealed last week he'd

been served with a Departure Prohibition Order the night before his mother's funeral.

It was the second Wickenby backdown yesterday. Its case against Vanuatu-based Robert Agius, accused of masterminding a \$100 million money-laundering scheme, was formally dropped in the NSW Supreme Court.

Serious questions are now being raised about whether Wickenby - the high-profile war on tax fraud and money laundering by the ATO, the Australian Crime Commission (ACC), police and securities regulators - has achieved much at all.

One senior former ATO auditor, Chris Seage, turned the tables on the organisation, with his own audit on Operation Wickenby pointing to a \$112 million black hole. Mr Seage, now a private tax consultant, said: "They spent \$305 million on Wickenby until June 30 this year but only collected \$193 million cash to the same point." .

Wickenby was meant to bring in hundreds of millions in taxes evaded by high-profile Australians through tax havens like Vanuatu, the Cayman Islands and the British Virgin Islands.

Back in 2004, the man staying in the Melbourne hotel room was Philip Egglshaw of Swiss accounting firm Strachans, which organised offshore tax structures involving tax havens for prominent Australians.

By 2005, the ATO was claiming that about 500 Australians were likely to be caught up in the Wickenby net.

It quickly became public knowledge that those under scrutiny included rock tycoon Glenn Wheatley, Paul Hogan and artistic collaborator John Cornell, cricketers Shane Warne and Allan Border, and a host of others.

All had allegedly had services provided, directly or indirectly, by Strachans. More than six years on, the only household name convicted has been Wheatley - for evasion of tax of little more than \$300,000.

Mr Seage said the Hogan controversy refocused attention on Wickenby's performance.

"Who audits the tax office?" he asked, attacking the ATO figure that claimed to have raised "liabilities", or tax assessments issued, of \$855 million, despite only netting \$193 million in cash.

"That is a \$660 million discrepancy the government does not explain. I think the ATO is cooking the books. They are using these results to obtain substantial funding from the government."

He has called for a full investigation by the Federal Auditor-General.

Wickenby has led to only 11 arrests, which he said raised the question of whether the ends justified the means given "draconian" and "frightening" methods used by the ATO and ACC.

"They can compel you to answer questions, freeze bank accounts and other assets,

detain you in Australia ... under ACC laws it is a crime to tell your wife or even your psychologist you are under investigation."

The ATO won't comment on claims Wickenby had been a financial failure. But Tax Commissioner Michael d'Ascenzo last month hinted it was about more than money.

"Wickenby is about protecting honest taxpayers and holding those to account who engage in this sort of illegal behaviour," he said. "Wickenby isn't going away any time soon."

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See also:

<http://cleaves.zapto.org/news/story-2126.html>

Cleaves Alternative News. <http://cleaves.lingama.net/news/story-2132.html>