

**Media statement
For immediate release**



STOP G2009

Wellington, 14 May 2009

The New Zealand Open Source Society (NZOSS) is calling for an immediate halt to the G2009 “All of Government” negotiations currently being completed with Microsoft. The Society will be seeking a complete review of the G2009 procurement process by the Auditor-General.

“Government procurement practices are built around the notion of delivering value for money to the New Zealand taxpayer through a contestable process.” says Society President Don Christie.

“It is simply nonsensical for the public sector to be in a position where it is dealing with a single supplier in this way. It has the potential to be a major port. These three-yearly agreements result in massive contracts across the public sector, and it is all conducted under a shroud of secrecy.”

In the last quarter alone, Microsoft reports* worldwide net earnings of US\$1.7 billion on turnover of US\$4.5 billion for the Office Suite and US\$2.1 billion on turnover of US\$3.1 billion for the operating system currently used throughout the public sector.

“We rush to criticise banks for profit-taking, but here we are negotiating for marginal cost savings from one of the government's biggest IT suppliers while they take massive profits from the taxpayer.”

“Regulators would be all over these negotiations if they involved Telecom or the banking sector.”

“To add insult to injury, these very large and largely unnecessary spending commitments are being made at a time when the economy is in free fall and New Zealanders are losing their jobs and homes.”

Government agencies have a responsibility to deliver cost effective public administration, yet perfectly credible operating systems and office suites are being overlooked because of the grip Microsoft has on our public agencies.

“These negotiations have become necessary because agencies have become utterly dependant on a single manufacturer. We are being ripped off, and it has got to stop.”

The NZOSS is calling for:

- an immediate cessation of the G2009 process
- a complete, line by line review of the money spent by government agencies on Microsoft products
- a stop to all upgrades and purchases of Microsoft products until the review has been completed
- a complete evaluation of free and other alternatives to Microsoft products, including operating systems, office products, databases and content management systems

ENDS

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* Microsoft third quarter results http://www.microsoft.com/msft/earnings/FY09/earn_rel_q3_09.msp