



**THE HON MELISSA PRICE MP  
MINISTER FOR DEFENCE INDUSTRY**

MC20-000801

Senator the Hon Eric Abetz  
Chair of Foreign Affairs, Defence and Trade Legislation Committee  
Parliament House  
CANBERRA ACT 2600

Dear Senator *Eric*

I am responding to you on a matter raised by you at the Foreign Affairs, Defence and Trade Legislation Committee Senate Estimates hearing of 4 March 2020, regarding a tender process involving Sealasash and Lendlease, the Department of Defence's Managing Contractor on the HMAS *Cerberus* Redevelopment Project.

On 28 February 2020, the Minister for Defence, Senator the Hon Linda Reynolds CSC, received an email from Mr John Brennan, of Sealasash, copied to you, raising concerns about not receiving a written unsuccessful tender debrief from Lendlease. As this matter falls within my area of responsibility, the correspondence has been referred to me for a response.

Master Glass, the incumbent window subcontractor to Lendlease on this project, indicated a desire to use Sealasash as a sub-subcontractor for part of their variation submission for a heritage window works package. Master Glass submitted a quote inclusive of new window and door supply, and restoration of the existing wooden windows using Sealasash. Following a value for money evaluation of responses, Master Glass were unsuccessful and were subsequently issued an unsuccessful tenderer notification.

Under Defence's contracts, Lendlease are obliged to comply with the intent of the Commonwealth Procurement Rules and undertake to provide a verbal debrief to all tenderers, both successful and unsuccessful. These debriefs provide feedback on both positive and negatives aspects of the submitted tender, including a review of the technical and capability areas for the specific tenderer.

It is not usual, however, for Managing Contractors to also offer tender debriefs to the various sub-subcontractors of tenderers. But in this instance, acknowledging the considerable time and effort that Sealasash had spent on the tender submission with Master Glass, Lendlease also sent Sealasash an unsuccessful tender letter and offered a verbal debrief.

Sealasash has expressed concern that Lendlease are not responding to their subsequent questions with regards to their unsuccessful tender submission. Lendlease has and continue to make a standing offer to Sealasash to participate in a verbal debrief, either in person or via phone – however this has been declined by Sealasash who are insisting on a written response.

Defence only provides verbal debriefs to its tenderers, and do not expect that its Managing Contractors should do differently. A verbal debrief remains on offer, and I am confident that Mr Brennan's concerns can be fully addressed, should he take up the offer.

Yours sincerely

A white rectangular box redacting the signature of Melissa Price.

MELISSA PRICE

20 April 2020