



AUSTRALIAN SENATE

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16 December 2013

Ms Lyn Beverley  
Secretary  
Finance and Public Administration References Committee  
The Senate  
Parliament House  
Canberra ACT 2600

Dear Ms Beverley

#### **INQUIRY INTO COMMONWEALTH PROCUREMENT PROCEDURES**

Thank you for the opportunity to provide a submission to the committee. I thought it may be of assistance to the committee to provide a brief insight into the Department of the Senate's current approach to procurement, as set out in (a)(ii) of the inquiry's terms of reference.

As a department subject to the *Financial Management and Accountability Act 1997*, the Department of the Senate must comply with the 2012 Commonwealth Procurement Rules (CPRs) as administered by the Department of Finance. In all its procurement dealings, the department aims to achieve the best value for money through transparent, competitive and non-discriminatory processes, promoting the use of resources in an efficient, effective and economical matter, and by considering risk.

The department's procurement requirements are relatively modest, in comparison to some other Commonwealth departments and agencies. Nonetheless, the department periodically receives questions from senators relating to the procurement of Australian made goods, in particular the procurement of A4 office paper.

The department procures approximately 6,400 reams of A4 office paper annually, at a cost of approximately \$32,000, for use by the department and senators and their staff from Staples Australia Pty Ltd. The purchase of this paper is covered by a coordinated procurement arrangement managed by the Department of Finance, and the process for selecting suitable paper under the Whole of Government Stationery and Office Supplies Panel Arrangement takes into account a number of factors: price, performance, environmental impact and availability.

At present, the majority of the paper currently procured by the department is Australian-made Reflex Carbon Neutral paper. The department is considering increasing its use of recycled paper for office use, but this will be dependent on its suitability for archival purposes and the cost. Further, when senators approach the department with suggestions for paper that might be used (for example, particular types of recycled paper) the department examines such suggestions in line with the above factors.

Because of the department's focus on the best value for money, it does not discriminate for or against Australian made products. This is in line with the approach espoused in the CPRs that the products or services must be assessed on the basis of their suitability for the intended purpose, rather than solely on the country of origin.

I would be happy to provide any further assistance or clarification that the committee requires.

Yours sincerely

(Rosemary Laing)