

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates, 31 May to 2 June 2005

**Question: Bud 41**

**Topic: ACCC – Legal Service Expenditure**

**Hansard Page: Written**

Senator Carr asked:

1. What amount did the Agency spend during the financial year 2004/2005 on outsourced legal practitioners (including private firms, individuals, the Australian Government Solicitor, and any others)?
2. What was the budgeted amount for outsourced legal practitioners in 2004/2005?
3. What amount did the Agency spend on internal legal services? (Provide an estimate if exact amount is unavailable.)
4. Does the Agency have an in-house legal section? If so, what was the 2004/2005 actual cost of this section? What was the budgeted amount for this section in 2004/2005? What is the budget amount for this section in 2005/2006?
5. What is the total projected expenditure on legal services for 2005/2006 for the Agency?
6. Which organisations or individuals were contracted to provide legal services to the Agency in 2004/2005?
7. In each instance, how much was each organisation or individual paid for these services?
8. Does the Agency use an open tendering or select tendering process (as described in the Commonwealth Procurement Guidelines, p 42) when procuring legal services?
9. If a select tendering process is used: (a) which method of select tendering is used and (b) which firms or individuals are currently eligible to tender for legal services?
10. If a multi-use list is used: (a) which firms or individuals are currently on that list and (b) when was the list last opened for applications?
11. In 2004/2005 did the Agency obtain any legal services using a direct sourcing procurement process? If so, provide details including the name of the provider, the work involved and the cost?
12. In 2004/2005 did the Agency procure any legal services under the thresholds required for 'covered procurements' (within the meaning of 8.6 of the

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Commonwealth Procurement Guidelines)? If so, provide details including the name of the provider, the work involved and the cost.

13. In 2004/05 did the Agency contract any legal firms to provide services other than legal services (such as consulting, conduct of policy reviews etc)? If so, provide details including the name of the firm, the project involved and the cost of the contract.

Answer:

1. The ACCC spent \$15,613,956 on legal fees and expenses in 2004-05.  
Note: The amounts shown in this and other questions are preliminary 2004-05 expenditure figures.
2. The budgeted amount for legal expenses for 2004-05 was \$18.7m.
3. The ACCC spent \$3,351,787 on internal legal services in 2004-05.
4. Yes, the ACCC has an in-house legal branch. The cost of the legal branch for 2004-05 was \$3,351,787. The 2004-05 budget for the in-house legal branch was \$3.32m. The 2005-06 budget for the legal branch is \$3.502m.
5. The total projected expenditure on legal services for 2005-06 is \$21.3m. This includes the \$3.502m for the legal branch and \$17.8m on legal fees and expenses.
6. The following organisations were contracted to provide legal services in 2004-05:
  - Australian Government Solicitor
  - Corrs Chambers Westgarth
  - Phillips Fox
  - Deacons
  - Norman Waterhouse
  - Slater and Gordon
  - Thomson Playford
7. The amounts paid to the contracted legal service providers are as follows:

<b>Legal Service Provider</b>	<b>Amounts Paid in 2004-05</b> <b>\$</b>
Australian Government Solicitor	10,320,254
Corrs Chambers Westgarth	2,079,379
Phillips Fox	1,307,790
Deacons	850,656
Norman Waterhouse	465,230
Slater and Gordon	263,552
Thomson Playford	52,119

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8. The ACCC conducted an open tender process in the latter part of 2004 to establish a panel of legal service providers for the period 1 January 2005 to 31 December 2008. The legal firms now contracted to provide legal services to the ACCC under this panel arrangement are:
  - Australian Government Solicitor
  - Corrs Chambers Westgarth
  - Phillips Fox
  - Thomson Playford
9. Not applicable –see above.
10. Not applicable – see above.
11. No, legal services were provided by the panel providers.
12. No, legal services were provided by the panel providers. While some of the individual matters could have been below the covered procurements threshold, this information is not available without a detailed analysis of the over 2,550 payments made to legal service providers in 2004-05.
13. No.