

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE

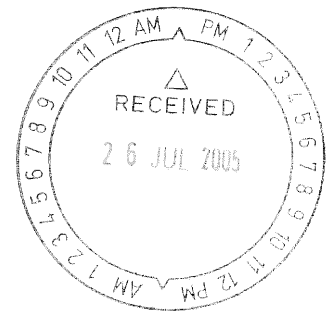
Treasury Portfolio

Budget Estimates, 31 May to 2 June 2005

Question: Bud 49

Topic: Legal Service Expenditure

Hansard Page: Written



Senator Ludwig asked:

1. What amount did the Department 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 Department spend on internal legal services? (Provide an estimate if exact amount is unavailable.)
4. Does the Department 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 Department?
6. Which organisations or individuals were contracted to provide legal services to the Department in 2004/2005?
7. In each instance, how much was each organisation or individual paid for these services?
8. Does the Department 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 Department 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 Department procure any legal services under the thresholds required for 'covered procurements' (within the meaning of 8.6 of

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the 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 Department 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 - Until 31 May 2005, the Department of the Treasury's outsourced legal expenditure for the 2004/05 financial year was \$1,088,342.

2 - The current budgeted amount for outsourced legal expenditure for 2004/05 is \$1,544,000.

3 - The Department of the Treasury has no expenditure on internal legal services.

4 - Not applicable – the Department of the Treasury has no in-house legal section.

5 - The total projected expenditure on legal services for 2005/06 for the Department of the Treasury is \$1,338,000.

6 - The following organisations were contracted to provide legal services to the Department of the Treasury in 2004/05:

- the Australian Government Solicitor;
- Clayton Utz;
- Blake Dawson Waldron; and
- Phillips Fox.

7 - The expenditure for each on these organisations for 2004/05 (until 31 May 2005) is as follows:

Organisation	GST Exclusive Amount (1/7/04 – 31/5/05)
Australian Government Solicitor	\$923,700
Blake Dawson Waldron	\$29,492
Clayton Utz	\$58,176
Phillips Fox	\$76,974
Total	\$1,088,342

8 – A select tender process was used for legal services in 2004/05.

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- 9 - a) An invitation to tender was issued to selected suppliers.
 b) All firms are eligible.

10- Not applicable – a multi-use list was not used.

11- Legal services obtained via direct source in 2004/05 are as follows:

Provider	Work Involved	Cost
Phillips Fox	Provide legal advice	\$727.24
Phillips Fox	Provide legal advice	\$990.00
Australian Government Solicitor	Provide legal advice	\$17,838

Note: In September 2003 Treasury engaged the Australian Government Solicitor (via direct engagement) to provide legal services to the department for the period 1 September 2003 – 30 June 2006.

12 – Legal services procured under the threshold required for “covered procurements” in 2004/05 are as follows:

Provider	Work Involved	Cost
Phillips Fox	Update Treasury’s RFT and contract templates and develop a Procurement Procedures Manual	\$44,000
Phillips Fox	Development of procurement guidance documents	\$21,930
Phillips Fox	Development of RFT and contract templates	\$9,000
Australian Government Solicitor	Provide various advice	\$17,838
Phillips Fox	Provide legal advice	\$727.24
Phillips Fox	Provide legal advice	\$990.00

13 – Legal firms contracted to provide services other than legal services in 2004/05 are as follows:

Provider	Work Involved	Cost
Phillips Fox	Delivery of procurement seminars	\$6,600