

**Senate Economics Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
Industry, Tourism and Resources Portfolio  
Supplementary Budget Estimates 2004-2005

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**AGENCY/DEPARTMENT:** ALL PORTFOLIO AGENCIES  
**OUTCOME/OUTPUT:** ALL OUTPUTS  
**TOPIC:** PROCUREMENT GUIDELINES AND PRACTICES; CONTRACT MANAGEMENT  
**REFERENCE:** WRITTEN QUESTIONS ON NOTICE

**QUESTION No.1-6**

**Senator Murray asked:**

1. When did the Department last update its procurement policy documentation?
2. What mechanisms does the Department have in place to ensure its procurement guidelines reflect current policy in relation to government contracting?
3. Do the Department's current procurement guidelines refer to all of the following accountability mechanisms:
  - a) The Senate order for departmental and agency contracts;
  - b) The Department of Finance and Administration's February 2003 *Guidance on Confidentiality of Contractors' Commercial Information*; and
  - c) The Commonwealth Procurement Guidelines (CPGs) ?
4. Do the Department's tender documentation and contract templates include the following elements:
  - a) a statement outlining the various Commonwealth accountability requirements;
  - b) a consistent definition of confidential information across all templates;
  - c) a provision for the inclusion of specific reasons justifying why a tenderer may wish to protect certain information in the contract if it awarded;
  - d) a section that outlines the obligations of confidentiality after the contract has been awarded;
  - e) a more detailed outline, with the general non-disclosure clauses, of the exceptions to confidentiality obligations for Commonwealth contracts; and
  - f) the model contract clauses, given in DoFA's February 2003 *Guidance on Confidentiality of Contractor's Commercial Information* ?
5. At page 51 of ANAO Audit Report No.10 2004-2005, *The Senate Order for Departmental and Agency Contracts* (Calendar Year 2003 Compliance), the ANAO has concluded that all FMA agencies would benefit from implementation of contract training courses, or a review of current courses, to ensure that the Senate order requirements are adequately covered and that procurement staff receive relevant DOFA guidance.

What training does the Department currently have in place for procurement staff?

6. Does this training cover the requirements of the Senate order for departmental and agency contracts and refer to DoFA's February 2003 *Guidance on Confidentiality of Contractor's Commercial Information*?

**ANSWER**

Responses to these questions are provided on the following pages in relation to: (a) the Department of Industry, Tourism and Resources; (b) IP Australia; (c) Geoscience Australia; and (d) Tourism Australia.

**A. Department of Industry, Tourism and Resources**

1. The Department last updated its procurement policy documentation in December 2004 to reflect the new Commonwealth Procurement Framework.
2. The guidelines are updated regularly to reflect changes in Commonwealth Policy as advised by the Department of Finance and Administration.
3. Yes.
4. (a) No, but the Department is developing a general statement on accountability to be included in these templates.  
(b) Tender documentation and templates for major value contracts (>\$80,000) currently have a definition of confidential information. Minor value contracts (<\$80,000) are currently being updated to reflect this.  
(c) Yes, in the Departmental contracts above \$80,000. Minor value contracts (<\$80,000) are currently being updated to reflect this.  
(d) No, however the Department where necessary does request deeds of confidentiality to be signed.  
(e) No, however the Department is currently modifying its documentation to include these clauses.  
(f) Yes.
5. The Department provides regular contract management training courses, delivered by an external provider through the Australian Public Service Commission.
6. Yes.

**B. IP Australia**

1. IP Australia is currently reviewing and updating its procurement policy and documentation to take into account the new Commonwealth Procurement Guidelines (to be introduced on 1 January 2005) and changes in IP Australia's policy on contract management.
2. IP Australia monitors procurement information released by the Department of Finance and Administration and amends its procurement guidelines when necessary.
3. IP Australia's current procurement guidelines refer to both the Senate order for departmental and agency contracts and the Commonwealth Procurement Guidelines. Currently there is no mention of the 2003 *Guidance on Confidentiality of Contractor's Commercial Information*, however relevant information will be included in the updated procurement guidelines.
4. (a) Statements that outline Commonwealth accountability requirements are included on some documentation. IP Australia is currently undertaking a review of its documentation to ensure it meets current Commonwealth standards.  
(b) Yes, this will also be reviewed to bring it into line with current Commonwealth documentation.  
(c) No, but this will be included in the updated documentation as part of the current review process.  
(d) No, but this will be included in the updated documentation as part of the current review process.  
(e) No, but this will be included in the updated documentation as part of the current review process.  
(f) No, but these will be included in the updated documentation as part of the current review process.

5. IP Australia is currently evaluating external training courses offered in both purchasing and contract management.

Currently IP Australia expects all staff involved in procurement activities to have completed a basic Certificate in Public Sector Procurement Certificate from the Canberra Institute of Technology. Senior procurement personnel are expected to have a Certificate IV in Public Sector Procurement.

IP Australia provides in-house training for staff involved in procurement and contract management as required. Training/information sessions are held with relevant staff as significant changes arise in the procurement and contract management guidelines and requirements. New staff engaging in purchasing and contract management are also given an in-house information session. IP Australia also provides in-house information sessions for other staff who are involved on the peripherals of procurement.

6. In-house training for procurement staff includes requirements of the Senate order for departmental and agency contracts. The training will be extended to cover the requirements of DoFA's February 2003 *Guidance on Confidentiality of Contractor's Commercial Information*.

### **C. Geoscience Australia**

1. Geoscience Australia last updated its procurement policy documentation in August 2004 (following the release of the July 2004 update to the Commonwealth Procurement Guidelines). A further update will be released to coincide with the new Commonwealth Procurement Guidelines that will be introduced on 1 January 2005.
2. Geoscience Australia relies primarily on advice from the Department of Finance and Administration (DoFA), and updates its procurement policy to reflect any changes in Commonwealth policy as advised by DoFA. Additionally, Geoscience Australia attends the monthly Commonwealth Procurement Forum organised by DoFA.
3. Yes.
4. Yes.
5. Geoscience Australia offers training in contract management for all staff engaged in procurement and contract management. Training courses are held twice a year.
6. Yes.

### **D. Tourism Australia**

1. Tourism Australia is currently reviewing its procurement policy to coincide with the new Commonwealth Procurement Guidelines that will be introduced on 1 January 2005.
2. Tourism Australia's procurement guidelines are audited as part of its internal audit program to ensure compliance.
3. All these documents are being taken into account with the review and development of new policies and procedures, where they apply to Tourism Australia.
4. Yes.

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5. Tourism Australia does not have full time procurement staff. Responsibility for training rests with the Risk and Administration Manager, who has, along with other members of Tourism Australia's management team, attended the DoFA training program for the new guidelines.
6. Yes.