

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Supplementary Budget Estimates, 2 November to 3 November 2005

**Question: SBT 75**

**Topic: Senate Order**

**Hansard Page: Written**

Senator Murray asked:

1. What guidance is provided to staff with responsibilities for contract negotiations specifically about the requirements of the Senate Order? If relevant guidance is not provided, please explain why this is the case.
2. Has the department/agency revised its procurement guidelines to incorporate the new Commonwealth Procurement Guidelines that took effect from 1 January 2005, particularly with respect to the confidentiality elements contained in those guidelines? If so, when did this occur and can a copy be provided? If not, what is the cause of the delay and when will the revision occur?
3. ANAO audits for the last three years have revealed a consistently low level of compliance across most agencies with DOFA confidentiality criteria (February 2003) for determining whether commercial information should be protected as confidential. The ANAO's latest report on the Order (No.11 2005-2006, September 2005) states that departments and agencies need to give higher priority with this important requirement of the Senate Order.
  - What specific measures have been or will be taken to address this problem, give it higher priority and raise compliance levels?
  - What guidance and training are provided to staff about the confidentiality criteria and the four tests employed to determine whether information should be protected?

What internal auditing or checking is performed to test compliance in this area? If none is performed, why not and is the agency considering the adoption of internal controls and checks?

4. What problems, if any, has the agency and/or relevant staff experienced in complying with the Senate Order? What is the nature and cause of any problems? What measures have been, or could be, adopted to address these concerns?

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Answer:

1. Treasury has a document titled "Guide to the Listing of Contract Details on the Internet (Meeting the Senate Order)". Treasury's Chief Executive Instructions (Chapter 2, Section 2.1) make reference to the guidelines on confidential contract information and the reporting of contracts valued at \$100,000 and above. The Treasury Procurement Procedures Manual (Section 9) provides guidance on the information required to be reported, and provides a link to the relevant Department of Finance and Administration (DoFA) guidance. Treasury's draft contract templates contain a clause that allows the Treasury to disclose confidential information of the contractor (or consultant) where it is required by government policy to do so.
2. Treasury has introduced a new procurement policy framework that is compliant with all aspects of the revised Commonwealth Procurement Guidelines that came into effect in January 2005. This framework was introduced progressively during the first half of 2005. A copy of the relevant documents can be made available upon request.
3. In June 2005 Treasury organised a procurement seminar (conducted by the Australian Government Solicitor) to raise staff awareness of how to apply the Government's confidentiality policy when dealing with a contractor's commercial information. There are no formal internal auditing or checking processes currently undertaken to test for compliance in this area. The need for such processes will be kept under review.
4. Multiple data sources within the department and multiple reporting requirements have complicated compliance in the past. However, Treasury is now actively pursuing ways of improving the accuracy of the information it reports through enhancements to its Financial Management Information System.