

**Senate Finance and Public Administration Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Finance and Administration Portfolio**

**Department of Finance and Administration**

Additional Estimates Hearings 2002-2003 – 11 February 2003

**Question: F32 a**

**Outcome Cross Outcomes**

**Topic: IT Outsourcing**

**Hansard page: N/A**

**Written Question on Notice: Additional Estimates February 2003**

**Senator Lundy asked:**

Provide the following information for each contract entered into by the agency which has not been fully performed or which has been entered into during the previous 12 months (financial year 2001-2002) that are all or in part information and communications technology related with a consideration to the value of \$20, 000 or more, including the following details for each contract:

- (a) a unique identifier for the contract (eg contract number);
- (b) the contractor name and ABN or ACN;
- (c) the domicile (country) of the parent company;
- (d) the subject matter of the contract, including whether the contract is substantially hardware, software, services or a mixture, with estimated percentages;
- (e) the starting date of the contract;
- (f) the term (duration) of the contract, expressed as an ending date;
- (g) the amount of the consideration (AU\$);
- (h) the amount applicable to the current budget year (AU\$);
- (i) whether or not there is an industry development requirement; if so: provide details of the Industry Development requirements (in scope and out of scope). full list of sub-contracts valued at over \$5,000, including the all the information described in (a) to (h).

The data should be in both hard copy and electronically as a spreadsheet.

**Answer:**

It was agreed with Senator Lundy's Office, that due to the broad scope and complex nature of the question, Finance's answer would be provided in two phases:

- 1) Information on contracts valued at \$100,000 or more; and
- 2) Information on contracts valued between \$20,000 and \$100,000.

The data contained within Attachment A relates to the first phase.

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Note,

- IBMGSA Contract – The industry development requirements for the SISA Extension Contract are as follows:  
*“Consistent with Federal Government policy, the Contractor must seek to maximise the involvement of Small to Medium Enterprises (SMEs) in providing the IT Services to Finance. As a minimum, the Contractor must award contracts to SMEs to the value of at least 10% of total annual Charges (including Project work and any Additional Services), over the Term of the Agreement. The value of the work to be contracted will be calculated annually in line with the scope of the IT Services that the Contractor will provide to Finance under the Agreement, and the projected volume of work that will be sub-contracted to SMEs.”*
- CSC Contract – Finance engages Computer Sciences Corporation of Australia Pty Limited (CSC) through the Cluster 3 arrangement. The Cluster 3 Contract Management Office is a separate entity funded by the Cluster 3 agencies. On industry development matters for the Cluster 3 contract, CSC reports annually to the Department of Communication, Information Technology and the Arts, which is responsible for the monitoring and management of the industry development objectives contained in the Cluster 3 contract. Finance is not privy to information beyond that of which is provided in part (i).

(a) a unique identifier for the contract (eg contract number)	(b)(i) the contractor name	(b)(ii) ABN or ACN	(c) the domicile (country) of the parent company	(d) the subject matter of the contract, including whether the contract is substantially hardware, software, services or a mixture, with estimated percentages.	(e) the starting date of the contract;	(f) the term (duration) of the contract, expressed as an ending	(g) the amount of the consideration (AU\$);	(h) the amount applicable to the current budget year (AU\$);	(i) refer below
Contract Number	Contractor Name	Contract ABN or ACN Number	Parent Company	Description	Commencing Date	Completion Date	Cost - Amount Excluding GST	YTD Feb 2002/03	Provide Details
SISA (Extension)	IBM Global Services Australia Limited	85001538736	USA	IT Infrastructure/maintenance & support	1-Nov-01	12-Nov-04	48,270,568	9,289,710	refer to sub-contract
Sub-Contracts	Exceed Systems Integration Pty Ltd	29008647461	Australia	Services				823,251	N/A
	Synergy Plus Pty Ltd	78090599938	Australia	Services				68,301	N/A
SISA	IBM Global Services Australia Limited	85001538736	USA	IT Infrastructure/maintenance & support	11-Nov-97	1-Nov-01	67,246,857	-	N/A
FMG000247	OSP Asia Pacific Pty Ltd	40007509444	Australia	Provision of system management services	1-Aug-01	31-Aug-04	2,014,942	460,000	N/A
D-ACW:CHA:931915	Raywood Communications P/L	44 006 653 292	Australia	24 hrs support for existing communication projects in COMCAR	16-Apr-99	16-Apr-04	1,450,000	180,076	N/A
EAU001490	Aspect Computing	84005083670	Australia	Provision of Microsoft Software licence	1-Oct-00	30-Sep-03	1,236,000	431,000	N/A
99/00439 (3)	Praxa Ltd	66006126496	USA	Endorsed Supplier Arrangements Management Information System stage 2 development and	29-Nov-99	18-Dec-01	813,041	-	N/A
D-VIP000273	Sidewinder Asia Pacific Pty Ltd	92 007 286 544	USA	Licence & support services to Allocation Application in COMCAR	4-Dec-93	On-going	405,000	21,815	N/A
EEEX000373	Paxus Australia Pty Ltd	35004609616	Australia	IT Project Management Services - contractor	1-Jul-01	30-Jan-03	324,725	116,300	N/A
EE000446	Wizard Information Systems	47008617561	Australia	Provision of Software Development Services	20-Oct-01	30-Apr-03	301,000	137,375	N/A

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Contract Number	Contractor Name	Contract ABN or ACN Number	Parent Company	Description	Commencing Date	Completion Date	Cost - Amount Excluding GST	YTD Feb 2002/03	Provide Details
EAU001572	FGB Pty Ltd	78 095 287 344	Australia	Provision of contractor services	1-Mar-02	30-Sep-02	300,000	106,100	N/A
D-VIP000227	Lingua Ten Pty Ltd	63 002 620 733	Australia	Licence & support services to Reservations Application in COMCAR	1-Feb-93	On-going	290,000	27,144	N/A
CSB00/00208	DMR Consulting Group (Aust) Pty Ltd	6091774	Japan	Initial software, annual Licence and support fee	1-Oct-00	30-Sep-05	232,787	28,300	N/A
EAU001632	Descisys Ltd (formerly called Decision Support Systems Ltd)	83 092 048 970	New Zealand	Provision of IT contractor services - programmers	1-Oct-01	30-Jun-02	208,000	-	N/A
EEEX000639	SmartForce Australia Pty Ltd	80002639509	Australia	Provision of Software Licensing for e Learning	30-Mar-02	29-Mar-06	196,000	44,917	N/A
EEEX000657	Brecom Pty Ltd	74067024720	USA	Supply of cabling	20-Jun-02	25-Jun-02	170,580	-	N/A
EEEX000447	Mastech Asia Pacific Pty Ltd	20080574616	USA	Provision of Software Development Services	23-Apr-01	30-Apr-03	155,806	91,927	N/A
EEEX000510	Mastech Asia Pacific Pty Ltd	20080574616	USA	Provision of Software Development	1-Jul-01	28-Feb-02	155,430	-	N/A
EAU001695	Descisys Ltd (formerly called Decision Support Systems Ltd)	83 092 048 970	New Zealand	Hyperion Essbase maintenance fees	1-Jan-02	31-Dec-02	148,000	74,000	N/A
EAU001589	Wizard Information Services Pty Ltd	47 008 617 561	Australia	Provision of contractor services	1-Sep-01	31-Mar-02	129,000	-	N/A
EAU001589	Wizard Information Services Pty Ltd	47 008 617 561	Australia	Provision of contractor services	1-Apr-02	31-Oct-02	129,000	76,600	N/A
EEEX000544	Acumen Alliance	67 094 078 396	Australia	Provision of contractor services	1-Jan-02	30-Jun-02	127,000	-	N/A

Contract Number	Contractor Name	Contract ABN or ACN Number	Parent Company	Description	Commencing Date	Completion Date	Cost - Amount Excluding GST	(h) the amount applicable to the current budget year (AU\$):		Provide Details
								YTD Feb 2002/03		
EAU001649	Mastech Asia Pacific Pty Ltd	20 080 574 616	USA	Provision of contractor services	1-Oct-01	30-Apr-02	123,000	-	-	N/A
D-VIP000153	Acumen Alliance (ACT) P/L	67 094 078 396	Australia	Review of the existing IT system & provide system administrative staff in	1-Feb-02	31-May-02	122,396	-	-	N/A
EEEX000331	Patacat Pty Ltd (now Ambit)	74008581600	Australia	Provision of Technical Advice	2-Apr-01	29-Jun-02	115,785	-	-	N/A
EAU001649	Mastech Asia Pacific Pty Ltd	20 080 574 616	USA	Provision of contractor services	1-May-02	31-Aug-02	113,000	38,000	-	N/A
EEEX000335	Mastech Asia Pacific Pty Ltd	20080574616	USA	Provision of IT Services	1-Apr-01	30-Apr-02	111,918	-	-	N/A
EAU001588	Spherion Recruitment Solutions Pty Ltd	35 005 705 546	USA	Provision of contractor services	1-Jan-02	30-Jun-02	108,000	-	-	N/A
EEEX00542	Pure Code Pty Ltd	88 074 766 028	Australia	Provision of contractor services	1-Jan-02	30-Jun-02	108,000	-	-	N/A
EAU001633	Candle IT&T Recruitment	43 002 724 334	Australia	Provision of contractor services	1-Feb-02	31-Jul-02	106,000	13,200	-	N/A

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Contract Number	Contractor Name	Contract ABN or ACN Number	Parent Company	Description	Commencing Date	Completion Date	Cost - Amount Excluding GST	YTD Feb 2002/03	Provide Details
EAO001261	CSC	48069807423	USA	IT equipment and support for Electoral Offices (Agreement for Cluster IT and Telecommunication Services and Industry Development)	1-Jul-98	30-Jun-03	\$19,200,000	2,507,000	The current contract requires CSC to provide Australian Value Add at 80% of annual Service Charges and payment to SMEs of 24% of annual Service Charges. The ID Schedule in the current contract lists 40 SME involved in the Service Agreement including Ipx, and subcontractors to Optus, Telstra, Amdahl and Lexmark
WO2002-017	DMR Consulting Group (Aust) Pty Ltd	006 091 774	Japan	Nomad (HR System) software support services	5-Nov-99	1-Aug-03	124,000	72,000	N/A

For column (i) response is relation to whether or not there is an industry development requirement; if so provide details of the Industry Development requirements (in scope & out of scope). Full list of sub-contracts valued at over \$5,000, including the all the information described in (a) to (h).