

**Senate Finance and Public Administration Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**ADDITIONAL ESTIMATES 2012-2013**

**Finance and Deregulation Portfolio**

**Department/Agency: Department of Finance and Deregulation**

**Outcome/Program: 1/1.1**

**Topic: Awarding of contracts to Australian Providers**

**Senator: Xenophon**

**Question reference number: F14**

**Type of question: Written**

**Date set by the committee for the return of answer: Tuesday, 2 April 2013**

**Number of pages: 1**

**Question:**

Does the Government consider other factors, such as the socio-economic benefits (like job creation) of awarding contracts to Australian rather than overseas providers?

**Answer:**

During 2011-12 the Australian Government sourced approximately 98% (or \$22.5 billion) of service-based contracts from Australian suppliers. During the same period, the Australian Government sourced approximately 78% of goods and services in total (from approximately \$41.4 billion in contracts) from Australian suppliers.

Factors such as any socio-economic benefits of awarding contracts to Australian rather than overseas providers are not specifically required to be considered in procurement processes.

Procurement enables departments and agencies to buy the goods and services needed to deliver the government's policies, programs and services.

The Government has put in place a range of policies to promote access to government procurement for Australian businesses. These include establishing whole-of-government arrangements for the purchase of stationery and office supplies, improvements to AusTender, and strengthening the Australian Government Fleet Vehicle Selection Policy to mandate the selection of operationally suitable Australian-made vehicles.

The Australian Government's procurement framework is non-discriminatory. All potential suppliers to government, must, subject to the Commonwealth Procurement Rules, be treated equitably based on their commercial, legal, technical and financial abilities and not be discriminated against due to their size, degree of foreign affiliation or ownership, location, or the origin of their goods and services.