

**Standing Committee on Finance and Public Administration**

ANSWER TO QUESTION ON NOTICE

Supplementary Budget Estimates Hearing – October 2009

Department of Finance and Deregulation

Finance and Deregulation Portfolio

**Outcome 2, Program 2.1**

**Topic: NBN Co Limited Commonwealth Procurement Guidelines**

**Question reference number: F42**

**Type of Question: Hansard F&PA page 40, 20 October 2009**

**Date set by the committee for the return of answer: 4 December 2009**

**Number of Pages: 1**

**Senator Coonan** asked:

**Senator Coonan**—CAC Act bodies are required to comply with Commonwealth procurement guidelines. Will that apply to the NBN?

**Mr Lewis**—I am not sure your statement is completely correct, Senator.

**Senator Coonan**—Are there any that do not?

**Mr Lewis**—I do not know. There may well be.

**Senator Coonan**—But you cannot think of any at the moment. You cannot give me any examples.

**Mr Lewis**—No, I cannot give you one; but that is simply because it is not something I am particularly close to. That is something I think we would need to take on notice because it may or may not be the case.

**Answer:**

NBN Co Limited (NBN Co) is not subject to the Commonwealth Procurement Guidelines (CPGs). As a wholly-owned Commonwealth company and Government Business Enterprise (GBE), NBN Co is subject to the *Commonwealth Authorities and Companies Act 1997* (CAC Act). In accordance with section 47A of the CAC Act, a CAC Act body is subject to government procurement requirements, including the CPGs, if it is prescribed under the *Commonwealth Authorities and Companies Regulations 1997* (CAC Regulations). NBN Co has not been so prescribed under the CAC Regulations, consistent with other Commonwealth GBEs.