

**SENATE STANDING COMMITTEE ON  
EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS**

**QUESTIONS ON NOTICE**

**Inquiry into the DEEWR Tender Process to award employment service contracts**

**EEWR\_SIH\_W12**

Senator Siewert provided in writing.

**Question**

How was financial viability assessed?

**Answer**

In accordance with section 3.8 of the Request for Tender (RFT) the objective of the financial viability process was to determine, on the basis of information provided with the tender whether the tendering organisation may be considered financially viable to meet the service requirements of the RFT, and whether there are any circumstances that may adversely affect the tenderer's ability to meet its contractual obligations to supply services for at least the Contract period. This process is used to minimise risk to the Australian Government. The process was not used to measure the profitability of an organisation or its potential for success in the Employment Services market.

To enable the Department to assess a tenderer's financial viability, each tenderer was requested to supply the information specified in the RFT, including a completed Financial and Credentials Information Form, three most recent years of financial statements, and provide other relevant information in relation to their financial viability. In determining the tenderer's financial viability, the Department considered the information provided using tools such as financial ratio analysis.

The Department undertook checks of a tenderer and its relevant persons, including whether there is any information on the public record or in internal databases that may adversely affect the tenderer's ability to meet its potential contractual obligations. The Department also conducted checks for non disclosure.

The Department used its internal databases holding debt, fraud and other information and also obtained information from external parties, such as credit reference agencies and the Australian Securities and Investments Commission, to verify information provided by the tenderer and to identify potentially adverse information.