

Chapter 1

Introduction

Referral

1.1 On 14 November 2013, the following matter was referred to the Finance and Public Administration References Committee for inquiry and report by the first sitting day in March 2014:

The current ratio of Australian goods and services versus imported goods and services utilised by the Commonwealth through procurement procedures, with particular reference to:

- a. the current policies and procedures for procurement in Commonwealth departments and agencies, including:
 - (i) the current effectiveness of procurement policies and procedures,
 - (ii) the effectiveness of any policies or procedures designed to preference Australian goods and services, and
 - (iii) the operation of procurement divisions of departments and agencies, including oversight and scrutiny, cost, and requirements relating to transparency and information-sharing;
- b. the current policies and procedures for procurement for major Commonwealth-funded capital projects currently underway or foreshadowed in the budget, including:
 - (i) the current effectiveness of procurement policies and procedures for these projects,
 - (ii) the effectiveness of any policies designed to preference Australian goods and services, and
 - (iii) the transparency and accountability of project management;
- c. the economic, social and environmental benefits of utilising Australian goods and services; and
- d. any related matters.¹

1.2 On 12 February 2014, the Senate granted an extension of time for reporting until 30 June 2014.² On 26 June 2014 the Senate subsequently agreed to extend the

1 *Journals of the Senate*, No. 3, 14 November 2013, p. 128.

2 *Journals of the Senate*, No. 13, 12 February 2014, p. 450.

reporting date to 10 July 2014.³ On 9 July the Senate agreed to a further extension of time for reporting to 17 July 2014.⁴

Conduct of the inquiry

1.3 Details of the inquiry were placed on the committee's website. The committee also directly contacted a number of relevant organisations and individuals to notify them of the inquiry and invite submissions by 31 December 2013. Submissions received by the committee are listed at Appendix 1.

1.4 The committee held public hearings in Canberra on 21 March and 28 April 2014. A list of witnesses who gave evidence to the committee is provided at Appendix 2.

1.5 The Hansard transcripts of evidence may be accessed through the committee's website at: www.aph.gov.au/senate_fpa.

Acknowledgement

1.6 The committee thanks all those who made submissions and appeared at hearings.

3 *Journals of the Senate*, No. 37, 26 June 2014, p. 1021.

4 *Journals of the Senate*, No. 40, 9 July 2014, p. 1108.