

QUESTION TAKEN ON NOTICE

BUDGET ESTIMATES – 26 – 27 MAY 2014

IMMIGRATION AND BORDER PROTECTION PORTFOLIO

(BE14/053) PROGRAMME – Internal Product

Senator CARR (L&CA 5) asked:

Senator KIM CARR: Show me the particular guideline that allows you to award a \$2.1 billion contract without going to tender.

Mr Bowles: Again, we chose to amalgamate the contracts for the offshore environment with a player that was already in place. It is entirely appropriate that we do that.

Senator KIM CARR: You will take that on notice, will you, to show me the guidelines that allow you to undertake that particular course of action?

Mr Bowles: We could take it on notice to go over any particular issue, but what I am telling you is that, given the nature of the offshore contracts and the fact that we had Transfield operating within the offshore environment, the operational imperative is there for us to do what we did. We will go to a public tender to have something in place at the end of this contract.

Answer:

The department conducted a limited tender procurement process, in accordance with clause 10.3 (b) of the Commonwealth Procurement Rules, to ensure continuation of services to transferees at the expiration of existing contracts.

Clause 10.3 (b) states:

“where, for reasons of extreme urgency brought about by events unforeseen by the agency, the goods and services could not be obtained in time under the open tender or prequalified tender”.

Transfield was approached to participate in a Request for Quotation procurement process. Transfield’s proposal was assessed as representing value for money and, as a result of that procurement, was engaged by the department.

The planning for an open tender process for services, including garrison support, at the Offshore Processing Centres in Nauru and Manus has commenced and remains a priority for the department.