

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates November 2014

Agriculture

Question: 177

Division/Agency: Meat & Livestock Australia

Topic: Tender's exact cost

Proof Hansard page: 125

CHAIR asked:

Mr Norton: We are finalising the tender. We went through an exhaustive process so that the peak industry councils, particularly the Cattle Council, were involved in selecting the firm and, ultimately, the successful consultant to do the project—that delayed it. There has been some toing and froing the last two weeks around what the report is going to deliver—the milestones and the expected outcomes in line with the terms of reference agreed to by industry. It will be any day now that we will finalise the consultant who will be commencing work on that tender.

CHAIR: Any idea how much it is going to cost?

Mr Norton: I would have to take on notice the exact cost. I was not intimately involved in picking the tender or the costing of the—

Answer:

The final contract was signed on Thursday 11 December 2014. The tender was awarded to AGINFO. The project team consists of lead consultant Brian Todd, along with David Warriner, Winifred Perkins, Peter Weeks and Peter Maloney.

The project is made up of several parts

- Assessment of price transparency and price reporting in Australian and comparable international beef industries
- Estimating the potential value of improved price transparency and price reporting to Australian cattle producers
- Conducting a cost benefit analysis of the preferred option or options to improve price transparency

The project is structured with a stop/go point to decide whether to proceed with the detailed cost benefit analysis. The fees up to this point in the project are contracted to be \$117 500.

If the decision is made to proceed with the detailed cost benefit, the associated fees will be \$62 500.

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The total fees associated with the project, assuming the cost benefit is undertaken, are \$180 000. The maximum expenses associated with the contract are \$19 000, resulting in a potential total value of \$199 000.