

**Standing Committee on Finance and Public Administration**

**ANSWER TO QUESTION ON NOTICE**

**Finance and Deregulation Portfolio**

**Department of Finance and Deregulation**

**Additional Estimates Hearing – February 2008**



**Question: F103**

**Outcome 2, Output 2.3**

**Topic: Contractor / Sub-contractor compliance with legal and ethical procurement requirements**

**Written Question on Notice**

**Senator Stott Despoja asked:**

What other policies and strategies does the Government have in place in relation to Corporate Social Responsibility, especially in relation to compliance by all contractors and sub-contractors involved in providing goods or services to the Commonwealth with appropriate legal and ethical procurement requirements as 'good corporate citizens'?

**Answer:**

The *Financial Management and Accountability Act 1997* requires efficient, effective and ethical use of Commonwealth resources. The *Commonwealth Procurement Guidelines* set out procurement policy requirements for ethics.

Financial Management Guidance, *Guidance on Ethics and Probity in Government Procurement*, provides detailed guidance for agencies on implementing ethics requirements in procurement, including considerations in applying such requirements to contractors. The Australian National Audit Office has also produced a Better Practice Guide, *Fairness and Transparency in Purchasing Decisions, Probity in Australian Government Procurement*, which provides a further resource for officials.

Contractors must also comply with those laws that apply community standards to the market as a whole, such as the *Corporations Act 2001*, *Crimes Act 1914* and *Trade Practices Act 1974*.