

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

Supplementary Estimates Hearings 2002-2003 – 20 November 2002

Question: F46

Programme 10 (former Office of Asset Sales and IT Outsourcing), Outcome 2

Topic: Health Group IT Outsourcing

Hansard Page: F&PA 59

Senator Ray asked:

Is there any impediment to tabling the document of the advice that you got?

Answer:

A copy of the advice is attached.

STEPHEN G. MARKS & CO. PTY. LTD.

C H A R T E R E D A C C O U N T A N T S

29 July 1999

Mr Ross Smith
Executive Co-ordinator
Office of Asset & Sales IT Outsourcing
Burn Centre
28 National Circuit
FORREST ACT 2603

Dear Mr Smith

I refer to our discussions in my office on 29 July 1999 in relation to the release of CSC and EDS pricing information to IBM GSA.

I am also in receipt of the letter to you from Blake Dawson Waldron dated 29 July 1999. This letter outlines the circumstances in which OASITO forwarded a breakdown of pricing details of each of the three tenderers to pricing IBM GSA. The letter also sets out the action taken by IBM GSA once they became aware that they had this information in their possession.

I have examined the probity implications of this occurrence. I concur with the advice provided to you by Blake Dawson Waldron. In my view, you have little option but to inform both EDS and CSC of the process violation and await their response.

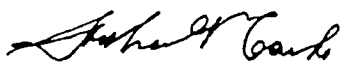
I understand that it is your intention to brief the CEO's of each of CSC and EDS on 30 July 1999 in my presence. I believe that it would be appropriate for you to present to them a copy of IBM's Statutory Declaration if it is available at the time of your meeting.

I do not believe that the meeting should proceed without you having the Statutory Declaration in your possession or alternatively a letter from IBM GSA indicating that the Statutory Declaration will be provided to you by close of business on 30 July 1999.

It is currently envisaged that the pricing re-bids are due at 9.00 a.m. on 2 August 1999. I do not believe that it would be appropriate to extend this as this violation should not be seen to affect the process.

Should you wish to discuss this matter further, please do not hesitate to contact me.

Yours faithfully



STEPHEN G MARKS

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