

SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS
AUSTRALIAN CUSTOMS SERVICE

Question No. 86

Senator Ludwig asked the following question at the hearing on 13 February 2007:

Project Financial Management

- a) Was developmental work with EDS proceeding in tandem at the same time as the Business Model was being developed?
- b) Regarding the statement at 2.11 on page 49, why did the PriceWaterhouse Coopers cost-benefit analysis not include an analysis of the cost impact of CMR on industry?
- c) With regards to 3.13 at 59:
 - i) What caused the negotiations with EDS to stall?
 - ii) What was the "lack of progress" identified, and why?

The answer to the honourable senator's question is as follows:

- a) Yes.
- b) Not known. The PriceWaterhouseCooper report did identify that "Overall, most industry sectors expected cost savings and non-quantifiable benefits upon implementation of the Cargo Management Re-engineering (CMR) Model."
- c)
 - i) Customs and EDS were unable to reach agreement on the financial and technical arrangements for the development work for the ICS and CCF.
 - ii) The "lack of progress" refers to the matters identified in 3.12 page 58 of the ANAO report.