

SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS
AUSTRALIAN CUSTOMS AND BORDER PROTECTION SERVICE

Question No. 143

Senator Humphries asked the following question at the hearing on 16 October 2012:

Purchase of shredders

- 1) Referring to the answer provided in QoN No. 164 from the May round of estimates hearings, did the total cost of shredders inclusive of delivery costs? If not, please provide the total cost including delivery and installation?
- 2) Has Customs or Border Protection Command considered tendering a contract for the provision of shredders or shredding services? If not, why? I.e. has customs or Border Protection Command considered external companies providing destruction of sensitive material services? If so, what quotes were obtained?
- 3) Has Customs or Border Protection Command conducted a cost analysis of purchasing units compared to contracting to an external company? If not, why?
- 4) Were any of the replaced shredders still operational and compliant with the Protective Security Policy Framework (PSPF) at the time of decommissioning?
- 5) How many of the replaced shredders were not compliant with the PSPF? Of these, were these shredders still used previously to destroy sensitive material even though they were not considered 'compliant' with the PSPF?
- 6) Are the purchased units similar to, or the same as, any of the replaced units? If so, how many are similar or the same as?
- 7) Who conducted the original audit to replace the shredders? What was the total cost of this audit?
- 8) What was the cost of replacing the 118 units including dumping costs etc?

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

- 1) The purchase price included delivery and installation to any location across Australia.
- 2) Customs and Border Protection approached the market via an open market tender process for the supply of shredders and consumables for a 3 year term. Two companies were awarded contracts. These contracts are available to other government departments via co-operative procurement arrangements in the contracts.

Part 2 of this question is answered in Question 3.

- 3) Prior to implementing the shredder replacement program, the agency was utilising the services of an external company for bulk destruction services. This service was costing approximately \$138,000 per annum. If the agency was to continue to use this service, a refit of the corporate utility areas would be required to secure the classified waste bins within a secure joinery unit, to ensure compliance with the PSPF. The purchase of shredders has achieved value for money and ongoing financial efficiency compared to the use of using external bulk destruction services.

- 4) A number of older shredders were still operational and compliant but were identified via the audit to be in poor condition or nearing end of life and were replaced
- 5) The purpose of the shredder audit was to identify units not compliant with the PSPF. Thirty (30) shredders that were in use were identified as being non-compliant. Eighty eight (88) units were compliant with the PSPF but at end of life, in poor condition or not fit for purpose in that they were small, single page units.
- 6) The units replaced were like for like in most cases. In some cases multiple smaller units were replaced with single large units.
- 7) The audit was completed internally, at no additional cost.
- 8) The contracted unit price was \$5373 (GST exclusive) including delivery and installation. The disposal price per unit was \$140 which included collection and recycling/dumping costs.