



Speech by

Hon. R. SCHWARTEN

MEMBER FOR ROCKHAMPTON

Hansard 14 April 1999

MINISTERIAL STATEMENT

State Purchasing Policy

Hon. R. E. SCHWARTEN (Rockhampton— ALP) (Minister for Public Works and Minister for Housing) (10.01 a.m.), by leave: Honourable members would be aware that an overhaul of the State Purchasing Policy is being conducted to ensure it better reflects the Government's priorities and is more easily understood and applied by Government purchasing officers and suppliers.

The current State Purchasing Policy has been operating—with amendments—since 1991. It outlines the objectives and guidelines for the purchasing by the State Government of a wide range of goods, services and construction—estimated to be worth \$5 billion a year. The current State Purchasing Policy provides a tried and tested procurement process, delivering probity and accountability. But in its present form, it is not delivering on the Government's priorities, especially in relation to job creation and regional development.

As part of the overhaul, 35 submissions were received from industry groups, local councils, Government departments and individuals. Following the receipt of submissions, I announced plans to hold a series of forums on the State Purchasing Policy in regional and rural areas of Queensland. I am pleased to announce that the Premier has agreed to open the first such forum in Brisbane on Friday.

The 15 regional forums provide an additional avenue for business operators and purchasing officers to have their say on the overhaul of this policy. Feedback from these forums will help shape a submission to be taken to State Cabinet outlining a new State Purchasing Policy. To that end, those attending the regional forums will be asked to consider a number of proposed changes to the policy.

These have been developed from the submissions received as well as others drawn from consultation among Government departments and agencies. They include the use of a wider definition of "value for money"—one that includes consideration of the contribution of procurement to meeting the objectives of jobs and regional development. It is also proposed that Government departments and agencies be required to develop procurement plans to ensure buying strategies reflect the Government's objectives. Another proposal for consideration is the effective decentralisation by departments of purchasing decisions, especially in relation to day-to-day goods and services and others that are considered to be low-risk purchases.

The regional forums will also examine changes to the role and structure of the existing 18-member State Purchasing Council. In general, it is proposed to simplify procurement documentation itself by separating policy matters from procedural guidelines. The new policy will be a much more streamlined document—a far cry from the existing four hefty volumes. This will make it easier to use and apply. A number of other specific reform proposals will be outlined at the regional forums. I stress that all such proposals are just that—proposals that must be further developed before being considered by State Cabinet in the context of a new State Purchasing Policy.
