

# WAGDY HANNA AND ASSOCIATES PTY LTD ARCHITECTS & PROPERTY CONSULTANTS

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Members of the Advisory Group,  
Reform of Australian Government Administration  
C/O Department of Prime Minister and Cabinet  
P. O. Box 6500  
Canberra City ACT 2600

Dear Member,

## **SUBMISSION No: 1**

This submission is based on personal experience supported by documentary evidence in the area of Government tendering.

It is therefore aimed at providing specific propositions for practical reforms that, I believe, will enhance the Australian Commonwealth Public Service.

I would be happy to further appear before the Advisory Group and answer questions under oath, if required, and/or provide further documentary evidence.

In implementing the elected Government programmes, the Public Service out sources a great deal of work to the private sector. This is both wise and desirable as it employs the resources of the whole Australian Society to achieve best results.

As things stand at the moment there is no immediate, cost effective and transparent way of solving Government tendering conflicts in Australia.

I have two propositions for the Advisory Group. These are:

1. The Public Service must adopt "**EVIDENCE BASED DECISION MAKING**" at all levels.

And

2. **Establish a review authority** such as the United States Government Accountability Office (GAO) with streamlined processes that are effective, binding and immediate to achieve a quick and credible review process to resolve any disputed facts/evidence. ( GAO have a mechanism they call "*bid protest rulings*" They also publish reports on agency rules.

(see <http://www.gao.gov>)

The Public Service uses society resources to out source services in just about all areas. It is therefore imperative that these resources are utilised in the most efficient way by way of competition and tendering process that are transparent and "Evidence Based".

What we require from government and ministers in everyday dealings has been summed up well in the Manila Declaration by the 1999 World Conference on Governance as "a system that is transparent, accountable, just, fair, democratic, participatory and responsive to people's needs".

Surely all Australians would expect that government business be conducted with the highest standards of probity, excellence and accountability in a framework that is transparent and defensible.

Sadly, with the extreme demands on ministers they cannot attend to issues themselves and have to rely on their advisers. Regrettably some of these advisers rely on the work of juniors who may miss the mark. In Australia's long-established tradition of mateship, once decision is taken organisations will close ranks behind such a decision and the end result is that those at the wrong end of such decisions suffer enormously.

The following will show that when tenders are wrongly evaluated, bidders have little chance of altering the outcome, unless of course they have the resources of Hughes Aircraft Corporation. Small and medium sized businesses seldom have such resources.

**Background:**

I am an Architect with additional qualifications in Valuation and Public Administration. I am a Fellow of the Royal Australian Institute of Architects.

I worked in the private sector from 1969 to 1974.

I was in the Australian Public Service from 1974 to 1988 (my last position was with the then Parliament House Construction Authority as the North Zone Leader, project director, in charge of a budget of approximately \$275Million)

After the opening of Parliament House I established my own company in 1988 and practiced as Wagdy Hanna and Associates (WH&A) Architects and Property Consultants and in the late nineties also as "Tendering Australia". I had a very successful consultancy business that is until I got involved in two tenders.