

Inventory of Barriers to Trade In Services

Country: AUSTRALIA

Reference Number: AST- 6

Suppliers Affected: ALL EXCEPT NZ

Source: memo EPT-0706

Canadian Source: YES

Canadian Negotiating Priority: N/A

Status: Active

Created: 03/01/89

Last Updated: 18/01/89

Barrier Type:

GP GOVERNMENT PROCUREMENT

Sector: ALL DIVISIONS

1 - ALL SECTORS

Detailed Description:

There is a local procurement preference, state and federal, of 20% vis-a-vis foreign suppliers.

Specifically, if the contract value is below \$20,000, the "local" content is determined by the country-of-origin stamp on the item. If the contract value is above \$20,000, preference is applied only on the value of "local" content, not the whole price. The value of "local" content is part of the information required in the tender document. The maximum that application of the general preference policy can add to the cost of the tender is \$200,000.

Another element of the preference policy permits a discretionary additional preference. Where a purchasing authority considers that a suitable higher Australian-New Zealand content offer (that is, one with at least 10 percentage points higher "local content" than the one otherwise preferred) valued at \$100,000 or below could warrant additional assistance; or where the authority proposes to reject a higher Australian-New Zealand content offer valued at greater than \$100,000; or where the bid would be accepted under the general preference, but the