



**REQUEST FOR TENDER
FOR THE PROVISION OF MACROECONOMETRIC MODELLING
SERVICES**

RFT 08/29

1. INTRODUCTION

Background

The Australian Fair Pay Commission (Commission) is an independent Commission responsible for adjusting Federal minimum and classification wages.

The Commission is supported by the Australian Fair Pay Commission Secretariat (Secretariat), providing assistance with research, consultations, submission processes, stakeholder meetings, monitoring and evaluation.

Further information about the Commission can be found at www.fairpay.gov.au

The Requirement

The Secretariat has the requirement for a supplier to provide macroeconomic modelling services to analyse the effects on the Australian economy of the general wage decisions made by the Commission in 2006, 2007 and 2008 (the 'decisions').

The Tenderer must be able to provide a comprehensive report detailing the effects that the three decisions have had on the Australian economy in the short term and are likely to have in the medium to longer term, using a macroeconomic model.

Areas of focus should include, but not necessarily be limited to, the effects of the decisions on:

- Gross Domestic Product;
- Employment;
- Unemployment;
- Labour force;
- Wages;
- Prices;
- Profits; and
- Productivity.

Wherever possible, results should be disaggregated:

- by broad industry and regional categories; and
- by broad occupation categories or skill level in the case of labour market indicators.

The Tender proposal should:

- describe the proposed methodology and scope of the research;
- outline what improvements could be made on the methodology and data used in earlier known research; and
- detail the proposed data sources, explore any limitations of currently available data for the analysis, and explain how these would be addressed by the research.

If data or methodological limitations are likely to require the analysis to be based on simplifying assumptions, inclusions or exclusions, those should be made explicit in the proposal. In particular, assumptions made in regard to the following should be detailed and justified in the proposal:

- production technology;
- ease of substitution between factors of production, including different types of labour (based on skill and whether full-time or part-time);
- treatment of demand and supply in the labour market;
- treatment of award and non-award labour at the firm level and at the industry level;
- treatment of 'flow-on' effects of award wages increases on non-award wages;
- treatment of two-tiered increases in minimum wages in 2006 and 2007;

- characteristics of 'baseline' scenarios, including macroeconomic and labour market developments;
- increases in minimum wages from 2009 onward; and
- deferral of the 2007 minimum wage increase for agricultural enterprises eligible for drought assistance.

Alternatively, or in addition, the proposal should indicate key areas in which sensitivity analyses would be implemented.

Outputs of the study should consist of:

- a draft report;
- a presentation to the Commission on the draft report; and
- a final report. Six hard copies of the final report, one electronic copy in PDF format, one electronic copy in Word format and an Excel file containing data for tables and figures are to be provided.

The proposal must specify how the Tenderer will meet the project timetable (see below).

The successful Tenderer will be expected to maintain a close liaison with the Secretariat and provide regular updates to the project officer on the results from the research as they become available.

Proposed Timetable

The proposed timetable is:

Activity	Indicative Timing
Issue of Request for Tender	4.00PM (AEST), Thursday 11 September 2008
Tender Closing Time	4.00pm (AEST), Thursday 25 September 2008
Evaluation Period	Approximately 4 weeks from Tender Closing Time
Contract Commencement	Approximately 2 weeks from completion of the Evaluation Period
Draft report provided to the Secretariat	20 March 2009
Presentation of the draft report to the Commission	Early April 2009
Final report delivered to the Secretariat	24 April 2009

AusTender

This RFT is advertised on AusTender to allow suppliers registered with AusTender to receive notification if any addendum is issued. Registration is free and information may be obtained from www.tenders.gov.au.

The Secretariat accepts no responsibility if a potential Tenderer does not obtain any addendum by failing to monitor AusTender or contact the Secretariat during the period the RFT is open to the market.

Contact Officer

The Contact Officer for all enquiries in relation to this requirement is Mr Nick Mowbray, (03) 8621 8208.

The Secretariat may publish relevant questions and answers to enquiries without detailing the information of the enquiring party on the Commission's website (www.fairpay.gov.au).

Definitions

The definitions in the standard contract apply to the RFT as a whole.

2. MANDATORY REQUIREMENTS

Format

- The Tender must be submitted in the format of a PDF or Word document.
- A signed Statutory Declaration in the format provided at section 6 must be included in the Tender.
- Tenderers must supply a detailed response to section 1, and full response to section 5. The responses must be in English and in a straightforward manner.
- Tenderers level of compliance to the contract must be stated in a simple table format. The contract is available at www.fairpay.gov.au/fairpay/AboutSecretariat/Tenders/ or by phoning the Contact Officer.
- All values must be in Australian dollars and inclusive of GST.

Non-compliance with one or more of the above criteria may exclude a Tender from evaluation.

Consortium Tenders

Consortium Tenders are permitted for the purpose of providing the services provided that the Tenderers clearly identify the arrangement and details of both the primary and secondary parties at the forefront of the Tender. The Secretariat will require the primary party to retain full responsibility for the delivery of the services.

Subcontracting and joint tendering is not permitted after the commencement of the Contract unless prior written consent is obtained from the Secretariat.

Incomplete Tenders

Incomplete Tenders or Tenders that do not propose to provide all required services will not be considered for evaluation.

Deadline

Tenders must be emailed to Tenders@fairpay.gov.au, or mailed to **Locked Bag 35003, Collins Street West, MELBOURNE VIC 8007**, by no later than **4pm AEST in Victoria on Thursday, 25 September, 2008**.

Tenders received by the Secretariat later than the Deadline will not be accepted for evaluation, and will be returned to the Tenderer. All other Tenders will become the property of the Secretariat once submitted.

The Deadline may be extended at the Secretariats discretion by issuing an addendum on AusTender.

Tender Validity Period

The Tenderer must state the validity period of the Tender commencing from the Deadline. The Secretariat recommends that a validity period of at least 8 weeks be considered.

Compliance

Tenderers and their associated parties must not violate any Commonwealth Law or policy during the period of this RFT or during the delivery of the Services.

Pricing and Rates

All pricing and rates must be inclusive of all disbursements and must be listed in one schedule of the tender only. All values must be in Australian dollars and should be inclusive of GST.

Insurance

Tenderers must have the required level of insurance as stated in the standard contract.

Details must be available on request to support the Tenderers stated public liability and professional indemnity insurance cover.

Supporting Documentation

Supporting documentation should be marked clearly and kept to a minimum.

3. EVALUATION OF TENDERS

The overall tender evaluation will be based on the principle of best value for money in compliance with Commonwealth procurement principles. The Secretariat will also evaluate the evidence provided of the Tenderers ability to provide the Services against the Selection Criteria, and compliance with the tender requirements as outlined in this RFT.

Where required, further discussions may be undertaken with the Tenderer to confirm their suitability to provide the Services.

Tenderers may then be shortlisted, and contract negotiations commenced.

At any time the Secretariat may exercise any right of the Commonwealth under Law or elsewhere in the RFT in the best interest of the public.

4. SELECTION CRITERIA

The Secretariat will evaluate each Tender and give a score to the following weighted criteria:

Description	Weighting
Planning and Management	
The extent to which the proposal meets the Secretariat's requirements, including time frame.	35%
Proposed project methodology.	30%
Experience	
Experience of personnel within the project team.	20%
Experience in research projects of similar scope and size.	15%
Unweighted	
Detailed whole of project cost.	

5. TENDERERS INFORMATION

General Information

The below information must be displayed at the front of the Tender for all parties. The Tenderer must notify the Secretariat should any of the below details change during the period of the RFT and life of the Contract:

- Full business name/s
- Full trading name/s
- Registered office address/s
- Australian Registered Body Number/s
- Australian Company Number/s
- Corporate structure/s
- Corporate objectives and priorities/s
- Business profile/s
- Any relevant legal and financial relationships

- Any prosecutions or pending investigations within the past 5 years of the Tenderer, Body Corporate, partner, director, or officer, relating to :
 - any payments to the Commonwealth of Australia or any taxing authority,
 - malfeasance, misfeasance, or nonfeasance of any duties imposed by Law in Australia or any foreign jurisdiction,
 - participation in, or acquiescence to, any practices in the dealing with any government that are unlawful.

Financial Details

This information must be provided with the Tender for all parties:

- Any other changes or anticipated changes in the Tenderers financial position,
- Any actions or anticipated actions that may affect the assets or ownership of the Tenderer,
- Any actions or anticipated actions that may affect the Tenderers ability to perform the Services.

6. STATUTORY DECLARATION

**COMMONWEALTH OF AUSTRALIA
STATUTORY DECLARATION**

I,**[insert name]**
of.....**[address]**
a director/ authorised officer of
.....**[company name]**,
(ACN.....) (ABN) "Tenderer")

I do solemnly and sincerely declare as follows:-

1. that I am authorised by the Tenderer to make this declaration on behalf of the Tenderer;
2. the Information provided in the Tender to which this statutory declaration is appended is complete and constitutes an offer to the Commonwealth to provide the Services on the terms set out in the Tender;
3. each person or organisation identified in the Tender as the Tenderer is jointly and severally liable to the Commonwealth for any offer made in the Tender;
4. the Tenderer has read, understands and agrees to all conditions including without limitation obligations and acknowledgements included in the RFT under which this declaration is provided;
5. the Tenderer has conducted its own inquiries, investigations and appraisal of the RFT, including the Services to be provided and any assumptions, uncertainties and contingencies which may affect the Commonwealth's future business;
6. the Tenderer acknowledges and accepts that the Commonwealth may, in its absolute discretion at any time exercise any rights it has under the RFT or otherwise;
7. the Tender has not been prepared with the benefit of:
 - (a) information obtained from a current or former officer or employee of the Commonwealth in circumstances that constitute a breach of confidentiality or fidelity on the part of that person or a breach of section 70 or 79 of the *Crimes Act 1914* or the Public Service Regulations; or
 - (b) information otherwise improperly obtained from the Secretariat or from employees or ex-employees or from a contractor or ex-contractor of the Secretariat or of any other Commonwealth department or agency.
8. the Tender has been developed fully in accordance with principles of competitive neutrality, where relevant, and therefore takes account of matters such as relevant taxes, rates of return and the cost of funds;

9. the Tenderer has kept and will keep information included in and provided with the RFT confidential at all times and will not use the information except for developing a Tender;
10. the Tender is accurate in every respect. The Tenderer acknowledges that if the Tenderer is found to have made false or misleading claims or statements, or to have used confidential information, except in accordance with the RFT, or to have received improper assistance, the Commonwealth may reject at any time any Tender lodged by or on behalf of the Tenderer;
11. the Tenderer, its officers, employees, agents and advisers has not engaged in any collusive tendering, anti-competitive conduct or other similar unlawful conduct with any other Tenderer or any other person in relation to the preparation or lodgement of Tenders;
12. the Tenderer, its employees, agents and contractors has no knowledge of the Tender or the Tender price for the Services of any other Tenderer prior to the Tenderer submitting its Tender for the Services;
13. prior to the Tenderer submitting its Tender for the Services the Tenderer, its employees, agents and contractors has not entered into any deed, agreement, arrangement or understanding that the successful Tenderer for the Services would pay any money, or would provide any other benefit or other financial advantage, to or for the benefit of any other Tenderer who unsuccessfully Tendered for the Tender;
14. the Tenderer **and name any consortium members** through its officers, employees, agents and contractors, has not attempted and will not attempt, to influence improperly any officer or employee of the Commonwealth in connection with the assessment of the Tender;
15. the Tenderer or any party proposed by the Tenderer to deliver any Services to the Commonwealth, has not been named under the *Equal Opportunity for Women in the Workplace Act 1999* (Cth);
16. the Tenderer understands and agrees to all conditions including without limitation obligations and acknowledgments included in the RFT document;
17. the Tenderer hereby consents to and authorises the Commonwealth, its officers, employees, agents or advisers to undertake the necessary security (at the Supplier's expense), probity and/or financial checks from comparing information contained within the Tender with, or obtaining additional information from:
 - (a) other Commonwealth agencies such as the Australian Securities and Investments Secretariat;
 - (b) State or Territory agencies;
 - (a) law enforcement agencies;
 - (b) courts or tribunals; or
 - (e) any other appropriate organisation or person reasonably required as part of these checks.
18. the Tenderer agrees to provide at the Tenderers expense reasonable assistance to the Commonwealth to assist them in any checking they wish to have undertaken under or in respect of the RFT and the Tenderer warrants and undertakes that:
 - (a) at the date of submitting this tender, no conflict of interest, other than a conflict of interest that is declared in the Tender, exists or is likely to arise concerning

itself or a related entity affecting the provision of the Services should it be successful with its Tender;

- (b) if, before finalisation of the RFT process, a conflict of interest arises concerning itself or a related entity, the Tenderer will notify the Commonwealth immediately in writing of that conflict or risk of conflict; and
- (c) it has the resources, or will be able to obtain the resources, likely to be required to properly provide the Services.

I make this solemn declaration by virtue of the *Statutory Declaration Act 1959* (Cth) and subject to the penalties provided by that Act for the making of false statements in statutory declarations, conscientiously believing the statements contained in this declaration to be true in every particular.

..... (1)

Declared at the day of 2008,

before me

..... (2)

Notes:

- (1) Signature of the person making the declaration.
- (2) Signature and title of the person before whom the declaration is made.