

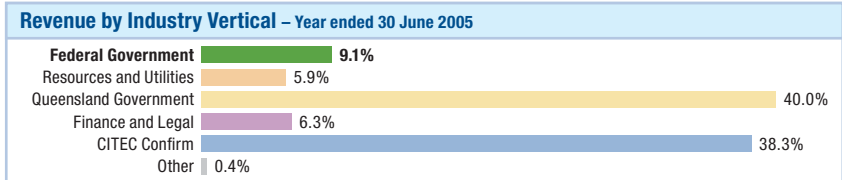
Operational Reports → Industry Verticals

Federal Government

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Peter Youill
Director, Government



Market Overview

The signing of the Free Trade Agreement (FTA) with the United States triggered discussions about new procurement processes for the Federal Government. Government and the ICT industry are working through what impact the FTA will have on competitive procurement in the future. The Federal Government announced a review of all ICT contract arrangements in 2005 with the aim of reducing costs for both suppliers and the government. The results of this review are not yet known but it is expected that streamlined procurement processes will be developed.

Selective outsourcing has continued to be a key approach taken by Federal and state governments during 2004/05. The move away from bundled ICT service contracts to more flexible arrangements is producing smaller short-term contracts with rigorous service delivery requirements. CITEC will continue to vigorously pursue these opportunities as they arise.

Key Contracts and Initiatives

A strong focus on security certification has helped position CITEC favourably when tendering for Federal and state government work. Our Brisbane data and network management centres gained a physical security certification from the Australian Security Intelligence Organisation (ASIO) T4 Protective Security Group during 2004/05. During the year CITEC also

retained its AS/NZS 7799.2:2003 security certification, maintaining its status as the only full service Australian ICT outsourcer to obtain this certification.

The focus for the Federal Government vertical during 2004/05 was on the decommissioning of the Payroll and Payment Management System (PAPMS) which was taken out of general service on 30 June 2005. As the majority shareholder in Aurion Corporation, a premier developer of human resource management and payroll management software, CITEC worked closely with Aurion to develop an interface into the Aurion payroll system. This enabled CITEC to offer an alternative payroll calculation function for PAPMS customers. CITEC is also providing extensive transitioning support and training on the PAPMS suite to the Northern Territory Government which is continuing to use the system.

CITEC has retained many of its existing contracts with customers such as ACT Department of Urban Services, the Department of Transport and Regional Services, the Department of Family and Community Services and Comcare and is providing ongoing enhancement and development work to assist these clients.

Looking Forward

The next 12 months will see CITEC concentrate on consolidation in our Canberra office with a growing focus on our professional services capabilities and service delivery to government agencies in the southern states.

More departments are looking to outsource segments of their business rather than the whole of their ICT infrastructure. During the next year the outlook in the Federal Government sector is likely to be on renewing and restructuring existing outsourcing agreements. CITEC will take a focussed approach to these smaller contract opportunities as we position ourselves more strongly in this sector. Our long-standing partnership with many agencies in the federal arena positions CITEC to take advantage of opportunities.

Tenders for Federal Government contracts continue to be heavily contested in the marketplace with price and service delivery remaining significant factors. Looking forward, we will focus strongly on core products and services which leverage CITEC's economy of scale, where competitive pricing models and service reliability will enable us to remain competitive.



1987

SGCC changes its name to CITEC, the Centre for Information Technology and Communications, to reflect its expanded role in the information management environment.



1989

CITEC launches its Public Access System, now known as CITEC Confirm, to provide clients with access to non-confidential government information. The Public Access System signed CITEC's first ever private sector client in 1992.