

CONTRACT BIDS, SUBSIDIARY COMPANIES

538. Hon MARK NEVILL to the Minister for Transport:

Will the minister consider extending from three to four the number of bids to pre-qualify for contracts when two of those bidders are subsidiaries of the one holding company?

Hon M.J. CRIDDLE replied:

This issue has come to my notice; namely, a parent company and a number of its subsidiary companies bidding for a contract. We want to maintain real competition. The Commissioner of Main Roads will meet with representatives of an industry group in January. I understand that no decisions will be made on big contracts before that time. We had already taken on board the basis of the question when it was received yesterday. The issue had been considered some time ago as it was brought to our notice by a number of people. I keep in close contact with the construction industry and know it very well, and people in the industry understand the Government's position.