

<b>Treasurer's Instruction No</b>	<b>1127</b>
Title	<b>Procurement from businesses that provide employment to persons with disabilities: goods and services</b>
Effective date	<b>15 October 2010</b>
Objective and Background	<b>Details the process for the direct purchase of goods and services from disability enterprises</b>
Version Number	<b>4</b>

*Black letter (or bold) items within these Instructions are mandatory and other plain font items are instructional or for the purpose of providing guidance only.*

The Government is aware of the valuable role played by businesses that provide employment to persons with disabilities. The Government's policy in relation to procurement from businesses that predominantly exist to provide the services of persons with a disability gives agencies the option of streamlining procurement to purchase directly from such businesses.

- (1) This Instruction applies only to the procurement of goods and services and is to be read in conjunction with other Instructions relating to goods and services which are contained in the 1100 series of the Treasurer's Instructions.**

Further information on goods and services procurement, including a definition of "goods and services", can be located on the [Purchasing website - Buying for Government](http://www.purchasing.tas.gov.au) (www.purchasing.tas.gov.au).

For information on building and construction and roads and bridges procurement, refer to the 1200 series of the Treasurer's Instructions.

- (2) At the discretion of the Head of Agency, agencies may directly procure goods and services from businesses that "predominantly exist to provide the services of persons with a disability" without the need to undertake a full quotation or tender process.**

Use of this Instruction by agencies is optional. If applied, this Instruction will supersede the mandatory requirement to seek three written quotations (contained in Instruction 1106) or to call open tenders for purchases of goods and services (contained in Instruction 1107). However, where the required goods and services can be provided by more than one disability enterprise, agencies should actively seek quotations to ensure that value for money is achieved.

- (3) Agencies must document justification of how an entity meets the test of being a business that predominantly exists to provide the services of persons with a disability prior to entering into a contract to procure the goods or services. At a minimum, the agency must be satisfied that the following criteria are met:**

- (a) For an Australian entity, the business must be approved as an Australian Disability Enterprise.**

Information in relation to Australian Disability Enterprises, including guidance on those operating in Tasmania, can be located at [www.buyability.org.au](http://www.buyability.org.au).

- (b) For any other entity, a predominant proportion of employees must be persons with a disability, or its predominant purpose must be the provision of employment to persons with a disability.**

Agencies should note that this Instruction does not apply to procurement of goods and services for disabled persons, for example, the supply of wheelchairs, unless the business meets the requirements of either clause 3(a) or 3(b).

- (4) All other relevant mandatory requirements of the Treasurer's Instructions in relation to procurement continue to apply.**

These requirements include but are not limited to:

- that the procurement must be undertaken in a manner that is consistent with the general intent of Government policy and the principles contained in Instruction 1101;
- reporting as required by Instructions 1110 and 1111 (including reporting in relation to this Instruction); and
- the Crown's confidentiality requirements contained in Instruction 1401, 1402 and 1124.

Agencies should note that the international free trade agreements by which Tasmania is bound, allow measures to be adopted and maintained relating to "the goods and services of handicapped persons". This allows for the direct purchase of goods and services produced by a business that predominantly exists to provide the services of persons with a disability.