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FOR IMMEDIATE RELEASE**

MEDIA RELEASE

ICT Procurement goes on hold as Government enters 'caretaker mode'

ICT procurement in Canberra will slow to a trickle until after the August election with Federal Government agencies assuming a 'caretaker role' as of 5pm on 19 July, following the announcement (on Saturday 17 July) of a general election scheduled for Saturday 21 August.

During this period the Australian Public Service follows the 'caretaker conventions', one of which is that governments should not enter into major contracts with business. Governments are also encouraged to avoid approaches to market.

Intermedium Director Judy Hurditch says that compliance with the caretaker conventions will impact heavily on the government ICT business. "The ICT market will now enter a period of inactivity in relation to contracts, tenders and procurements that will last until at least the beginning of September if the Labor Government is returned, and potentially until the early New Year if a Liberal Government is elected and chooses to make major changes in ICT direction" Ms Hurditch said.

"As many as two thirds of the 321 procurements originally scheduled for the first half of 2010-11 are likely to be delayed as a result of the caretaker conventions," said Ms Hurditch.

"We have also identified 21 planned procurements as being highly politically sensitive, which would make them the most vulnerable to being amended or even dropped if there is a change of Government at the election."

However, despite the impact of the caretaker period, Intermedium anticipates a number of key procurement opportunities within the ICT market in this financial year. Agencies have flagged 455 planned ICT procurements for 2010-11 and beyond. IT Services procurements make up nearly half of this total with 210 planned procurements, followed by Software with 96 and Hardware with 87.

Intermedium's thorough analysis of lead indicators including procurement plans, budget allocations, and expiring contracts, gives it a 360 degree view of potential ICT opportunities.

<<ENDS>>

For more information on procurements join us for our Federal Government ICT Procurement: The Year Ahead Briefing.

Event Details:

Date: Thursday 22 July 2010

Time: 07:15-09:30am

Venue: The Boat House by the Lake, Canberra

<http://www.intermedium.com.au/content/federal-government-ict-procurement-year-ahead>

For more information of the event or to arrange an interview, please contact:

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Intermedium

Intermedium specialises in Australian public sector markets. We have achieved a strong reputation with companies offering technology products and services to the public sector, and public sector agencies seeking to better understand the capabilities and capacity of their supplier base. We provide our clients with market information so that they can make informed decisions about the government market and with consulting services so that they can be more effective in the way they engage in the market.