



ICAC

Independent Commission
Against Corruption
SOUTH AUSTRALIA



PUBLIC SECTOR PROCUREMENT

SOUTH AUSTRALIA



Public Sector Procurement

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COMMISSIONER'S FOREWORD



Public sector procurement refers to the process by which a public authority acquires goods and services. Procurement often involves large sums of public money, complex processes, multiple stakeholders, and interaction between public sector employees and suppliers. For these reasons, procurement is the public sector activity most at risk of being corrupted.

Corruption in public sector procurement usually involves the abuse of entrusted power to derive a private benefit.

The consequences can be serious. Significant public funds can be siphoned off for private gain. If undetected, fraudulent procurement can lock an agency into a corrupted contract arrangement for years. Projects can be left unfinished, or the goods and services that are delivered are substandard.

Suppliers who may provide better value for money could be shut out of the tendering process, or be deterred from tendering. For smaller suppliers who may be reliant on public sector contracts for a significant portion of their revenue, the award of a contract on factors other than merit may result in the closure of their business.

Due to the high risk of corruption and the serious consequences that may follow, the Commission has examined corruption risks in public sector procurement. As part of this project, the Commission has surveyed procurement officers and suppliers who bid for public sector contracts. This report provides the findings from those surveys.

I would like to thank all those who responded to the surveys. I would also like to thank Procurement Services SA, the Office of the Industry Advocate, and the Department for Infrastructure and Transport for their support of this project.

The Commission intends to publish a second report which will provide further analysis of corruption risks in public sector procurement and provide recommendations. Selected agencies may also be provided with specific feedback.

A handwritten signature in black ink that reads "Ann Vanstone". The signature is written in a cursive, flowing style.

The Hon. Ann Vanstone KC
Commissioner

INTRODUCTION

This report examines corruption risks in public sector procurement from the perspective of procurement officers and suppliers. It examines views about corruption risks that are most harmful to the integrity of public sector procurement. These risks are public officers failing to declare and manage conflicts of interest, offering, demanding and accepting gifts, benefits and hospitality, and the misuse of confidential tender information.

It also ascertains the prevalence of perceived corruption in South Australian public sector procurement, including which stages of the procurement process and types of procurement are seen to be most at risk. It considers whether some suppliers are deterred from bidding for public sector contracts as they believe that procurement outcomes will be unduly influenced.

Detection of corruption in procurement activities is often reliant on public officers reporting suspicious behaviour. This report examines whether suppliers who are contracted to provide goods and services to public authorities are aware of their status and reporting obligations as public officers. It also analyses whether public officers are willing to report and what factors may discourage reporting.

METHOD

This report is based on the results of online surveys with procurement officers and suppliers conducted by the Independent Commission Against Corruption (the Commission) in early 2023. The surveys follow similar research conducted by the Independent Broad-Based Anti-Corruption Commission (IBAC) in Victoria and the Independent Commission Against Corruption in New South Wales.¹ The Commission acknowledges the assistance of the IBAC in providing a copy of their survey instrument.

Participation in the surveys was voluntary and no questions were mandatory. The survey questions are provided in the Appendices to this report. Initial screening questions ensured that only public sector employees who were involved in their workplace's procurement process and suppliers who had bid or quoted for a South Australian public sector contract, or were considering doing so, completed the surveys. Percentages may not total 100 due to rounding.

Responses to surveys about people's understanding of corruption or other impropriety often reflect factors other than their direct experiences. Perceptions of corruption can reflect recent media coverage, experiences that have occurred to others, or past experiences which may have occurred in other organisations.² In order to avoid these distortions, respondents were asked about their experiences in their own workplace in the past twelve months, and in relation to their most recent procurement.

SURVEY OF PROCUREMENT OFFICERS

Procurement officers were contacted about the survey through several means, including:

- ▶ a database of 1,018 procurement officers held by Procurement Services SA
- ▶ invitations to 432 school principals
- ▶ encouraging Chief Executive Officers to promote the survey among relevant staff
- ▶ a public statement and advertisements promoting the survey and inviting submissions.

Overall, 329 procurement officers completed the survey. It is estimated that 20% to 25% of those contacted completed the survey.

The sample is possibly biased towards procurement officers with considerable experience in procurement activities. Respondents were predominantly public officers who handle procurements frequently, and have considerable experience and a leadership role in procurement.

FIGURE 1:
Procurement officers' involvement in workplace's procurement process

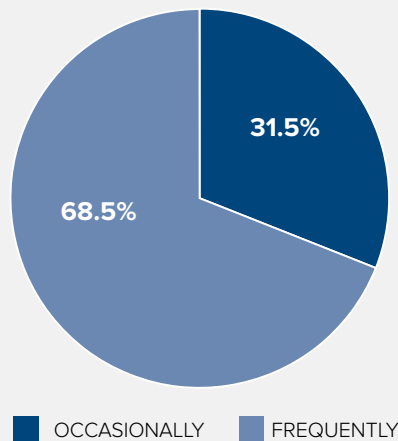


FIGURE 2:
Procurement management or leadership role

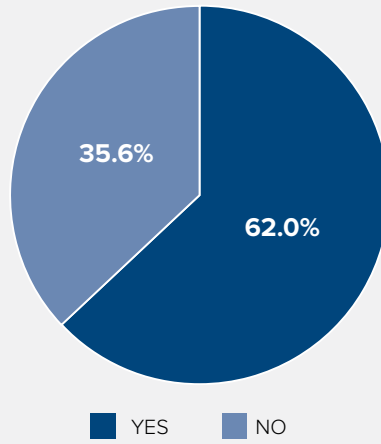


FIGURE 3:
Years of procurement experience

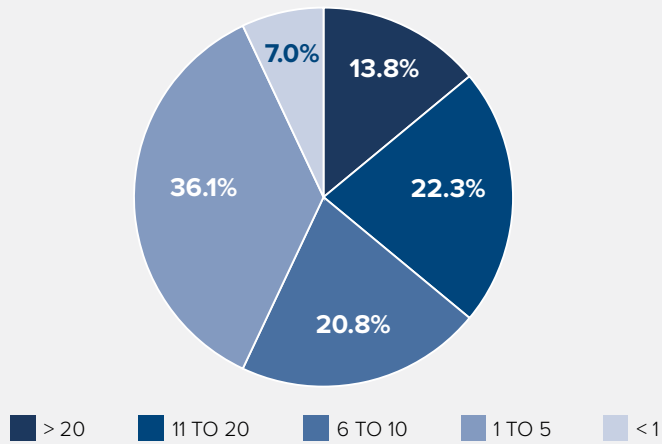
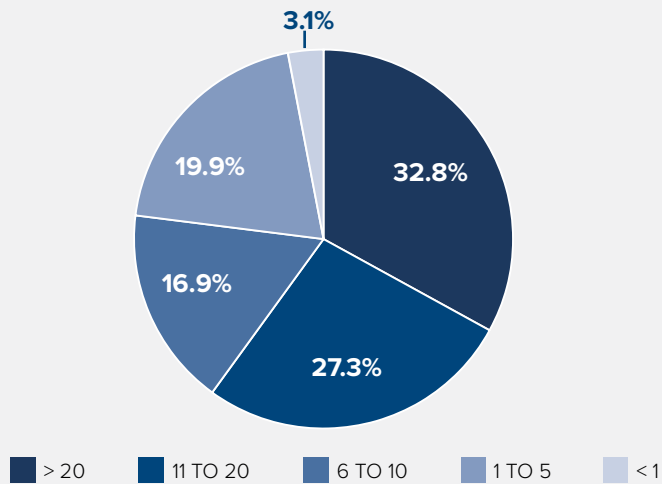


FIGURE 4:
Years in the public sector



Procurement officers were asked which types of goods and services they had been involved in procuring in the past twelve months. The most common types of goods and services procured are summarised in Table 1.

TABLE 1:
Most common type of goods and services procured by procurement officers in the last 12 months

TYPE OF GOOD OR SERVICE PROCURED	%	NUMBER
ICT software, technology	46.8%	153
Advisory, consultancy	46.2%	152
Facilities, building management	32.7%	107
Construction	25.1%	82
HR, staffing	24.2%	79
Office equipment, accessories, supplies	21.7%	71
Healthcare, community services	21.1%	69
Communications, marketing	16.7%	55
Financial services	15.3%	50
Environmental	11.3%	37
Research and scientific	10.4%	34

SURVEY OF SUPPLIERS

Suppliers who had bid or quoted, or intended to bid or quote, for public sector contracts were contacted via:

- ▶ a list of 3,278 supplier contacts held by Procurement Services SA
- ▶ a list of 1,059 suppliers who provide services for Across Government Facilities Management Arrangements held by the Department for Infrastructure and Transport
- ▶ the Office of the Industry Advocate who sent the survey link to their supplier list
- ▶ Aboriginal suppliers sourced from Supply Nation.³

The overlap between these lists means that it is not possible to ascertain the response rate. A total of 479 suppliers completed the survey.

Suppliers who responded were from a variety of organisations in terms of size, location, involvement in panel contracts, size of contracts bid for, and types of goods and services that they offer.

FIGURE 5:
Organisation's number of staff

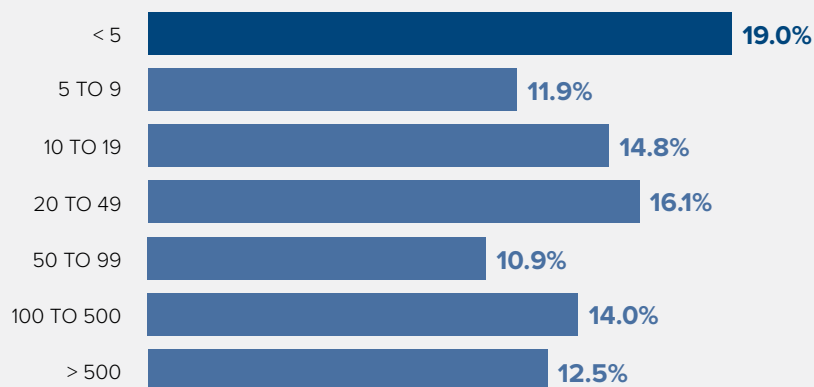


FIGURE 6:
Organisation's primary location

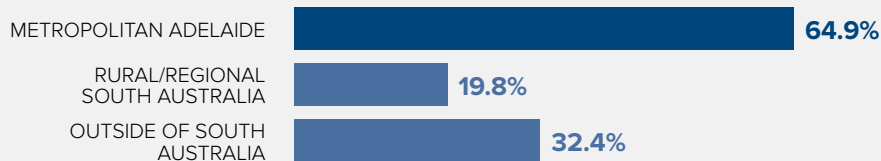


FIGURE 7:
Organisation inclusion on a public sector contract panel

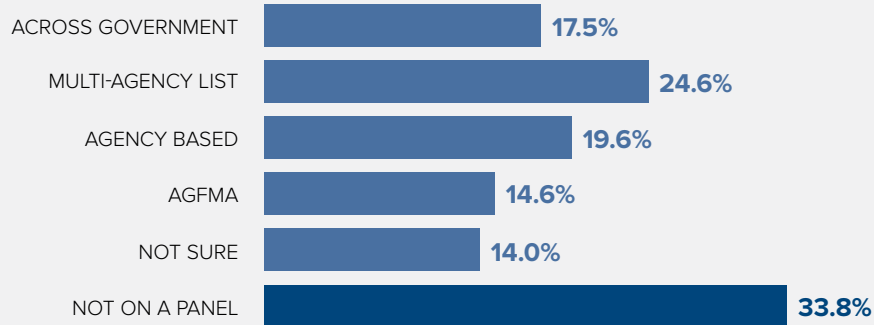
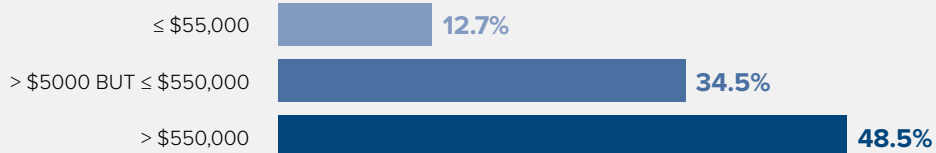


FIGURE 8:
Value of largest tender bid or quoted for in the past 12 months

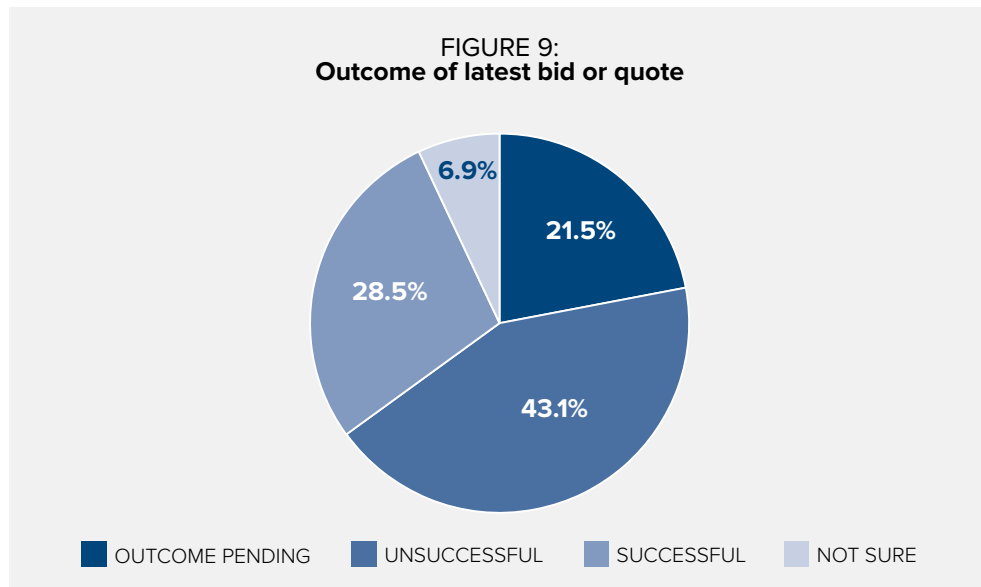


Suppliers were asked which types of goods and services their organisation had tendered or quoted for in the past twelve months (Table 2).

TABLE 2:
Most common type of goods and services tendered or quoted for in the last 12 months

TYPE OF GOODS AND SERVICES	%	NUMBER
Advisory, consultancy	24.2%	116
Construction	21.9%	105
ICT software, technology	13.8%	66
Healthcare, community services	13.6%	65
Facilities, building management	10.6%	51

The majority of suppliers who responded stated that their most recent tender or quote for public sector work had been unsuccessful. This may bias the results. Unsuccessful tenderers may be more disgruntled, or be more likely to perceive that their bid was unduly influenced, compared to those that were successful.



PERCEPTIONS OF CORRUPTION IN PUBLIC SECTOR PROCUREMENT

Procurement officers were less likely to consider corruption in South Australian public sector procurement to be a major or moderate problem compared to suppliers. One in four suppliers (24.7%) believed that corruption is a major or moderate problem.

FIGURE 10:
Procurement officers' perceptions of corruption being a problem in South Australian public sector procurement

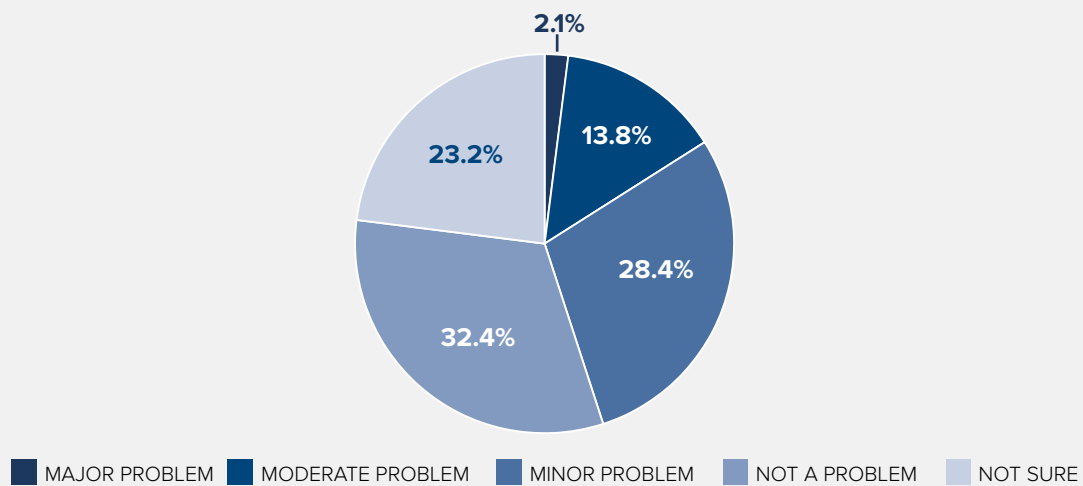
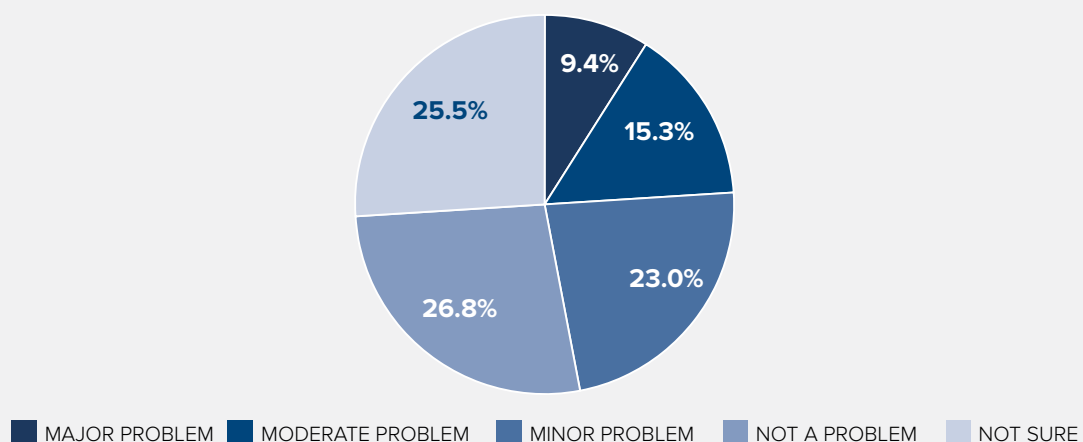
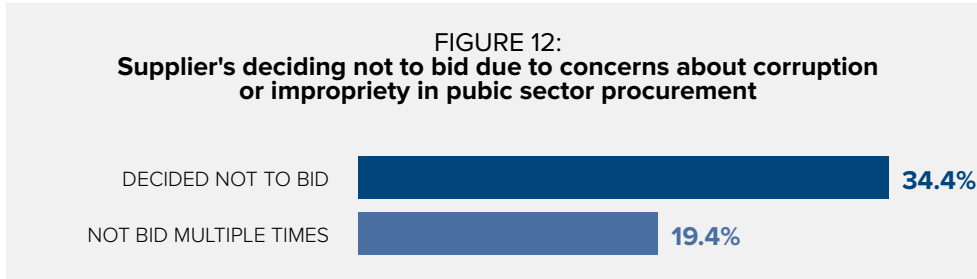


FIGURE 11:
Supplier's perceptions of corruption being a problem in South Australian public sector procurement



A third of suppliers stated that they had decided not to bid or quote for a contract due to concerns about corruption or impropriety in public sector procurement. Of these, a considerable proportion had decided not to bid on multiple occasions.



KNOWLEDGE OF CORRUPTION RISKS IN PUBLIC SECTOR PROCUREMENT

Despite all of the procurement officers who responded to the survey having a role in procurement, a third rated their knowledge of corruption risks in procurement as average or below average. Almost half of suppliers stated that their knowledge of corruption risks was average or below average.

This result is worrying. Someone with spurious intentions may take advantage of a procurement officer or supplier who is unfamiliar with what conduct may lead to or constitute corruption.

FIGURE 13:
Procurement officers' knowledge of corruption risks in procurement

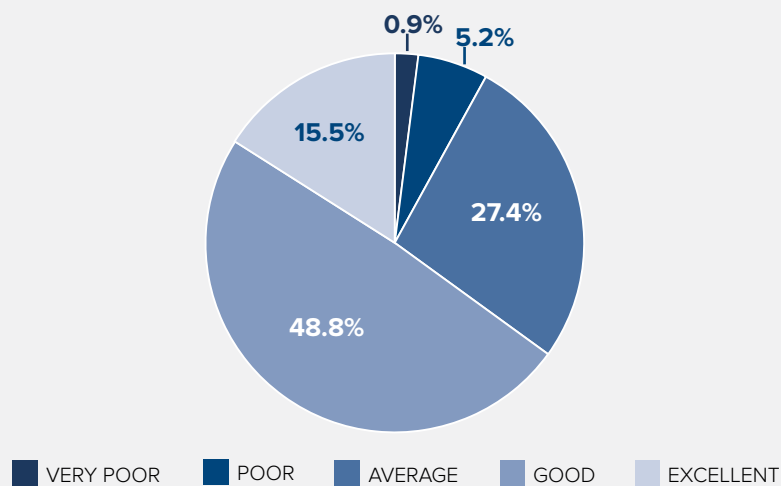
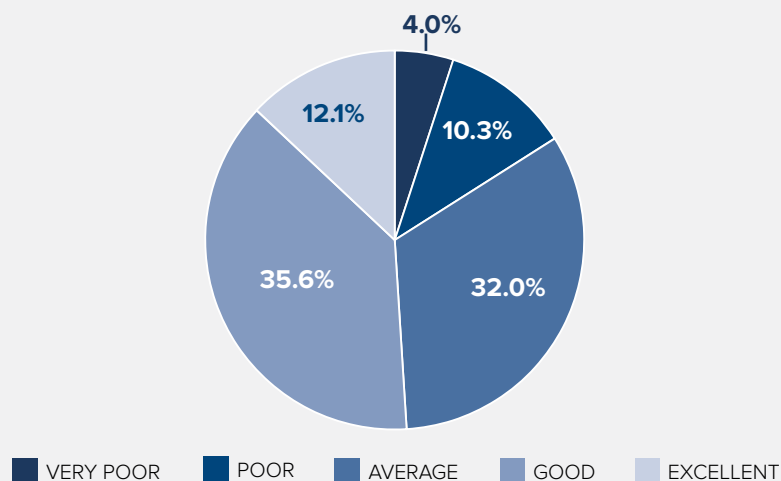
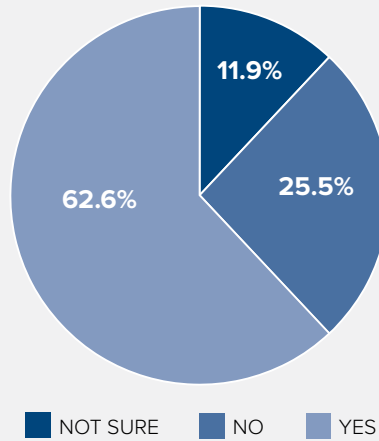


FIGURE 14:
Suppliers' knowledge of corruption risks in procurement



While most procurement officers stated that they had received training in corruption risks in procurement, over a third had either not received such training or were unsure.

FIGURE 15:
Procurement officers' perceptions of training in relation to corruption risks in procurement



CONFLICTS OF INTEREST

Undeclared and unmanaged conflicts of interest can pose serious corruption risks in procurement. For instance, a corrupt procurement officer could direct a contract to a business in which they have an undisclosed interest.

Public sector procurement in South Australia is governed by Treasurer's Instruction 18, which establishes a whole-of-government framework for procurement (the 'Framework') with common principles, standards and benchmarks. The Framework is overseen by Procurement Services SA.

The Framework requires all participants in the tender evaluation to complete a conflict of interest declaration prior to commencing the evaluation. Almost all of the procurement officers surveyed responded that their workplace has policies and procedures in relation to conflicts of interest. However, a third of participants stated that their workplace has not provided them with training in relation to conflicts of interest.

**FIGURE 16:
Procurement officers' perceptions of policies, procedures and training
in relation to conflicts of interest**

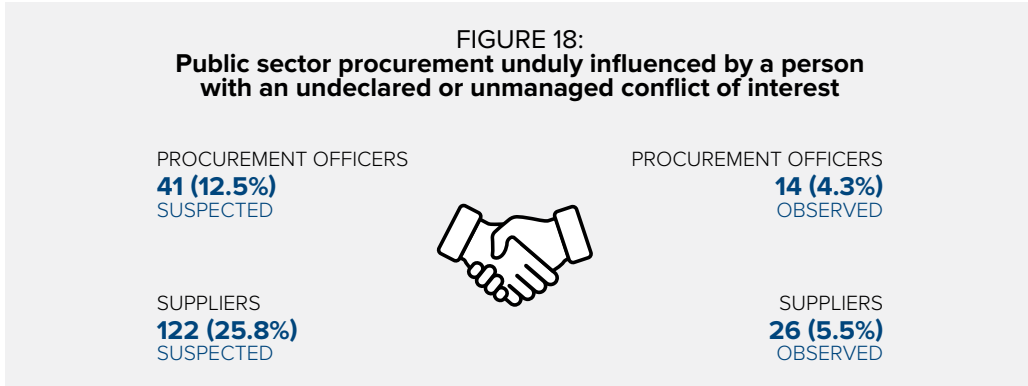


Suppliers were more likely than procurement officers to perceive public sector procurement to be vulnerable to being unduly influenced by a person with an undeclared or unmanaged conflict of interest.

**FIGURE 17:
Perceptions of procurement being vulnerable to being improperly influenced
by a person with an undeclared or unmanaged conflict of interest
(highly/extremely vulnerable)**



Suppliers were more likely than procurement officers to have suspicions or to believe they have directly observed such conduct in the last 12 months.



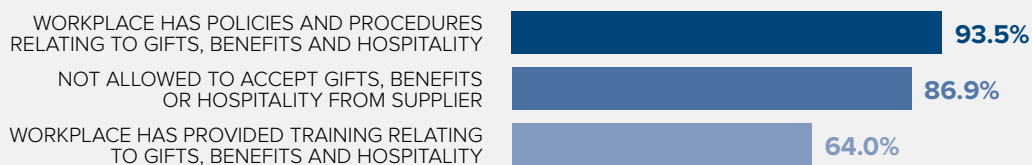
GIFTS, BENEFITS AND HOSPITALITY IN PROCUREMENT

A gift is anything of value offered to an employee above their normal salary or employment entitlements. A benefit is preferential treatment, privileged access, favour or other advantage. Hospitality relates to entertaining stakeholders, conference delegates and other official visitors. Hospitality includes offers of meals, invitation to events, sponsored travel and accommodation.⁴

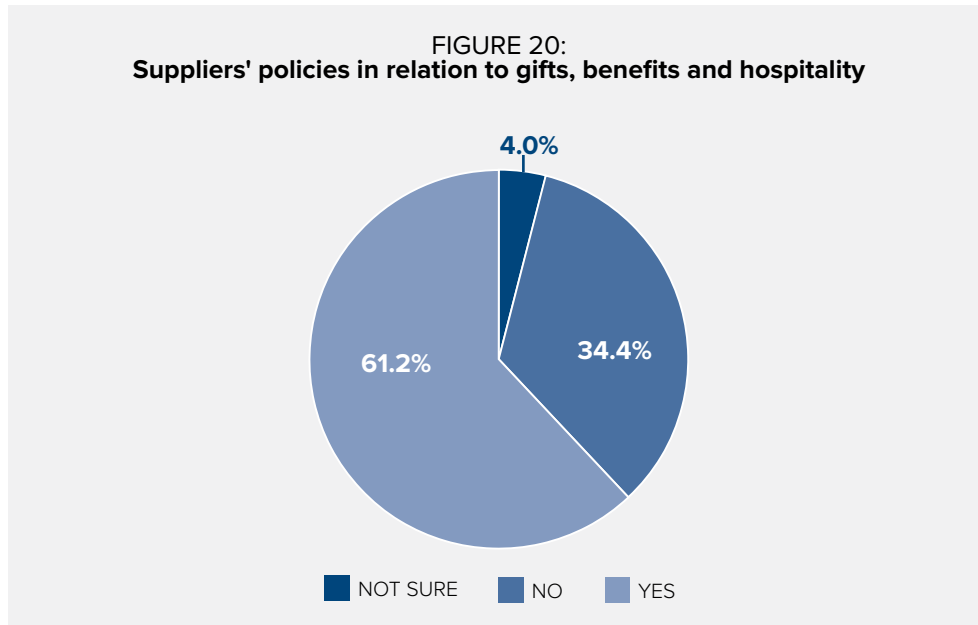
The offer of a gift, benefit or hospitality by a supplier to a public sector employee involved in procurement may constitute an attempt to unduly influence the procurement process. Even if the procurement is not improperly biased, the acceptance of a gift, benefit or hospitality may create the impression that a supplier will be favoured and may create a conflict of interest. Accepting gifts, benefits or hospitality may damage the reputation of individual procurement officers and public authorities, deter suppliers from bidding for tenders, and erode public confidence in the delivery of public services.⁵

Most procurement officers responded that their workplace has policies and procedures in relation to the offering or accepting of gifts, benefits and hospitality. However, despite Procurement Services SA having a 'no gifts' policy for public officers involved in procurement,⁶ a few procurement officers believed that accepting gifts, benefits or hospitality from a supplier was permissible. Approximately a third of procurement officers had not received training relating to gifts, benefits and hospitality.

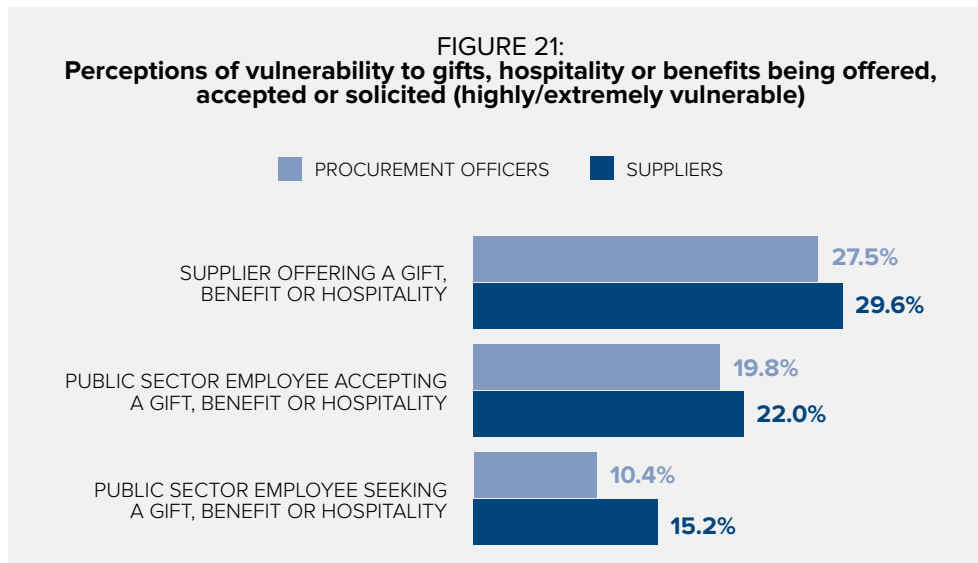
FIGURE 19:
Procurement officers' perceptions of policies, procedures and training in relation to gifts, benefits and hospitality



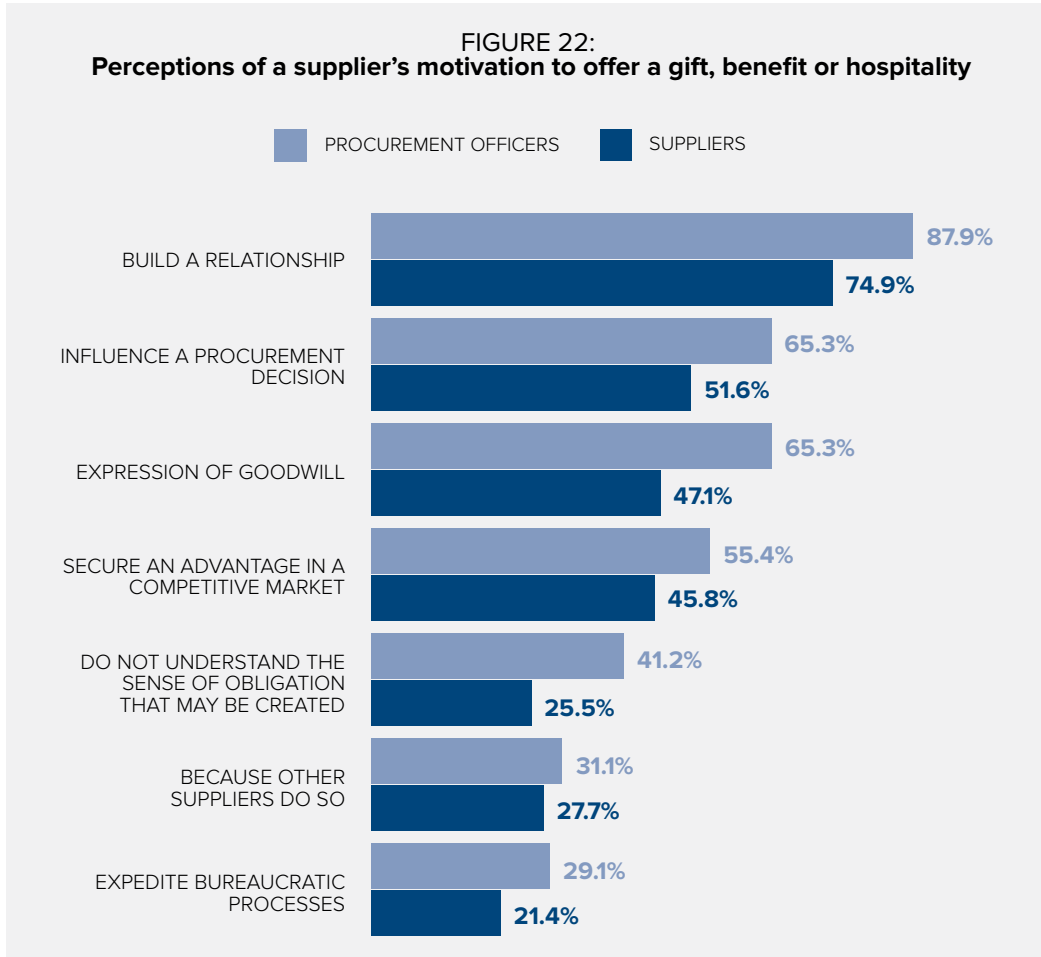
A third of suppliers stated that their organisation did not have a policy in relation to gifts, hospitality and benefits. In lieu of an organisation having such a policy, it becomes important that procurement officers manage suppliers' expectations about offering gifts.



Over a quarter of procurement officers and suppliers considered that public sector procurement is highly or extremely vulnerable to a supplier offering a gift. Participants were less likely to consider that public sector procurement is vulnerable to a public officer demanding or accepting a gift.

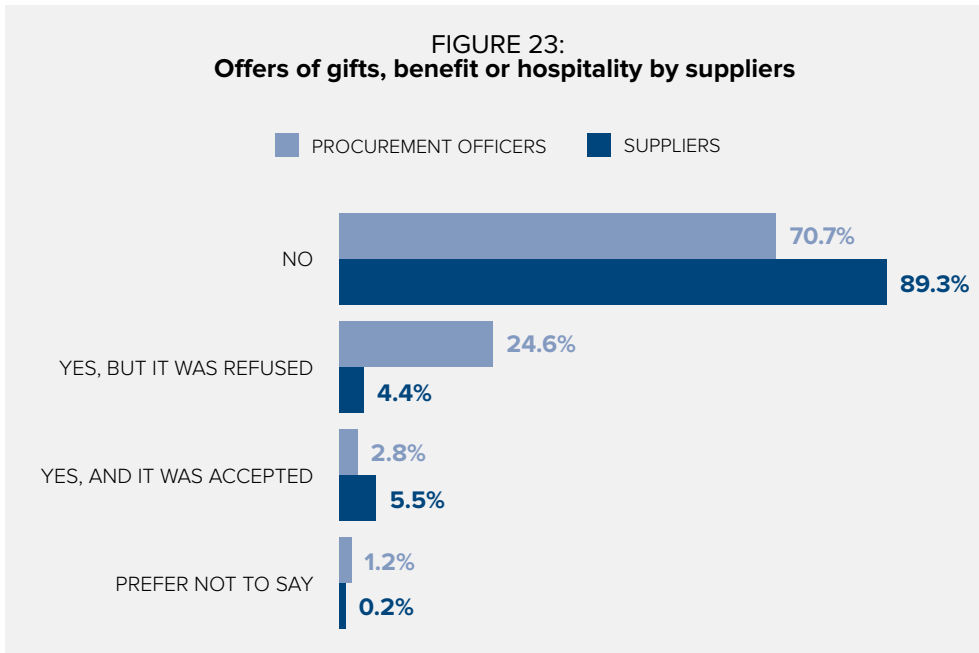


Both procurement officers and suppliers considered that gifts, benefits or hospitality are intended to build a relationship between the parties involved in a procurement. Procurement officers were more likely than suppliers to believe that the offering of a gift is intended to influence a procurement decision.



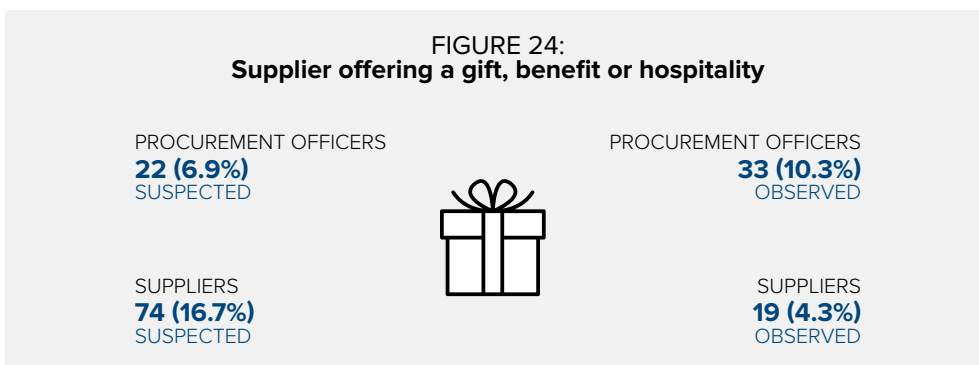
Suppliers were asked if they had ever offered a public sector employee involved in procurement a gift, benefit or hospitality. Procurement officers were asked if they had ever been offered a gift, benefit or hospitality by a supplier.

Survey results are often influenced by ‘social desirability bias,’ meaning that responses reflect what the respondent believes they should say.⁷ Suppliers have possibly understated the likelihood of gifts being offered as they are aware that the practice may be frowned upon in the public sector. Procurement officers may have overstated the likelihood that gifts by suppliers are refused.



Procurement officers and suppliers were asked if they had suspected or personally observed gifts, benefits or hospitality being offered, accepted, or requested during the last twelve months. Suppliers appeared more ready to indicate that other suppliers engage in gift giving rather than to admit that they do so themselves.

Some procurement officers and suppliers claimed to have either suspected or personally observed public sector employees seeking a gift, benefit or hospitality. This is troubling. The qualitative comments suggest that such benefits included requests for future employment, ‘kick backs’ in the form of cash payments, and home improvements. This conduct may constitute corruption. The Commission encourages public officers to report any suspicions of such behaviour.



**FIGURE 25:
Public sector employee accepting a gift, benefit or hospitality**

PROCUREMENT OFFICERS
18 (5.6%)
SUSPECTED

PROCUREMENT OFFICERS
25 (7.8%)
OBSERVED

SUPPLIERS
56 (12.7%)
SUSPECTED

SUPPLIERS
23 (5.2%)
OBSERVED



**FIGURE 26:
Public sector employee seeking a gift, benefit or hospitality**

PROCUREMENT OFFICERS
11 (3.4%)
SUSPECTED

PROCUREMENT OFFICERS
4 (1.2%)
OBSERVED

SUPPLIERS
37 (8.4%)
SUSPECTED

SUPPLIERS
9 (2.0%)
OBSERVED



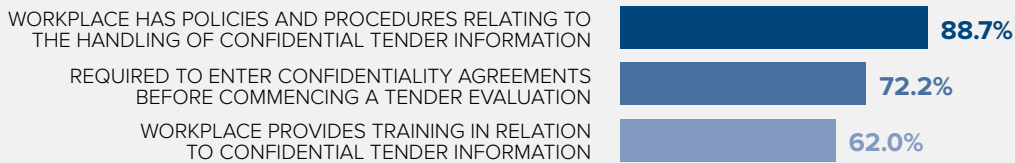
MISUSE OF INFORMATION

Misuse of information during a procurement process may entail the unequal provision of information to potential tenderers, or the leaking of information provided by an organisation bidding for work. The improper disclosure of confidential tender information may confer an advantage to a favoured supplier, and be a sign of corrupt dealing and improper connections between suppliers and procurement officers.

The Framework requires that sensitive information is protected during the procurement process. All participants must complete a confidentiality agreement prior to commencing a tender evaluation.⁸

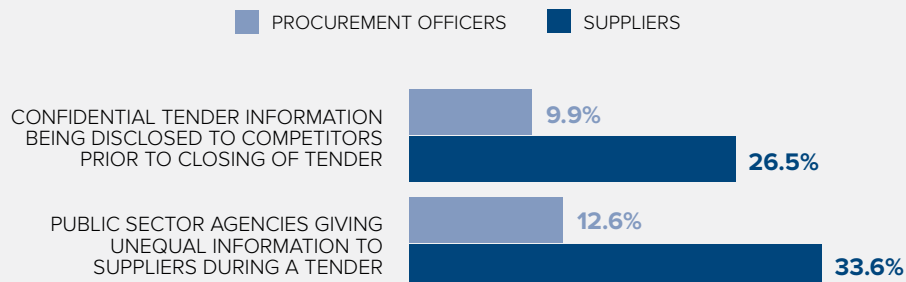
The majority of procurement officers responded that their organisation has policies and procedures in place and that they have received training in relation to the handling of confidential tender information. However, over a quarter of procurement officers stated they were not required to enter a confidentiality agreement before commencing a tender evaluation.

**FIGURE 27:
Procurement officers' perceptions of policies, procedures and training
in relation to handling confidential tender information**

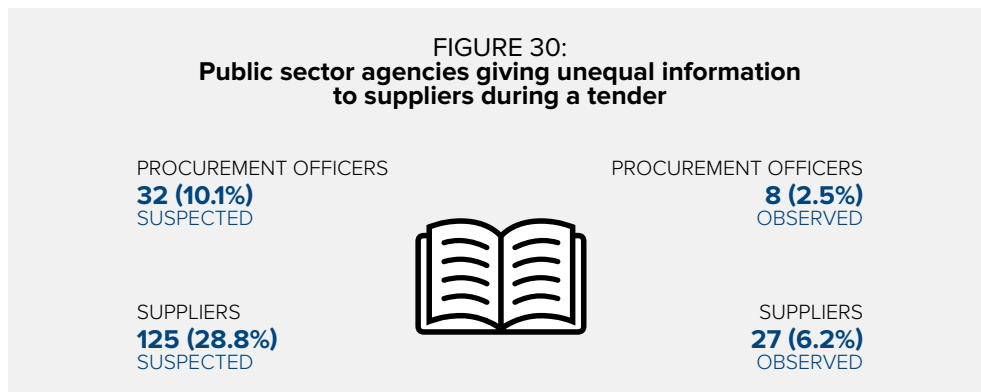
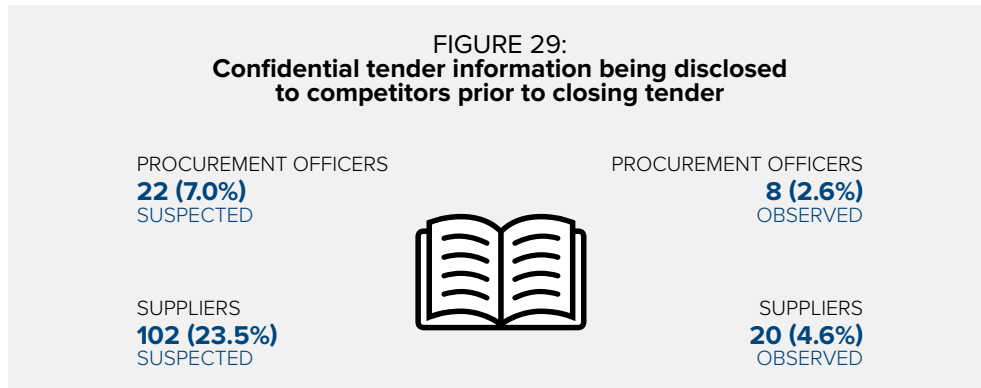


Suppliers were more likely than procurement officers to perceive public sector procurement to be vulnerable to the misuse of information.

**FIGURE 28:
Perceptions of confidential tender information being
vulnerable to improper handling (highly/extremely vulnerable)**



Suppliers were more likely to claim they have suspected or personally observed improper conduct and disclosure of confidential tender information



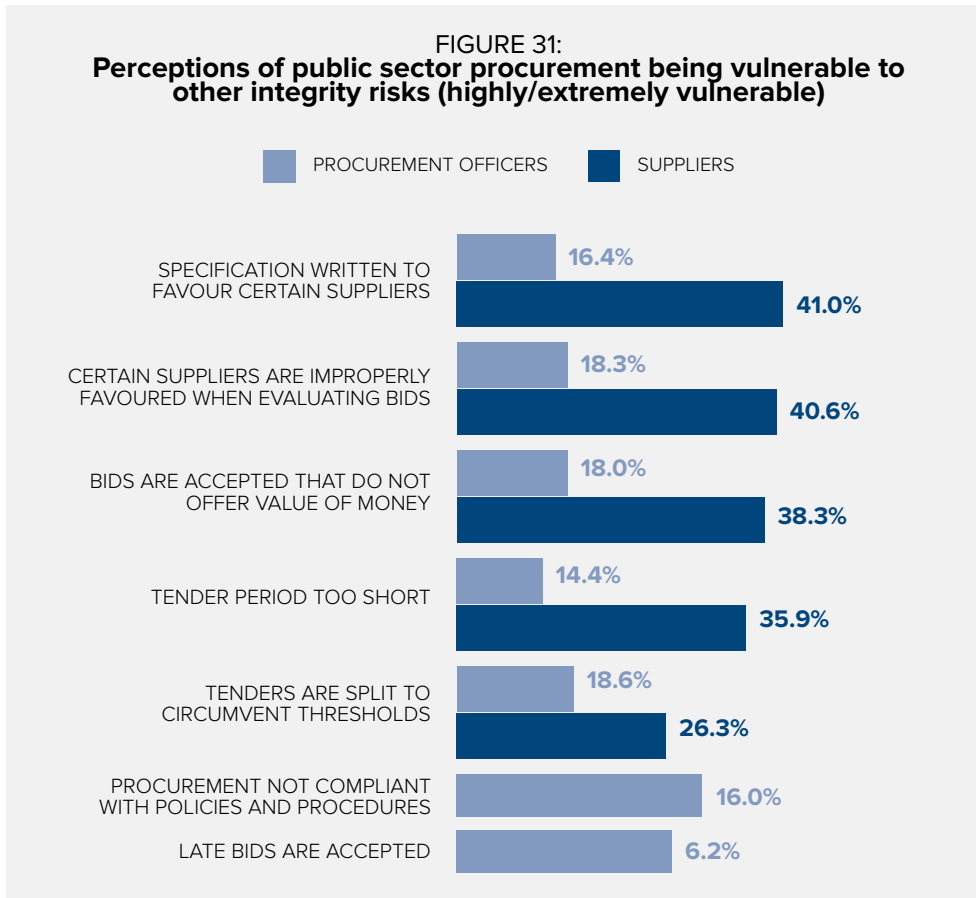
OTHER INTEGRITY RISKS

Corruption in procurement can sometimes be detected by 'red flags'. The Framework only applies to procurements valued above \$55,000. There may be a risk that tenders are split so that each bid falls under this threshold, thereby evading the scrutiny applied to higher value tenders. Successful bids that do not offer the best value for money may point to a contract being awarded on factors other than merit.

A tender may legitimately be open for a short period of time. However, tenders that are opened briefly may point towards a corrupt procurement officer favouring a certain supplier by reducing the opportunity for competing suppliers to make a bid. Likewise, specifications may be written so that a certain supplier will be in a preferred position.

The survey asked procurement officers if procurements were compliant with policies and procedures and if late bids are accepted. Procurement officers who do not follow proper processes may be doing so to unduly influence a procurement. A corrupt procurement officer may allow a late bid so that a favoured supplier can adjust their bid after improperly receiving confidential tender information provided by competing suppliers.

Suppliers were more likely than procurement officers to report that public sector procurement was vulnerable to integrity risks which may suggest corruption. It may be that procurement officers need to be more aware of corruption risks. However, it is also possible that suppliers who sit outside public authorities may misconstrue the prevalence of corruption risks.⁹



Suppliers were more likely than procurement officers to have suspected or personally observed behaviour that may suggest integrity risks.

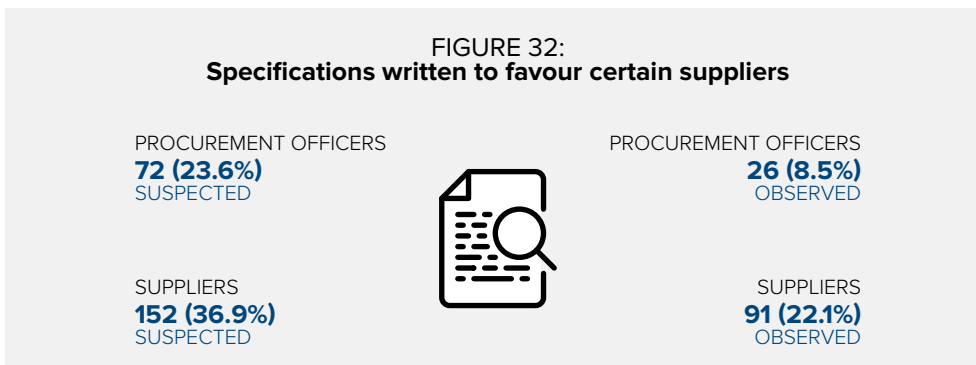


FIGURE 33:
Certain suppliers are improperly favoured when evaluating bids

PROCUREMENT OFFICERS
85 (27.9%)
 SUSPECTED



PROCUREMENT OFFICERS
36 (11.8%)
 OBSERVED

SUPPLIERS
152 (36.7%)
 SUSPECTED

SUPPLIERS
79 (19.1%)
 OBSERVED

FIGURE 34:
Bids are accepted that do not offer value for money

PROCUREMENT OFFICERS
63 (20.6%)
 SUSPECTED



PROCUREMENT OFFICERS
29 (9.5%)
 OBSERVED

SUPPLIERS
137 (33.3%)
 SUSPECTED

SUPPLIERS
82 (19.9%)
 OBSERVED

FIGURE 35:
Tender period is too short

PROCUREMENT OFFICERS
48 (15.7%)
 SUSPECTED



PROCUREMENT OFFICERS
33 (10.8%)
 OBSERVED

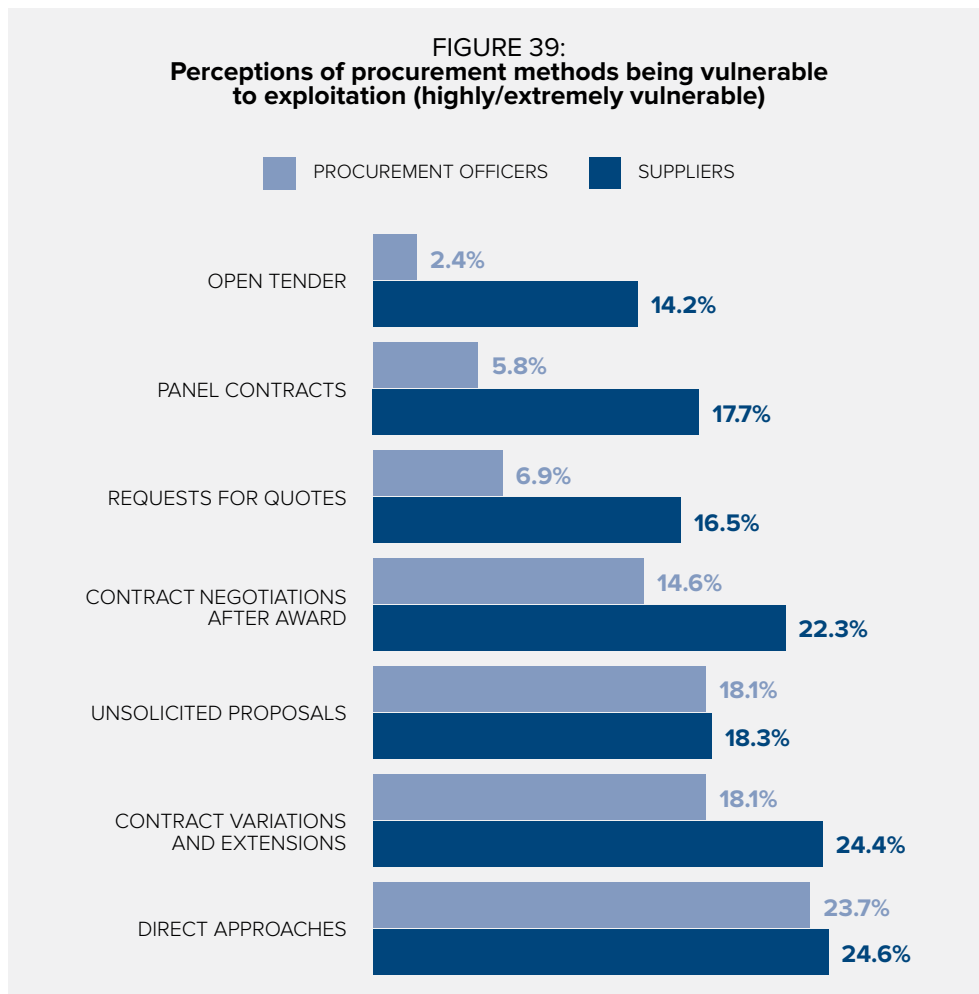
SUPPLIERS
82 (19.9%)
 SUSPECTED

SUPPLIERS
138 (33.5%)
 OBSERVED

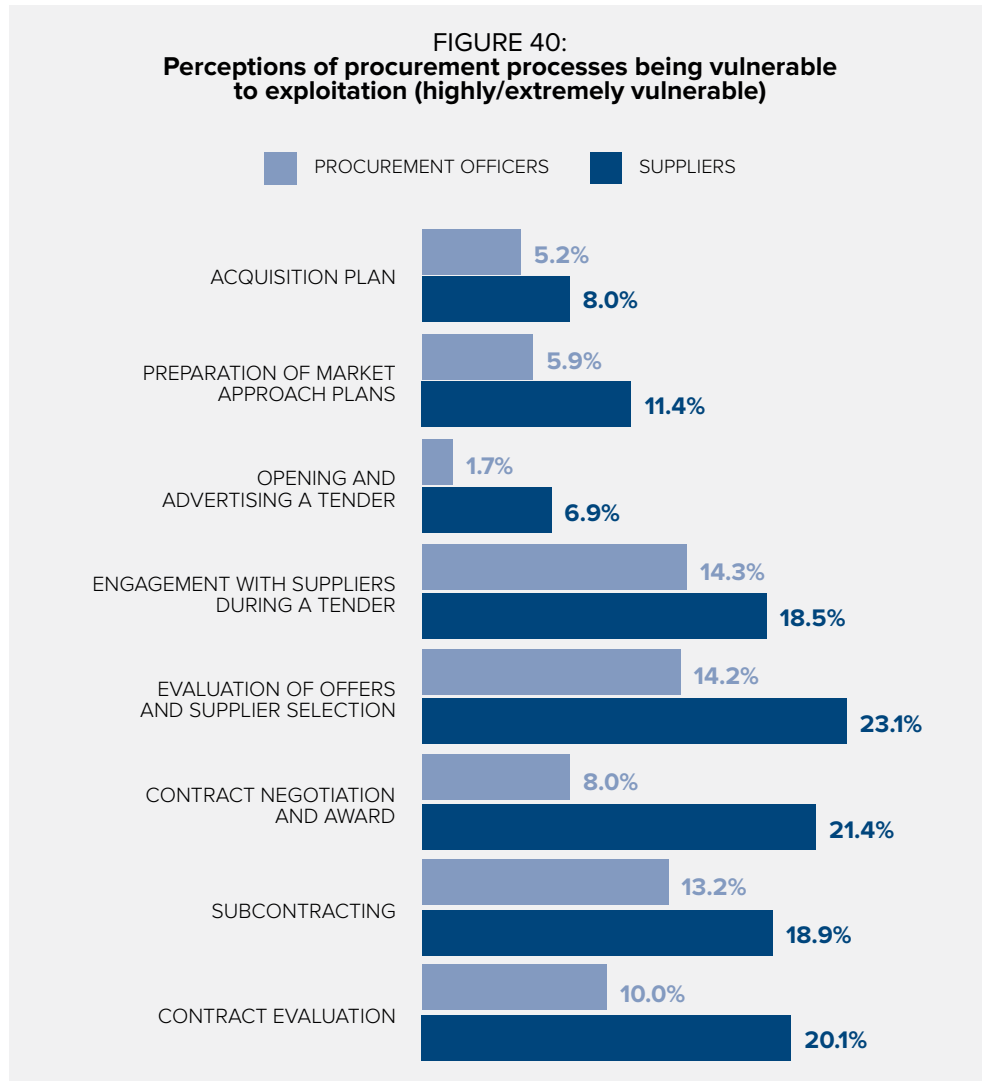


PROCUREMENT METHODS

Suppliers were more likely than procurement officers to see that all procurement methods were vulnerable to exploitation. Unsurprisingly, open tenders were perceived to be the less vulnerable to exploitation compared to methods that limit the suppliers able to tender.



Procurement officers considered procurement to be most vulnerable to corruption once a tender is opened to the market. However, suppliers considered all stages of procurement to be vulnerable to potential corruption.

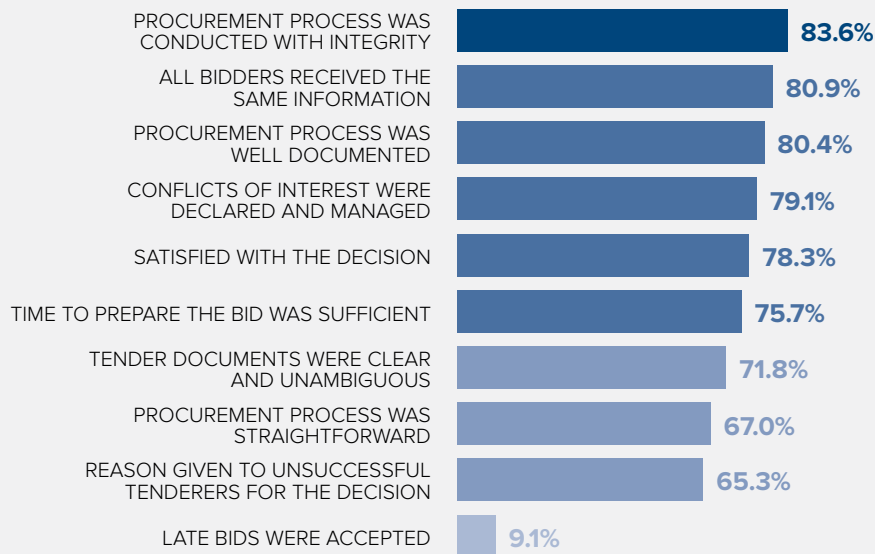


MOST RECENT PROCUREMENT

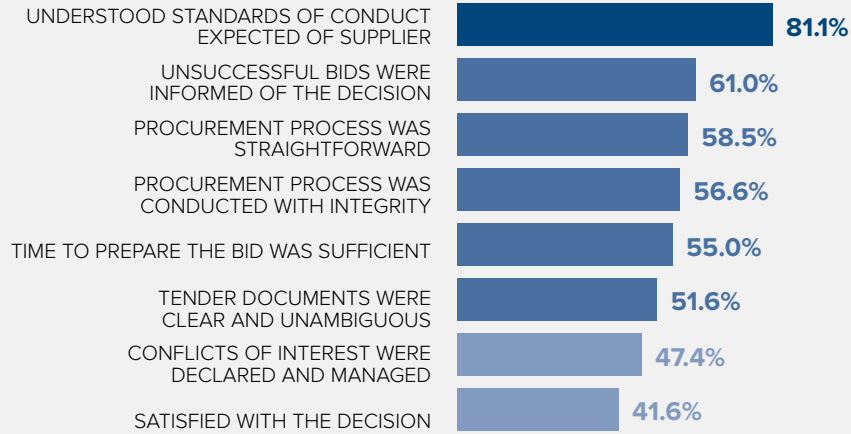
Survey participants were invited to provide their views on their most recent procurement, including their perceptions of how the procurement was handled. Robust processes assist in protecting procurement against those who wish to manipulate the award of contracts for their own or someone else's benefit.

Procurement officers were more positive about the way procurements were handled compared to suppliers. This includes procurement officers being more likely than suppliers to believe the procurement process was conducted with integrity. Suppliers who were unsuccessful in their bid were significantly less satisfied with how their procurement was handled.¹⁰

FIGURE 41:
Procurement officers' perceptions of most recent procurement (somewhat/strongly agree)



**FIGURE 42:
Suppliers' perceptions of most recent procurement
(somewhat/strongly agree)**



Survey participants were asked if meetings were held between members of the procurement team and potential tenderers. Meetings between these parties ensure suppliers understand the brief, and should ensure all potential suppliers receive the same information. However, a private meeting between a procurement officer and a supplier may suggest the procurement is being manipulated to favour a certain supplier.

Most participants responded that they had not met with the other party. However, several suppliers described suspicions that a preferred supplier was advantaged by being able to meet privately with members of the procurement team. Similar issues were not raised by procurement officers.

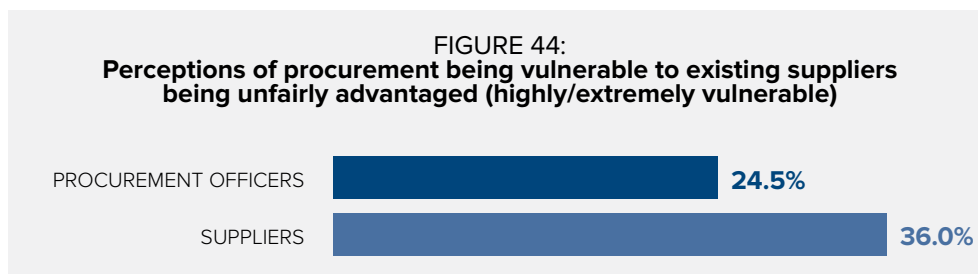
**FIGURE 43:
Supplier and a member of the procurement team met
before the close of tender submissions**



INCUMBENT SUPPLIERS

Public sector agencies may reengage an existing supplier to provide goods and services. The reengagement could be a continuation of an existing contract or for new goods and services. There is a risk that incumbency may provide, or be perceived to provide, an advantage that undermines the integrity of the procurement process. An incumbent supplier should only be reengaged if they will provide the best value for money.

A quarter of procurement officers and over a third of suppliers believed that public sector procurement is vulnerable to existing suppliers receiving favourable treatment.



Some participants claimed that they suspected or had observed an incumbent supplier receiving an unfair advantage.



Approximately half of the suppliers who answered questions about their most recent public sector procurement had been reengaged. Most of these suppliers stated that they worked with a different procurement manager and continued to offer the same goods and services for which they were initially contracted. Approximately half of the reengagements involved the incumbent winning an open tender.

FIGURE 46:
Suppliers' most recent tender involved in reengagement of an incumbent supplier

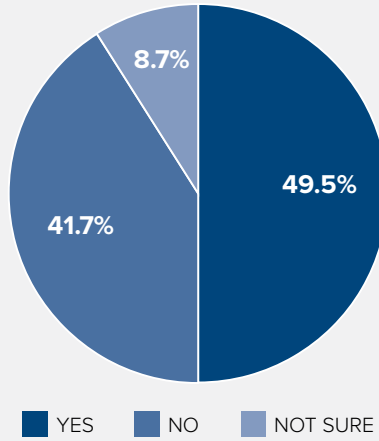
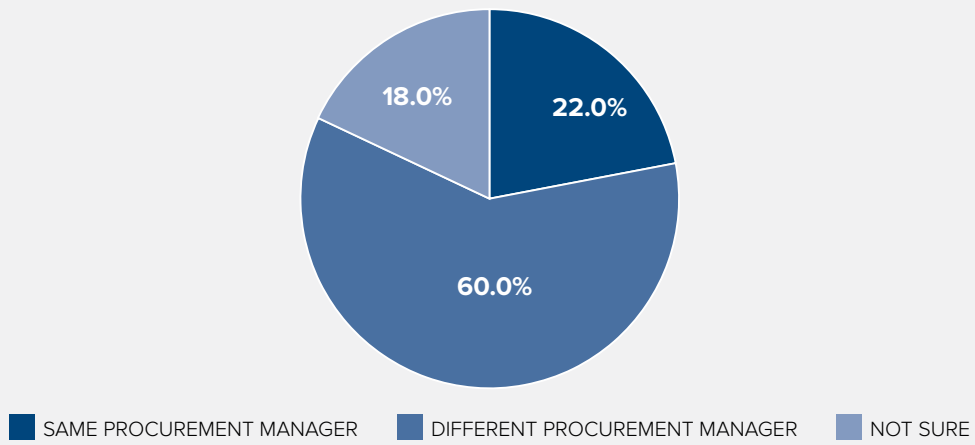
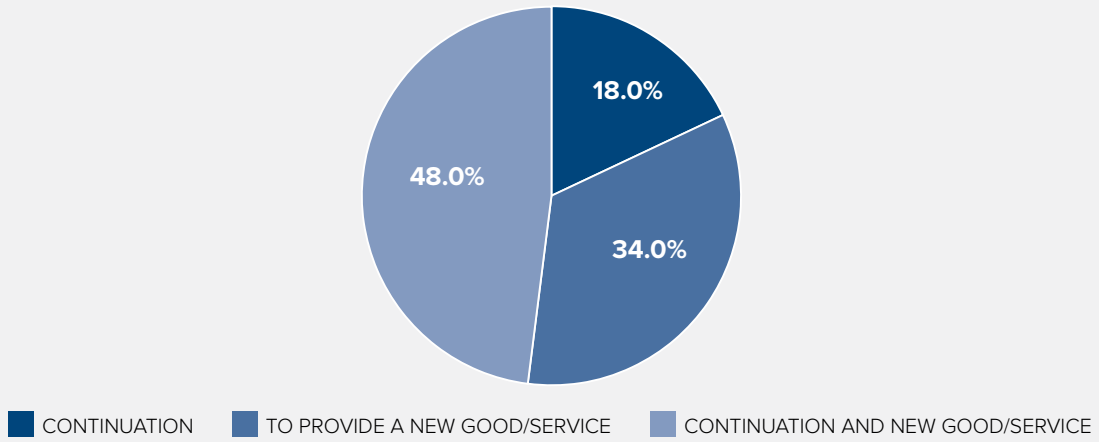


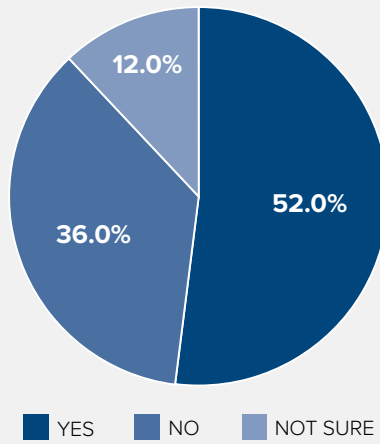
FIGURE 47:
Who did suppliers work with on the reengagement



**FIGURE 48:
Type of reengagement**



**FIGURE 49:
Reengagement involved a new open market procurement**



IMPROPER CONDUCT AFTER THE CONTRACT HAS BEEN EXECUTED

Suppliers were asked if they had suspected or personally observed a public sector employee engaging in improper conduct once the contract was executed. A few suppliers believed they had witnessed behaviour that may constitute corruption, or if left unaddressed, may lead to corruption.

FIGURE 50:
Pressured supplier to engage in improper conduct to maintain a contract or access future contract opportunities

17 (4.7%)
SUSPECTED



6 (1.7%)
OBSERVED

FIGURE 51:
Sought to improperly vary the contract's terms and conditions

26 (7.2%)
SUSPECTED



13 (3.6%)
OBSERVED

FIGURE 52:
Requested the appointment of certain subcontractors

36 (9.9%)
SUSPECTED



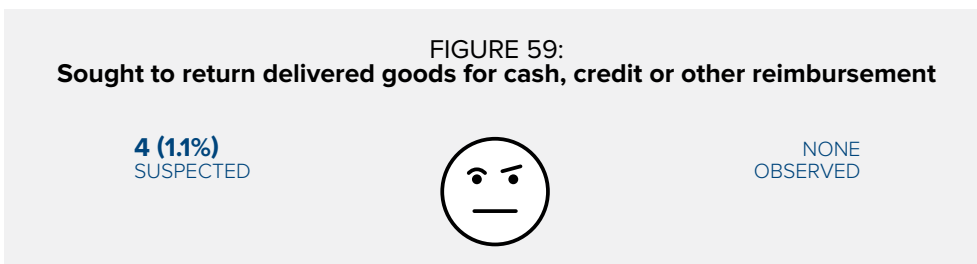
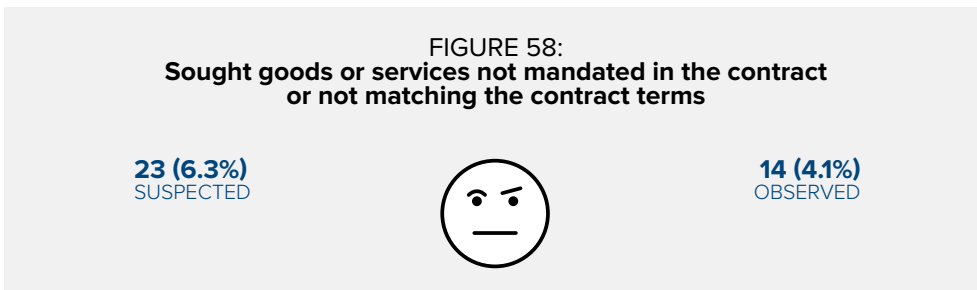
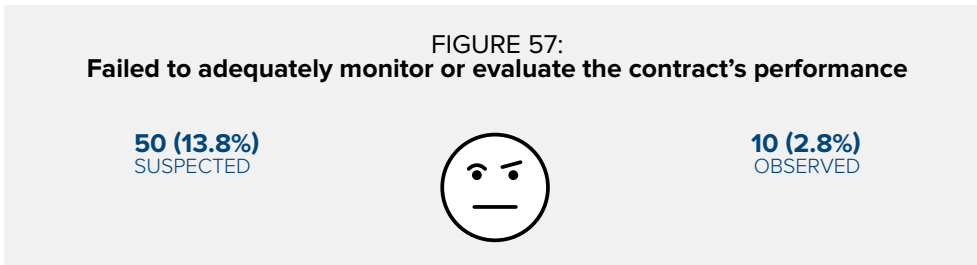
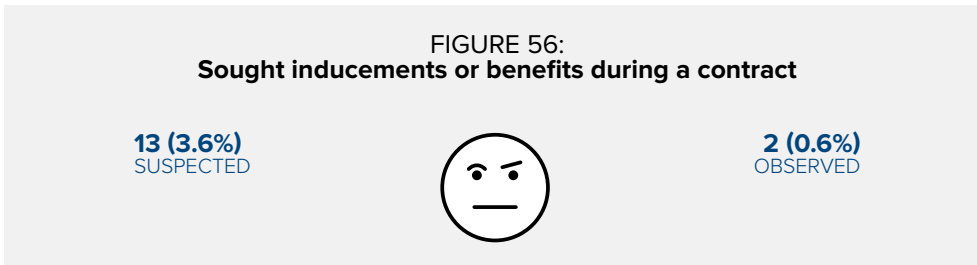
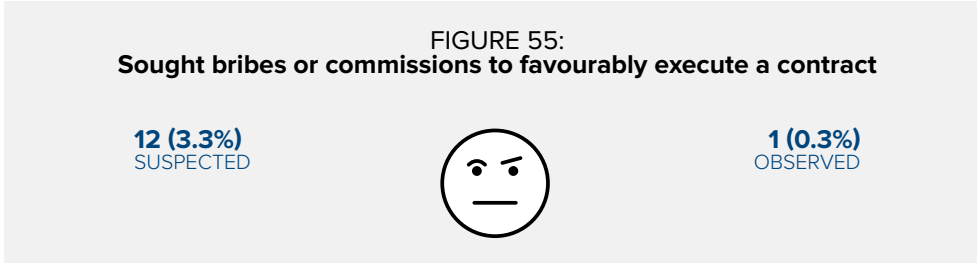
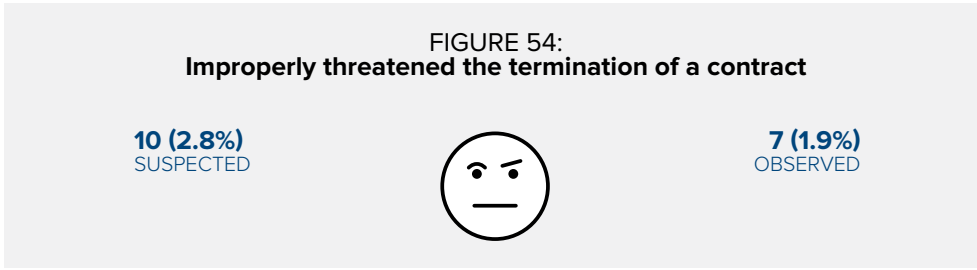
11 (3.0%)
OBSERVED

FIGURE 53:
Asked supplier to falsify documentation

8 (2.2%)
SUSPECTED



5 (1.4%)
OBSERVED



PERCEPTIONS OF REPORTING CORRUPTION

Corruption can be difficult to detect. Unless those who suspect corruption or other impropriety are willing to report, corruption may continue unabated. It is essential that those involved in procurement are aware of their reporting obligations, and are willing and feel safe to report.

Procurement officers were more likely than suppliers to claim that they would report suspected corruption or other impropriety. Of those suppliers who suspected or personally observed improper conduct in procurement, less than a quarter (23.0%) claimed to have made a report.

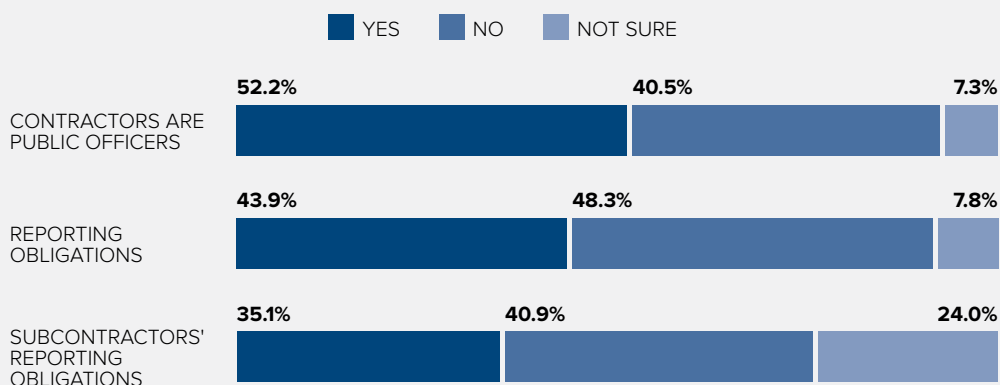
FIGURE 60:
Likelihood to report suspected corruption or other impropriety (likely/very likely)



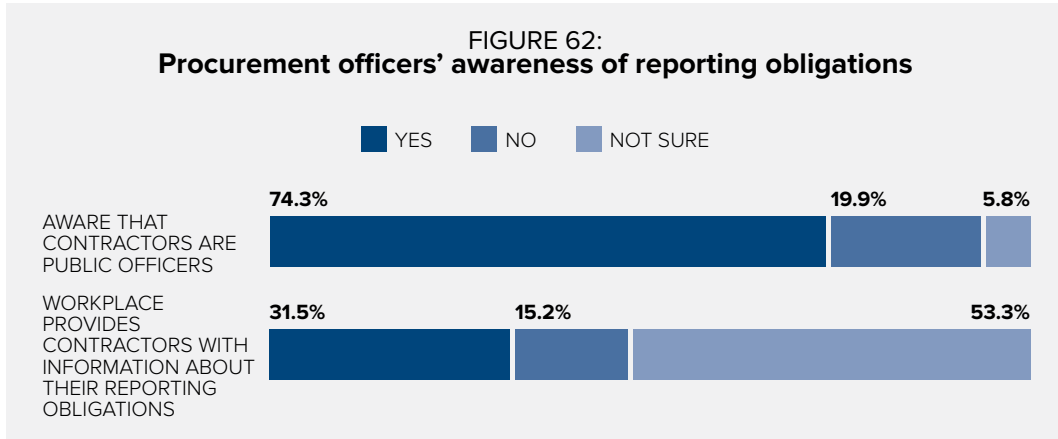
Suppliers may not be aware of their reporting obligations. Under the *Independent Commission Against Corruption Act 2012*, suppliers are classified as public officers while performing contract duties for a public authority. Public officers are obliged to report suspicions of corruption to the Office for Public Integrity.

However, many suppliers were not aware of their status as public officers or their reporting obligations. Subcontractors who are contracted by suppliers to undertake work for public authorities are also public officers. Of those suppliers who engage subcontractors, approximately a third were unaware of subcontractors' reporting obligations.

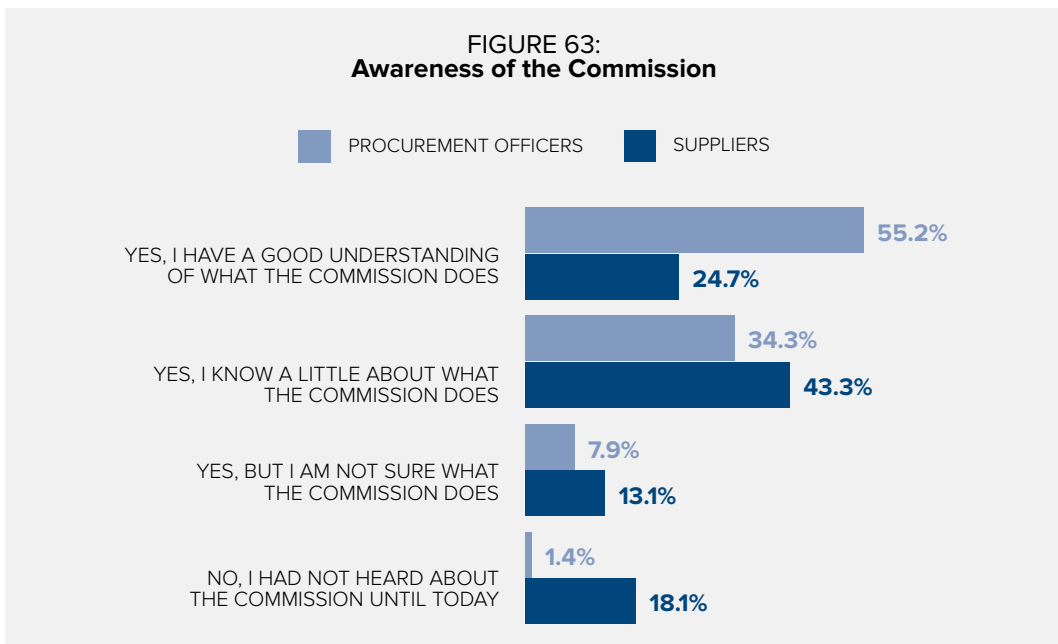
FIGURE 61:
Suppliers' awareness of reporting obligations



Most procurement officers were aware that contractors who undertake work for public authorities are public officers. While procurement officers are unlikely to be responsible for contractor inductions, some were aware that contractors had not been informed of their reporting obligations.



Procurement officers were more likely to have an understanding of the Commission's work. If suppliers are unaware of the Commission, they are likely to be unaware of their reporting obligations.



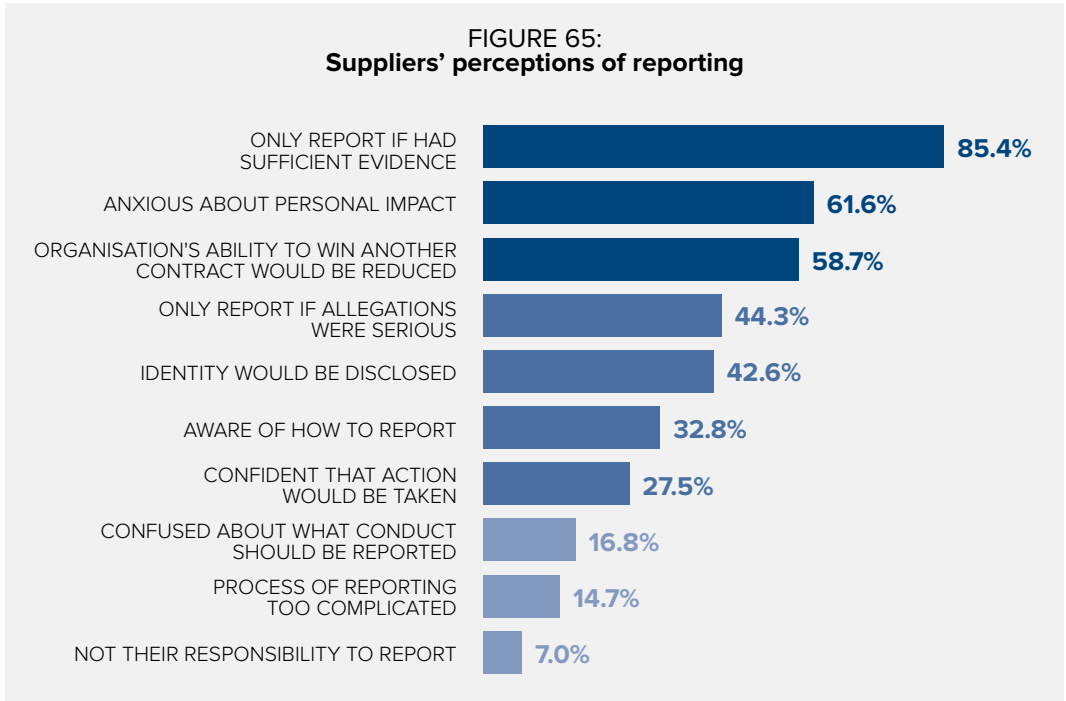
Being aware of reporting obligations is not always sufficient to motivate a public officer to make a report of suspected corruption or other impropriety. Public officers need to feel safe and empowered to report.

Most procurement officers claimed they were aware of how to make a report. However, many believed a report would not be actioned and if they reported, they would not be treated fairly. Only a third of suppliers were aware of how to make a report. Suppliers were worried that if they made a report they would personally suffer from negative repercussions, and their organisation's ability to receive another contract would be harmed.

FIGURE 64:
Procurement officers' perceptions of reporting

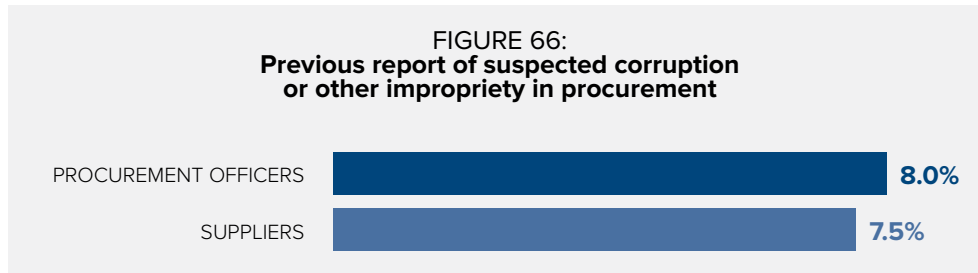


Both procurement officers and suppliers believed they need sufficient evidence to make a report. A high proportion of suppliers would only make a report if allegations were serious. Public officers need to report reasonable suspicions of corruption. If they wait until they have strong evidence, then corruption may go undetected.



PREVIOUS REPORTS

A few procurement officers and suppliers stated that they have made a previous report of suspected corruption or other impropriety in procurement.



Most procurement officers who stated they had made a previous report, had done so to a senior leader in their workplace followed by the Office for Public Integrity/ Independent Commission Against Corruption. Suppliers stated that they largely reported to the Office for Public Integrity/ Independent Commission Against Corruption and to the public authority offering the tender.

**TABLE 3:
Reports made by procurement officers**

PROCUREMENT OFFICERS	%	NUMBER
Senior leader in the workplace	54.5%	12
Office of Public Integrity/Independent Commission Against Corruption	40.9%	9
Human Resources	13.6%	3
Procurement Services SA	4.5%	1
Workplace colleague	4.5%	1
Other	13.6%	3

**TABLE 4:
Reports made by suppliers**

SUPPLIERS	%	NUMBER
Office of Public Integrity/Independent Commission Against Corruption	32.0%	8
Nominated agency contact	28.0%	7
Someone else in agency	24.0%	6
Procurement officer managing the contract	20.0%	5
Office of the Industry Advocate	12.0%	3
Procurement Services SA	8.0%	2
Someone else inside my organisation	4.0%	1
SAPOL	4.0%	1
Other	16.0%	4

CONCLUSION

A common theme throughout the survey results is that procurement officers have more positive views about the integrity of public sector procurement compared to suppliers. Suppliers' views may be shaped by being outside the selection process for procurements, or views are skewed by whether they won or lost their bid or quote.

However, procurement officers may underestimate corruption risks in procurement. Too many procurement officers rated their knowledge of corruption risks as average or below average. Some procurement officers were unaware that under the Framework, public officers involved in procurements cannot accept gifts, benefits or hospitality, and public officers must enter into confidentiality agreements before evaluating a tender. Procurement officers need to be aware of corruption risks that may arise in every type of procurement and across the entire procurement life cycle.

Only a small proportion of respondents stated that they had observed suspicious conduct. However, as procurement activities often involve considerable sums of money and the provision of essential goods and services, it only takes one corrupt public officer to do considerable harm to the public interest.

Not all suspicions of potential corruption are being reported. Suppliers who are contracted to public authorities are not sufficiently aware of their status as public officers and do not always understand their reporting obligations. The Commission urges any person with any suspicions of corruption, even if suspicions are not deemed serious or are supported by strong evidence, to make a report.

APPENDICES

Appendix One: Suppliers survey

QUESTION TOPIC	RESPONSE SCALE
GENERAL DEMOGRAPHIC INFORMATION	
Has your organisation ever tendered or quoted, or considered submitting a tender or quote, for a contract with the South Australian public sector (excluding local government)?	Yes No Not sure
In the past 12 months, has your organisation tendered or quoted for work for the South Australian public sector (excluding local government)?	Yes No Not sure
How many staff does your organisation currently employ?	<5 5 – 9 10 – 19 20 – 49 50 – 99 100 – 500 >500 Not sure Prefer not to say
Where is your organisation primary located?	Metropolitan Adelaide Rural/regional South Australia Outside of South Australia Not sure Prefer not to say
Is your organisation on a public sector contract panel or multi-agency list?	No Across government panel Multi-agency (pre-qualified) list Agency-based list Across Government Facilities Management Arrangements (AGFMA) list Not sure Prefer not to say
For which types of goods and/or services has your organisation tendered or quoted in the past 12 months?	None Advisory and consultancy service Communications and marketing Construction (including minor construction works) Energy and fuels Environmental Facilities and building management Financial services Fleet and vehicles Healthcare and community services Human resources and staffing ICT software and technology Industrial and engineering Office equipment and accessories and supplies Public administration and safety Research and scientific Travel and accommodation Other (please specify) Not sure Prefer not to say

What is the value of the largest tender or quote that you have bid for in the past 12 months?	Less than or equal to \$55,000 Greater than \$55,000, but less than or equal to \$550,000 Greater than \$550,000 Not sure Prefer not to say
VULNERABILITY TO CORRUPTION	
Do you believe that corruption is a problem in South Australian public sector procurement?	Major problem Moderate problem Minor problem Not a problem Not sure
How would you rate your knowledge of corruption risks in procurement?	Excellent Good Average Poor Very poor Not sure
CONFLICTS OF INTEREST	
How vulnerable do you think public sector procurement is to being unduly influenced by a person with an undeclared or unmanaged conflict of interest?	Not at all vulnerable Somewhat vulnerable Moderately vulnerable Highly vulnerable Extremely vulnerable Not sure
Reflecting on the last 12 months, have you suspected or personally observed a procurement being unduly influenced by a person with a conflict of interest?	Personally observed Suspected Neither suspected nor observed Not sure
Please comment of your personal experiences or suspicions of a procurement being improperly influenced by a person with a conflict of interest.	Open ended text
GIFTS, HOSPITALITY AND OTHER BENEFITS	
Does your organisation have a policy regarding the offering of gifts, hospitality or other benefits?	Yes No Not sure
What do you think might motivate a supplier to offer a gift, hospitality or other benefit to a public sector employee?	To build a relationship To influence a procurement decision As an expression of goodwill They do not understand the sense of obligation it may create To expedite bureaucratic processes To secure an advantage in a competitive market Because other suppliers do so Other (please specify) Not sure
What types of gifts, hospitality or other benefits might be offered to or requested by a public sector employee?	Open ended text
Have you offered a public sector employee a gift, hospitality or other benefit worth more than \$50?	Yes, and it was accepted Yes, but it was refused No Not sure Prefer not to say

<p>How vulnerable to you think public sector procurement is to the following behaviours?</p> <p>A public sector employee seeking a gift, hospitality or benefit (whether or not it is provided)</p> <p>A supplier offering a gift, hospitality or other benefit worth more than \$50 to a public sector employee with procurement responsibilities</p> <p>A public sector employee accepting a gift, hospitality or benefit worth over \$50</p> <p>A public sector employee seeking a gift, cash or other benefit (whether or not it is provided)</p> <p>A supplier offering a gift, hospitality or other benefit worth more than \$50 to a public sector employee with procurement responsibilities</p> <p>A public sector employee accepting a gift, hospitality or other benefit worth over \$50</p>	<p>Not at all vulnerable</p> <p>Somewhat vulnerable</p> <p>Moderately vulnerable</p> <p>Highly vulnerable</p> <p>Extremely vulnerable</p> <p>Not sure</p>
<p>Reflecting on the last 12 months, have you suspected or personally observed any of the following behaviours?</p> <p>A public sector employee seeking a gift, hospitality or other benefit (whether or not it is provided)</p> <p>A supplier offering a gift, hospitality or other benefit worth more than \$50 to a public sector employee with procurement responsibilities</p> <p>A public sector employee accepting a gift, hospitality or other benefit worth over \$50</p>	<p>Personally observed</p> <p>Suspected</p> <p>Neither suspected nor observed</p> <p>Not sure</p>
<p>Do you have any further comments on your personal experiences or suspicions of a public officer employee asking a supplier for gifts, hospitality or other benefits?</p>	<p>Open ended text</p>
<p>Do you have any further comments on your personal experiences or suspicions or suppliers offering gifts, hospitality or other benefits?</p>	<p>Open ended text</p>
MISUSE OF INFORMATION	
<p>How vulnerable do you think public sector procurement is to the following behaviours?</p> <p>Public sector agencies giving unequal information to suppliers interested in a tender</p> <p>Confidential tender information being disclosed to competitors prior to close of tender</p>	<p>Not at all vulnerable</p> <p>Somewhat vulnerable</p> <p>Moderately vulnerable</p> <p>Highly vulnerable</p> <p>Extremely vulnerable</p> <p>Not sure</p>
<p>Reflecting on the last 12 months, have you suspected or personally observed any of the following behaviours?</p> <p>Public sector agencies giving unequal information to organisations interested in a tender</p> <p>Confidential tender information being disclosed to competitors prior to close of tender</p>	<p>Personally observed</p> <p>Suspected</p> <p>Neither suspected nor personally observed</p> <p>Not sure</p>
<p>Do you have any further comments on your personal experiences or suspicions of the misuse of information in public sector procurement?</p>	<p>Open ended text</p>

OTHER INTEGRITY RISKS	
<p>How vulnerable do you think public sector procurement is to the follow behaviours:</p> <ul style="list-style-type: none"> Specifications are written to favour certain suppliers The tender period is too short Public sector employees improperly favour certain suppliers when evaluating bids Existing suppliers are unfairly advantaged Bids are accepted that do not offer value for money Tenders are split to circumvent procurement or PARS reporting thresholds Contract extensions or variations are used to avoid entering into a new procurement 	<p>Not at all vulnerable Somewhat vulnerable Moderately vulnerable Highly vulnerable Extremely vulnerable Not sure</p>
<p>Have you ever personally observed or suspected any of the following:</p> <ul style="list-style-type: none"> Specifications are written to favour certain suppliers The tender period is too short Public sector employees improperly favour certain suppliers when evaluating bids Existing suppliers are unfairly advantaged Bids are accepted that do not offer value for money Tenders are split to circumvent procurement or PARS reporting thresholds Contract extensions or variations are used to avoid entering into a new procurement 	<p>Personally observed Suspected Neither suspected nor personally observed Not sure</p>
<p>Do you have any further comments on your personal experiences or suspicions of the behaviours outlined above?</p>	<p>Open ended text</p>
VULNERABILITIES IN THE PROCUREMENT PROCESS	
<p>In your opinion, how vulnerable to exploitation are the following public sector procurement methods:</p> <ul style="list-style-type: none"> Open tender for a contract (distinct from tendering to be on a contract panel) Requests for quotes Panel contracts (including establishment of a panel and using panel contracts through a secondary procurement process) Direct approaches Contract variations and extensions Unsolicited proposals Contract negotiations once a tender has been awarded 	<p>Not at all vulnerable Somewhat vulnerable Moderately vulnerable Highly vulnerable Extremely vulnerable Not sure</p>
<p>In your opinion, how vulnerable to exploitation are the following public sector procurement processes:</p> <ul style="list-style-type: none"> Acquisition plan Preparation of market approach documents Opening and advertising a tender Engagement with suppliers during tender open period Evaluation of offers and supplier selection Contract negotiation and award Subcontracting Contract evaluation 	<p>Not at all vulnerable Somewhat vulnerable Moderately vulnerable Highly vulnerable Extremely vulnerable Not sure</p>
<p>Do you have any comments about procurement methods or processes that you believe to be vulnerability to corruption or other impropriety</p>	<p>Open ended text</p>

MOST RECENT BID OR QUOTE	
What types of goods and/or services were involved in your most recent tender or quote?	None Advisory and consultancy service Communications and marketing Construction (including minor construction works) Energy and fuels Environmental Facilities and building management Financial services Fleet and vehicles Healthcare and community services Human resources and staffing ICT software and technology Industrial and engineering Office equipment and accessories and supplies Public administration and safety Research and scientific Travel and accommodation Other (please specify) Not sure Prefer not to say
How strongly do you agree or disagree with the following statements: The tender documents were clear and unambiguous The amount of time to prepare the bid was sufficient I believe that conflicts of interest were appropriately declared and managed The procurement process was straightforward I believe the procurement process was conducted with integrity I was satisfied with the final decision I understood the standards of conduct or business ethics expected of suppliers	Strongly agree Somewhat agree Neither agree nor disagree Somewhat disagree Strongly disagree Not sure
Did you meet with a member of the procurement team before submissions closed	Yes No Not sure
Please describe who you met with, and where and why you met	Open ended text
Did you personally observe or suspect a public sector employee engaging in the following behaviour in relation to our most recent bid or quote: Putting a supplier under pressure to engage in improper conduct to either maintain a contract, or access future contract opportunities Seeking to improperly vary the terms and conditions of the contract Requesting the appointment of certain contractors Asking a supplier to falsify documentation (eg incorrect or false invoicing, incorrectly report progress) Improperly threatening the termination of a contract Seeking bribes or commissions to favourably execute a contract Seeking inducements or benefits (including employment) at any time in a contract's duration Failing to adequately monitor or evaluate the performance of a contract Seeking goods or services not mandated in the contract or not matching the contract terms Seeking to return delivered goods for cash, credit or other reimbursement	Personally observed Suspected Neither suspected nor personally observed Not sure

Do you have any further comments on your personal experiences or suspicions of the behaviours identified above?	Open ended text
What was the outcome of the bid or quote?	Successful Unsuccessful Outcome pending Not sure
Were you informed of the reasons for the decision?	Yes No Not sure
Why do you believe you were successful	Open ended text
Why do you believe you were unsuccessful?	Open ended text
Were you reengaged by an agency for which you have an existing contract?	Yes No Not sure
Did you work with:	The same procurement manager/s Different procurement manager/s Not sure
Was this reengagement:	A continuation of an existing contract The provision of a new good or service Both continuation and new good or service Not sure
Did you need to undertake a new open market procurement?	Yes No Not sure
Why do you think your organisation was reengaged?	Open ended text
DECIDING NOT TO BID OR QUOTE	
Have you ever decided not to bid or quote for work due to concerns about corruption or impropriety in public sector procurement	Yes No Not sure
Has this happened more than once	Yes No Not sure
Please explain your concerns	Open ended text
REPORTING CORRUPTION	
How likely would you be to report corruption or other impropriety in public administration if you became aware of it?	Very likely Likely Neither likely nor unlikely Unlikely Very unlikely Not sure
How strongly do you agree or disagree with the following statements regarding the reporting of suspected corruption and other impropriety? I am confused about what conduct should be reported I believe that reporting would reduce my organisation's ability to receive another contract If I reported, I would be confident that appropriate action would be taken If I reported, my identify would be disclosed If I reported, I would be anxious about the personal impact I am aware of how to make a report I would only report if the allegations were serious I would only report if I had sufficient evidence The process of making a report is too complicated	Strongly agree Somewhat agree Neither agree nor disagree Somewhat disagree Strongly disagree Not sure

Have you ever made a report of suspected corruption or other impropriety in procurement?	Yes No Prefer not to say
Who did you make the report to?	Someone inside my organisation The procurement officer managing the relevant contract The nominated contract from the agency managing the relevant contract Procurement Services SA The Office of the Industry Advocate The Office for Public Integrity/Independent Commission Against Corruption SA Police Other (please specify)
What was the nature of the allegation?	Open ended text
How strongly do you agree or disagree with the following statements about how your report was handled? I was informed of the process My anonymity was maintained I was treated respectfully I am satisfied with the outcome of my report Action was taken as a result of my report I am satisfied with how my report was handled	Strongly agree Somewhat agree Neither agree nor disagree Somewhat disagree Strongly disagree Not sure
Do you have any further comments on how your report was handled?	Open ended text
AWARENESS OF THE COMMISSION	
Have you heard of South Australia's Independent Commission Against Corruption before receiving this survey?	Yes, I have a good understanding of what the Commission does Yes, I know a little about what the Commission does Yes, but I am not sure what the Commission does No, I had not heard of the Commission until today Not sure
Are you aware that contractors are public officers while performing contract work for a public authority?	Yes No Not sure
As public officers, contractors to public authorities are obliged to report any suspicions of corruption to the Office for Public Integrity. Were you aware of this obligation?	Yes No Not sure
Persons performing subcontract work for a public authority are also public officers. Does your organisation provide subcontractors with information about their obligations as public officer?	Yes No My organisation does not subcontract work Not sure
Do you have any other comments you would like to make regarding corruption or other impropriety in procurement?	Open ended text

Appendix Two: Procurement officers survey

QUESTION TOPIC	RESPONSE SCALE
GENERAL DEMOGRAPHIC INFORMATION	
How often are you involved in your workplace's procurement process?	Never Occasionally Frequently
Do you have a management or leadership role in relation to procurement in your workplace?	Yes No Prefer not to say
How many years of procurement experiences do you have?	< 1 year 1 to 5 years 6 to 10 years 11 to 20 years >20 years
How long have you worked in the public sector	< 1 year 1 to 5 years 6 to 10 years 11 to 20 years >20 years
What is the most common type of procurement that you are involved in?	Open tender process Requests for quotes Panel contracts Direct approach Unsolicited bids Other (please specify) Not sure Prefer not to say
What is the typical value of the procurements that you are involved in?	Less than or equal to \$55,000 Greater than \$55,000, but less than or equal to \$550,000 Greater than \$550,000 Not sure Prefer not to say
For which types of goods and/or services have you been involved with in the past 12 months?	None Advisory and consultancy service Communications and marketing Construction (including minor construction works) Energy and fuels Environmental Facilities and building management Financial services Fleet and vehicles Healthcare and community services Human resources and staffing ICT software and technology Industrial and engineering Office equipment and accessories and supplies Public administration and safety Research and scientific Travel and accommodation Other (please specify) Not sure Prefer not to say

VULNERABILITY TO CORRUPTION	
Do you believe that corruption is a problem in South Australian public sector procurement?	Major problem Moderate problem Minor problem Not a problem Not sure
How would you rate your knowledge of corruption risks in procurement?	Excellent Good Average Poor Very poor Not sure
Have you received training relating to corruption risks in procurement	Yes No Not sure
CONFLICTS OF INTEREST	
Does your workplace have policies and procedures in relation to conflicts of interest?	Yes No Not sure
Has your workplace provided you with training in relation to conflicts of interest?	Yes No Not sure
When involved in a procurement process, are you required to declare any conflicts of interest?	Yes No Not sure
How vulnerable do you think public sector procurement is to being unduly influenced by a person with an undeclared or unmanaged conflict of interest?	Not at all vulnerable Somewhat vulnerable Moderately vulnerable Highly vulnerable Extremely vulnerable Not sure
Reflecting on the last 12 months, have you suspected or personally observed a procurement being unduly influenced by a person with a conflict of interest?	Personally observed Suspected Neither suspected nor observed Not sure
Please comment on your personal experiences or suspicions of a procurement being improperly influenced by a person with a conflict of interest.	Open ended text
GIFTS, HOSPITALITY AND OTHER BENEFITS	
Does your organisation have a policy regarding the offering of gifts, hospitality or other benefits?	Yes No Not sure
Has your workplace provided you with training in relation to gifts, hospitality and other benefits	Yes No Not sure
Are you allowed to accept gifts, hospitality or other benefits from an existing or potential supplier?	Yes No Not sure
What do you think might motivate a supplier to offer a gift, hospitality or other benefit to a public sector employee?	To build a relationship To influence a procurement decision As an expression of goodwill They do not understand the sense of obligation it may create To expedite bureaucratic processes To secure an advantage in a competitive market Because other suppliers do so Other (please specify) Not sure
What types of gifts, hospitality or other benefits might be offered to or requested by a public sector employee?	Open ended text

Have you ever been offered a gift, hospitality or other benefit by a supplier worth more than \$50?	Yes, and I accepted it Yes, but it was refused No Not sure Prefer not to say
How vulnerable to you think public sector procurement is to the following behaviours? A public sector employee seeking a gift, hospitality or benefit (whether or not it is provided) A supplier offering a gift, hospitality or other benefit worth more than \$50 to a public sector employee with procurement responsibilities A public sector employee accepting a gift, hospitality or benefit worth over \$50 A public sector employee seeking a gift, cash or other benefit (whether or not it is provided) A supplier offering a gift, hospitality or other benefit worth more than \$50 to a public sector employee with procurement responsibilities A public sector employee accepting a gift, hospitality or other benefit worth over \$50	Not at all vulnerable Somewhat vulnerable Moderately vulnerable Highly vulnerable Extremely vulnerable Not sure
Reflecting on the last 12 months, have you suspected or personally observed any of the following behaviours? A public sector employee seeking a gift, hospitality or other benefit (whether or not it is provided) A supplier offering a gift, hospitality or other benefit worth more than \$50 to a public sector employee with procurement responsibilities A public sector employee accepting a gift, hospitality or other benefit worth over \$50	Personally observed Suspected Neither suspected nor observed Not sure
Do you have any further comments on your personal experiences or suspicions of a public sector employee asking a supplier or potential supplier for gifts, hospitality or other benefits?	Open ended text
Do you have any further comments on your personal experiences or suspicions of suppliers offering gifts, hospitality or other benefits?	Open ended text
MISUSE OF INFORMATION	
Does your workplace have policies and procedures in relation to handling confidential tender information?	Yes No Not sure
Has your workplace provided you with training in relation to handling of confidential tender information	Yes No Not sure
Are public sector employees in your workplace required to enter into confidentiality agreements before commencing a procurement evaluation?	Yes No Not sure
How vulnerable do you think public sector procurement is to the following behaviours? Public sector agencies giving unequal information to suppliers interested in a tender Confidential tender information being disclosed to competitors prior to close of tender	Not at all vulnerable Somewhat vulnerable Moderately vulnerable Highly vulnerable Extremely vulnerable Not sure
Reflecting on the last 12 months, have you suspected or personally observed any of the following behaviours? Public sector agencies giving unequal information to organisations interested in a tender Confidential tender information being disclosed to competitors prior to close of tender	Personally observed Suspected Neither suspected nor personally observed Not sure
Do you have any further comments on your personal experiences or suspicions of the misuse of information in public sector procurement?	Open ended text

OTHER INTEGRITY RISKS	
<p>How vulnerable do you think public sector procurement is to the following behaviours?</p> <ul style="list-style-type: none"> Specifications are written to favour certain suppliers The tender period is too short Public sector employees improperly favour certain suppliers when evaluating bids Procurement processes do not comply with relevant policies and procedures Existing suppliers are unfairly advantaged Bids are accepted that do not offer value for money Tenders are split to circumvent procurement or PARS reporting thresholds Contract extensions or variations are used to avoid new procurement processes Late bids are accepted 	<ul style="list-style-type: none"> Not at all vulnerable Somewhat vulnerable Moderately vulnerable Highly vulnerable Extremely vulnerable Not sure
<p>Have you ever personally observed or suspected the following?</p> <ul style="list-style-type: none"> Specifications are written to favour certain suppliers The tender period is too short Public sector employees improperly favour certain suppliers when evaluating bids Procurement processes do not comply with relevant policies and procedures Existing suppliers are unfairly advantaged Bids are accepted that do not offer value for money Tenders are split to circumvent procurement or PARS reporting thresholds Contact extensions or variations are used to avoid new procurement processes Late bids are accepted 	<ul style="list-style-type: none"> Personally observed Suspected Neither suspected nor personally observed Not sure
<p>Do you have any further comments on your personal experiences or suspicions of the behaviours outlined above?</p>	<p>Open ended text</p>
VULNERABILITIES WITHIN THE PROCUREMENT PROCESS	
<p>In your opinion, how vulnerable to exploitation are the following public sector procurement methods:</p> <ul style="list-style-type: none"> Open tender for a contract (distinct from tendering to be on a contract panel) Requests for quotes Panel contracts (including establishment of a panel and using panel contracts through a secondary procurement process) Direct approaches Contract variations and extensions Unsolicited proposals Contract negotiations once a tender has been awarded 	<ul style="list-style-type: none"> Not at all vulnerable Somewhat vulnerable Moderately vulnerable Highly vulnerable Extremely vulnerable Not sure
<p>In your opinion, how vulnerable to exploitation are the following public sector procurement processes:</p> <ul style="list-style-type: none"> Acquisition plan Preparation of market approach documents Opening and advertising a tender Engagement with suppliers during tender open period Evaluation of offers and supplier selection Contract negotiation and award Subcontracting Contract evaluation 	<ul style="list-style-type: none"> Not at all vulnerable Somewhat vulnerable Moderately vulnerable Highly vulnerable Extremely vulnerable Not sure

Do you have any comments about procurement methods or processes that you believe to be especially vulnerable to corruption or other impropriety?	Open ended text
EXISTING SUPPLIERS	
Are you aware of a supplier with an existing contract being reengaged by a public sector agency?	Yes No Not sure
Thinking of the most recent time that an existing supplier was reengaged, was this reengagement:	A continuation of an existing contract The provision of a new good or service Both continuation and new good or service Not sure
Was a new open market procurement undertaken in relation to the reengagement?	Yes No Not sure
Why do you think the supplier was reengaged?	Open ended text
MOST RECENT PROCUREMENT	
What types of goods and/or services were involved in your most recent procurement?	None Advisory and consultancy service Communications and marketing Construction (including minor construction works) Energy and fuels Environmental Facilities and building management Financial services Fleet and vehicles Healthcare and community services Human resources and staffing ICT software and technology Industrial and engineering Office equipment and accessories and supplies Public administration and safety Research and scientific Travel and accommodation Other (please specify) Not sure Prefer not to say
How strongly do you agree or disagree with the following statements: The tender documents were clear and unambiguous The amount of time for suppliers to prepare the bid was sufficient Conflicts of interest were appropriately declared and managed All bidders received the same information The procurement process was straightforward The procurement process was conducted with integrity I was satisfied with the final decision All stages of the procurement process was well documented Unsuccessful tenderers were provided with reasons for the decision Late bids were accepted	Strongly agree Somewhat agree Neither agree nor disagree Somewhat disagree Strongly disagree Not sure
Did you meet with any of the suppliers before submissions closed?	Yes No Not sure Prefer not to say
Please describe where and why you met?	Open ended text

REPORTING CORRUPTION	
How likely would you report corruption or other impropriety if you became aware of it?	Very likely Likely Neither likely nor unlikely Unlikely Very unlikely Not sure
How strongly do you agree or disagree with the following statements regarding the reporting of suspected corruption and other impropriety? I am confused about what conduct should be reported I am aware of my workplace's policies and procedures for reporting I would only report corruption if I had sufficient evidence I would only report corruption if the allegations were serious My workplace discourages reporting If I made a report, I am confident that appropriate action would be taken If I made a report, I would be treated fairly My workplace will sometimes bend the rules to achieve its goals My workplace places its reputation over addressing problems I believe that action would be taken as a result of my report I would feel too intimidated to report If I report, my identity would be disclosed I am aware of how to make a report	Strongly agree Somewhat agree Neither agree nor disagree Somewhat disagree Strongly disagree Not sure
Have you ever made a report of suspected corruption or other impropriety in procurement?	Yes No Prefer not to say
Who did you make the report to?	A senior leader in my workplace Human Resources A colleague in my workplace Procurement Services SA The Office of the Industry Advocate/ Independent Commission Against Corruption SA Police Other (please specify)
What was the nature of these allegations	Open ended text
How strongly do you agree or disagree with the following statements about how your report was handled? I was informed of the process My anonymity was maintained I was treated respectfully I am satisfied with the outcome of my report Action was taken as a result of my report I am satisfied with how my report was handled	Strongly agree Somewhat agree Neither agree nor disagree Somewhat disagree Strongly disagree Not sure
Do you have any further comments on how your report was handled?	Open ended text

AWARENESS OF THE COMMISSION	
Have you heard of South Australia's Independent Commission Against Corruption before receiving this survey?	Yes, I have a good understanding of what the Commission does Yes, I know a little about what the Commission does Yes, but I am not sure what the Commission does No, I had not heard of the Commission until today Not sure
Are you aware that contractors are public officers while performing contract work for a public authority?	Yes No Not sure
As public officers, contractors to public authorities are obliged to report any suspicions of corruption to the Office for Public Integrity. Does your workplace provide contractors with information about their obligations as public officers?	Yes No Not sure
Do you have any other comments you would like to make regarding corruption or other impropriety in procurement?	Open ended text

Appendix Three: Statistical results and references

- 1 Independent Commission Against Corruption, New South Wales, Corruption Risks in NSW Government Procurement: Suppliers' Perceptions of Corruption (June 2011), Independent Broad-Based Anti-Corruption Commission, Perceptions of Corruption: Survey of Victorian Government Suppliers (June 2016), Independent Broad-Based Anti-Corruption Commission, Perceptions of Corruption 2022: Suppliers, December 2022, [https://www.ibac.vic.gov.au/node/860#:~:text=Most%20suppliers%20\(86%25\)%20agree,local%20government%20work%20\(90%25\).](https://www.ibac.vic.gov.au/node/860#:~:text=Most%20suppliers%20(86%25)%20agree,local%20government%20work%20(90%25).)
- 2 William L. Miller 'Perceptions, Experience and Lies: What Measures Corruption and What do Corruption Measures Measure?' in Charles Sampford, Arthur Shacklock, Carmel Connors and Fredrik Galtung (eds), *Measuring Corruption* (Routledge, 2006) 164.
- 3 Supply Nation, 13 June 2023, [Supply Nation | Australia's largest national directory of Indigenous businesses](#)
- 4 Office of the Commissioner for Public Sector Employment, Guideline of the Commissioner for Public Sector Employment: Gifts and Benefits, 20 August 2020, <https://www.publicsector.sa.gov.au/hr-and-policy-support/Determinations,-Premiers-Directions-and-Guidelines/Guidelines/guideline-gifts-and-benefits/Guideline-of-the-CPSE-Gifts-and-Benefits-July-2020.pdf>
- 5 Independent Commission Against Corruption, South Australia, Integrity Spotlight: Gifts and Benefits (June 2022), Independent Commission Against Corruption, New South Wales, Corruption Risk in NSW Government Procurement: The Management Challenge (December 2011).
- 6 Procurement Services South Australia, Gifts, Entertainment and Benefits Guideline, 20 February 2023, <https://www.procurement.sa.gov.au/guidelines2/Gifts,-Entertainment-and-Benefits-Guideline.pdf>.
- 7 Ivar Krumpal, 'Determinants of Social Desirability Bias in Sensitive Surveys: A Literature Review' (2013) 47 *Quality & Quantity* 2025.
- 8 Procurement Services South Australia, Probity and Ethical Procurement Guideline, 20 February 2023, 3 [Probity-and-Ethical-Procurement-Guideline.pdf](#).
- 9 See also Michael Jackson and Rodney Smith, 'Inside Moves and Outside Views: An Australia Case Study of Elite and Public Perceptions of Political Corruption' (1996) 9(1) *Governance* 23.
- 10 Unsuccessful suppliers were significantly more likely than successful suppliers to strongly disagree that tender documents were clear and unambiguous ($\chi^2=60.120$, $N=360$, $df=15$, $p<.001$, $v=.409$), time to prepare the bid was sufficient ($\chi^2=89.829$, $N=360$, $df=15$, $p<.001$, $v=.500$), conflicts of interest were declared and managed ($\chi^2=60.400$, $N=357$, $df=15$, $p<.001$, $v=.411$), procurement process was straightforward ($\chi^2=84.018$, $N=359$, $df=15$, $p<.001$, $v=.484$), procurement process was conducted with integrity ($\chi^2=96.283$, $N=359$, $df=15$, $p<.001$, $v=.518$), and satisfied with the decision ($\chi^2=226.687$, $N=360$, $df=15$, $p<.001$, $v=.794$). Unsuccessful suppliers were more likely than successful suppliers to strongly agree that they understood standards of conduct expected of suppliers ($\chi^2=44.575$, $df=15$, $p<.001$, $v=.352$).



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