

**HOME AFFAIRS PORTFOLIO  
DEPARTMENT OF HOME AFFAIRS**

**PARLIAMENTARY INQUIRY SPOKEN QUESTION ON NOTICE**

Legal and Constitutional Affairs References Committee

Inquiry into Offshore processing and resettlement arrangements

Tuesday 5 May 2026

**QoN Number: 5**

**Subject: Current thresholds between IHMS and MTC**

**Asked by:** Senator David Shoebridge

**Question:**

**Senator David Shoebridge** - It's a very convenient threshold, isn't it? So, you don't have to look. Is that why we're set at \$1,000,000? So, there's less corruption you see?

**Mr Peter Manwaring** - No, Senator, I don't believe that that's the case.

**Senator David Shoebridge** - Well, why is there a different threshold for IHMS than there is for MTC? What's the threshold for MTC?

**Mr Peter Manwaring** - The threshold for MTC is \$50,000 per financial year.

**Senator David Shoebridge** - So why \$50,000 for MTC where obviously Australian taxpayers would want to see, particularly in a corruption-prone environment like Richardson points out in Nauru, checks. Why \$50,000 for MTC but \$1,000,000 for IHMS? Why is that?

**Mr Peter Manwaring** - Senator, I don't have that detail with me. I'll need to take it on notice.

**Answer:**

Procurement processes are tailored for each contract, according to the needs of each arrangement, with thresholds being determined by the differing services and desired outcomes.

Management and Training Corporation Pty Ltd (MTC Australia) require subcontracted services to support components of service delivery in Nauru (such as water deliveries, waste management, laundry services, freight forwarding, etc), to meet the obligations of Nauru's *Nauru (RPC) Corporation Act 2017* in relation to local service provision where the capacity exists. Noting the volume of subcontracting needs, a lower threshold of \$50,000 per financial year has allowed the Department of Home Affairs to maintain better oversight, due diligence and management of these subcontracted arrangements.

Health services provided in relation to transferees in Nauru are excluded from the provisions of Nauru's *Nauru (RPC) Corporation Act 2017*, meaning there is no requirement for local service provision. In addition, the tender submission from International Health and Medical Services Pty Ltd (IHMS) noted that it would deliver the vast majority of health services in-house. Noting this, the major subcontractor threshold for IHMS was set at \$1 million per financial year, which aligns with previous arrangements supporting health services in a regional processing context.