

## **QUESTION TAKEN ON NOTICE**

### **SUPPLEMENTARY BUDGET ESTIMATES – 20 OCTOBER 2014**

#### **IMMIGRATION AND BORDER PROTECTION PORTFOLIO**

##### **(SE14/020) PROGRAMME – Internal Product**

Senator Reynolds (L&CA 47) asked:

Senator REYNOLDS: [...] Mr Pezzullo, when the Manus Island facility was opened following negotiations of that first agreement, what costings were done at the time in terms of the initial setup costs and then through to the forward estimates?

Mr Pezzullo: Sorry, Senator, just to be clear: I think you are pointing to when the initial agreement was entered into by the former government.

Senator REYNOLDS: Yes.

[...]

Mr Cormack: I am happy to take that one. I do not have the precise number of days or weeks that were acquired to develop that contract arrangement. We can certainly pick that up when we get to outcome 3, when I will have the relevant officer here. It was a very short period of time. It was a matter of weeks. That is what I am advised, but I am happy to take that on notice or when the appropriate officer is here for outcome 3 to give you some of the historical details on that arrangement.

Senator REYNOLDS: Thank you. Just to assist your officers who will be putting that together for you, I would be very interested in knowing the timing of the agreement and whether the agreement was entered into before the final costings were known. When was the agreement entered into and what costings were done through the forward estimates for the cost of that facility and that agreement?

Mr Pezzullo: I might just need to indicate at this point that we will probably end up taking that on notice. To the extent that it relates to advice provided to a former government, I will need to satisfy myself that we are not breaching relevant protocols in relation to not disclosing those matters. To the extent that we can assist with public record material or self-evident material, of course we will come back either through the course of this evening's proceedings or on notice. I want to put a cautionary point down about advice to a former government.

Senator REYNOLDS: Thank you, I understand. Mr Cormack, are you able to answer the initial part of the question of whether a costing was done before the contract was entered into?

Mr Cormack: I would have to take that on notice.

*Answer:*

The MOU which re-established regional processing arrangements in PNG was signed on 8 September 2012. Detailed costings were prepared by the former government prior to the announcement of this arrangement. These costings related to the stand-up of the centre and further costings for ongoing operations over forward estimates were undertaken in December 2012. Since this time, the Department has put in place a demand driven funding model for the ongoing management of illegal maritime arrival (IMAs), including offshore processing arrangements. This funding model is used to

calculate the estimated impacts relating to the overall management of IMAs, including the costs of contract providers, and is updated on a regular basis for changes to cost drivers such as policy adjustments or detention occupancy.

Costings were undertaken prior to engagement of service providers.