

## QUESTION TAKEN ON NOTICE

### SUPPLEMENTARY BUDGET ESTIMATES HEARING : 17 October 2016

#### IMMIGRATION AND BORDER PROTECTION PORTFOLIO

#### **(SE16/012) - Garrison and welfare services - Programme 1.5: IMA Offshore Management**

Senator McKim, Nick (L&CA 60) asked:

Senator McKIM: I go back to my previous question on the garrison and welfare services. I think evidence was given earlier that a number of companies have expressed interest in the provision of garrison and welfare services. Can I ask which companies have expressed interest?

Mr Pezzullo: I am not sure that Mr Nockels can elaborate much more than he indicated before the break, in terms of—I think you called it the market sounding process.

Senator McKIM: Well, I think he can.

Mr Pezzullo: Senator, I will decide the extent to which we potentially—

Senator McKIM: The Senate will decide ultimately, Secretary.

Mr Pezzullo: Well, you will decide whether you are comfortable with my answers, and whether you seek to give me counsel and advice—and I am sure you will. In terms of respecting their commercial position, I am not sure that we can add a lot. But I will see what Mr Nockels is willing and able to render.

Mr Nockels: I do not think we can talk about specific companies. It is a commercial-in-confidence process. The Commonwealth is not at a point where it is ready to announce anything in terms of contracts negotiated and signed.

Senator McKIM: Well, in fact, that is because you have not got any contracts negotiated and signed for garrison and welfare to take us past the period of the current contract holder. Again, I should check whether you are claiming public interest immunity here, because commercial-in-confidence of itself is not a satisfactory reason to refuse to answer this question.

Mr Pezzullo: I understand that, and thank you for that prompt. We would claim, through the minister, that such information would be detrimental to Mr Nockels's ability to engage in the work that he needs to do on an appropriate basis in terms of the commercial confidentiality that he owes to the relevant companies. I make that claim through the minister, and I do not know if the minister wishes to add anything, but that is certainly the claim that I make.

Senator McKIM: Are you making that claim, minister?

Senator Cash: My understanding is that there is certainly a ground for claim as 'damage to commercial interests' and that is obviously what the secretary has articulated. On that basis, my preference is to take it on notice and see if there is any further information that can be provided, whilst also canvassing, with the minister, the particular claim for PII.

*Answer:*

Following the cancellation of RFT 28/14 on 25 July 2016, the Department conducted a market sounding process with selected potential providers.

The following entities participated in the market sounding process and indicated they wished to be kept informed with regards to decisions the Department may take in relation to the procurement for garrison and welfare services in Regional Processing Countries:

- Serco Group Pty Ltd (Serco)
- Decmil Services Pty Ltd (Decmil)
- Canstruct Pty Ltd (Canstruct)
- Ostwald Bros Pty Ltd (Ostwald)