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Government bins \$1 billion visa outsourcing plan



By [Anthony Galloway](#)

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A \$1 billion plan to outsource Australia's visa processing system has been canned by the Morrison government after already costing taxpayers tens of millions of dollars.

Acting immigration minister Alan Tudge on Friday afternoon announced the government will not go ahead with the controversial tender, with the Department of Home Affairs to instead undergo a wider overhaul of its services extending to citizenship applications, security clearances and customs.



The Department of Home Affairs has binned the visa outsourcing tender.

The decision comes after taxpayers have already forked out at least \$87 million on the tender, according to latest figures released from the government. Both bidders have already been paid at least \$1 million to participate in the co-design phase of the procurement.

The move comes after a decision on the politically sensitive tender process to choose the successful bidder was [last year delayed amid political conflicts of interest within cabinet](#).

Prime Minister Scott Morrison and Immigration Minister David Coleman recused themselves from cabinet discussions on the issue because of their long personal and professional relationships with Scott Briggs, who was previously leading one of the bids.

Mr Briggs quietly vacated his role with one of the bidders earlier this year amid ongoing scrutiny of the costly tender.

Mr Briggs was heading the bid by Australian Visa Processing – a consortium consisting of Ellerston Capital, PwC, Qantas Ventures, NAB and Pacific Blue Capital – while the other bid was a joint proposal between Australia Post and Accenture.

The tender process was being managed by the department.

Mr Tudge said the work the department had done in recent years to modernise its visa services would now be extended to other areas.

"The Department of Home Affairs has consequently terminated the Request for Tender process for its proposed Global Digital Platform," he said.

Mr Tudge said the department would now conduct a market consultation process over the coming months seeking insights into the best way to deliver "large-scale workflow processing capability" for visa and citizenship applications, as well as customs and personnel security clearances.

"While current visa systems continue to function, they are out of date, and processing and decision making in many cases is still undertaken manually, supported by old technology and limited risk assessment capabilities," he said.

"With this approach, systems and capabilities will be well-placed to meet future demands, enabling the government to respond to emerging global threats and improving service delivery across government."

Under the government's visa outsourcing plan, private companies would have been involved in processing certain "low-risk visas" to improve efficiency and reduce costs.

Opponents of the scheme said the changes would have damaged the integrity of Australia's visa and citizenship system and increase the costs to applicants.

Melissa Donnelly, national secretary of the public sector union CPSU, said the plan to hand over some of the processing to private companies was always misguided, but the outbreak of the coronavirus had further exposed its flaws.

"When our nation is facing great uncertainty, Australians expect the Government to back local jobs and the integrity of vital public services, not flog off essential services to political donors' multi-national companies. This is a win for the security and health of the Australian community," she said.



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