

Senate Inquiry – Incidents at Manus OPC on 16-18 February 2014

Request 2 (I)

Copies of contracts in the possession of the DIBP between the main service contractors and sub-contractor engaged at the Manus Island Detention Centre.

Response 2 (I)

On 30 May 2014, the department advised that it is not in possession of any copies of contracts between the main service providers and their subcontractors engaged at the Manus Offshore Processing Centre (OPC).

While this advice is correct in that the department is not in possession of any contracts, as such, between the main service contractors and subcontractors engaged at the Manus OPC, the department does have in its possession a “Letter of Intent” between G4S Secure Solutions (PNG) Ltd and Loda Securities PNG Ltd. A copy of the letter is attached.



G4S Australia & New Zealand
Manus Island RPC
Lombrum, Manus Island,
Papua New Guinea
Tel: [REDACTED]
Email: [REDACTED]
www.au.g4s.com

Attention: [REDACTED]
Loda Securities PNG Ltd ("Loda Securities")
Papua New Guinea

16th April 2013

Dear Sirs,

Manus Island - Letter of Intent for provision of Security Services.

G4S Australia Pty Ltd, working together with G4S Secure Solutions (PNG) Ltd, has been selected by the Commonwealth of Australia, represented by the Department of Immigration and Citizenship ('DIAC'), to deliver various operational services to the Manus Island Regional Processing Centre ('Centre').

G4S Secure Solutions (PNG) Ltd ('Company') now wishes to engage Loda Securities PNG Ltd ('Contractor') to provide agreed numbers of personnel to assist in the provision of manned security guarding services at the Centre ('Security Services Personnel').

Both parties acknowledge that the Company may, at a later date, require this arrangement to be more fully documented in a formal sub-contract which will be in a form that is consistent with the obligations set out in the Head Contract entered into with DIAC.

Both parties now acknowledge and agree as follows:

1. The parties recognise that the Company is obliged to provide supporting receipts and invoices(s) to substantiate any costs and disbursements which form part of the monthly invoice to DIAC and the Contractor will take all steps to provide such information to the Company.
2. The Contractor must ensure that the Security Services Personnel which are provided to the Company:
 - a. Remain at all times employees of the Contractor;
 - b. Are suitably qualified and experienced personnel who have been vetted and approved by the Company before they commence work at the Centre;

Securing Your World





- c. Undertake and successfully complete all training that is required of them for providing security services at the Centre;
 - d. Act in accordance with all reasonable directions given by the Company and in a manner which complies with Company operating processes and procedures for delivery of security services at the Centre;
 - e. Act with due care and skill, in a professional, efficient and safe manner and to the same industry standards and expectations that apply to security staff who are employed directly by the G4S;
 - f. Wear the G4S uniform at all times whilst on duty;
 - g. Act at all times in accordance with all applicable Laws and in accordance with the Company's reasonable directions;
 - h. Security Services Personnel do not drink alcohol, smoke (other than in designated areas) or consume illicit drugs at the Centre, and do not enter the Centre if under the influence of alcohol or illicit drugs; and
 - i. It immediately removes any Security Services Personnel from the Centre if requested to do so by the Company if the Company considers that those employees have been incompetent, negligent, violent, aggressive or have demonstrated otherwise inappropriate behaviour.
3. The Contractor shall provide all information and take all steps as are reasonably required by the Company to validate any costs which are being incurred.
 4. From the date that this Agreement is entered into the Company must pay the Contractor in accordance with this clause 4 and Schedule 1:
 - a. An Hourly Fee for each hour worked by Security Services Personnel at the Centre as set out in Schedule 1;
 - b. The Hourly Fee is a fixed all inclusive fee;
 - c. The Contractor's invoice shall be in a form that is satisfactory to the Company and shall contain such information and supporting evidence as is reasonably requested by the Company;
 - d. The Contractor must not claim amounts for Security Services Personnel unless a person has actually been deployed to work on the Centre with the prior approval of the Company; and
 - e. If DIAC or the Company in good faith disputes the whole or any portion of the Contractor's costs being claimed in an invoice, the Company may withhold any part of the Contractor amounts that are in dispute in the relevant invoice, until the dispute is resolved.



This Agreement constitutes the terms which have been agreed between us. This Agreement will not have a fixed expiration date but may be terminated by the Company on provision of 30 days' written notice to the Contractor. In the event of such termination the Contractor shall not have a right to receive any compensation other than outstanding Hourly Fees which have arisen up to date of termination.

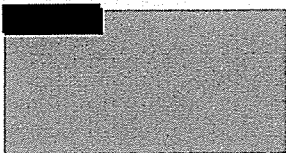
The Contractor acknowledges that all information relating to the Centre is to be treated as confidential and no public statements may be made without obtaining the prior permission of DIAC. The Contractor agrees that it and its personnel shall enter into such confidentiality arrangements as are necessary and required to ensure that the Company is able to procure with confidentiality undertakings provided to DIAC.

This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this letter.

This letter and the agreement constituted by it and your acceptance of its terms shall be governed by the laws of Victoria and the parties agree to the non-exclusive jurisdiction of the Victorian courts.

Please confirm your acceptance of the terms of this Agreement by signing and returning the enclosed duplicate of this letter. We look forward to working together.

Yours faithfully

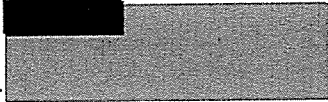


Duly Authorised for and on behalf of G4S Secure Solutions (PNG) Ltd

Name: [Redacted]

Title: [Redacted]

Date: 16 Nov 2013



Duly authorised for and on behalf of

Loda Securities PNG Ltd

Name:



Title: DIRECTOR.

Date: 16/04/13.

Schedule 1

Fees and Invoicing

A. The Company will pay to the Contractor a fixed fee of [REDACTED] for each hour that is worked by Security Services Personnel at the Centre ("Hourly Fee"). The Hourly Fee is an all inclusive fixed fee for all services provided to the Company by the Contractor.

B. The Hourly Fee shall include:

1. Wages of not less than [REDACTED] per hour for each Driver provided by the Contractor;



2. Wages of not less [REDACTED] per hour for each Static Guard provided by the Contractor;
3. All staff on costs, including but not limited to, insurance, administration, uniforms, travel costs, equipment, training, taxes, levies, workers compensation or equivalent, superannuation or equivalent and any other allowances;
4. The provision of payroll services through [REDACTED] who is engaged by the Contractor as a consultant to provide bookkeeping services including calculating fortnightly payments and tax deductions and making remittances into accounts for the Drivers and the Static Guards;
5. Any other incidental expenses and costs arising in respect of the provision of the Security Personnel; and
6. For the avoidance of doubt the Hourly Fee is a fixed fee and no additional overtime rates shall be payable by the Company to the Contractor.

C. The invoicing process shall be as follows:

7. The Contractor shall provide an invoice to the Company for all Hourly Fees on the 26th day of each month;
8. All Hourly Fees claimed will be supported by satisfactory evidence of the hours worked by each Driver and Static Guard at the Centre for the period in question;
9. The Company shall make payment to the Contractor within [REDACTED] of receipt of the invoice (or such earlier period as is agreed to by the Company and the Contractor);
10. The Contractor will provide the Company with its bank account details for payment of any monies;
11. Payroll services will provide such information and assistance as is necessary to ensure that payment of wages to Drivers and Static Guards occurs on a fortnightly basis and will provide confirmation to the Company that this is occurring.



D. For the avoidance of doubt:

12. The Security Services Personnel shall at all times be employed by the Contractor. Nothing in this Agreement will or is intended to create a relationship of employer and employee between the Company and Security Services Personnel;

13. The Hourly Fees payable to the Contractor as outlined in paragraph A above are a fixed and all inclusive fee; and

14. The Contractor will be responsible for remitting group tax to the IRC calculated by payroll for each run. Group tax is remitted on a monthly basis in PNG.