

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
SUPPLEMENTARY BUDGET ESTIMATES 2011-2012

Finance and Deregulation Portfolio

Department/Agency: Department of Finance and Deregulation

Outcome/Program: 2/2.3

Topic: Detention Centres – total property damage over last 12 months

Senator: CORMANN

Question reference number: F30

Type of question: Hansard, F&PA Committee, page 55, 18 October 2011

Date set by the committee for the return of answer: Friday, 2 December 2011

Number of pages: 1

Question:

Ms Hall: Comcover has been notified of five incidents at various detention centres over the past 12 months; however, Comcover has not paid any settlement amount to DIAC as a result of any claims arising from the incidents during those periods. Some of the damage at detention centres is covered by the insurance held by the detention centre operators. Those insurance policies would respond in the first instance.

Senator CORMANN: Some is covered by the insurance by Serco. Have you made any provision for the damage that is going to have to be carried by Comcover?

Ms Asaris: We have made provisions for the liability that we held by DIAC, under those policies, which is essentially the deductible amount. At the moment we have been advised that that is a maximum of \$1 million per event.

Senator CORMANN: An amount of \$1 million per event and there are five events, so that is about \$5 million. What proportion would that be of the total damage?

Ms Asaris: My understanding is that for the major event at Villawood, which I think is the one you are mostly concerned with, the estimate of the damage for that centre is approximately \$10 million.

Senator CORMANN: So the liability for Comcover is about 10 per cent of that.

Ms Asaris: That is correct.

Senator CORMANN: And the rest of it is covered by the insurers of the operator?

Ms Asaris: That is correct.

Senator CORMANN: What is the total damage across all five events?

Ms Asaris: I do not have those figures with me at the moment. Can I take that on notice and we will come back to you.

Answer:

The total cost of estimated damage across all five events as of 14 October 2011 is \$17,636,366. This estimate is likely to change as quotations for repairs are obtained and works undertaken.