

IN THE MATTER OF the *Inquiries Act 2014*

AND IN THE MATTER OF a Board of Inquiry into the COVID-19 Hotel Quarantine Program

WITNESS STATEMENT OF THE HONOURABLE MARTIN PAKULA MP

Knowledge of the Hotel Quarantine Program

Q1. *When, and by what means, were you first made aware of the decision to mandatorily detain returning travellers in quarantine?*

1. I became aware of the decision to mandatorily detain returning travellers in quarantine on 27 March 2020. I was informed of it in a telephone call from the Secretary of the Department of Jobs, Precincts and Regions (DJPR), Simon Phemister, on the afternoon of 27 March. I don't recall if this was the first time that I became aware of the decision, but believe this likely to be the case.

Q2. *Prior to becoming aware of the decision, had you been involved in or aware of any discussions within the Victorian Government regarding the possibility of mandatory quarantine in designated facilities? If so, what were those discussions?*

2. I do not recall being involved in or aware of any discussions within the Victorian Government regarding the possibility of mandatory quarantine in designated facilities, prior to 27 March 2020.

Q3. *Prior to becoming aware of the decision, what was your understanding of any work being done within the DJPR with respect to the procuring of hotel rooms for use by persons who were unable to self-isolate at home or who were working in front line COVID-19 response roles?*

3. Prior to 27 March 2020 I was aware that DJPR had commenced discussions with individual hotels and the Australian Hotels Association about procuring hotel rooms for use by persons who were unable to self-isolate at home or who were working in front-line COVID-19 response roles. This was known as the Hotels for Heroes program.

4. This work was done following an allocation of \$80 million by the Expenditure Review Committee of Cabinet to DJPR for this program on 20 March 2020.

Role of your Department in the Hotel Quarantine Program

Q4. *When and by whom were you made aware that DJPR was to play a role in the Hotel Quarantine Program?*

5. Mr Phemister informed me on 27 March 2020 that DJPR was to play a role in the Hotel Quarantine Program (**the Program**).

Q5. *On 27 March 2020: (5.1) what did you understand was to be the role of DJPR in that program; (5.2) from where or whom did you get that understanding; and (5.3) did you consider that role to be one properly allocated to DJPR?*

6. On 27 March 2020, Mr Phemister informed me that DJPR would be the lead agency in relation to the Program. I understood that DJPR would be “in charge”.

7. My conversation with Mr Phemister was very brief. We did not discuss the detail of what the performance of the role as the lead agency would involve, or the particular roles and responsibilities that would be performed by other agencies in implementing the Program. I therefore had not formed a view about whether the role was one properly allocated to DJPR before the role was transferred to DHHS.

Q6. *When were you made aware that DJPR’s lead agency responsibility would be moved to the Department of Health and Human Services (DHHS)?*

8. I was informed by Mr Phemister, sometime between 28 March 2020 and 30 March 2020, that DJPR’s lead agency responsibility had been transferred to DHHS.

Q7. *Were you consulted in advance of the decision to remove lead agency responsibility from DJPR and move it to DHHS? If so: (7.1) what was that consultation; and (7.2) what was your view of the appropriateness of the change?*

9. I was not consulted in advance of the decision to remove lead agency responsibility from DJPR and move it to DHHS.

Q8. *What information, by way of briefings or otherwise, did you receive about the type of work being done by DJPR staff in the Hotel Quarantine Program?*

10. I have approximately weekly meetings with Mr Phemister, and fortnightly meetings with Deputy Secretaries and Gönül Serbest in her capacity as the Chief Executive Officer of Global Victoria. There were occasions when Mr Phemister and Ms Serbest described to me work that DJPR staff were carrying out in connection with the Program. I was told that DJPR

staff were greeting returning travellers at the airport, organising check-in at the hotels, and dealing with particular needs of guests at the hotels such as special meal requests.

Q9. Did you consider that type of work was: (9.1) appropriately allocated to DJPR; and (9.2) being performed appropriately by officers from DJPR?

11. I considered that the type of work that I refer to in paragraph 10 above, which I understood DJPR staff were doing, was appropriately allocated to DJPR staff. I had no information to suggest that DJPR staff were performing this work inappropriately.

Q10. Did you become aware of any concerns within DJPR regarding the way in which the Hotel Quarantine Program was being managed, including any concerns about the way the program was being led by DHHS? If so, what were those concerns and what if any action did you take in response?

12. I did not become aware of any concerns within DJPR regarding the way in which the Program was being managed, including about the way it was being led by DHHS, until after this Inquiry was established.

Contracting arrangements for the Hotel Quarantine Program

Q11. What information did you receive regarding the contracts that were to be entered into by DJPR for the purposes of the Hotel Quarantine Program?

13. On 28 March 2020, Mr Phemister forwarded me an email from Unni Menon, an Executive Director in DJPR, regarding authorisation for entry into contracts with particular hotels. I responded to that email providing my approval, shortly thereafter. My approval was as to the list of the hotels; I did not review the terms of the proposed hotel contracts. I attach copies of those two emails (including attachments) to this statement.

14. I did not receive any information as to the terms of other contracts entered into by DJPR, including contracts with private security or cleaning businesses, until after this Inquiry was established. I was aware that DJPR staff were involved in procuring services for the Program in its role as a support agency to DHHS as the lead agency for the Program.

Q12. Were you satisfied that the contracting arrangements put in place by DJPR were appropriate and fit for the purpose for which they were intended?

15. As to the hotel contracts, see my answer to Question 11 above. As to other contracts, as noted above, I did not receive any information about the terms of any other contracts, and so did not form a view about whether the terms were appropriate.

Q13. In particular, were you satisfied that the contracts dealt appropriately with: (13.1) training and supervision of staff who would be working in the hotel quarantine program; (13.2) PPE provision; and (13.3) infection prevention and control, including with respect to allocating responsibility for dealing with those matters?

16. See my answer to Question 12 above.

Q14. When and how did you become aware that a security contract had been given to a firm that was not a member of the panel established for the purpose of the State Purchase Contract: Agreement for the Provision of Security Services? What is your view of the appropriateness of that contracting decision?

17. I became aware in July or August that a security contract had been given to a firm (**Unified**) that was not a member of the panel established for the purpose of the State Purchase Contract: Agreement for the Provision of Security Services (**the Panel**). I was informed of this by Mr Phemister.

18. I do consider that, generally speaking, it would be appropriate to appoint firms from the Panel. However, my understanding is that there are circumstances where DJPR is permitted to engage a firm that is not on the Panel and where that is appropriate.

19. I am aware that, after Unified was engaged, DJPR realised that Unified was not on the Panel and assessed that it was appropriate to continue with the engagement. Mr Phemister has explained to me that, notwithstanding that Unified was not on the Panel, the procurement was in line with DJPR's procurement policy, and that a post-incident review has been completed and confirmed that to be the case. In those circumstances, I am satisfied that DJPR has conducted itself appropriately.

Q15. What supervision of the performance of the contracts did you expect DJPR to provide? How did you satisfy yourself that supervision was provided?

20. As noted above, I did not receive any information as to the terms of any contracts that DJPR entered into in relation to the Program, other than the hotel procurement contracts, until after this Inquiry was established. So I did not have specific expectations about what supervision DJPR would provide in relation to the performance of the contracts.

21. As the Minister, I have a general expectation that appropriate officers in DJPR would seek to ensure adherence with any contracts that DJPR entered into. The detail of the nature and extent of the supervision required of the performance of particular contracts is an operational matter that I do not generally form an expectation about, unless an issue or concern about it is brought to my attention.

22. I was aware that the lead agency in relation to the Program was DHHS from 28 March 2020. I also understood that a control structure had been established under Operation Soteria to manage and address any issues or concerns relating to the operation of the Program. I expected that any issues or concerns relating to the operation of the Program, including the supervision of contractors in the performance of services for the Program, would be dealt with-through that structure.

Q16. At any time from 27 March to 2 July 2020, did any member of DJPR raise concerns with you about the use of private security in the Hotel Quarantine Program? If so, what were the nature of those concerns and what action if any did you take in response to those concerns?

23. Concern about the use of private security in the Program was not raised with me, at any time from 27 March to 2 July 2020, by any member of DJPR. Mr Phemister had informed me of an infection of a hotel employee at Rydges in late May, and a security staff member at the Stamford in mid-June and, on that second occasion, that he had been hearing that there had been some breaches of appropriate protocols by individual private security staff. But, in doing so, Mr Phemister did not raise concerns with me about the use of private security firms.

24. During the period from mid to late-June 2020, it became apparent that there had been transmission of the disease to private security guards who had infected other members of the community. This resulted in the question arising at the Crisis Council of Cabinet (CCC) of whether the use of private security guards should continue. At the end of June, CCC decided that private security would be replaced by Department of Justice and Community Safety (DJCS) personnel, principally Corrections Victoria staff.

Q17. At any time from 27 March to 2 July 2020, did any member of DJPR raise with you or your Office, concerns regarding the sufficiency of contractual arrangements for cleaning or hotel use? If so, what were the nature of those concerns and what action if any did you take in response to those concerns?

25. No member of DJPR raised concerns with me, at any time from 27 March to 2 July 2020, about the sufficiency of contractual arrangements for cleaning or hotel use. Nor am I aware that any such concerns were raised with any member of my office.

Q18. Were you party to any discussions regarding the transfer or potential transfer of responsibility for contracts and management of the Hotel Quarantine Program to any other agency, and if so, when, which agency, and what was the outcome?

26. I am a member of CCC. I recall that there were discussions at CCC in late June or early July about transfer of overall responsibility for management of the Program from DHHS to DJCS.

I am aware that a decision was made at a meeting of the CCC on or about 8 July 2020, and that this took effect on 27 July 2020.

27. I am aware that DJCS assumed responsibility for contracts with security providers from on or about 30 June 2020. I do not recall specific discussion about transfer of responsibility for contracts.

Date: 21 September 2020

A handwritten signature in black ink, appearing to read 'Martin Pakula', with a large, stylized initial 'M' and a circular flourish at the end.

The Honourable Martin Pakula MP