#### CHAPTER 6

#### Private security

#### 6.1 Introduction

- In Chapter 5, I considered the evidence regarding the 'decision' on 27 March 2020 that private security guards would be the first and primary tier of enforcement at the quarantine hotels.
   I concluded that the 'decision' to use private security guards in that way was a position that was adopted during the State Control Centre (SCC) meeting at 4.30pm on 27 March 2020, following Assistant Commissioner Michael Grainger expressing Victoria Police's preference in the matter.
- That 'decision' had profound impacts on the efficacy and operation of the Hotel Quarantine Program. How that 'decision' was implemented, from the identification of potential security firms to how they worked 'on the ground', is the subject to which I now turn.

# 6.2 The process of identifying security contractors

- 3. At the conclusion of the meeting at the SCC on the afternoon of Friday 27 March 2020, Claire Febey, Executive Director, Priority Projects Unit at the Department of Jobs, Precincts and Regions (DJPR), left the SCC with the engagement of private security as one of the items on her and DJPR's list of tasks.<sup>1</sup>
- 4. Late on Friday 27 March 2020, Katrina Currie, Executive Director, Employment Delivery, Working for Victoria at DJPR, was nominated as the person responsible for identifying private security firms for the purposes of the Hotel Quarantine Program.<sup>2</sup> Ms Currie was on secondment, with her substantive position being Executive Director, Employment, Inclusion Group at DJPR.<sup>3</sup> For context, Working for Victoria was a program established by the Victorian Government to assist people who had been dislocated from jobs by COVID-19.<sup>4</sup>
- 5. Although, on the evidence of Ms Febey and others, it was known from the time of the SCC meeting's conclusion around 6.00pm that private security needed to be engaged, and although Ms Currie had been forewarned earlier in the day of the potential need to find security suppliers,<sup>5</sup> Ms Currie was not actually asked to make contact with security companies until after 10.00pm that evening when she received an email from Alex Kamenev, Deputy Secretary, Precincts and Suburbs, DJPR.<sup>6</sup> She and her team were still at work at that time because of the imminent launch of the Working for Victoria scheme.<sup>7</sup>
- 6. The Secretary of DJPR, Simon Phemister, said, in evidence, that the reason no action was taken earlier in the day was because they were seeking clarity about what the role of private security would be.<sup>8</sup> It does not appear that any clarity was received, although the 'ideal' operating model for the Hotel Quarantine Program was suggested by Cameron Nolan, Executive Director, Priority Projects Unit, DJPR, as follows:

Ideal model in my mind would be a supply of security staff ... who work under the direction of an authorised officer in DHHS. This DHHS team would induct the security guards and provide on-call advice about what to do in certain situations and determine if any incidents should be escalated to the authorised officer and/or VicPol.<sup>9</sup>

It was in this context that Ms Currie set about engaging private security firms. She was informed, on the evening of 27 March 2020, of the requirement to have identified and engaged the relevant services by the evening of 28 March 2020. Ms Currie had experience in the broader employment sector, but no particular experience with the security industry. At this stage, there were no clear instructions about the exact nature of the work security would be performing or the companies that Ms Currie should approach.

- 7. Although Ms Currie had been allocated the task of procuring security because she was seen as having pre-existing contacts with labour firms, she was, in fact, not sure who to approach (though had the idea of Wilson Security Pty Ltd and SECURECorp (Victoria) Pty Ltd being potentially suitable) and sought the assistance of her team within DJPR.<sup>13</sup> The Inquiry received evidence of a WhatsApp group chat between DJPR employees, where suitable companies were discussed.<sup>14</sup>
- 8. A theme in the Whatsapp messages was that the security companies needed to be reputable, and that there could be problems with some in the industry.<sup>15</sup>
- 9. From these WhatsApp messages, it does not appear that those involved in the group chat knew that there was a State Purchase Contract: Agreement for the Provision of Security Services (State Purchase Contract) and that there were publicly available details, including email and mobile numbers, on a website. Ms Currie gave evidence that she did not know about the State Purchase Contract.<sup>16</sup>
- 10. This was an early example of what was a recurring theme in the early days of the Hotel Quarantine Program, that is, people were working hard and in good faith but, unfortunately, without relevant knowledge and expertise to guide them. Ms Currie and her team were working towards midnight looking for the names and contact details of potential firms,<sup>17</sup> effectively reinventing the wheel when, all the time, the information they needed was readily available to them on a website, following a process that had vetted security companies for their suitability for government work.<sup>18</sup> When the Program was to be implemented in a matter of just hours, efficiency was of critical importance. That would have been better served by early engagement with those areas within DJPR, or even the Department of Treasury and Finance (DTF), with experience in procuring security services.
- 11. Those suggesting potential security providers had some general ideas about the security industry but did not have any knowledge of security contracting and, understandably, no knowledge of what their role in the Hotel Quarantine Program was going to look like. This reflected the absence of any proper discussion at the SCC about the role, and created the context in which the role of security remained unclear and liable to variation without any centralised oversight or consideration of whether those variations were appropriate.

3:46 Working with Vic A team Gotta be careful with a lot of security companies. Heaps of cash Or G4 Cowboy industry It's the quarantine roles Be working in hotels For sure So summary. SecureCorp maybe no. Wilson and monjon yes Last bids Needs to be reputable. Don't want rogue prowling the corridors... Yep. Also look into MSS security

Figure 6.1: Example of WhatsApp messages between DJPR employees discussing security firms

Source: Exhibit HQI0182\_RP Working with Vic messages re good security companies, p. 6

- 12. Following consultation with the Employer Engagement team, the recommendations Ms Currie received as potential providers were Unified Security Group (Australia) Pty Ltd (Unified), Wilson Security Pty Ltd (Wilson), MSS Security Pty Ltd (MSS) and Monjon Australia Pty Ltd.<sup>19</sup> Of those, it was Unified, Wilson and MSS that were engaged to provide security services.
- 13. Ms Currie explained, in her witness statement, that the basis for the Employer Engagement team recommending these three companies was positive feedback, previous working relationships and previous work on large-scale projects. She explained that:

Unified was recommended because members of the Employer Engagement team had previously received positive feedback about Unified's performance in providing private security which was reflected in the fact that Unified had been awarded large-scale contracts, including a number with Metro Rail across various sites, and had a positive impression of Unified given their previous dealings with the firm;

Wilson was recommended because DJPR had engaged Wilson on a number of occasions in the past and considered that Wilson would have the resources necessary to assist. Further, members of the Employer Engagement team had received positive feedback concerning Wilson's work in the non-government disability sector; and

MSS was recommended because it was considered reputable based on feedback and opinions that had previously been expressed to members of the employer engagement team.<sup>20</sup>

- 14. I accept that those providing Ms Currie with suggestions did so to the best of their knowledge and with a desire to be useful, selecting companies that met their sense of a good employer. But they were not the ones who should have been making those assessments.
- 15. It so happened that MSS and Wilson were members of the panel of firms subject to the State Purchase Contract. Unified was not. Ms Currie did not know this.<sup>21</sup> Late on Friday 27 March 2020, contact details having been found, she sent an email to Unified and to Wilson asking about their availability to provide security services for the Program from the coming Sunday morning.<sup>22</sup>
- 16. The next morning, on 28 March 2020, David Millward, Chief Executive Officer of Unified, was the first to contact Ms Currie and, so, Unified became the company asked to provide security services at the first hotels being stood up in preparation for international arrivals. Mr Millward said that Unified could allocate 20 guards immediately and 100 over the coming day.<sup>23</sup>
- Later the same morning, Greg Watson, General Manager of Wilson, made contact with Ms Currie, who also had discussions with Jamie Adams, General Manager — Victoria and Tasmania at MSS, on 29 March 2020.<sup>24</sup>
- 18. Ms Currie did not recall all of the discussions and largely accepted the recollections of Mr Watson, Mr Millward and Mr Adams about what was discussed.<sup>25</sup> With authority from her superiors, she engaged, over the weekend, Unified and Wilson on an informal basis.<sup>26</sup> She gave a verbal briefing, aided by work done by others in her Department, as to the nature of the security task.<sup>27</sup>
- 19. Nigel Coppick, National Operations Manager of Unified, attended a planning meeting in the early afternoon of 28 March 2020 and then was present at the 'dry run' at the Crown hotels. It was during this 'dry run' where the required number of guards was substantially increased after Victoria Police reviewed the number of points in the building requiring security cover.<sup>28</sup> The following morning, Mo Nagi, Victorian Operations Manager for Unified, who had been hired by Mr Coppick to work on Unified's operations in the Hotel Quarantine Program,<sup>29</sup> attended the Crown hotels along with Mr Coppick and a team of security guards (all subcontractors) to receive the first arrivals.<sup>30</sup>

# 6.3 Subsequent procurement decisions

- 20. By Monday 30 March 2020, Ms Currie was handing over longer-term responsibility for security contracting to the Principal Policy Officer at DJPR, whose role became one of receiving quotes and negotiating terms with each of the three selected suppliers.<sup>31</sup>
- 21. In the week commencing 30 March 2020, the Principal Policy Officer received quotes from the security companies and discussed them with Ms Currie. Unified was more expensive than Wilson.<sup>32</sup>
- 22. On 30 March 2020, the Principal Policy Officer received advice from procurement officers within DJPR and DTF that providers on the State Purchase Contract should be used.<sup>33</sup> When he forwarded that advice to Ms Currie, she responded that it was necessary to retain Unified as they were already on the ground and that an exemption (from engaging panel firms) should be sought.<sup>34</sup>
- 23. Ms Currie gave evidence that she spent 30 March 2020 seeking an exemption from the DJPR procurement policy to permit the engagement of Unified, but then came to understand that no exemption was needed because the COVID-19 pandemic met the definition of an emergency under DJPR's critical incident procurement protocols and policies.<sup>35</sup>
- 24. While it is true that there was scope within the policy for critical or emergency situations, Ms Currie and the Principal Policy Officer received specific counsel on 31 March 2020 from the procurement specialist who advised them:

Need clarity on the rationale for going outside the SPC in this instance. I understand there was an urgency to get things up and running quickly over the weekend but to have a non-approved firm providing security and effectively enforcing government regulation at quarantine sites off the back of some emails and phone calls presents significant risk to individuals involved and the department/Government that is not easily mitigated.

Need to be clear on why this provider was engaged instead of the other SPC providers (noting requests went to Wilson and MSS - who are on the SPC) and whether there is any reason to continue with them (as opposed to switching them out for an SPC provider, for example) in order to assist in determining next steps.<sup>36</sup>

- 25. This advice warned Ms Currie and the Principal Policy Officer about risks to individuals and the Government, and invited them to reflect on the suitability of continuing to retain Unified. In my view, that was sound advice. Although DJPR submitted to the contrary,<sup>37</sup> the State Purchase Contract represented pre-vetting and pre-approval of security companies that were competent and appropriate for government security work. Procurement guidelines are not to be lightly set aside and should have been followed. Though neither Ms Currie nor the Principal Policy Officer would have known it, Unified had, in fact, applied to join the State Purchase Contract but had been unsuccessful. They were also, as Ms Currie and others discovered, not 'preferred' by the Victorian Trades Hall Council (Trades Hall). Ms Currie gave evidence that she did not know at the time she liaised with Trades Hall, that Trades Hall did not 'prefer' Unified, and would not speculate as to Trades Hall's reasons why it did not 'prefer' Unified.<sup>38</sup>
- 26. Ms Currie's initial response was to advocate for a contract with Unified:

I was tasked with standing up a security team on Friday night by the following Saturday morning.

I sought advice from my employer engagement teams on security companies we have worked with through Jobs Victoria and asked for contact details of the firms concerned. I was provided with two options at that time — Wilson and Unified. I emailed Unified and Wilsons at 11.30pm Friday night. Unified replied to me at 6.52am on Saturday morning and I began discussions at 7.00am as to their capability and capacity to deliver servicing at the first two sites by mid-afternoon Saturday. I was advised by text of their capability and this was followed up in telephone conversations. They attended site at 3pm to assess risk and staffing needs; briefed and planned their rosters and secured personnel; and were onsite delivering as required from 5am on Sunday morning.

Wilson replied to me by 8.00am on Saturday morning but by then I had already entered into discussions with Unified. I took up discussions with Wilsons for subsequent sites around 11am. They indicated they could also supply and so I spoke with them again around 4pm and asked them to consider how they could respond. They emailed me a series of questions on Sunday to which I responded by which time Unified had already been tasked with the first hotels. Wilson have been engaged for three subsequent hotels.

Unified is an Aboriginal owned and controlled organisation and has worked with DJPR on related social procurement initiatives. They are accredited with Kinaway and Supply Nation. While they are not a panel provider for security services utilising their services is in keeping with the State Government's social procurement objectives of utilising Aboriginal businesses. A legal exemption should be sought but Unified are delivering and have been delivering services since Sunday. The rationale for the exemption is both immediate need and their responsiveness but also their status as an Aboriginal owned and controlled business under the Government's social procurement objectives.<sup>39</sup>

- 27. In her evidence, Ms Currie denied that Unified's status as an Aboriginal business had been a factor in her initial contact with Mr Millward.<sup>40</sup> I accept her evidence on that point, but this email does suggest a reason why those assisting her offered the name of Unified in the first place. Indeed, the WhatsApp messages confirm that Unified was known to members of the group through its work in inclusive employment.<sup>41</sup>
- 28. It appears that, for a period of time, DJPR did intend to confine Unified to its initial hotel allocations. Negotiations with Trades Hall proceeded on the basis that Unified would not be allocated additional hotels and the Principal Policy Officer, in receiving a formal handover from Ms Currie, confirmed that Unified would remain at the two Crown hotels but be allocated no others.<sup>42</sup>
- 29. In circumstances where Unified had been contacted outside ordinary procurement processes and without time for proper consideration of its suitability or capacity, honouring the informal contracts at the Crown hotels but distributing future work to suppliers who were part of the State Purchase Contract would have been the more prudent course for DJPR to adopt.
- 30. Instead, Unified appears to have won over those DJPR officers working on the frontline in hotels, and to have established itself as the preferred provider on the back of anecdotal reports about how well it was performing. Its elevated status in the minds of DJPR appears to have been set in place well before contracts were actually signed and before either of the other two providers had commenced work. On 30 March 2020, Unified was referred to as being 'a dream' while Wilson was said to have been 'difficult'. As Ms Currie initially gave evidence that this was linked to Wilson's refusal to undertake activities like bag searches, but she went on to clarify that answer as follows:

Ms Ellyard: So are you able, as you sit here now, to recall what, if anything, you were aware of that led you to have the view that that distinction could be drawn, between the way Unified had presented and the way Wilson had?

Ms Currie: I think, no, I can't. It was to do with their responsiveness and issues to do with the range of different things that they wanted covered off beforehand.

- 31. On 3 April 2020, the Principal Policy Officer was told by Unified that it had 'significant additional capacity' and could 'mobilise at short notice at any required sites'. As was conceded by Mr Coppick in his evidence, Unified was reliant on subcontractors for that capacity. Mr Coppick explained that Unified had a small standing workforce of 89 permanent staff in Victoria. The As already noted, it was also willing to agree to any requests from DJPR for assistance that fell outside the usual scope of security duties, such as going toy shopping, organising and delivering Easter eggs, and undertaking other tasks, out of a desire to be as helpful as possible.
- 32. On the same day, Gönül Serbest, Chief Executive Officer of Global Victoria, was making complaints about Wilson and consideration was being given to switching them out for Unified. Ms Currie said that Unified could be given additional sites, thus reversing the position agreed with Trades Hall at the beginning of the week.<sup>49</sup>
- 33. It appears that, on the back of those initial 'concerns' about Wilson being 'difficult' by raising what I find were valid safety concerns, a concluded view was reached that Wilson was not to be preferred. Its initial hotel allocation of two hotels was removed and allocated to Unified, and it was only ever given two further hotels for the remainder of the Program.<sup>50</sup>
- 34. Unified's position as the initial provider of security over the first weekend of the Program ended up giving it a substantial advantage over the other contractors. Unified was perceived by Global Victoria and DJPR staff to have been performing well in those early days, which led to it being allocated new hotels as they opened.<sup>51</sup>
- 35. Unified also met the expectations of DJPR regarding the kind of assistance that would be available from security. So, when Wilson expressed concern about luggage handling, Ms Serbest thought it was reasonable to expect Wilson to provide this service because it was being done at other hotels.<sup>52</sup> Unified's willingness to do anything asked of it made it an attractive partner in the work.

- 36. Of course, in allocating subsequent hotels among its contractors, DJPR was entitled to have regard to issues of past performance as well as issues of capacity. I do not suggest that perceptions and feedback about that past performance were irrelevant.
- 37. But a review of how hotels were ultimately allocated between the three contractors contained in Mr Phemister's statement reveals a disproportionate allocation to Unified that cannot be justified by anecdotal assessments from frontline DJPR staff. According to Mr Phemister:
  - A. MSS was allocated a total of five hotels, one of which was a short-term engagement of two weeks
  - B. Wilson was allocated a total of four hotels, with its initial two hotels being re-allocated to Unified by mid-April
  - C. Unified was allocated 11 CBD hotels plus the one regional hotel used for ship workers in Portland. It was allocated eight hotels in a row between 6 and 26 April, two of which were re-allocations from Wilson.<sup>53</sup>
- 38. To take a snapshot of what this meant, in mid-May, Wilson was providing security at one hotel, MSS at four and Unified at eight or nine.<sup>54</sup> Yet, it was Unified that was not on the State Purchase Contract, not preferred by Trades Hall and who had a small footprint in Melbourne.
- 39. There also appears to have been different attitudes taken when inappropriate conduct by security guards came to light. While the decision to remove hotels from Wilson was predicated in part on allegations of misconduct by guards, when similar conduct was alleged against MSS and Unified subcontractors it was not deemed a basis for similar action.<sup>55</sup> Indeed, when significant allegations of bullying and harassment were made about security staff at Rydges on 11 May 2020,<sup>56</sup> Unified kept it and all its other hotels and was even allocated further work on 19 May and 24 May 2020.<sup>57</sup> This further suggests an underlying preference for Unified that, I infer, was based on its willingness to meet any requests made of it.
- 40. I am satisfied that the allocation of hotels to security companies was not based on any proper assessment of the respective companies' capacity and suitability to undertake the work. A substantial percentage of the work, in terms of hotels and money, went to a non-panel firm that, in turn, relied entirely on small subcontractors. DJPR took Unified at its own estimation and on the basis of the professional relationships it had formed.
- 41. Had there been consideration of such matters as training, infection control and direct supervision of subcontractors, Unified ought to have been compared less favourably with the other subcontractors, who had taken on responsibility for devising their own training and, in the case of Wilson, taking their own expert advice on infection prevention measures.<sup>58</sup>
- 42. Similarly, if regard were paid to size and experience and the nature of the work, Unified ought to have been ranked behind the other providers, who each had experience in areas more closely linked to the work in the hotels, such as work at courts, hospitals and detention centres.<sup>59</sup>
- 43. Further, if regard had been paid to costs, the allocation of work might also have been different.

  Unified was the most expensive, 60 although its subcontractors were not necessarily earning more than subcontractors for other providers. 61
- 44. Any proper oversight of the benefits and risks to the Program by both DJPR and DHHS would likely have resulted in at least a different spread of work between the contractors.
- 45. As I consider below, the three security contractors were not all equal. Their differing sizes and competencies meant exposure to differing levels of risk, particularly in circumstances where other aspects of the Program were not well managed. (See Chapter 8 regarding the role of on-site management by DHHS.)

46. The extent of the whole Hotel Quarantine Program's reliance on small subcontractors is best demonstrated by a review of how many hotels were being supplied with guards by one small subcontracting company. Sterling Services Group (Sterling), a company subcontracted by Unified, had held a private security business licence for less than a year and had never done government work before.<sup>62</sup> Its director, Sorav 'Sam' Aggarwal, said:

Sterling ... provided security staff to the government security contractor Unified Security for the following hotels and time periods in the Hotel Quarantine Program:

- (a) Novotel Collins: 26 June 2020-10 July 2020
- (b) Travelodge Southbank: 13 April 2020–14 May 2020
- (c) Crown Metropol: 29 March 2020–5 April 2020 (covered partly); 6 April 2020–11 July 2020 (covered fully)
- (d) Holiday Inn Melbourne: 21 May 2020-11 July 2020
- (e) Crowne Plaza: 19 April 2020-3 May 2020
- (f) Pan Pacific South Wharf: 26 April 2020–11 July 2020
- (g) Rydges on Swanston: 11 May 2020–30 May 2020; 14 June 2020–30 June 2020
- (h) Novotel South Wharf: 17 April 2020–1 May 2020; 9 May 2020–24 May 2020; 1 June 2020–17 June 2020
- (i) Crown Promenade: 3 April 2020–14 April 2020 (covered partly);19 April 2020–11 July 2020 (covered fully)
- (j) Brady Hotel: 17 June 2020–23 June 2020
- (k) Comfort Inn Portland: 19 May 2020–21 May 2020; 20 June–27 June 2020
- (I) Marriott Hotel: 28 June 2020–11 July 2020
- (m) Hotel Grand Chancellor: 26 June 2020-3 July 2020.63
- 47. Sterling's capacity to source and provide high quality staff was attested to by Mr Coppick,<sup>64</sup> and I make no finding that either Mr Aggarwal or any of his colleagues did anything other than their best. But the allocation of so much work and responsibility to one small firm exposed the whole Program to risk. That risk was heightened because the role of subcontractors was not sufficiently visible to DJPR and, so, was not monitored. Mr Aggarwal gave uncontradicted evidence that he never saw Unified's head contract with DJPR and was unaware of its terms.<sup>65</sup> Yet it was his small company that was supplying the majority of the services the State was purchasing from Unified, including services at Rydges, the so-called 'hot hotel'.<sup>66</sup> Mr Aggarwal and Sterling took over at the Rydges on 11 May 2020 after another subcontractor,<sup>67</sup> Elite Services, was removed following complaints against it.<sup>68</sup>

# 6.4 The role initially envisaged for private security

- 48. As I have noted, at the time DJPR was tasked with engaging security contractors, there were no clear instructions regarding the nature of the work security guards would be required to undertake.<sup>69</sup>
- 49. Indeed, the precise role that private security and Victoria Police would play in the Hotel Quarantine Program was quite unclear at the initial meetings held when establishing the Program. While it was Victoria Police's preference for private security companies to be the 'first line of security' at the hotels and police would be called in when required, there was no more detailed discussion about what 'first line' or 'first tier' meant or what the actual duties of security would be. A summary by Mr Nolan of 'the ideal' model was Ms Currie's starting point and her discussions with security firms were on the assumption that security firms would:

- A. support the Chief Health Officer (CHO), Authorised Officers and Victoria Police in the enforcement of isolation
- B. ensure quarantined guests did not leave the hotel during their quarantine period without permission from the Authorised Officer
- C. ensure disputes with quarantine guests were de-escalated without physical contact and, if this could not be done, escalate the matter to Victoria Police
- D. provide advice to quarantine guests on which areas of the hotel they could enter.<sup>72</sup>
- 50. Evidence received from Wilson, Unified and MSS around the nature of services to be provided, in the first instance, largely reflected that security guards would provide 'on the ground' support to enforce isolation and ensure guests stayed in their rooms. The evidence before the Inquiry is that this limited role would have been consistent with the use of private security in many other contexts and, thus, would have been seen as uncontroversial, notwithstanding the limited understanding at that time of the complexities of the quarantine hotel sites.
- 51. Indeed, evidence provided by Wilson highlighted that it held an initial understanding that the role of security guards was to support the CHO in the enforcement of quarantine conditions by preventing people from leaving the hotel. It was understood that security guards would implement a 'hands off' approach and any non-compliance would be escalated to Victoria Police.<sup>73</sup> MSS also expected its guards' role to be 'reasonably simplistic' and primarily in relation to 'access control to each of the facilities, presence on each of the floors ... and then providing generally a security presence on-site, with some infection control awareness'.<sup>74</sup>
- 52. According to Mr Coppick from Unified, between 28 March and 2 April 2020, his company received very little information and/or guidance from Victorian Government representatives in relation to the duties and responsibilities of its security guards.<sup>75</sup> I accept this evidence as consistent with the evolving understanding on the part of DJPR and others of the sheer logistical scale of the Hotel Quarantine Program and the speed with which it was set up. It is clear that the logistics were being worked out 'on the run'.
- 53. Wilson's Purchase Order Contract (POC) was finalised on 6 May 2020.<sup>76</sup> Prior to this, it was acting in accordance with the overarching contract already established by being on the panel of preferred contractors with the Victorian Government.<sup>77</sup> The POC included agreement about the rate of pay for guards and supervisors. The rate was inclusive of Wilson's costs, like supplying all of its own PPE.<sup>78</sup> Similarly, MSS commenced working at the hotels prior to its POC being finalised.<sup>79</sup> The duties, as set out in the contracts, appeared to reflect the uncertainty of what specific roles security would play in the Hotel Quarantine Program.<sup>80</sup>
- 54. With reference to MSS's POC, Schedule 3, Specifications (as of 23 April 2020) outlined general expectations of security guards when carrying out their roles as part of the Hotel Quarantine Program. It noted that MSS, the Service Provider, must provide services that included, but were not limited to:
  - A. before check-in: ensure there is an adequate number of personnel on the floors where guests are staying
  - B. during check-in: accompany guests in lifts to their rooms (no more than four people per lift), assist with arriving buses i.e. helping with bags, being present to manage onsite issues
  - C. once checked-in: maintain presence on the floors, lobby and front door, receive and check parcels, manage food deliveries, assist with outdoor breaks, only allow authorised persons to enter each location
  - D. during check-out: assist by escorting guests to the lobby and assist with luggage if require.
  - E. escalation of issues: guest health related requests/concerns must be communications to Authorised Officers/nurses, food complaints to hotel staff, onsite queries to designated location manager
  - F. at all times: respond to routine, emergency incidents, in case of emergency must call 000.81

- 55. These specifications were also outlined in Wilson's signed contract<sup>82</sup> and in Unified's Agreement for Professional Services.<sup>83</sup>
- 56. Wilson Security had an initial understanding that Victoria Police would have a permanent presence at each hotel site, however, it later became clear this would not be the case.<sup>84</sup>

# 6.5 The evolving role of private security

- 57. The specifications in the contracts mentioned above were, notably, included at a later stage.

  Mr Watson said that, when Wilson security guards were first deployed, they had a role to 'observe and report'. By early April 2020, the services that the Government had requested changed to include bag searches, food and care package deliveries and the facilitation of exercise breaks.<sup>85</sup>
- 58. This demonstrated how the role of security guards changed significantly over time. While, initially, there was an expectation that they would simply monitor guest activity and ensure guests stayed in their rooms for the 14-day quarantine period (static guarding), this later changed and security guards had the responsibility for facilitating fresh air breaks for guests and managing deliveries.<sup>86</sup>
- 59. Wilson raised concerns about the expanded roles guards were expected to play in relation to infection risks for its workers, legal powers of guards and their health and safety. Generally, the request for guards to engage in duties outside their initial remit was being communicated on the ground, without first being raised at a management level. This caused issues between Wilson and DJPR, as guards were refusing to do certain tasks without Wilson first approving it.<sup>87</sup> As set out above, I am satisfied that Wilson's concerns contributed to the perception that it was 'difficult' and to consequent decisions about how security guards should be allocated to hotels.
- 60. For example, in relation to handling luggage, there were infection control concerns around touching items, as well as general health and safety concerns because guards were not trained (as it was not part of normal guarding duties) to handle heavy items. Wilson was concerned the union would step in because luggage handling was not in the enterprise agreement.<sup>88</sup> Questions arose about the lawfulness of baggage searches; Wilson negotiated a limited form of search.<sup>89</sup> MSS appears to have been willing to undertake baggage searches:

Ms Ellyard: Were you ever asked to do things like searching bags, for example?

Sam Krikelis: Yes, we were. So, we were asked to search the care packages that would come from the guests' families and friends. We were looking for items that were, I guess, restricted; cigarettes, lighters, et cetera and for items that were prohibited, such as drugs. But we do that a lot at our events, so it was nothing different for our staff to undertake those tasks.<sup>90</sup>

- 61. It does not appear that those within DJPR who were pressing for security guards to take on additional duties were alive to potential industrial issues or that there was any thought given to the appropriateness of using private security guards as a workforce for performing non-security tasks. It may be that the presence of large numbers of security guards standing at entrances and on each floor gave the impression of an underused workforce that was available to fill in where no other personnel were available.
- 62. When Mr Nagi and Mr Coppick were asked about the further tasks that Unified staff and subcontractors were asked to do, such as the delivery of Easter eggs and Mother's Day presents and buying toys for children in the hotels, they agreed that these were not security-related tasks, but Unified took the view that they were there to provide support to the Government, in whatever capacity.<sup>91</sup> It is noteworthy that neither Wilson nor MSS was asked to go shopping for toys. I infer from the industrial safety issues, quite properly being raised by Wilson, that it was understood it would not have agreed to take on such tasks.

- 63. The most significant expansion of the role of private security guards came with the introduction of fresh air breaks. When initially contacted, all security companies were told that guests would not be leaving their hotel rooms.<sup>92</sup> It does appear that the initial conception of those establishing the Program was that guests would enter their rooms and not leave them until 14 days later.
- 64. It appears that slightly different arrangements were in place at each hotel depending on the available areas for fresh air breaks (for example, some hotels could use rooftop gardens whereas others relied on small spaces outside the building).<sup>93</sup>
- 65. The introduction of fresh air breaks had two implications for security guards:
  - A. it increased the potential for direct contact between security guards and quarantined guests, some of whom were, or could be, infectious
  - B. it meant that guests were not remaining in their rooms and were moving through common areas also used by security and hotel staff, increasing the risk of infection through the contamination of those common areas (particularly in circumstances where there was no agency responsible for infection control supervision on-site, a matter I deal with in Chapter 8).
- 66. Fresh air breaks, thus, fundamentally changed the role of private security from static guarding outside the areas where quarantined guests were located to a much more complex role that included the potential for direct contact with those guests and contact with surfaces and spaces that those guests had touched or passed through.
- 67. This is not to suggest that fresh air breaks should not have occurred; indeed, as set out in Chapter 11.3 (and recommended in the facility-based model, as per the Interim, and now Final, Report Recommendation 45), they were an appropriate part of a balanced and responsive quarantine program. However, the introduction of those breaks ought to have occurred in the context of a proper re-evaluation of the infection control measures in place in hotels and an assessment of the increased risks posed to security staff. For instance, the closer contact with guests heightened the significance of PPE and infection prevention training for security guards and made it even more important that there be a high level of understanding, compliance and expert supervision of security guards about their need for scrupulous attention to PPE usage. It raised the question whether, once it was no longer static guarding work with minimal contact with quarantined travellers or areas used by those travellers, the cohort of people comprising the private security workforce was the right cohort for the work. I deal with that issue later.
- 68. But no such re-evaluation or risk assessment occurred. Although Victoria Police did raise some concerns about fresh air breaks at the Pan Pacific and the potential for those in quarantine to mingle with members of the public,<sup>94</sup> there appears to have been no thought given to the deeper and more significant ramifications fresh air breaks held for the use of private security guards.
- 69. The same was true of the expanded role of security in luggage handling and parcel delivery. The use of security in that role began from the first day of the Program in response to the need for those services and in light of Unified's willingness to provide those services and to do anything asked of it by DJPR. 95 By the time the contracts were finalised, some reference to those activities had been included in the contracted scope of works, 96 but without any consideration of whether their inclusion altered the suitability of private security guards for the expanded role they would play. Like fresh air breaks, these activities increased the potential level of direct contact with quarantining travellers and also increased the extent to which private security would be handling items that were at risk of carrying the virus. Again, there was no analysis of the suitability of private security guards for those tasks and no assessment of how those tasks altered the workplaces of those undertaking them.

- 70. My view is that at least one reason this re-evaluation and risk assessment did not occur was because no person or agency regarded themselves as responsible for the initial decision to engage private security and no one had articulated the assumptions that underpinned this decision. The initial decision to use private security was, as I have found in Chapter 5, a decision made by acquiescence to a preferred position expressed by Victoria Police, but those party to the decision were not alert to their roles in the decision and none of them assumed accountability for it.
- 71. Furthermore, given there was no clear understanding or description, at that time, of what the role of private security guards would be, assumptions were made about the suitability of such a workforce based on previous experience of working with security guards at venues such as sporting events. This was compounded by there being no record of discussion about the suitability of such a workforce, even for the initial understanding of the role, and there being no person or agency accepting they had made the decision to use this workforce. This was further compounded by the positions taken by DJPR and DHHS about who was accountable for these contracted workers in circumstances where no one agency considered itself 'in charge' of the operation on-site.
- 72. Ms Serbest was not party to the initial decision to use security guards. Once she became involved in logistical arrangements for the Program, it appears she sought the support of security guards to deliver a range of additional services as she and her team required.<sup>97</sup>

Chair: So that means that was communicated to you by the people that participated in the dry run? It was being articulated, 'This is what the role of private security is', rather than a document being provided to you so that you could understand that with clarity?

Ms Serbest: Correct. There were times though, as things shifted and evolved, so it wasn't something that was fixed. It would ... different policies would come onboard, and different requirements would need to be addressed, such as parcels being delivered to guests and things like that.

Chair: And the understanding that you were, as I understand what you're saying, the understanding was an iterative process, in other words, bit by bit you were understanding what the role of private security guards was on the sites that you were familiar with?

Ms Serbest: I would say it was quite clear from that first day what they would be doing, but as policies changed and as policies got introduced, whether they would be, as I mentioned, parcels from families coming into the hotels, Uber Eats policies for people with dietary requirements or fresh air breaks, the expectations on security changed.<sup>98</sup>

- 73. As already noted, Unified was willing to do what was being asked of it. Wilson raised concerns in some cases that it was being asked to do things beyond the scope of security guards' ordinary duties.
- 74. It was not for Ms Serbest to appreciate or analyse the implications of altering the role security guards were playing. She understood that the private security guards were a resource available to her and she used that resource. She appears to have drawn negative inferences when the help she sought was not forthcoming and to have been unaware that what she was asking security guards to do was materially different from what they would ordinarily do.<sup>99</sup>
- 75. In circumstances where it was DJPR that had contracted the three security providers and set the scope of their duties, responsibility for revisiting the scope of those duties lay with it. But because DJPR did not see itself as 'owning' the decision to engage private security, it appears not to have seen itself as responsible for monitoring the appropriateness of that decision.
- 76. The Principal Policy Officer, as set out below, was responsible for contract management. But his role did not extend to monitoring, as a matter of governance or principle, the continued suitability of private security for what had become a much more multi-faceted role than the one Ms Currie had contemplated when she spoke with Mr Millward on the morning of 28 March 2020.<sup>100</sup>

- 77. No-one thought about it other than to some extent the security companies that were being asked to perform duties in a high-risk environment and outside their areas of training.
- 78. This issue underscores, yet again, the need for a governance structure within a quarantine program that has clear lines of accountability and clarity of roles at each level within it, including on the hotel site, to ensure that a constant monitoring and supervision by the agency with the responsibility for the Program is watching every aspect of how the Program is or is not working and where potential risks are coming from and how to address those risks in a timely way (consistent with Recommendations 17 and 18).

# 6.6 The terms of the written contracts ultimately entered into, particularly as they related to infection prevention and training, and the deficiencies associated with those terms

- 79. As I have said above, the State through DJPR entered into three contracts with security services providers: MSS, Unified and Wilson.<sup>101</sup> Specifically:
  - A. a Purchase Order Contract (POC) between DJPR and MSS was executed on 23 April 2020 (MSS Contract).<sup>102</sup> This was 17 days after MSS had started providing security services from 6 April 2020<sup>103</sup>
  - B. a POC was also entered into between DJPR and Wilson for security services in relation to the Hotel Quarantine Program on 6 May 2020 (Wilson Contract),<sup>104</sup> covering the period from 30 March to 30 June 2020. Wilson did not have a prior POC under which it was providing services during the period from 30 March to 5 May 2020.<sup>105</sup> MSS and Wilson were engaged on terms set out in a POC as both firms were panel members of the State Purchase Contract. The terms were substantively the same, save for their respective fees and charges: Wilson had a higher rate of pay for its security guards but did not charge for the provision of its own PPE, whereas MSS had lower rates but charged cost plus 10 per cent for its PPE<sup>106</sup>
  - C. the contract for services to be provided by Unified was entered into on 9 April 2020 (Unified Contract),<sup>107</sup> some 11 days after Unified had started providing security services across two quarantine hotels on 29 March 2020.<sup>108</sup> The Unified Contract was bespoke but based on the MSS and Wilson contracts<sup>109</sup>
- 80. Each of the three contracts contained the same or substantially similar terms. The key terms relevant to the Inquiry are set out below.

#### Key terms

#### WHAT AND HOW WERE THE SERVICES TO BE PROVIDED?

81. Each of the contracts described the services to be provided in the same way, that is:

Service Provider must provide security services, including all ancillary services associated with the provision of security ('Services') at the Hotels notified by the Department (the Sites) which will include but not be limited to the following Services...<sup>110</sup>

- 82. I have described what those 'ancillary services' were above, at paragraph 54, noting that the role of security guards was 'iterative' as different policies were implemented and the functions the guards performed expanded.
- 83. Those expansions were reflected in directions given to security service providers, which were then included in the contracts over time. The main changes dealt with Department of Health and Human Services (DHHS) policies regarding exercise breaks and the provision of deliveries to guests.<sup>111</sup>
- 84. They were made as a result of DHHS having developed policies,<sup>112</sup> then having communicated those policies to the Principal Policy Officer, who then passed those policies on to the security service providers.<sup>113</sup> There was therefore an artificiality in DJPR's role as responsible for the terms of those contracts when it came to describing the role of security guards.
- 85. Each of the Wilson, MSS and Unified contracts required those providers to follow the direction of DJPR.<sup>114</sup> In practice, on the changing roles of security guards, DJPR acted at the direction of DHHS such that DJPR essentially passed on welfare-related directions to Wilson, MSS and Unified, including to support policy changes developed by DHHS.<sup>115</sup>
- 86. For example, at DHHS request, the Principal Policy Officer asked Unified for an additional three staff to be rostered for each shift between 8:00am and 8:00pm in order to implement and supervise fresh air and exercise breaks.<sup>116</sup>
- 87. By way of further example, when Ms Serbest was asked about what security would do when clarity was needed about those policies, she said that, where there were significant changes to a role, security services providers would seek guidance and direction from DHHS.<sup>117</sup>
- 88. The contracts set out the standard to which those services were to be performed. They each obliged Wilson, MSS and Unified to provide the services with, among other things, due care and skill.<sup>118</sup> Wilson and MSS were required to 'ensure the highest quality of work and the delivery of Security Services with the utmost efficiency'.<sup>119</sup> Similarly, Unified was required to ensure that the services were 'adequate and suitable for the purposes for which they are required',<sup>120</sup> and to use 'appropriately skilled and qualified Personnel to provide the Services'.<sup>121</sup>

#### CONTRACTORS WERE PERMITTED TO SUBCONTRACT

- 89. One of the main challenges for security contractors was meeting the need to deploy a large number of security personnel at very short notice. Given the circumstances, the head contractors were dependent on subcontractors to fulfil a substantial portion of the number of security positions.
- 90. Each of the contracts between the State (through DJPR) and the contractors included provisions permitting the engagement of subcontractors. The requirements for doing so, however, were different.
- 91. Clause 26.1 of the Unified Contract provided that Unified 'must not engage subcontractors to conduct the whole or any part of the Services without the prior written approval of [DJPR]'.
- 92. That requirement was not as onerous as the one imposed on MSS and Wilson. Clauses 6(a) and 6(b) of the Wilson and MSS contracts stated as follows:

- (a) The Service Provider must not subcontract any of Its obligations under this POC to any third party unless the third party receives the prior written approval of the Purchaser in accordance with this clause 6. A breach of, or failure to comply with, this clause 6 by the Service Provider will constitute a material breach of this [Purchase Order Contract].
- (b) Prior to the engagement of any Subcontractor, the Service Provider must notify the Purchaser of its intention to subcontract particular obligations, and seek the Purchaser's written approval. Such notice must be provided within a reasonable time and contain the following information:

...

(vii) acknowledgement from the Subcontractor that it will comply with all of the obligations arising under the POC;

...

- (x) a statement of compliance from the relevant Subcontractor(s) with this POC and all rights and obligations arising under it, including audit requirements.
- 93. Under its contract with DJPR, Unified was not required to inform the subcontractor of the head contractor's obligations under the contract with DJPR and provide an acknowledgment that Unified's subcontractors would comply with the same obligations as imposed on Unified (particularly with respect to training and infection prevention and control measures).
- 94. No reasons were given as to why the Unified Contract was drafted in this way, and the difference is perhaps surprising if there was an intention to promote substantive parity in terms between the three service providers. I infer that a reason for the difference may have been the lack of proper understanding by those preparing the terms of the Unified Contract as to the prevalence of subcontracting within the security services industry and the reliance that Unified would actually place on subcontractors.
- 95. The compliance or otherwise with these subcontracting requirements, and their consequences, is considered below.

#### RISK WAS ALLOCATED TO CONTRACTORS

96. The contracts explicitly recognised the risk of transmission of COVID-19 to security guards and the harm that it may cause. The contracts sought to transfer liability for that harm to the security companies, as follows:

The Service Provider acknowledges and agrees that it and its Personnel, while delivering the Services, are likely to come into contact with people who have or may potentially have COVID-19.<sup>123</sup>

The Service Provider releases and indemnifies...[the Department] against any loss, damages, cost or expense...incurred by the Department arising out of, or in any way connected with... personal injury, including sickness and death (including but not limited to in relation to exposure to or infection from COVID-19).<sup>124</sup>

97. Against that background, the contracts obliged Wilson, MSS and Unified to take certain steps towards protecting the safety and wellbeing of their security staff.

#### TRAINING AND INFECTION PREVENTION AND CONTROL OBLIGATIONS WERE IMPOSED

98. The contracts obliged MSS and Wilson to ensure that their security guards (that is, Service Provider Personnel) wore 'all necessary personal protective equipment (that complies with the relevant public health standards including but not limited to in relation to COVID-19) at all times while performing of the Security Services'. The Unified Contract contained a provision in substantively the same terms. 126

- 99. Wilson, MSS and Unified were each responsible for ensuring that, before their personnel performed the services, they:
  - A. 'received adequate training in security, workplace health and safety, customer service and risk management as applicable for the provision of security services and, including but not limited to, in relation to COVID-19'127
  - B. met 'all relevant safety induction requirements for the Designated Locations [i.e. quarantine hotels]"128
  - C. 'have undertaken the Australian Government Department of Health COVID-19 infection control training module, or any and all other COVID-19 awareness training as directed [DJPR]'.<sup>129</sup>

#### CERTAIN TERMS ENTERED INTO WERE NOT SUITABLE FOR THE NATURE OF THE PROGRAM

100. These contracts with Wilson, MSS and Unified purported to structure their engagement in the Hotel Quarantine Program with the contractor carrying the entire responsibility to protect its workforce against the risk of transmission of COVID-19 and indemnify the State against any risk to which its workers may be exposed.

#### THE CONTRACTS DID NOT SUFFICIENTLY PROVIDE FOR DHHS TO GIVE DIRECTIONS

- 101. At the outset, it is important to note that the contracts were between the State of Victoria (through DJPR) and Wilson, MSS and Unified. There was no requirement in the contracts that security services personnel be subject to the direction of DHHS. It was a deficiency that these contracts did not explicitly subject security service providers to the direction of DHHS in the performance of their services. An assumption on the part of DJPR that security would work to Authorised Officers' directions was not reflected in the terms of the contracts or in the schedule of duties. The Principal Policy Officer did not, it would appear, receive any direction that the contracts specified the obligation to take directions from Authorised Officers.<sup>130</sup>
- 102. The Inquiry heard evidence that security guards considered they were working to assist Authorised Officers and some considered themselves to be subject to their direction.<sup>131</sup> Sam Krikelis, Business Manager for Events Services at MSS, gave evidence that security guards would raise issues with the Authorised Officer.<sup>132</sup> Mr Nagi said that Authorised Officers could give direction to, or make requests of, the security staff.<sup>133</sup>
- 103. On 30 March 2020, Mr Watson of Wilson was provided with a 'draft document', titled *Security Consultants Roles and Responsibilities for Hotel Quarantine*, which stated that 'security personnel had been engaged to support authorised officers from [DHHS] and Victoria Police to uphold mandatory quarantine directions from CHO'.<sup>134</sup> That draft document was given to Wilson by DJPR. It was created by DJPR as a draft for DHHS, following discussions with DHHS on briefing security guards on how they should assist Authorised Officers to enforce the CHO's directions inside hotels.<sup>135</sup> DJPR understood that DHHS was to provide written material to security contractors so they could properly understand their role in enforcing those directions.<sup>136</sup> It suggested to DHHS that DHHS update the draft document and formally provide it to security managers at each site.<sup>137</sup> There was no suggestion from DJPR witnesses, Ms Febey or Mr Phemister, that this was actually done. The fact that DHHS submitted that Authorised Officers were not responsible for, or unable to direct, security guards,<sup>138</sup> leads me to infer that DHHS did not circulate that document to each of the contracted security services providers. This demonstrated a lack of agreement between DHHS and DJPR as to the role of security guards.
- 104. Explicit provision in the contracts would have provided greater clarity and certainty as to who was in charge of security services personnel, which may have led to a greater focus on the Government agencies supervising the work of security services personnel.

#### THE RESPONSIBILITY FOR PROTECTING AGAINST RISK SHOULD HAVE REMAINED WITH THE STATE

- 105. It was not appropriate that the contracts allocated the risk of COVID-19 transmission on to security service providers in the manner it did.
- 106. The contracts with security services providers effectively sought to impose the primary responsibilities relating to infection prevention and control on those private providers. This included obligations with respect to staff training and the supply of PPE. These were significant responsibilities to outsource, especially in the context of a government-led quarantine program, the primary aim of which was to contain the spread of a highly infectious disease.
- 107. Shifting a burden to those contractors who were not specialised in the areas of infection prevention and control was inappropriate and ought not have occurred.
- 108. By requiring all returned travellers to be detained in a hotel setting, the Government thereby concentrated, within the Program, a large number of potential carriers of the COVID-19 virus. This created risks of infection transmission as between those in quarantine and those working at quarantine hotels. The Government had a corresponding responsibility to take appropriate action to ensure appropriate systems were in place to address the risk that accompanies the creation of suspected or known hot spots.
- 109. DHHS submitted that the risks were not created or carried by the Hotel Quarantine Program but, rather, risks arose from COVID-19 itself and the entry into Victoria of travellers potentially infected with COVID-19.<sup>139</sup> What was required was a choice, it was submitted, as to how best to deal with the risk.<sup>140</sup>
- 110. The DHHS submission did not recognise that if the State mandates potentially infected people into the quarantine facility that it had created to avoid community transmission, it had then accepted the responsibility to take all necessary actions to keep the people in quarantine safe and minimise the risk of cross infection or community transmission from that quarantine facility (see also Chapter 11.1 for a discussion on the obligations of the State under the Victorian Charter of Human Rights and Responsibilities Act 2006 (Vic)).
- 111. DHHS otherwise did not make submissions as to the contractual apportionment of responsibility for infection prevention and control measures in the context of security services; it did, however, consider that terms relating to PPE and training requirements on hotels were 'reasonable and prudent' and consistent with hotels' pre-existing legal obligations. <sup>141</sup> I infer that the same approach would be taken with respect to security guards.
- 112. DJPR did make submissions as to the contractual apportionment of responsibility for infection prevention and control measures.
- 113. DJPR submitted that security contractors were under a positive legal duty, themselves, to control risk.<sup>142</sup> It submitted that the contractors, as employers, had health and safety obligations under the Occupational Health and Safety Act 2004 (Vic) at common law and as implied into employment contracts with their security services personnel.<sup>143</sup> It was reasonable and appropriate so submitted DJPR that contractors had responsibility for matters that were within their control.<sup>144</sup>
- 114. DJPR went further to submit that it would be inappropriate for the State to seek to assume contractors' own obligations with respect to their workforces because:
  - A. obligations on contractors provide an extra layer of protection for workers
  - B. the State and contractors exercise a different level of control over relevant workers and workplaces: here, DJPR submitted that contractors have particular roles with respect to on-site supervision arrangements, communication, disciplinary action and counselling
  - C. it is appropriate for the State to limit its risk through contracts
  - D. it was appropriate to require contractors to source their own PPE given the State's concern that it would be unable to source sufficient PPE.<sup>145</sup>

- 115. DJPR submitted that its contracts did not purport to transfer to contractors or diminish the State's infection prevention and control responsibilities, nor did the State seek to contract out of its obligations under the Occupational Health and Safety Act 2004.<sup>146</sup>
- 116. This Inquiry was not the proper venue for rulings and findings with respect to duties owed by these contractors at employment, contract or tort law. Suffice to say, as noted above in paragraphs 105 and 106, it was not appropriate for the State to seek to impose the risk of transmission of COVID-19 onto the security service providers in the way in which these contracts purported to do.
- 117. The Hotel Quarantine Program was not just a workplace or a private arrangement between employer and employee, or contractor and principal. It should not be seen solely through that lens. It was, fundamentally, a measure to protect the public from a significant public health threat.
- 118. There was simply too much at stake for the State to have conferred such responsibilities on private security service providers whose ordinary roles were so far removed from infection prevention and control measures.
- 119. Further, the state of specialist knowledge about COVID-19 was evolving over the months of the Hotel Quarantine Program. That knowledge was specialised and properly located within the ambit of DHHS.
- 120. For DJPR to determine that security service providers could or should have been making assessments about 'risk management' and what was 'adequate training' and 'relevant public health standards' for COVID-19 was inappropriate as a matter of public safety. Private security service providers simply could not have been expected to have had the specific expertise or experience in infection prevention control and use of personal protective equipment to be making such assessments and, certainly, not to the degree required to contain COVID-19, a new virus that was the subject of an evolving understanding in the medical and scientific communities.

#### RELIANCE ON THE OBLIGATION TO CONDUCT THE ONLINE TRAINING MODULE WAS NOT APPROPRIATE

121. Ms Currie gave the following evidence as to the inclusion, in each of the contracts, of the requirement for security services personnel to complete the Commonwealth Government Department of Health's COVID-19 online training module:

I had become aware of the training program as part of my work for the 'Working for Victoria' scheme and I considered that, as a minimum, it would be beneficial if private security guards had completed this training before commencing the performance of their duties. I subsequently requested that this requirement be included in the written agreements with each private security company.<sup>147</sup>

- 122. I make no criticism of Ms Currie in purporting to include such a term into the contracts. Indeed, she is to be commended for being alive to the need for relevant training in those initial days. However, the training she nominated on 28 March 2020, and that was later specified in the contracts, was not sufficiently specific in the context of a quarantine program and was 'clearly misleading' for quarantine staff with respect to the use of masks. 148 It was a failure in preparing those contracts that the content of such training was not based on public health advice. Ms Currie did not have relevant expertise in public health, nor was any public health advice sought or given about the type of training that would be appropriate for non-health professionals working in close proximity to people potentially infected with COVID-19.
- 123. While it may be that the state of knowledge about COVID-19 was more limited in March 2020 than it was in June or July 2020, and accessible training modules were not in abundance at the time security companies were engaged, it remained fundamentally important that whatever training the State was requiring security companies undertake, such training would be fit for purpose.

124. Professor Lindsay Grayson, Director of the Infectious Disease Department at Austin Health, gave evidence before the Inquiry as to the utility of the Commonwealth Government Department of Health's COVID-19 online training module in the hotel quarantine context. He stated that this training module was not fit for purpose for those working in an environment where they were likely to be in contact with a potentially infectious patient. He stated that:

My assessment of this training module is that it is hard to know who their target audience is. Elements of it, indeed, the majority of it, is like a training module for the general public rather than someone who is going to come into direct contact, or indeed, be responsible for managing COVID patients ... when I did the module some time back, I had assumed, just by the way it was structured, that this was really as a sort of a community education about infection control rather than a specific document related to staff of any sort who would be directly managing potential cases.<sup>150</sup>

- 125. Prof. Grayson concluded that the module was confused in its target audience, having regard to the level at which it pitched information and the detail with which the information was provided.<sup>151</sup>
- 126. In light of Prof. Grayson's evidence, a requirement to undertake COVID-19 related training should have been specifically tailored for non-health professionals working in a quarantine environment. That it was not, and that it was potentially confusing, meant that it was even more important that contractual requirements as to PPE and training were clear, specific and relevant.
- 127. Ms Currie also had a not unreasonable assumption, which she conveyed to security contractors in her initial discussions, that DHHS would provide on-site training and infection control. I consider the sufficiency of the steps taken by DHHS to provide that training and infection control in Chapter 8.

# Requirements were vague and led to inconsistent PPE practices among security companies

- 128. Contractual terms for adequate training and PPE required security companies to work out, for themselves, what constituted adequate training and PPE that complied with 'relevant public health standards'. The contracts certainly did not define what those standards were or where they could be found. If, in fact, such standards existed, to ensure certainty and consistency, they should have been specifically referenced. And, if the drafters of the contracts did not know what those standards were, then it was unreasonable to expect that private security providers would know and almost impossible for DJPR to monitor and potentially enforce compliance with those requirements.
- 129. There was evidence that security companies were issued with a document Operation Soteria PPE Advice for Hotel-Based Security Staff and AOs in Contact with Quarantined Clients that set out when PPE ought to be used.<sup>152</sup> That document was dated 5 May 2020.
- 130. To the extent that document constituted a relevant public health standard, it ought to have been given to the security companies much earlier than it was. It was not provided to Unified until 12 May 2020, some six weeks after Unified commenced its services; 153 MSS did not receive that guidance until 29 May 2020; 154 and Wilson received it on or around the same day. 155
- 131. Each contractor had different ways of giving effect to its obligations with respect to infection control and PPE. The extent to which PPE and training obligations were discharged varied between the three contractors.

- 132. Mr Watson gave evidence that Wilson provided more than 30,000 masks, 81,000 pairs of gloves and 150 litres of hand sanitiser to its security guards.<sup>156</sup> It also provided safety goggles and surgical gowns to its guards.<sup>157</sup>
- 133. He gave evidence that Wilson took a range of different measures to manage risk. Those measures included having previously engaged an epidemiologist as a consultant to the company to provide advice on training staff, procedures, policies and guidance through the pandemic.<sup>158</sup> Mr Watson said that Wilson developed a process to continuously source PPE<sup>159</sup> and implemented guidelines and policies regarding the use of PPE, physical distancing, temperature checking and rostering requirements.<sup>160</sup>
- 134. Mr Adams gave evidence that MSS sourced, in sufficient quantities, its own disposable gloves, masks and sanitiser for its guards (including subcontractors).<sup>161</sup>
- 135. He said MSS developed its own infection control training module which all permanent employees were required to complete and was subsequently sent to contractors for completion by their guards. Based on initial discussions with DJPR, MSS was of the view that DHHS staff would be on-site to provide guidance and assistance along the way. The evidence of MSS was that it also provided COVID-19 information updates.
- 136. Unlike for Unified, there was no explicit requirement in the MSS and Wilson contracts for MSS and Wilson to supply their personnel with PPE; only that they had to ensure their personnel wore all necessary (and compliant) PPE.<sup>165</sup> The evidence before the Inquiry was that it was an expectation that they do so and they, in fact, did so.<sup>166</sup>
- 137. With respect to Unified, in addition to the Commonwealth's module, Unified stated that its guards were inducted on-site, which included training on the use of PPE and some basic standard operating procedures.<sup>167</sup> Like MSS, Unified had an expectation that DHHS would offer training on-site, but its experience was that no guidance was received until late April or early May.<sup>168</sup>
- 138. This had consequences for the risk of transmission within hotels. Unified and its subcontractors were more reliant on DHHS training and guidance to reduce the risk of transmission and, so, were vulnerable if that training or guidance was not delivered (or not delivered in a timely way). In the case of other contractors, security guards may well have been better equipped to manage the risk of infection through more rigorous training, policies and practices implemented by the security contractor who had engaged them, whether directly or through a subcontractor.
- 139. Outbreaks occurred at a hotel staffed by Unified and a hotel staffed by MSS.<sup>169</sup> It is true that neither company had infection prevention measures in place that matched the standard that Wilson used at its hotels.<sup>170</sup> In the absence of evidence about the number of COVID-positive guests at hotels staffed by Wilson, I can draw no firm conclusions as to whether Wilson's heightened training and infection control measures, in fact, prevented or reduced the risk of outbreaks. The risk of an outbreak was much higher at the Rydges than at any other hotel because of its status as a 'hot hotel' and I accept that care needs to be taken in drawing inferences from the absence of outbreaks at hotels where the number of infected guests was likely to have been much lower.
- 140. The efficacy of the measures taken by each of the head contractors may be considered against evidence of how infection prevention and control measures were applied by security guards at the hotel.

- 141. In that context, evidence presented to the Inquiry highlighted varying levels of knowledge and support around infection control and appropriate use of PPE, depending on which guards were hired and where they were working, noting that this was but a small selection of examples:
  - A. Witness Security Guard 1 said he 'went through use of [PPE], policies about keeping your distance from other people, and the processes for escalating incidents' on his first day working at Crowne Plaza.<sup>171</sup> His PPE training was about wearing masks and gloves, how to put the mask on, and he was told to use as much hand sanitiser as he wanted, to stay four metres away from guests with a maximum of three people in the lift. He stated he did not see any guards not wearing a mask properly.<sup>172</sup>
  - B. Security Guard 1 said there were factsheets around the Crowne Plaza hotel that had information about wearing PPE and social distancing, and protocols for what to do if someone came out of their room. Security guards were not allowed to make any physical contact with the guests if this occurred; they would escalate the situation with the shift supervisor. There was no handbook or information distributed to the security guards.<sup>173</sup>
  - C. By contrast, Kaan Ofli, a returned traveller who was quarantining with his partner, was told by a security guard at the Pan Pacific that he was overwhelmed as he did not have experience managing a team and he had not been properly trained.<sup>174</sup>
  - D. Returned traveller Liliana Ratcliff stated she observed security guards not practising social distancing with each other, leaning on surfaces and not wearing gloves, which gave her a 'sense of panic' as she knew it was not safe.<sup>175</sup>
  - E. Similarly, witness Michael Tait, who worked as a nurse in the hotel quarantine program, observed that security guards did not understand how to correctly handle PPE.<sup>76</sup> He explained that they became offended when nurses said they needed to wear their masks, and witnessed PPE constantly thrown on the floor instead of being disposed of correctly by security guards.<sup>177</sup>
- 142. This evidence of individual observations was, to some extent, contradicted by security contractors and subcontractors who said that there was training on PPE and that attention was paid to ensuring social distancing and hygiene. However, I am satisfied that, particularly at the Rydges and the Stamford Plaza hotels where outbreaks ultimately occurred, the practices of security guards fell short of necessary standards of infection prevention.
- 143. I base my conclusion largely on the evidence from the observations of the DHHS outbreak teams that attended both of these sites in the wake of the outbreaks at the Rydges and the Stamford. (The outbreaks are discussed in Chapter 9)

#### Figure 6.2: Narrative from Security Guard 4 about their experience with infection control training and PPE

'On my first day I got no instructions or training. I was told to just "sit there and do nothing". I was told that 'if any of the people came out of their rooms, tell them to go back into their room'.

I didn't have a mask or any PPE. They did have good hand sanitiser (alcohol based) at first, but after this we were just given hand wash, not proper sanitiser.

My friends who were also guards would help the travellers with their luggage and share lifts with them when they arrived from the airport. They didn't have a mask or any other PPE either. We didn't know if any of the travellers had the virus. Our subcontractor told us nothing'.

Source: Information provided to the Inquiry via the Intake and Assessment team between 15 July to 3 December 2020. Names of sources have been de-identified for privacy purposes.

# 6.7 The management of security services contracts

- 144. As a mechanism to ensure security services personnel were appropriately trained and performed their services to an acceptable standard, contract management became a critical component of the administration of the Hotel Quarantine Program.
- 145. There were deficiencies in the arrangements for managing contracts with security service providers Wilson, MSS and Unified (collectively, the head contracts), affecting the success of the Hotel Quarantine Program.
- 146. Before dealing with particular instances in which contract management led to deficiencies, a foundational question must first be answered; that is, was the contract management function properly located within DJPR in the first place?
- 147. It was accepted that DJPR was responsible for procuring security services and, also, managing the head contracts.<sup>178</sup> I have earlier referred to the head contracts requiring Wilson, MSS and Unified to comply with directions given by DJPR.

#### DHHS should have managed the head contracts

- 148. It does not necessarily follow that, if DJPR entered into the head contracts, it should also *manage* those contracts, including by way of giving directions to the security service providers.
- 149. A consistent theme arising from the evidence was that DJPR was responsible for 'logistics' whereas DHHS was responsible for returned travellers' health and wellbeing.<sup>179</sup> The distinction had some use in terms of differentiating between the set-up of the Program, on one hand, and the administration and operation of the Program on the other.
- 150. If that was the case, then the provision of security services, in order to enforce the quarantine regime imposed under legislation administered by DHHS, fell more appropriately into the latter category. Mr Krikelis, of MSS, aptly described the distinction between DJPR's and DHHS' responsibilities as follows: 'the role of DJPR appeared to me to be more directed at ensuring the operation was carried out, rather than *how* it was carried out'. <sup>180</sup> In terms of how the security operation was carried out, Mr Krikelis said that 'it was DHHS which provided guidance regarding the way in which security services were to be performed'. <sup>181</sup> Mr Nagi gave evidence that Authorised Officers could, in a practical sense, give directions and make requests of security staff. <sup>182</sup>
- 151. Mr Watson, on behalf of Wilson, expressed a similar sentiment when he said that, in practice, the Authorised Officer was in charge of a particular site.<sup>183</sup>
- 152. This view was both common and understandable. Given the entire Hotel Quarantine Program was about placing returned travellers into quarantine for public health reasons, and it was the powers of detention being exercised by Authorised Officers that kept those people in detention or allowed them to move around, it made sense, in the absence of any other person apparently 'in charge' on-site, to assume it was the Authorised Officers who were 'in charge'.
- 153. As stated in Chapter 8, DHHS Authorised Officers were 'in charge' of people in quarantine at hotels, including because people were there as a result of their legislative powers of detention, and it was the security guards' function to assist Authorised Officers to enforce that detention. It is clear that all three security head contractors, themselves, understood that to be their function, and that they gained that impression from DJPR's initial work in drawing up the proposed scope of security guards' duties.<sup>185</sup>

- 154. DHHS was better placed than DJPR to manage the head contracts. Witnesses, including former DHHS Secretary, Kym Peake, and former Minister, Jenny Mikakos, gave evidence that there was no legal or practical preclusion from the management of service contracts being transferred to DHHS as Control Agency. Be Indeed, the State of Victoria was the contracting agency. The ability to make that transfer as between government departments was further made apparent when the hotel accommodation contracts were transferred to DHHS on 1 July 2020 and again when the Department of Justice and Community Safety (DJCS), through Corrections Victoria, assumed responsibility for the supervision of returned travellers in the Hotel Quarantine Program by 11 July 2020.
- 155. Fragmenting responsibilities between procurement and management of the security services providers led to deficiencies in the Hotel Quarantine Program. Mr Adams, of MSS, gave evidence that different reporting and accountability lines:
  - ... does create, and it did create, difficulties, in the sense that ... our customer being a contracting department of the Government, with a number of other stakeholders who have not only responsibility but authority to make decisions at a site level.

    Those decisions ... were not consistent. There was no clear demarcation of responsibility.<sup>189</sup>
- 156. A stark example of the confusion caused was the contradictory information given to security guards as to when PPE should have been worn. As stated above, the head contracts required security personnel to wear PPE 'at all times'. That was also DJPR's position. But DHHS took a different approach. Mr Nagi, of Unified, gave the following evidence in this regard:
  - Unified Security also received PPE Advice documents from the DHHS which applied to security guards ... these documents caused confusion as they contradicted the instructions that Unified was providing to guards, that is, to always wear PPE.<sup>192</sup>
- 157. As control agency of the services provided pursuant to the head contracts, DHHS should have been responsible for the management of the delivery of those services. To promote consistency and enable clear lines of accountability, responsibility and supervision of security service providers, DHHS and DJPR should have arranged, at the outset, for the transfer of responsibility for the administration of contracts to DHHS.

### Complaints against security service providers were dealt with

- 158. Instead, DJPR managed the head contracts through the Principal Policy Officer, who was listed as the DJPR contact on each of the head contracts. His duties included being the general point of contact for security providers regarding any contractual issues, relaying instructions to security providers and, at the direction of Rachaele May, Executive Director, Emergency Coordination and Resilience at DJPR, requesting responses from security providers to issues raised by DHHS, DJPR staff, hotel staff or returned travellers. Hotel staff or returned travellers.
- 159. Even though the Principal Policy Officer was the contract manager, he was never deployed to hotel sites; rather, he relied on receiving reports from DJPR or DHHS staff.<sup>195</sup> In contrast, DHHS maintained a constant presence at hotels through Authorised Officers and Team Leaders.<sup>196</sup>
- 160. Further, not only was the Principal Policy Officer absent from sites, he had no background or experience in public health or infection control<sup>197</sup> and, therefore, had no sense of the dangers that any of these complaints posed to the efficacy of the whole Program.
- 161. The Principal Policy Officer generally received complaints regarding the conduct of security guards and relayed those to the relevant security services provider for response.<sup>198</sup>

162. One returned traveller told the Inquiry Intake Team that she flirted with security guards in order to receive more fresh air breaks to support her mental health and wellbeing. This led to a guard asking to stay with her after she left quarantine:

The extra fresh air breaks helped me feel much better emotionally, which was really important because my mental health was very poor at the time. I understand the guards broke rules in the way they interacted with me ... After quarantine ended, the security guard asked if he could stay with me at my house. I told a white lie because I did not want him to stay with me.<sup>199</sup>

- 163. The Inquiry was provided with a statement from the Principal Policy Officer, who described 12 complaints about the conduct of security guards at hotels.<sup>200</sup> Those complaints were made variously against staff engaged by Wilson, MSS and Unified. The following is a sample of the complaints and outcomes identified by the Principal Policy Officer:
  - A. On 7 April 2020, a complaint was made against guards engaged by Wilson relating to misuse of equipment and poor customer service.<sup>201</sup> The matter was raised with Wilson and dealt with appropriately.
  - B. On 12 April 2020, a complaint was made against a guard engaged by Wilson alleging that the guard was 'overly friendly' with a guest.<sup>202</sup> Another complaint was made against a Wilson-engaged security guard on 14 April 2020, also alleging the guard was 'overly friendly' with a guest.<sup>203</sup> After the complaints were raised with Wilson, Wilson terminated the engagement of the relevant guards.<sup>204</sup>
  - C. On 28 April 2020, a complaint was received relating to the conduct of security guards engaged by Unified, including allegations that staff were consuming alcohol while working. After the complaints were raised with Unified, Unified stood down the crew working on the relevant evening amongst taking other steps.<sup>205</sup>
  - D. On 11 May 2020, a complaint was received about the conduct of guards engaged by one of Unified's subcontractors, which was investigated and resulted in the standing down of the entire team of guards that was working that evening.<sup>206</sup> The subcontracting arrangement was also terminated by Unified as a result.<sup>207</sup> Unified advised it would take additional steps, including a commitment to provide harassment and bullying training to its staff.<sup>208</sup>
  - E. On 14 June 2020, a complaint was made against MSS security guards regarding a lack of appropriate social distancing and misuse of PPE.<sup>209</sup> MSS agreed to provide further advice and guidance on the need to have smaller meetings and the role of PPE, amongst other things.<sup>210</sup>
- 164. The conduct of security guards, such as that described by the Principal Policy Officer, was unacceptable. Such behaviour affected the wellbeing of those subject to quarantine. It also risked the spread of COVID-19, particularly in instances of conduct related to misuse of PPE and failures to exercise proper physical distancing.
- 165. The evidence did not provide a basis for concluding that that inappropriate conduct by security guards was systemic or widespread, or that appropriate remedial action was not taken by DJPR or the security service providers. Rather, the evidence before the Inquiry was that Wilson, MSS and Unified took steps to resolve those complaints and reduce the risk of that conduct reoccurring.<sup>211</sup> That was so, even to the extent that, in one case, a subcontracting arrangement was terminated as a result of a complaint.<sup>212</sup>
- 166. The arrangements for subcontracting, however, posed their own significant challenges for the Hotel Quarantine Program.

# 6.8 Subcontracting terms were not appropriately managed

- 167. As set out above, each of the contracts permitted Wilson, MSS and Unified to engage subcontractors.<sup>213</sup> There was a process for giving effect to the subcontracting provisions under the standard POC used for Wilson and MSS, which involved the submission of a 'Notice of Intent' form, together with relevant documents.<sup>214</sup> That involved the contractor providing in the Notice of Intent, the details required by clause 6 of those contracts and copies of documents, including:
  - A. an acknowledgment from the subcontractor that it will comply with all the obligations arising under the Purchase Order Contract
  - B. a statement of compliance from the subcontractor with the contract and all rights and obligations arising under it.<sup>215</sup>
- 168. Such requirements were, on their face, intended to give the purchaser oversight of the suitability and capability of the proposed subcontractor to provide the services to DJPR's satisfaction. In the context of the Hotel Quarantine Program, they purported to give assurance to DJPR that the subcontractor had complied with the requirements for COVID-19-related training and PPE use (or that they would have complied with them before the services were provided).
- 169. Once those documents were provided and the material was considered, the purchaser (in this case, DJPR) may approve the engagement by countersigning the Notice of Intent. That Notice invited the purchaser to give reasons for the decision and specify any conditions or restrictions on the engagement.
- 170. In the Hotel Quarantine Program, each of Wilson, MSS and Unified used subcontractors.

#### WILSON

- 171. Wilson engaged 10 security services providers as subcontractors between 3 April and 5 July 2020 across four hotels.<sup>216</sup> That represented approximately 650 security guards under subcontracting arrangements, with the total 'peak' numbers being as follows:<sup>217</sup>
  - A. 168 guards at Crowne Plaza
  - B. 180 guards at the Pan Pacific Hotel
  - C. 160 guards at the Mercure Hotel
  - D. 145 guards at the Pullman Hotel.
- 172. In choosing which subcontractors to engage, Wilson prioritised those with whom it had previously worked, then would consider the availability of contractors that had served the aviation industry and, thereafter, those from the hospitality industry. It considered security guards from the aviation industry were known to be well trained with high service standards and those from the hospitality industry would have customer service skills appropriate for the Hotel Quarantine Program.<sup>218</sup>
- 173. Ultimately, Wilson hired a mix of subcontractors; some had pre-existing relationships with Wilson, while others had just started with Wilson in retail work, as there was a retail 'surge' prior to the Hotel Quarantine Program.<sup>219</sup>

#### MSS

- 174. Prior to hotel quarantine, in early 2019, MSS conducted a Request For Tender (RFT) process. MSS invited all existing subcontractors, along with other entities that had expressed an interest in working with MSS, to participate in the RFT process. MSS offered subcontract agreements to parties it believed were businesses with 'genuine employees' who were remunerated correctly, at least, in accordance with the applicable Security Services Industry Award, had the capacity to consistently deliver on the resources required and were able and reliable in delivering training requirements.<sup>220</sup>
- 175. MSS engaged four security services providers as subcontractors between 6 April and 10 July 2020 across four hotels.<sup>221</sup>
- 176. The Inquiry received evidence that MSS was asked, on 14 May 2020, to provide Notices of Intent for any subcontractors.<sup>222</sup> MSS had been providing security services to the Hotel Quarantine Program, including via subcontractors, since 6 April 2020.<sup>223</sup> On 14 May 2020, MSS provided Notices of Intent to DJPR, but did not provide signed acknowledgements, until 10 June 2020, that the proposed subcontractors would comply with the terms of the MSS Contract.<sup>224</sup>
- 177. The Principal Policy Officer approved the engagement of four subcontractors on 10 June 2020,<sup>225</sup> some two months after subcontractors commenced work.

#### UNIFIED

- 178. Unified also had pre-existing relationships with subcontractors, which it called 'service partners'.

  Unified worked with its service partners to fulfil the numbers of security guards needed at any one time.<sup>226</sup>
- 179. Between 29 March and 11 July 2020 and across 13 hotels, Unified engaged five security services providers as subcontractors.<sup>227</sup> Mr Coppick gave evidence of two instances of further (impermissible) subcontracting by those subcontractors.<sup>228</sup>
- 180. The Principal Policy Officer gave evidence of knowledge of only one Unified subcontractor. He said that Unified did not inform him that Unified had engaged Acost Security Services as a subcontractor.<sup>229</sup> It was only in June 2020, after a media enquiry, that the Principal Policy Officer became aware of its engagement.<sup>230</sup> The Principal Policy Officer did not give evidence about having approved the use of the subcontractors used by Unified. There was no evidence of Unified having formally notified DJPR of the use of its subcontractors or having complied with its contractual requirements to seek DJPR's prior approval for the use of those subcontractors.<sup>231</sup>

# Non-compliance with requirement to obtain prior written approval

- 181. The evidence was that Wilson, MSS and Unified did not comply with their obligations to seek prior written approval to use subcontractors in accordance with the terms of their contracts.<sup>232</sup>
- 182. While the obligation was on Wilson, MSS and Unified to seek and obtain that prior written approval, that did not absolve DJPR from seeking to enforce the subcontracting terms (which it later did, certainly with respect to MSS).<sup>233</sup> DJPR should have been more vigilant and proactive in requiring Wilson, MSS and Unified to seek written prior approval, as per their respective contracts. That was particularly so when DJPR was on notice that subcontractors would be used,<sup>234</sup> regardless of the extent to which DJPR was aware of the prevalence of subcontracting within the security industry. Had the task of procuring security services providers been given to people with greater knowledge of the industry, it is reasonable to assume that those people would have had a greater awareness of the common practice of subcontracting in the security industry, in particular in circumstances where large 'surge' workforces are required.

- 183. In submissions, DJPR acknowledged that it 'could have done more to scrutinise and respond to the extent of subcontracting by the private security companies engaged by it ... once that issue came to DJPR's attention'.<sup>235</sup> That concession is properly made. The issue of subcontracting first came to DJPR's attention during discussions between Ms Currie and Wilson on 28 March 2020.<sup>236</sup> The terms of the contracts DJPR initiated made it clear it was contemplated and understood that subcontracting may occur.
- 184. Mr Phemister gave evidence about 'post-incident reviews' that were undertaken for all subcontractors. 237 With respect to subcontractors that were not approved prior to their commencement in the Program, Mr Phemister said that '[t]hose post-incident reviews found that we would have, in all likelihood, permitted the subcontracting'. 238 That is, of course, a fortunate outcome, but it does not relieve DJPR of the need, prior to their engagement, to have considered the proposed subcontractors in order to satisfy themselves as to their competence and suitability. As set out elsewhere in this chapter, the heavy reliance on subcontracting posed a significant risk to the Hotel Quarantine Program.
- 185. The requirement for DJPR to give written prior approval to subcontractors, <sup>239</sup> having been satisfied of the subcontractors' agreement to comply with the terms of each relevant head contract, was an important one. It would have allowed DJPR to satisfy itself that those subcontracted to provide security services had, at the very least, 'adequate training' in relation to COVID-19 as designated by the head contracts and knew of, and were subject to, the requirement contained in the head contracts to wear PPE 'at all times'. <sup>240</sup>
- 186. These requirements were (at least) basic infection prevention and control measures. They were imposed as a way to protect the health and safety of security guards and returned travellers alike.
- 187. Non-compliance with the subcontracting provisions meant DJPR could not satisfy itself that, before they commenced work, subcontractors were being given basic training with respect to the risk of infection. It meant that DJPR did not implement a crucial contractual mechanism that was there to minimise risk of infection transmission.
- 188. In the context of Unified's services, it also meant that the overwhelming majority of its approximately 1,754 security staff<sup>241</sup> were subcontracted security staff engaged without DJPR having considered whether they were competent, suitable or sufficiently trained to perform those services safely. As set out earlier in this chapter, Unified was relying heavily on small subcontracting companies and DJPR was not even aware of that fact,<sup>242</sup> leading it to allocate more and more hotels to Unified without any proper assessment of its capacity to cover such a substantial percentage of the whole Hotel Quarantine Program's first tier of enforcement.
- 189. This was a failure of proper contract management on the part of DJPR. However, to an extent, this failure is shared with Wilson, MSS and Unified. There was evidence as to some subcontractors not being aware of their obligations under the head contracts until well into the delivery of service. In fact, Sterling Security Group, a subcontractor for Unified, never saw the Unified Contract. Moreover, The Security Hub was first approached by Wilson and then MSS in early April to provide services but was only provided with the terms of the head contract by Wilson and MSS in May and June respectively. 44

#### Vulnerabilities of the private security workforce

- 190. The issue arose before me as to whether security guards were the right cohort to provide the services they actually provided within hotels. To the extent that security guards were engaged in the Hotel Quarantine Program to provide static guarding services at points of exit and entry and stationed at points inside hotels to ensure people in quarantine stayed in their rooms,<sup>245</sup> it was not unreasonable to expect that private security guards were a suitable cohort. This assessment, by the former Chief Commissioner of Police, Emergency Services Commissioner and Minister for Police and Emergency Services, was made in that context and with the qualification that their performance was properly supervised and they were properly trained for this work.<sup>246</sup>
- 191. However, that was not the extent of the services provided by security guards, as I have set out above in Sections 6.4 and 6.5.
- 192. The evidence was that private security companies had the flexibility and capacity to scale up quickly and to provide the hundreds of guards that were required.<sup>247</sup> They did that through subcontracting and reliance on a workforce of casual and part-time workers, many of whom had lost previous work due to COVID-19-related shutdowns. That flexibility was necessary because arrival numbers changed every day. It is not difficult to see the rationale for using private security to meet such a fluctuating demand, and to do so using subcontractors who, themselves, could call on a readily available and flexible workforce.
- 193. But that 'flexibility' carried with it substantial potential vulnerabilities. The State Government was on notice of those vulnerabilities, including the risk of inadequately trained staff, underpayment of wages and poor working conditions, all of which had been identified as issues being considered in a review of licensing and regulatory arrangements in the private security industry<sup>248</sup> that commenced prior to the Hotel Quarantine Program. I turn to this review below, at paragraph 200.<sup>249</sup>

# 6.9 The security industry relies heavily on subcontracting

194. Subcontracting is common in the security industry.<sup>250</sup> Ms Currie, who identified the three security companies, gave evidence that she did not comprehend that subcontracting was the way the industry worked or that the companies would use subcontractors.<sup>251</sup> That evidence was challenged.<sup>252</sup> I am satisfied that DJPR was not aware of the extent to which the security services industry was reliant on subcontractors. That lack of awareness was reflected in DJPR's failure to properly manage the contracts with each of MSS, Wilson and Unified insofar as they placed obligations on the security companies with respect to subcontracting.

# Subcontractors recruited security guards quickly and often informally

195. Each subcontractor had a limited number of staff on its books and relied on databases of guards, as well as word of mouth and online advertising, to recruit sufficient numbers. For example, Sterling primarily sourced guards from its database, however, due to the large number required, the company also received word of mouth recommendations, which would be followed by phone interviews.<sup>253</sup>
About half of the United Risk Management (URM) guards who worked on the program were previous employees of URM. The remaining staff were recruited through word of mouth and advertising on Gumtree.<sup>254</sup>

- 196. There was evidence that some guards were hired through social media, including WhatsApp, LinkedIn and Facebook,<sup>255</sup> and recruitment websites such as Seek.<sup>256</sup>
- 197. Security 16, a guard who worked at the Rydges and Marriott hotels, gave evidence that he was recruited by subcontractor Silvans Security Services via WhatsApp:

All of the arrangements were made using What's App and it was very casual. I was not asked to provide my visa or any hard-copy documents. I was not asked to undertake any extra training or read any other information about COVID-19 or infection control.<sup>257</sup>

- 198. Such recruitment processes were totally inappropriate in the context of a quarantine environment. The ad hoc, arms-length and impersonal nature of recruiting security staff reflected the need to satisfy the demands of the Hotel Quarantine Program (in terms of the number of security guards required) and to do so with very little notice. It also meant that there could not have been sufficient consideration as to whether the security guards being recruited by subcontractors actually had the training, experience, skills and competence to perform the services required and to perform them safely in such a dangerous environment.
- 199. As one subcontractor, who gave information to the Inquiry via the Intake Team, stated:

I think the Hotel Quarantine Program was very rushed. To find 450 guards within a few days is a big task for a short amount of time. The Government put a lot of pressure on contractors, and the contractors put a lot of pressure on subcontractors.<sup>258</sup>

# 6.10 The security industry has inherent characteristics that make security guards a vulnerable cohort

- 200. The private security industry was the subject of an existing review by the Victorian Government at the time the Hotel Quarantine Program commenced.<sup>259</sup>
- 201. The Premier gave evidence that he was aware of concerns in sections of the community and the private security industry about how the industry operates.<sup>260</sup> The Premier was taken to a document, *Victoria's Private Security Industry Issues Paper for Consultation* (Issues Paper), which invited comments and responses to the review into the industry.<sup>261</sup> The Issues Paper identified a number of characteristics of the private security industry that were concerns within the industry, generally, including:
  - A. the industry attracted culturally and linguistically diverse people for whom English is a second language, as well as people with low levels of education. The Issues Paper noted that '[poor] levels of language, literacy and numeracy skills ... is a continuing concern ...
  - B. concerns as to job security and workplace rights, including concerns about 'sham contracting', insecure work and underpayment of wages and superannuation in the industry, and the extent to which workers can understand their rights and obligations. The Issues Paper noted reports of 'widespread use of casual labour hire across the industry where permanent employment would be more appropriate'. 265

- 202. The Government was already aware of the insecure nature of private security work, and the prevalence of subcontracting in a range of industries (including the private security industry), by reason of the *Victorian Inquiry into the Labour Hire Industry and Insecure Work*.<sup>266</sup>
- 203. In the specific context of the Hotel Quarantine Program, those concerns manifested and contributed to private security not being the appropriate cohort to provide security services in the Hotel Quarantine Program.
- 204. Dr Clare Looker, Senior Medical Advisor at DHHS, reflecting on the use of private security guards and DHHS's ability to contain the outbreaks in that cohort, identified social or health vulnerabilities in the security guard cohort, including in the following respects:
  - A. in many cases, guards lived in crowded or dense housing, such that many of DHHS's usual outbreak control measures were harder to successfully implement<sup>267</sup>
  - B. the age of the cohort was relevant; Dr Looker said that as a young, fit and socially-active cohort, they tended not to seek testing until it was required at Day 11, by which time there had been cases that had transmitted within their household<sup>268</sup>
  - C. language and cultural issues and, at times, distrust or caution about government services.<sup>269</sup>
- 205. I accept Dr Looker's evidence that those factors may have each contributed to COVID-19 outbreaks and to some of the difficulties faced by contact tracing teams in the wake of the outbreaks.
- 206. Professor Brett Sutton, CHO, gave evidence in similar terms as to the characteristics of private security guards creating significant risks of COVID-19 transmission from the Hotel Quarantine Program into the community.<sup>270</sup> That evidence was consistent with some of the concerns identified in the Issues Paper referred to above.
- 207. That is, the language and cultural barriers, faced by many of those in the industry, may have impeded their understanding and acceptance of infection prevention and control measures.<sup>271</sup>
- 208. As to the nature of the workforce, Ishu Gupta, Managing Director of The Security Hub, said, 'because [security guards] are on casual employment, and as per fair work laws ... they are within their own rights to work with other contractors if they find work'.<sup>272</sup>
- 209. As Security Guard 2 told the Inquiry:

My main concern about working at the hotels was the amount of movement of staff between locations — guards, DHHS staff and nurses. It seemed to me that they moved from hotel to hotel, and the nurses moved between hotels and hospitals. All this movement made me feel like something bad was bound to happen — which it did. $^{273}$ 

210. The movement of staff created risks. To refer to Prof. Sutton's evidence:

The casualised labour that was involved meant that a number of them had other work that they needed to do, which brought the risk of transmission to other workplaces and other individuals. The casualised nature of their work and the dependency they had on that work led to an incentive to stay at work, both in hotel quarantine work but in their other work, I would imagine, while potentially symptomatic, even potentially while diagnosed and aware of that diagnosis.<sup>274</sup>

211. Such concerns were borne out by the accounts of some guards, themselves, who contacted the Inquiry Intake Team and shared their experiences of being part of a casualised workforce and working in the Hotel Quarantine Program with the Inquiry.

Figure 6.3: Quotes from security guards regarding their experiences working in the Hotel Quarantine Program while being part of a casualised workforce

**Security Guard 2:** 'Some guards were very tired because they would finish their 12 hour shifts and then go to work at other jobs. I also was concerned that some of the subcontracted guards were poorly paid'.

**Security Guard 5:** 'Some guards did "back-to-back" 12 hour shifts at the same hotel and would fall asleep the next day. I would often try to wake them'.

**Security Guard 6:** 'Some guards would finish their shifts and then go and deliver Uber Eats or do cleaning jobs. I think they did this because they were not paid very well'.

Source: Information provided to the Inquiry via the Intake and Assessment team between 15 July to 3 December 2020. Names of sources have been de-identified for privacy purposes.

- 212. It follows that, where security guards were dependent on (low) wages, disclosing symptoms of COVID-19 to their employer would risk them losing work and income. Where security guards had no incentive to report those symptoms, it created a risk that potentially infected security guards would continue to work within hotels and increase the risk of transmission, particularly where embedded measures for infection prevention and control were insufficient.
- 213. Indeed, one guard told the Inquiry Intake Team that when he told his subcontractor he had been diagnosed with COVID-19, the subcontractor was not very supportive. The subcontractor told the guard that he would pay him for three weeks, for the shifts he was unable to do, but only paid him for two weeks and, since then, refused all his calls.<sup>275</sup>
- 214. Moreover, the unpredictability of work for security guards, understandably, would be likely to lead to guards wanting to accept work when it is offered to them. The impetus to accept and maintain work is strengthened during the COVID-19 pandemic when many security guards had their hours reduced or had no work at all.<sup>276</sup>
- 215. The need to maintain an income in the face of unpredictability and uncertainty would provide an incentive for security guards to do what was requested of them or risk not receiving work. That is so, even if it meant that security guards would be performing work beyond the scope of their capability or role as they understood it to be.
- 216. In that context, that no doubt contributed to security guards being willing to and performing tasks outside the security services they ordinarily provided. That involved exposure to a risk of COVID-19 transmission. That security guards did not refuse to perform those functions when they could and should have, on the basis that it posed a health risk to them, illustrated their vulnerability, particularly at that time. Job security, including through ongoing employment and associated entitlements, is likely to have alleviated such a willingness to accept the 'role creep' that ultimately created risks for the entire Program.
- 217. The risk inherent in security guards being willing to expose themselves to possible infection, in order to maintain their income, is exacerbated by the power imbalance between security guards, on one hand, and their employers, on the other. That is particularly so where there is a language barrier between employees and employers, or where workplace rights are not well known.
- 218. Security guards are relatively less organised in terms of industrial relations than the Victoria Police members who now perform security services at health hotels. Well-organised, unionised workforces would no doubt be more willing to assert their rights to safe workplaces and for there to be proper standards, protections and arrangements in respect of their members' health. It is noteworthy that the Crisis Council of Cabinet was briefed on the need to liaise with relevant unions in June and July 2020 when considering the use of government employees in the Program, since those unions would be alive to the occupational health and safety issues their members would face.<sup>277</sup>

- 219. There also exists, in the security industry, an inherent power imbalance between the head contractor and the subcontractor, regardless of whether or not a particular head contractor treats guards engaged through subcontracting in the same way as its own employees. The power imbalance reflects the reliance that subcontractors have on head contractors to provide them with work. That was evident through the statements given by representatives of subcontractors as to the small margins they received in providing security guards to head contractors.
- 220. The Inquiry heard evidence from a representative sample of three of the engaged subcontracting firms. As to the rates of pay charged to the head contractors, Mr Gupta, of The Security Hub, said that they operated at a margin of four to five per cent.<sup>278</sup> Rob Paciocco, Director, Black Tie Security, said that they 'made three per cent' on top of the casual award rates<sup>279</sup> and Mr Aggarwal, Director of Sterling, said that their margin was 'a bare minimum margin'.<sup>280</sup> Mr Paciocco explained the reason for the margin as follows:

We were probably going to record a record month since we have been open, since 2014, in March, to within 72 hours having no work at all. So, reaching out to Wilson initially, it really was about survival and about holding onto, you know, a number of good people who it had taken years to recruit, so I don't lose them to other companies when things eventually do pick up.<sup>281</sup>

- 221. Similar sentiments were expressed by Mr Gupta and Mina Attalah, Managing Director at United.<sup>282</sup> Mr Gupta went further to say that 'head contractors enjoy the position of subcontractors in this space and that's how it has always been'.<sup>283</sup>
- 222. MSS submitted that there was no evidence that any consideration was given to the vulnerability of security guards, the density of their private living arrangements or any other cultural, educational, linguistic or socio-economic factor.<sup>284</sup> Counsel Assisting the Inquiry similarly submitted that there was no evidence that the factors referred to above were considered when the role of security guards was discussed or as the role expanded, despite the existence of the Issues Paper.<sup>285</sup>
- 223. MSS submitted that the Government was 'clearly well aware' that private security guards, as a cohort, were vulnerable in a range of respects, which meant that the risks posed by the Program and its lack of a proper structure were necessarily increased.<sup>286</sup> It is clear that those tasked with procuring private security services did not and were not instructed to do anything other than procure those services.
- 224. Wilson, on the other hand, submitted that security guards as a cohort did not pose a risk to infection simply because they were a casualised or unskilled workforce<sup>287</sup> and referred to its own employee and subcontractor management practices.<sup>288</sup> Wilson contended that Counsel Assisting's submissions as to the systemic issues faced by security guards as a cohort were broadly stated, made without evidence, were not put to witnesses and, in some cases, were wrong.<sup>289</sup>
- 225. On the basis of Dr Looker's and Prof. Sutton's evidence, the issues raised in the Issues Paper and the evidence that emerged more generally during the Inquiry, I conclude that there were aspects of the private security industry as referred to here that made this cohort vulnerable to the risks that eventuated.
- 226. But I do not impute onto those DJPR officers clear awareness of these vulnerabilities in circumstances where there was no policy analysis as to the merits of procuring private security guards to provide those services. Had proper consideration been given in the usual policy development process, with the benefit of proper reflection as to whether security guards were the appropriate cohort to provide security services, then the issues raised in the Issues Paper ought to have been raised and considered.
- 227. On the evidence given by representatives of the sample of subcontractors called before the Inquiry, as a cohort, there remains a general imbalance of power between head contractors and subcontractors; subcontractors would not want to risk a steady stream of work from head contractors.

- 228. A theme arising from those within the private security industry who gave evidence or provided information to the Inquiry was that they would (if given the opportunity) be willing to participate in a future Hotel Quarantine Program.
- 229. I have considered whether such future engagement might be appropriate and, if so, on what conditions. I have given weight to the evidence of Prof. Grayson as to the need for people to be appropriately and continuously trained, resourced with correct PPE and for any such quarantine structure to have in place clear oversight from those with infection control expertise.<sup>290</sup>
- 230. Private security guards were not the appropriate cohort for the Hotel Quarantine Program in the circumstances that unfolded. Nor would they be the appropriate cohort in any future program without addressing the issues that I identified in the Interim Report, and which I consider further below, being:<sup>291</sup>
  - A. personnel working at multiple sites
  - B. the nature and level of training and understanding about infection prevention and control requirements, including the use of personal protective equipment, social distancing and hand sanitising
  - C. on-site supervision
  - D. role clarity as to the work to be performed by on-site security
  - E. the challenges of having personnel, in a highly complex and dangerous environment, who are engaged on a casual basis and not engaged directly by the management of the facility to enable support and instruction as to requirements in the event of a positive transmission.
- 231. To that end, I have recommended in the Interim Report and do so again in this Final Report that a future model of hotel guarantine should use a security cohort that, at least:
  - A. makes every effort to ensure that on-site personnel do not work in other environments<sup>292</sup>
  - B. is engaged on a salaried basis and is appropriately remunerated<sup>293</sup>
  - C. is appropriately trained in infection control requirements and should understand personal protective equipment usage, physical distancing and hand hygiene<sup>294</sup>
  - D. is subject to ongoing monitoring and supervision by personnel with expertise in infection prevention and control, including with respect to individual behaviour, use of personal protective equipment and cleaning practices<sup>295</sup>
  - E. has been given role clarity by the Quarantine Governing Body,<sup>296</sup> and that the Site Manager ensures that they understand their roles and responsibilities.<sup>297</sup>
- 232. Unless a future Hotel Quarantine Program incorporates those measures into its design, security guards are not an appropriate cohort to be on the frontline in compliance and enforcement at quarantine hotels. In fact, it seems the State Government had, itself, already formed this view in June and July 2020 when it established the alternative model of hotel quarantine using Residential Services Officers.<sup>298</sup>

# 6.11 The potential use of Victoria Police

- 233. If private security guards were not the appropriate cohort to provide security services because they were inherently vulnerable, then the question that follows is, what cohort would be?
- 234. Victoria Police would be an obvious contender.
- 235. Prof. Sutton made two formal requests for police assistance as part of the pandemic response; the first was on 16 March, and the second on 29 March 2020.<sup>299</sup> The requests were for police to support, to the extent that it was feasible, Authorised Officers in the exercise of their functions.<sup>300</sup> The precise nature of the support was left for those running the operation to determine but, according to Prof. Sutton, the purpose was to ensure compliance with quarantine orders.<sup>301</sup>
- 236. The Inquiry heard evidence that there was, at times, advocacy for a 24/7 police presence to support the private security guards, from as early as the first weekend. In evidence, Ms Febey expressed the view that a police presence was required and that she pressed for DHHS to take up this issue in its capacity as the control agency. The evidence of Chief Commissioner of Police, Shane Patton, was that Victoria Police had not received an official request to maintain a constant presence at each hotel. That evidence was not challenged and is accepted. It appears that, whatever the views of some inside the Program, those views did not find their way into a formal request.
- 237. The evidence of Commander Tim Tully of Victoria Police was that, given the number of police call outs, it would not, in any event, have been an efficient use of police resources to have police at the hotels at all times.<sup>305</sup> I accept that the number of those call outs was relatively low and that some of the risks of poor behaviour anticipated by those setting up the program did not eventuate.
- 238. This meant that Victoria Police responded, when requested, to a limited number of call outs to the hotels and, essentially, assisted in the operation in ad hoc ways,<sup>306</sup> consistent with the plan that came to be understood from the SCC meeting on 27 March 2020. In mid-April 2020, it convened a security forum after concerns were raised about fresh air breaks. The purpose was not to take control of security but to understand procedures in place to keep the public away.<sup>307</sup> I note here that Victoria Police had powers to manage cordons, and could have done so, had a request been made.<sup>308</sup>
- 239. There was no evidence that consideration was given, at the time, to the benefits that Victoria Police may have provided to the Program by virtue of its characteristics as a workforce, rather than simply its ability to enforce compliance with quarantine directions.
- 240. It was likely that a constant police presence would have ensured an increased focus on health and safety on-site. The documentation the Inquiry received from Chief Commissioner Patton regarding arrangements at the 'Health Hotels' in Operation Soteria 2 shows the attention that has been paid to ensuring a safe workplace for those police members working there.<sup>309</sup>
- 241. As I described in the Interim Report, Chief Commissioner Patton said that a full risk assessment had been conducted for his members to work on the sites, which had led to the creation of detailed procedures to ensure member safety. These procedures included a Senior Sergeant of Police taking the role of Safety Officer, briefings for all members, written instructions for different roles, the delineation of 'green' and 'red' zones on-site, and training for contamination events and specific locations for decontamination.
- 242. As a cohort, police would also have been a stable and disciplined workforce. In the event of an outbreak, they would not have had the types of vulnerabilities that plagued contact tracing efforts among the security guard cohort as set out in Chapter 9.

- 243. It is worth noting here that there was evidence of the considerable tensions that arose from time to time in the hotel quarantine sites and, at times, aggressive and threatening behaviour of some quarantined travellers towards staff and personnel working in the facilities.<sup>311</sup> While the number of actual call outs to police seemed relatively low,<sup>312</sup> it is not difficult to conclude that the presence of Victoria Police on-site at the quarantine facilities would have provided considerable comfort and reassurance to the personnel working there and have likely acted as a deterrent to the more aggressive types of behaviour that were reported to the Inquiry.
- 244. The reality is that these issues were not considered at the time. I can make no finding about whether a proper, accountable decision-making process for enforcement arrangements might have avoided the outbreaks at the Rydges and the Stamford. However, given all of the vulnerabilities of the nature of private security generally discussed above, I am satisfied that the features of a fully salaried, highly structured workforce with a strong industrial focus on workplace safety, such as Victoria Police, would have minimised the risk of such outbreaks occurring and made contact tracing an easier job in the wake of any outbreaks. It is on that basis I made recommendation 20, that the Chief Commissioner of Police be requested to provide a 24/7 police presence on-site at each quarantine facility.<sup>313</sup>

#### 6.12 Conclusions

- 245. I have already recommended, in the Interim Report, a different model of enforcement in any future facility-based quarantine program. I do so again here. I made that recommendation because the evidence was that, ultimately, the frontline of enforcement in a quarantine program was not a static guarding function and therefore not a function for private security to perform.
- 246. There was not a basis to conclude anything other than the overwhelming majority of security guards who worked in the Hotel Quarantine Program did so honestly and with goodwill. No doubt, none of those workers went to work to get infected with COVID-19. As Mr Gupta said, they were frontline workers and they were performing an essential service and putting themselves at risk in doing so.
- 247. The problems I have identified in this chapter are systemic governmental failings. They are not criticisms of individuals and should not be taken as such.

# Decisions were not made at the right levels and with the right information

- 248. It likely would have come as a considerable surprise to many that public money of this magnitude and contracts of this size and significance did not appear to have had the direct oversight of the Minister. It ought to have had direct input and oversight from Mr Phemister<sup>314</sup> and Minister Pakula. Mr Phemister said that he briefed Minister Pakula very rarely.<sup>315</sup> Minister Pakula said that it was not 'typical for ministers to be necessarily apprised of the details or even the fact of contracts that are being entered into' for an operation.<sup>316</sup>
- 249. Putting to one side the issue as to proper public governance models generally, to accept that senior levels of government would not need to be involved in such operational matters is to view the Hotel Quarantine Program as an ordinary operation, when it was anything but ordinary.
- 250. Although it was not known in early April 2020 how long the Hotel Quarantine Program would run, it ought to have been apparent that the costs of security would be extensive and that the importance of security to the success of the Program was critical.

- 251. Outsourcing such a critical function warranted closer scrutiny from senior public servants and the Minister. Those who negotiated the terms of the contracts and those who supervised them were doing so without any clear understanding of how security fit into the broader Hotel Quarantine Program and had no expertise in security issues. They had no access to advice from those who had been party to the decision to use security and limited visibility over the services being performed.
- 252. The Minister should have been informed of security arrangements (See: Ministerial Briefing: Chapter 8).
- 253. It was not appreciated by the DJPR staff involved in the informal engagement of the security contractors that the workforce they were engaging would be a frontline service exposed to, and expected to manage, the risks posed by returned travellers who had contracted COVID-19. DJPR did not have any requisite experience or knowledge to make that assessment. Having regard to the role of DJPR, the role of Working for Victoria and the deadline involved, the main focus in the recruitment of the security companies was clearly availability and job creation, particularly if it could serve broader policy objectives.

#### Failings in the procurement process

- 254. The process by which the security guards were selected was not appropriate or sufficiently rigorous. It was made in haste and without any risk assessment, led by staff that did not have the requisite experience and knowledge needed, and without any public health oversight or input. The speed with which security had to be contracted is some explanation, though not a sufficient explanation, for why the initial contact was made in the way it was.
- 255. While I do not make a finding that the procurement decisions set out above can be directly causally linked to the problems that emerged at the Rydges and Stamford Plaza hotels, I do find that there were failures of proper procurement practice on the part of DJPR.
- 256. The first such failure was not using the State Purchase Contract when making initial arrangements for security over the weekend of 28 to 29 March 2020. Those involved in the WhatsApp chat were not aware of the State Purchase Contract arrangements for security services or the existence of publicly available details of security services providers that were regularly used by the Government by way of the State Purchase Contract arrangements. Those involved were also unaware of the applicable critical incident procurement policy and protocols and that an exemption from the State Purchase Contract was not needed.
- 257. At the time Ms Currie first made contact with Unified and Wilson she had no knowledge of how long the need for security would last or what it would cost. She is not to be criticised for making the quick decision to engage Unified in circumstances where time was of the essence. But the processes used by DJPR do warrant criticism. Ms Currie ought to have been furnished with details of the State Purchase Contract so that she could approach representatives of companies that had been assessed as competent and suitable for government work.
- 258. Procurement policies are there for a reason. The existence of procurement policies, in general, and the State Purchase Contract, specifically, reflect principles of value for money, as well as accountability, suitability and capacity to properly provide services, transparency and probity. These contracts for security services represented tens of millions of dollars; it stands to reason that decisions made to spend public money on these providers should have been consistent with practices that are based on general procurement principles. That should have involved reliance on existing State Purchase Contract arrangements, as far as possible.
- 259. While it is true that there was a critical incident procurement policy that provided DJPR with the flexibility to source services outside of the State Purchasing Contract Panel, it does not follow that proper procurement practices and decision-making are irrelevant. Indeed, I note here that Hayley Baxter, from DTF, provided evidence that the Victorian Government Purchasing Board's communication to departmental procurement teams was that, wherever possible, state purchase contracts should continue to be used during the pandemic.<sup>318</sup>

- 260. The second failure was in contracting longer term with Unified despite advice that it was preferable to use those who were part of the State Purchase Contract.
- 261. Those tasked with procuring security services for the Hotel Quarantine Program should have heeded the specific procurement advice they were given as to the risks imposed by informally engaging a non-panel firm to provide quarantine security. They should have considered whether Unified was suitable to remain a service provider in light of their knowledge of the State Purchase Contract arrangement.
- 262. The third failure was in not making evidence-based decisions about the allocation of work between the three contractors with which contracts were signed.
- 263. Even allowing for the use of Unified in the short term, it was a failure of government decision-making to contract for what became very significant sums of money with a firm that had previously been refused admission to the State Purchase Contract panel and, then, to allocate so much work to that company.
- 264. There was a preference within DJPR for Unified. The preference appears to have been based on what was seen as a willingness for Unified to do the work asked of it.

#### The role of private security

- 265. The role played by security was ill-defined from the beginning and was, ultimately, a role not suited to the cohort of guards who were engaged without close monitoring and extensive and continued training.
- 266. The role of security guards changed over time, from 'static guarding' at the outset, to facilitating fresh air breaks later on. The expanded roles increased the risk of security guards being infected through contact with potentially infected guests and through contact with possibly contaminated surfaces.
- 267. The introduction of those additional functions should have occurred following a proper re-evaluation of the infection control measures in place and an assessment of the increased risks to staff that they posed. No such assessment occurred, because (at least) no person or agency regarded themselves as responsible and accountable for the decision. Responsibility for revisiting the scope of the duties to be performed by security guards lay with DJPR as the contract manager. DJPR did not see that to be the case.
- 268. The situation was compounded by the positions taken by DJPR and DHHS about who was accountable for these contracted workers in circumstances where neither agency considered itself 'in charge' of the Program on-site.

#### Contract development and management

- 269. DJPR should not have been responsible for contract management throughout the Hotel Quarantine Program. DHHS was the appropriate body to manage those contracts and should have done so when it assumed the role of control agency and overall responsibility for the Hotel Quarantine Program.
- 270. The contracts should have clearly stated that security guards were subject to the direction of DHHS in supporting their enforcement functions.
- 271. Explicit provision in the contracts would have provided greater clarity and certainty as to who was in charge of security services personnel, which may have led to a greater focus on the Government supervising the work of security services personnel.

- 272. It was not appropriate that the contracts placed responsibility for training and supervision in relation to PPE and infection prevention and control on the contractors in the manner they did. That should have been a responsibility that remained with the Victorian Government, as architect of the Hotel Quarantine Program.
- 273. The contractual requirement for security services personnel to complete the Commonwealth Government Department of Health's COVID-19 online training module was an inappropriate mechanism to properly mitigate the risk of COVID-19 transmission in a hotel quarantine context. Commendable as it was to require training to be undertaken as a precondition to engagement in the Program, it was a failure in preparing those contracts that the content of such training was not based on advice specific as to the risks at hotel quarantine sites. COVID-19-related training should have been specifically tailored for non-health professionals working in a quarantine requirement. That it was not, and that it was potentially confusing, meant that it was even more important that contractual requirements as to PPE and training were clear, specific and relevant.
- 274. Not having clear and consistent training and PPE requirements among the contractors led to each having different levels of knowledge and sophistication when it came to the use of PPE; at one end of the spectrum, Wilson had a significant suite of policies, practices and supports to mitigate the risk of virus transmission, at the other, Unified was particularly reliant on DHHS to provide training and information.

#### Subcontracting security services

- 275. The heavy reliance on subcontracting posed a significant risk to the success of the Hotel Quarantine Program in terms of the quality and competence of security guards actually recruited. Nevertheless, DJPR did not have adequate oversight of the use of subcontractors in the Hotel Quarantine Program. That was due, in part, to DJPR not being aware of the extent to which the head contractors would rely on subcontracting.
- 276. DJPR should have been more vigilant and proactive in requiring the security service providers to seek written prior approval, as per their respective contracts. But so, too, should the security services providers have complied with their subcontracting obligations at the required time. The consequence of this was that DJPR did not give proper oversight to those performing security services.
- 277. It was a significant deficiency that DJPR was not in a position to know the extent to which Wilson, MSS and Unified actually engaged in subcontracting throughout the duration of the Hotel Quarantine Program, let alone be confident as to who was providing the services and whether they were properly equipped to do so.

# Private security guards should not have been engaged in the circumstances

- 278. Security guards were not the appropriate cohort to provide security services in the Hotel Quarantine Program without close monitoring and extensive and continued training by those with the requisite expertise. That level of monitoring and training did not occur.
- 279. Consideration was not given to the appropriateness or implications of using a largely casualised workforce in an environment where staff had a high likelihood of being exposed to the highly infectious COVID-19. This, of course, had flow on impacts in terms of the spread of the virus.
- 280. That is not to say that staff, whether those who contracted security providers or the security staff themselves, acted in bad faith. However, greater consideration ought to have been given to the environment in which staff were working and to prior infection control knowledge and training.

- 281. As an industry, casually employed security guards were particularly vulnerable on the basis of a lack of job security, lack of appropriate training and knowledge in safety and workplace rights, and susceptible to imbalance of power resulting from the need to source and maintain work. These vulnerabilities had previously been identified by the Government; with that knowledge, they should not have been selected to provide the services they did without having addressed those vulnerabilities.
- 282. A fully salaried, highly structured workforce with a strong industrial focus on workplace safety, such as Victoria Police, would have been a more appropriate cohort, which would have minimised the risk of such outbreaks occurring and made contact tracing an easier job in the wake of any outbreaks.
- 283. As highlighted in the Interim Report, a future model of hotel quarantine should use a security cohort that, at least:
  - A. makes every effort to ensure that on-site personnel does not work in other environments<sup>319</sup>
  - B. so far as possible, is engaged on a salaried basis and appropriately remunerated<sup>320</sup>
  - C. is appropriately trained in infection control requirements and should understand personal protective equipment usage, physical distancing and hand hygiene<sup>321</sup>
  - D. is subject to ongoing monitoring and supervision by personnel with expertise in infection prevention and control, including with respect to individual behaviour, use of personal protective equipment and cleaning practices<sup>322</sup>
  - E. has been given role clarity by the Quarantine Governing Body,<sup>323</sup> and that the Site Manager ensures that they understand their roles and responsibilities.<sup>324</sup>

#### 6.13 Recommendations

Recommendations 17, 18, 22, 23 and 25–29 of the Interim Report, adopted in this Final Report, apply directly to this chapter:

#### On-site role clarity

- 17. The Site Manager ensures that all personnel working in the quarantine facility understand their role and responsibilities.
- 18. The Site Manager ensures that all personnel on-site understand to whom they report and all lines of reporting and accountability on-site.

#### Dedicated personnel

- 22. Accepting the need to bring in expertise, every effort must be made to ensure that all personnel working at the facility are not working across multiple quarantine sites and not working in other forms of employment.
- 23. To achieve the aims of Recommendation 20 (that the Chief Commissioner of Police be requested to provide a 24/7 police presence on-site at each quarantine facility), every effort should be made to have personnel working at quarantine facilities salaried employees with terms and conditions that address the possible need to self-isolate in the event of an infection or possible infection, or close contact exposure, together with all necessary supports, including the need to relocate if necessary and have a managed return to work.

#### Training and workplace culture

- 25. The Site Manager be responsible for ensuring that all personnel working on-site are inducted into a culture of safety, focussed on infection prevention and control provided by those with the expertise to deliver such training.
- 26. The culture of safety to be fostered by the Site Manager should encourage collaboration, open discussion as to mistakes and oversights and speaking up about concerns and potential health and safety risks.
- 27. The Site Manager be responsible for ensuring that all personnel working on-site are engaged in ongoing training in infection prevention and control provided by those with the expertise to deliver such training tailored to the specific roles to be performed on-site.
- 28. The Site Manager ensures that the personnel on-site who have the expertise in infection prevention and control are engaged in ongoing monitoring and supervision of all of the requirements in place for infection prevention and control, which includes matters such as individual behaviour, the use of personal protective equipment (PPE) and cleaning practices.

#### Acquisition and use of PPE

29. The Site Manager ensures that the infection prevention and control experts direct the acquisition, distribution and use of PPE with specific, clear and accessible directions to all personnel on-site (acknowledging that such instructions may vary according to role).

#### **Endnotes**

- 1 Exhibit HQI0032\_P Witness statement of Ms Claire Febey, 10 [39]; Transcript of day 9 hearing 27 August 2020, 401–402.
- 2 Exhibit HQI0184\_RP Witness statement of Mr Simon Phemister, 14 [69].
- 3 Exhibit HQI0036\_RP Witness statement of Ms Katrina Currie, 1[3].
- 4 Transcript of day 8 hearing 27 August 2020, 439.
- 5 Exhibit HQI0036\_RP Witness statement of Ms Katrina Currie, 3 [11]; Exhibit HQI0037\_RP Annexures to witness statement of Ms Katrina Currie, DJP:104.008.6765.
- 6 Exhibit HQI0036\_RP Witness statement of Ms Katrina Currie, 4 [13]; Exhibit HQI0037\_RP Annexures to witness statement of Ms Katrina Currie, DJP:105.003.6258.
- 7 Transcript of day 8 hearing 27 August 2020, 440.
- 8 Transcript of day 22 hearing 22 September 2020, 1829.
- 9 Exhibit HQI0184\_RP Witness statement of Mr Simon Phemister, 14 [71]; Exhibit HQI0185\_RP Annexures to witness statement of Mr Simon Phemister, DJP:101.002.1076.
- 10 Exhibit HQI0036\_RP Witness statement of Ms Katrina Currie, 4–5 [14].
- 11 Ibid 2 [8]–[9]; Transcript of day 8 hearing 27 August 2020, 439.
- 12 Exhibit HQI0036\_RP Witness statement of Ms Katrina Currie, 4 [14].
- 13 Ibid 7–8 [26].
- 14 Exhibit HQI0182\_RP Working for Vic messages re good security companies.
- 15 Ibid DJP.361.002.0003, DJP.361.002.0006.
- 16 Transcript of day 8 hearing 27 August 2020, 442.
- 17 See Exhibit HQI0036\_RP Witness statement of Ms Katrina Currie, 8 [27].
- 18 Exhibit HQI0183\_P Buying for Victoria webpage re security services; Transcript of day 22 hearing 22 September 2020, 1833–1844.
- 19 Exhibit HQI0036\_RP Witness statement of Ms Katrina Currie, 7–8 [26]–[27].
- 20 Ibid 8-9 [28].
- 21 Ibid 9 [29]–[30]; Transcript of day 8 hearing 27 August 2020, 442.
- 22 Exhibit HQI0037\_RP Annexures to witness statement of Ms Katrina Currie, DJP:108.004.5000, DJP:108.004.4999
- 23 Exhibit HQI0036\_RP Witness statement of Ms Katrina Currie, 10 [34].
- 24 Ibid 11–12 [36]–[40]; Exhibit HQI0037\_RP Annexures to witness statement of Ms Katrina Currie, DJP:104.008.6756, DJP:105.004.3210.
- 25 Exhibit HQI0036\_RP Witness statement of Ms Katrina Currie, 11–12 [36]–[40].
- 26 Ibid 7 [23]; Exhibit HQI0037\_RP Annexures to witness statement of Ms Katrina Currie, DJP:108.006.0912; Transcript of day 8 hearing 27 August 2020, 446–447.
- 27 Exhibit HQI0036\_RP Witness statement of Ms Katrina Currie, 11 [36]–[37].
- 28 Transcript of day 12 hearing 3 September 2020, 847–849; Exhibit HQI0069\_RP Witness statement of Mr David Millward adopted by Mr Nigel Coppick, 6 [39]–[40].
- 29 Transcript of day 12 hearing 3 September 2020, 848; Exhibit HQI0071\_RP Witness statement of Mr Mo Nagi, 1 [5]–[7].
- 30 Exhibit HQI0071\_RP Witness statement of Mr Mo Nagi 3 [23].
- 31 Exhibit HQI0059\_RP Witness statement of 'Principal Policy Officer', 3 [10], [12]; Exhibit HQI0036\_RP Witness statement of Ms Katrina Currie, 13–14 [46].
- 32 Exhibit HQI0060\_RP Annexures to witness statement of 'Principal Policy Officer', DJP.110.001.2996
- 33 Ibid DJP.110.003.7155.
- 34 Exhibit HQI0037\_RP Annexures to witness statement of Ms Katrina Currie, DJP:108.005.5137.
- 35 Exhibit HQI0036\_RP Witness statement of Ms Katrina Currie, 13 [45]; Transcript of day 8 hearing 27 August 2020, 452–453.
- 36 Exhibit HQI0037\_RP Annexures to witness statement of Ms Katrina Currie, DJP.108.005.5136.
- 37 Submission 04 Department of Jobs, Precincts and Regions, 18 [64].
- 38 Exhibit HQI0037\_RP Annexures to witness statement of Ms Katrina Currie, DJP.125.002.8161.
- 39 Ibid DJP.156.001.8404.
- 40 Transcript of day 8 hearing 27 August 2020, 458-459.
- 41 Exhibit HQI0182\_RP Working with Vic messages re good security companies, DJP.361.002.0008.
- 42 Exhibit HQI0060\_RP Annexures to witness statement of 'Principal Policy Officer', DJP.110.001.5268.
- 43 Exhibit HQI0037\_RP Annexures to witness statement of Ms Katrina Currie, DJP:125.002.8162.

- 44 Transcript of day 8 hearing 27 August 2020, 456.
- 45 Exhibit HQI0060\_RP Annexures to witness statement of 'Principal Policy Officer', DJP.110.003.7238.
- 46 Transcript of day 12 hearing 3 September 2020, 849.
- 47 Ibid 846; Exhibit HQI0069\_RP Witness statement of Mr David Millward adopted by Mr Nigel Coppick, 3 [21].
- 48 Exhibit HQI0071\_RP Witness statement of Mr Mo Nagi, 6 [49]–[52]; Transcript of day 12 hearing 3 September 2020, 857.
- 49 Exhibit HQI0037\_RP Annexures to witness statement of Ms Katrina Currie, DJP:105.005.3836.
- 50 Exhibit HQI0184\_RP Witness statement of Mr Simon Phemister, 23–25 [115].
- 51 Exhibit HQI00059\_RP Witness statement of Principal Policy Officer, 5 [19]; Transcript of day 22 hearing 22 September 2020, 1837–38, 1845; Exhibit HQI0184\_RP Witness statement of Mr Simon Phemister, 16 [80].
- 52 Transcript of day 8 hearing 27 August 2020, 497.
- 53 Exhibit HQI0184\_RP Witness statement of Mr Simon Phemister, 23–25 [115]
- 54 Ibid.
- 55 See Exhibit HQI0071\_RP Witness statement of Mr Mo Nagi, 14–15 [116]; Exhibit HQI0072\_RP Annexures to witness statement of Mr Mo Nagi, USG.0001.0001.2192; Exhibit HQI0067\_RP Witness statement of Mr Sam Krikelis, 15–17 [128]–[146].
- 56 Exhibit HQI0072\_RP Annexures to witness statement of Mr Mo Nagi, USG.0001.0001.3407.
- 57 Exhibit HQI0184\_RP Witness statement of Mr Simon Phemister, 23–25 [115].
- 58 Exhibit HQI0061\_RP Witness statement of Mr Gregory Watson, 8 [38]; Transcript of day 11 hearing 2 September 2020, 792.
- 59 Exhibit HQI0065\_RP Witness statement of Mr Jamie Adams, 1–2 [10]; Exhibit HQI0061\_RP Witness statement of Mr Gregory Watson, 6 [27].
- 60 Transcript of day 22 hearing 22 September 2020, 1841.
- 61 See Exhibit HQI0051\_RP Witness statement of Mr Sorav 'Sam' Aggarwal, 10 [51]; Exhibit HQI0053\_RP Witness statement of Mr Ishu Gupta, 8 [34]; Exhibit HQI0052\_RP Witness statement of Mr Mina Attalah, 8 [34]; Exhibit HQI0056\_RP Witness statement of Mr Darko Sinadinov, 7–8 [37].
- 62 Exhibit HQI0051\_RP Witness statement of Mr Sorav 'Sam' Aggarwal, 1 [7], 2 [11].
- 63 Ibid 3 [17].
- 64 Transcript of day 12 hearing 3 September 2020, 865.
- 65 Exhibit HQI0051\_RP Witness statement of Mr Sorav 'Sam' Aggarwal, 4 [23]; Transcript of day 11 hearing 2 September 2020, 708.
- 66 Exhibit HQI0069\_RP Witness statement of Mr David Millward adopted by Mr Nigel Coppick, 13-14 [79].
- 67 Exhibit HQI0051\_RP Witness statement of Mr Sorav 'Sam' Aggarwal, 15 [81].
- 68 Transcript of day 9 hearing 28 August 2020, 591; Exhibit HQI0069\_RP Witness statement of Mr David Millward, 13 [79], 19 [119].
- 69 Exhibit HQI0036\_RP Witness statement of Ms Katrina Currie, 4 [14].
- 70 Exhibit HQI0032\_RP Witness statement of Ms Claire Febey, 11 [43]–[44].
- 71 Exhibit HQI0148\_RP Transcript of audio recording of SCC Operation Soteria meeting 27 March 2020, 22.
- 72 Exhibit HQI0036\_RP Witness statement of Ms Katrina Currie, 5–6 [18]
- 73 Transcript of day 11 hearing 2 September 2020, 786.
- 74 Transcript of day 12 hearing 3 September 2020, 815.
- 75 Exhibit HQI0069\_RP Witness statement of Mr David Millward adopted by Mr Nigel Coppick, 7 [50].
- 76 Exhibit HQI0062\_RP Annexures to witness statement of Mr Gregory Watson, WILS.0001.0001.8812; Exhibit HQI0061\_RP Witness statement of Mr Gregory Watson, 21 [93].
- 77 Transcript of day 11 hearing 2 September 2020, 790.
- 78 Ibid 791-792.
- 79 Exhibit HQI0065\_RP Witness statement of Mr Jamie Adams, 11 [91]–[92].
- 80 Transcript of day 12 hearing 3 September 2020, 817–818.
- 81 Exhibit HQI0185\_RP Annexures to witness statement of Mr Simon Phemister, DJP.105.003.1082–1083.
- 82 Ibid DJP.105.003.1358-1359.
- 83 Ibid DJP.105.003.0825-0825.
- 84 Transcript of day 11 hearing 2 September 2020, 799–800.
- 85 Exhibit HQI0061\_RP Witness statement of Mr Gregory Watson, 14 [70]–[71].
- 86 Transcript of day 12 hearing 3 September 2020, 818, 853.
- 87 Transcript of day 11 hearing 2 September 2020, 787–789.
- 88 Ibid 787.
- 89 Ibid 788-789.
- 90 Transcript of day 12 hearing 3 September 2020, 819.
- 91 Ibid 857.

- 92 Ibid 818, 853; Exhibit HQI0071\_RP Witness statement of Mr Mo Nagi, 3 [22], 4 [30]; Exhibit HQI0069\_RP Witness statement of Mr David Millward adopted by Mr Nigel Coppick, 6 [41]; Exhibit HQI0061\_RP Witness statement of Mr Gregory Watson, 18 [77]; Exhibit HQI0065\_RP Witness statement of Mr Jamie Adams, 6 [50].
- 93 Transcript of day 6 hearing 20 August 2020, 292; Transcript of day 13 hearing 4 September 2020, 941.
- 94 Transcript of day 13 hearing 4 September 2020, 995.
- 95 Exhibit HQI0071\_RP Witness statement of Mr Mo Nagi, 3 [23]; Exhibit HQI0069\_RP Witness statement of Mr David Millward adopted by Mr Nigel Coppick, 8 [53]–[54].
- 96 Exhibit HQI0185\_RP Annexures to witness statement of Mr Simon Phemister, DJP:105.003.0824, DJP:105.003.1357, DJP:105.003.1082.
- 97 Exhibit HQI0039\_RP Annexures to witness statement of Ms Gönül Serbest, DJP.110.001.4976; Transcript of day 8 hearing 27 August 2020, 500–501.
- 98 Transcript of day 8 hearing 27 August 2020, 501.
- 99 Ibid 496-497.
- 100 Exhibit HQI0069\_RP Witness statement of Mr David Millward adopted by Mr Nigel Coppick, 4 [29].
- 101 Exhibit HQI0184\_RP Witness statement of Mr Simon Phemister, 21–22 [104].
- 102 Exhibit HQI0065\_RP Witness statement of Mr Jamie Adams, 10 [80]; Exhibit HQI0085\_RP Annexures to witness Statement of Mr Simon Phemister, DJP:105.003.1020 (MSS Contract).
- 103 Exhibit HQI0067\_RP Witness statement of Mr Sam Krikelis, 2 [14].
- 104 Exhibit HQI0085\_RP Annexures to witness Statement of Mr Simon Phemister, DJP.105.003.1296 (Wilson Contract).
- 105 Exhibit HQI0061\_RP- Witness statement Greg Watson, 21 [93].
- 106 Exhibit HQI0059\_RP Witness statement of 'Principal Policy Officer', 7 [28].
- 107 Exhibit HQI0085\_RP Annexures to witness Statement of Mr Simon Phemister, DJP.105.003.0817, DJP.105.003.0793 (Unified Contract).
- 108 Exhibit HQI0069\_RP Witness statement of Mr David Millward adopted by Mr Nigel Coppick, 5 [32].
- 109 Exhibit HQI0059\_RP Witness statement of 'Principal Policy Officer', 6 [23].
- 110 Unified Contract, Annexure A; MSS Contract, Sch 3, Part 2; Wilson Contract, Sch 3, Part 2.
- 111 Exhibit HQI0059\_RP Witness statement of 'Principal Policy Officer', 8 [31].
- 112 Wilson Contract, Sch 3, Part 2.1; MSS Contract, Sch 3, Part 2.1; Unified Contract, cl 2.1.
- 113 Exhibit HQI0059\_RP Witness statement of 'Principal Policy Officer', 8 [31].
- 114 Wilson Contract, Sch 3, Part 2.1; MSS Agreement for Professional Services, Sch 3, Part 2.1; Unified Contract, cl. 2.1, Schedule 1 Agreement Details.
- 115 Exhibit HQI0059\_RP Witness statement of 'Principal Policy Officer', 14 [57(c)].
- 116 Exhibit HQI0060(1)\_RP Annexures to witness statement of 'Principal Policy Officer', DJP.110.002.8419.
- 117 Transcript of day 8 hearing 27 August 2020, 501.
- 118 Wilson Contract, cl 3.4(a)(i); MSS Contract, cl 3.4(a)(i); Unified Contract, cl 2.2(a).
- 119 Wilson Contract, cl 3.4(a)(ii); MSS Contract, cl 3.4(a)(ii).
- 120 Unified Contract, cl 2.2(c).
- 121 Unified Contract, cl 2.2(d).
- 122 Exhibit HQI0061\_RP Witness statement of Mr Gregory Watson, 28-29 [114].
- 123 Wilson Contract, Sch 3, Part 2, cl 3; MSS Contract, Sch 2, Part 2, cl 3; Unified Contract, cl 7.1.
- 124 Wilson Contract, cl 15.1(a) (as amended); MSS Contract, cl 15.1(a) (as amended); Unified Contract, cl 18.1(a).
- 125 Wilson Contract, Sch 3, Part 2, cl 2; MSS Contract, Sch 3, Part 2, cl 2;.
- 126 Unified Contract, cl 6.2(d).
- 127 Wilson Contract, Sch 3, Part 2, cl 3(a); MSS Contract, Sch 3, Part 2, cl 3(a); Unified Contract, cl 7.2(a).
- 128 Wilson Contract, Sch 3, Part 2, cl 3(b); MSS Contract, Sch 3, Part 2, cl 3; Unified Contract, cl 7.2(b).
- 129 Wilson Contract, Sch 3, Part 2, cl 3(c); MSS Contract, Sch 3, Part 2, cl 3; Unified Contract, cl 7.2(c).
- 130 Exhibit HQI0059\_RP Witness Statement of 'Principal Policy Officer', 5 [20], 6–7 [24].
- 131 Transcript of day 12 hearing 3 September 2020, 862–863.
- 132 Ibid 822.
- 133 Ibid 863.
- 134 Exhibit HQI0061\_RP Witness statement of Mr Gregory Watson, 18–19 [78].
- 135 Exhibit HQI0033(1)\_RP Annexures to Witness Statement of Ms Claire Febey, DJP:102.001.3600.
- 136 Ibid.
- 137 Exhibit HQI0184\_RP Witness Statement of Mr Simon Phemister, 30 [137], Exhibit HQI0185(1)\_RP Annexures to the witness Statement of Mr Simon Phemister, DJP.102.001.3600.
- 138 Submission 03 Department of Health and Human Services, 27-29 [149]-[155].
- 139 Ibid 17 [91], [93]–[94].
- 140 Ibid 17 [94].

- 141 Ibid 15 [80].
- 142 Submission 04 Department of Jobs, Precincts and Regions, 31 [112].
- 143 Ibid 31 [112]-[113].
- 144 Ibid 31 [111].
- 145 Ibid 32–33 [116], [118].
- 146 Ibid 34 [121]-[122].
- 147 Exhibit HQI0036\_RP Witness statement of Ms Katrina Currie, 11 [37].
- 148 Transcript of day 3 hearing 17 August 2020, 47.
- 149 Ibid 48.
- 150 Ibid 47.
- 151 Ibid.
- 152 Exhibit HQI0070\_RP Annexures to witness statement of Mr David Millward, USG.0001.0001.2955.
- 153 Exhibit HQI0069\_RP Witness statement of Mr David Millward adopted by Mr Nigel Coppick, 11 [72].
- 154 Transcript of day 12 hearing 3 September 2020, 821.
- 155 Exhibit HQI0061\_RP Witness statement of Mr Gregory Watson, 34 [129(a)].
- 156 Ibid 41 [153].
- 157 Ibid 41 [152].
- 158 Ibid 39–40 [145]–[150].
- 159 Transcript of day 11 hearing 2 September 2020, 791.
- 160 Exhibit HQI0061\_RP Witness Statement of Mr Gregory Watson, 43 [164(c)].
- 161 Exhibit HQI0065\_RP Witness Statement of Mr Jamie Adams, 18 [131]-[132].
- 162 Transcript of day 12 hearing 3 September 2020, 820.
- 163 Ibid 820-821.
- 164 Exhibit HQI0065\_RP Witness statement of Mr Jamie Adams, 12 [97].
- 165 Exhibit HQI0060(1)\_RP Annexures to witness statement of 'Principal Policy Officer', DJP:105.003.1358–1359, DJP:105.003.1083–1084.
- 166 Exhibit HQI0061\_RP Witness statement of Mr Greg Watson, 23–24 [98]–[99]; Exhibit HQI0065\_RP Witness statement of Mr Jamie Adams, 7 [54], 8 [63]–[66], 12 [96].
- 167 Transcript of day 12 hearing 3 September 2020, 860-861.
- 168 Ibid 862.
- 169 Exhibit HQI0080\_RP First witness statement of Ms Rachaele May, 8 [39]
- 170 Exhibit HQI0135\_RP Witness statement of Ms Merrin Bamert, 12 [36].
- 171 Exhibit HQI0024\_RP Witness statement of 'Security 1', 2 [14]–[15].
- 172 Ibid.
- 173 Ibid 2 [16].
- 174 Exhibit HQI0027\_P Witness statement of Mr Kaan Ofli, 4 [23].
- 175 Exhibit HQI0020\_P Witness statement of Ms Liliana Ratcliff, 9 [69]–[72].
- 176 Exhibit HQI0014\_RP Witness statement of Mr Michael Tait, 9 [78].
- 177 Ibid 9 [78]–[81].
- 178 Exhibit HQI0184\_RP Witness statement of Mr Simon Phemister, 13-14 [68].
- 179 Transcript of day 12 hearing, 3 September 2020, 862.
- 180 Exhibit HQI0067\_RP Witness statement of Mr Sam Krikelis, 8 [55] (emphasis in original).
- 181 Ibid.
- 182 Transcript of day 12 hearing 3 September 2020, 863.
- 183 Exhibit HQI0061\_RP Witness statement of Mr Greg Watson, 37 [140].
- 184 Transcript of day 13 hearing 4 September 2020, 915.
- 185 Transcript of day 8 hearing 27 August 2020, 427; Transcript of day 11 hearing 2 September 2020, 795; Transcript of day 12 hearing 3 September 2020, 821, 863.
- 186 Transcript of day 23 hearing, 23 September 2020, 2011, 2012; Transcript of day 24 hearing, 24 September 2020, 2081.
- 187 Exhibit HQI0049\_RP Witness statement of Mr Unni Menon, 10 [37]. Exhibit HQI0186\_RP First witness statement of Ms Kym Peake, 34 [173]; See Exhibit HQI0046\_RP Annexures to witness statement of Mr Rosswyn Menezes, RYD.0001.0001.0011; Exhibit HQI0048\_RP Annexures to witness statement of Mr Karl Unterfrauner, STAM.0001.0001.0248.
- 188 Exhibit HQI0144\_P First witness statement of Commissioner Andrew Crisp 22 [55]; Exhibit HQI0061\_RP Witness statement of Mr Gregory Watson, 22 [95]; Exhibit HQI0065\_RP Witness statement of Mr Jamie Adams, 15 [109]; Exhibit HQI0069\_RP Witness statement of Mr David Millward adopted by Mr Nigel Coppick, 13–14.
- 189 Transcript of day 12 hearing 3 September 2020, 822.
- 190 Exhibit HQI0185\_RP Annexures to witness statement Mr Simon Phemister, DJP.105.003.1296.

- 191 Exhibit HQI0032\_RP Witness Statement of Ms Clare Febey, 23 [98].
- 192 Exhibit HQI0071\_RP Witness Statement of Mo Nagi, 12 [97].
- 193 Exhibit HQI0059\_RP Witness Statement of the 'Principal Policy Officer', 14 [56].
- 194 Ibid 14 [57].
- 195 Ibid 15 [60].
- 196 Transcript of day 16 hearing 11 September 2020, 1285-1286.
- 197 Exhibit HQI0059\_RP Witness statement of 'Principal Policy Officer', 1-2 [4].
- 198 Ibid 17 [72], 18 [74].
- 199 'Returned Traveller 4', Information provided to the Inquiry via the Intake and Assessment team between 15 July to 3 December 2020.
- 200 Exhibit HQI0059\_RP Witness statement of 'Principal Policy Officer', 18 [77].
- 201 Ibid.
- 202 Ibid 19 [80].
- 203 Ibid 20 [81].
- 204 Ibid 19 [80], 20 [81].
- 205 Ibid 20 [83].
- 206 Ibid 20 [84]-[85].
- 207 Ibid 20-21 [86].
- 208 Ibid 20 [85].
- 209 Ibid 21 [89].
- 210 Ibid.
- 211 Transcript of day 9 hearing 28 August 2020, 587–588; Transcript of day 12 hearing 3 September 2020, 823-824, 832.
- 212 Exhibit HQI0059\_RP Witness Statement of the 'Principal Policy Officer', 20 [86].
- 213 See Exhibit HQI0066\_RP Annexures to Witness Statement of Mr Jamie Adams, MSSS.0001.0009.0002\_0022 as an example of the requirements of subcontracting under a Purchase Order Contract.
- 214 See Exhibit HQI0060\_RP Annexures to Witness Statement of 'Principal Policy Officer', DJP.110.004.1405 as an example of a Notice of Intent.
- 215 Exhibit HQI0185\_RP Annexures to Witness statement Mr Simon Phemister, DJP:105.003.1321–1323.
- 216 Exhibit HQI0061\_RP Witness Statement of Mr Greg Watson, 29 [116].
- 217 Ibid 27 [109].
- 218 Ibid 28-29 [114].
- 219 Transcript of day 11 hearing 2 September 2020, 794.
- 220 Transcript of day 12 hearing 3 September 2020, 826.
- 221 Exhibit HQI0065\_RP Witness Statement of Mr Jamie Adams, 16 [117].
- 222 Exhibit HQI0059\_RP Witness Statement of 'Principal Policy Officer', 13 [51].
- 223 Exhibit HQI0065\_RP Witness Statement of Mr Jamie Adams, 15 [109].
- 224 Exhibit HQI0059\_RP Witness Statement of 'Principal Policy Officer', 13 [53].
- 225 Ibid
- 226 Transcript of day 12 hearing 3 September 2020, 850.
- 227 Exhibit HQI0069\_RP Witness statement of Mr David Millward adopted by Mr Nigel Coppick, 12–13 [78]–[79].
- 228 Ibid, 14 [83], 15 [85].
- 229 Exhibit HQI0059\_RP Witness statement of 'Principal Policy Officer', 12 [46].
- 230 Ibid.
- 231 Transcript of day 22 hearing 22 September 2020, 1847.
- 232 Transcript of day 8 hearing 27 August 2020, 472.
- 233 Exhibit HQI0059\_RP Witness statement of 'Principal Policy Officer', 13 [53].
- 234 Transcript of day 8 hearing 27 August 2020, 450-451.
- 235 Submission 04 Department of Jobs, Precincts and Regions, 1-2 [3], 17 [61(f)(iii)].
- 236 Exhibit HQI0036\_RP Witness statement of Ms Katrina Currie, 9–10 [32]; Transcript of day 8 hearing 27 August 2020, 450.
- 237 Transcript of Hearing day 22 hearing 22 September 2020, 1847.
- 238 Ibid.
- 239 Exhibit HQI0185(1)\_RP Annexures to Witness statement Mr Simon Phemister, DJP:104.004.8163.
- 240 Ibid DJP.105.003.1358-1359.
- 241 Exhibit HQI0069\_RP Witness statement of Mr David Millward adopted by Mr Nigel Coppick, 12 [74].
- 242 Exhibit HQI0059\_RP Witness statement of 'Principal Policy Officer', 12 [46].
- 243 Exhibit HQI0051\_RP Witness statement of Mr Sorav 'Sam' Aggarwal, 4 [23].
- 244 Exhibit HQI0053\_RP Witness statement of Mr Ishu Gupta, 3 [17].

- 245 HQI0061\_RP Witness statement of Mr Gregory Watson, 14 [70]; Exhibit HQI0173\_RP First witness statement of former Chief Commissioner Graham Ashton, 6 [3.4].
- 246 Transcript of day 17 hearing 15 September 2020, 1380.
- 247 See Exhibit HQI0060\_RP Annexures to witness statement of 'Principal Policy Officer', DJP.110.003.7238 as discussed above at paragraph 31 of this chapter.
- 248 Review of Victoria's Private Security Industry Victoria's Private Security Industry: Issues Paper for consultation Police Policy and Strategy (15 June 2020) <a href="https://engage.vic.gov.au/private-security-review-2020">https://engage.vic.gov.au/private-security-review-2020</a>.
- 249 Emergency Powers, Public Health and COVID-19 <a href="https://www.parliament.vic.gov.au/publications/research-papers/download/36-research-papers/13962-emergency-powers-public-health-and-covid-19#\_ftn322">https://www.parliament.vic.gov.au/publications/research-papers/13962-emergency-powers-public-health-and-covid-19#\_ftn322>
- 250 Transcript of day 6 hearing 21 August 2020, 286-287.
- 251 Transcript of day 8 hearing 27 August 2020, 461, 463.
- 252 Ibid 477-481.
- 253 Exhibit HQI0051\_RP Witness statement of Mr Sorav 'Sam' Aggarwal, 10 [46]-[48].
- 254 Exhibit HQI0052\_RP Witness statement of Mr Mina Attalah, 7 [31].
- 255 Transcript day 11 hearing 2 September 2020, 715.
- 256 Ibid.
- 257 Exhibit HQI0031\_RP Witness statement of 'Security 16', 2 [13]
- 258 'Security Firm 2', Information provided to the Inquiry via the Intake and Assessment team between 15 July to 3 December 2020.
- 259 Transcript of day 25 hearing 25 September 2020, 2145.
- 260 Ibid
- 261 Review of Victoria's Private Security Industry Victoria's Private Security Industry: Issues Paper for consultation Police Policy and Strategy (15 June 2020) <a href="https://engage.vic.gov.au/private-security-review-2020">https://engage.vic.gov.au/private-security-review-2020</a>; Transcript of day 25 hearing, 25 September 2020, 2145.
- 262 Review of Victoria's Private Security Industry Victoria's Private Security Industry: Issues Paper for consultation Police Policy and Strategy (15 June 2020) 25 <a href="https://engage.vic.gov.au/private-security-review-2020">https://engage.vic.gov.au/private-security-review-2020</a>>.
- 263 Ibid.
- 264 Ibid 30, 31; Transcript of day 25 hearing, 25 September 2020, 2146.
- 265 Review of Victoria's Private Security Industry Victoria's Private Security Industry: Issues Paper for consultation Police Policy and Strategy (15 June 2020) 33 <a href="https://engage.vic.gov.au/private-security-review-2020">https://engage.vic.gov.au/private-security-review-2020</a>; Transcript of day 25 hearing 25 September 2020, 2146.
- 266 Review of Victoria's Private Security Industry Victoria's Private Security Industry: Issues Paper for consultation Police Policy and Strategy (15 June 2020) 33 <a href="https://engage.vic.gov.au/private-security-review-2020">https://engage.vic.gov.au/private-security-review-2020</a>; Transcript of day 25 hearing 25 September 2020, 2147.
- 267 Exhibit HQI0097\_RP Witness statement of Dr Clare Looker, 21 [95].
- 268 Ibid.
- 269 Ibid.
- 270 Transcript of day 18 hearing 16 September 2020, 1494.
- 271 Ibid 1494–1495.
- 272 Transcript of day 11 hearing 2 September 2020, 713–714.
- 273 'Security Guard 2', Information provided to the Inquiry via the Intake and Assessment team between 15 July to 3 December 2020.
- 274 Transcript of day 18 hearing 16 September 2020, 1494–1495.
- 275 'Security Guard 5', Information provided to the Inquiry via the Intake and Assessment team between 15 July to 3 December 2020.
- 276 See Transcript of day 11 hearing 2 September 2020, 734.
- 277 Exhibit HQI0178\_RP Annexures to first witness statement of Mr Chris Eccles, DPC.0012.0001.0470, DPC.0001.0001.6552.
- 278 Transcript of day 11 hearing 2 September 2020, 732.
- 279 Ibid 733.
- 280 Ibid.
- 281 Ibid 734.
- 282 Ibid 733.
- 283 Ibid 734.
- 284 Submission 07 MSS Security Pty Ltd, 23 [93].
- 285 Transcript of day 26 hearing 28 September 2020, 2215–2216.
- 286 Submission 07 MSS Security Pty Ltd, 23 [93].
- 287 Submission 12 Wilson Security Pty Ltd, 16–17 [72]–[75], 19 [81].
- 288 Ibid 16 [72].

- 289 Ibid 17–18 [74]–[75].
- 290 Exhibit HQI0001\_P Witness Statement of Professor Lindsay Grayson, 14-15 [61]-[65].
- 291 Board of Inquiry into the COVID-19 Hotel Quarantine Program (Interim Report, 6 November 2020) 13, 15, 27–53 <a href="https://www.quarantineinquiry.vic.gov.au/reports">https://www.quarantineinquiry.vic.gov.au/reports</a>.
- 292 Ibid 33 [31].
- 293 Ibid.
- 294 Ibid 34 [36].
- 295 Ibid 57 [28].
- 296 Ibid 56 [14]
- 297 Ibid 56 [17].
- 298 Exhibit HQI0215\_RP Initial Responses from Parties, DOJ.516.001.0006-0007 (DJCS' initial response); Exhibit HQI0178\_RP Annexures to first witness statement of Mr Chris Eccles, DPC.0012.0001.0536.
- 299 Transcript day 18 hearing 16 September 2020, 1494.
- 300 Ibid.
- 301 Ibid.
- 302 Exhibit HQI0032\_P Witness statement of Claire Febey, 13–14 [56]–[57].
- 303 Ibid 13 [52], 14 [57].
- 304 Transcript of day 19 hearing 17 September 2020, 1652.
- 305 Transcript of day 13 hearing 4 September 2020, 939.
- 306 Exhibit HQI0169\_RP Witness statement of Chief Commissioner Shane Patton APM, 7 [3.14].
- 307 Transcript of day 13 hearing 4 September 2020, 939-942.
- 308 Ibid 942-943.
- 309 Exhibit HQI0170 \_RP Attachments to the witness statement of Chief Commissioner Shane Patton APM.
- 310 Board of Inquiry into the COVID-19 Hotel Quarantine Program (Interim Report, 6 November 2020) 32 [27] <a href="https://www.quarantineinquiry.vic.gov.au/reports">https://www.quarantineinquiry.vic.gov.au/reports</a>.
- 311 Transcript of day 6 hearing 20 August 2020, 272. Transcript of day 13 hearing 4 September 2020, 966.
- 312 Transcript of day 13 hearing 4 September 2020, 938.
- 313 Board of Inquiry into the COVID-19 Hotel Quarantine Program (Interim Report, 6 November 2020) 33, 34, 56, 57 <a href="https://www.quarantineinquiry.vic.gov.au/reports">https://www.quarantineinquiry.vic.gov.au/reports</a>.
- 314 Exhibit HQI0185\_RP Attachments to Witness Statement of Mr Simon Phemister, DJP.107.006.4577.
- 315 Transcript of day 22 hearing 22 September 2020, 1812.
- 316 Transcript of day 23 hearing 23 September 2020, 1929.
- 317 See Exhibit HQI0073\_P Witness statement of Ms Hayley Baxter, 4 [15], 8-9 [28(c)], 12 [47].
- 318 Ibid 20 [79].
- 319 Board of Inquiry into the COVID-19 Hotel Quarantine Program (Interim Report, 6 November 2020) 33 [31] <a href="https://www.quarantineinquiry.vic.gov.au/reports">https://www.quarantineinquiry.vic.gov.au/reports</a>.
- 320 Ibid.
- 321 Ibid 34 [36].
- 322 Ibid 57 [28].
- 323 Ibid 56 [14]
- 324 Ibid 56 [17].