Submission to the 2026 Senate Inquiry into offshore processing and resettlement arrangements

On behalf of Combined Refugee Action Group (CRAG) of Geelong Victoria, I am writing to the Senate Inquiry committee because of our concerns about offshore processing and resettlement, the associated corruption and costs, and its deleterious impact on people seeking asylum that we know in Geelong.

CRAG is a community advocacy and support group of concerned citizens in Geelong and coastal regions who have been supporting people seeking asylum since 2013.

I am grateful to the committee for accepting this submission, which will outline our concerns with Australia's offshore processing and resettlement arrangements in Nauru and in Papua New Guinea.

I understand that the Committee will have particular reference to offshore processing and resettlement arrangements since 2022. However, it is not possible to fully understand these arrangements without considering the harm caused by offshore processing over more than 13 years. The way this policy has operated in the past has directly shaped how it operates today.

Around 100 people remain trapped in Nauru today under Australia's offshore processing arrangements, and 32 remain in Papua New Guinea (PNG). As a country, we still have responsibility for humane treatment of these individuals and to provide safe settlement solutions.

Alleged corruption, integrity concerns and value for money

The Richardson report of 2024 found Home Affairs (and therefore the Commonwealth) has had contractual relationships with a company whose owners were suspected, through the ownership of another company, of seeking to circumvent US sanctions against Iran, and with extensive suspicious money movements suggesting money laundering, bribery and other criminal activity; and companies under investigation by the Australian Federal Police; and other concerns of corruption in PNG.[1]

It found proper due diligence was lacking when it came to contracts with relatively small companies with limited or no public profile, and where operations were to be in high-risk environments.[2] It also found integrity risks were not identified.

[1] Review of Integrity Concerns and Governance Arrangements for the Management of Regional Processing Administration by the Department of Home Affairs, by Dennis Richardson, 2024, page 5
[2] ibid

A senior Home Affairs official, Dr Derek Elias, has risked jail to speak out about systemic rorting and graft in the Nauru detention system – detailing how millions in taxpayer funds were funnelled through secretive contracts to enrich private companies and corrupt officials.[3] His testimony follows that of former Australian soldier Oisin Donohoe, who revealed that members of the Finks bikie gang had been contracted to run security operations under Australia's latest $2.5 billion offshore deal with Nauru.[4]

A US private prisons operator MTC will receive $157m a year to run Australia's offshore processing regime in Nauru – currently holding just over 100 people – after the government expanded its contract by more than $350m to three-quarters-of-a-billion dollars. A sixteen fold increase in the original contract without public notification raises allegations of 'gross mismanagement' and a process 'run out of control'. [5]

This expenditure is nearly $1.5 million per person per year. These are taxpayer funds spent harming people and leaving them in limbo, when we have already seen the trauma and mental and physical health consequences suffered by individuals and families detained in offshore environments.

Lack of transparency and accountability

The policy platform that the Albanese Government took to the 2025 Federal Election states:

> Labor will ensure all Australian Government involvement in detention facilities it operates or funds is subject to transparent, independent oversight, including by the Commonwealth National Preventative Mechanism. Provisions for this oversight will be reflected in all contracts with service providers including through providing effective and consistent protections for whistle-blowers. Labor will use its best endeavours to provide for this oversight in any relevant international agreements, including by enabling Comcare to fulfil its regulatory obligation to investigate all serious matters within Australian-funded onshore immigration detention centres and offshore regional processing centres.[6]

[3] https://www.theage.com.au/national/pouring-money-into-a-trough-senior-public-servant-blows-whistle-on-allegedly-corrupt-millions-20251107-p5n8o0.html November 9, 2025

[4] https://www.theage.com.au/politics/federal/dirty-deals-nauru-rorting-bikie-gang-allegations-to-be-referred-to-nacc-20251110-p5n8zu.html November 10, 2025

[5] https://www.theguardian.com/world/2025/sep/29/us-private-prisons-operator-paid-790m-to-hold-100-people-on-nauru-in-quiet-expansion-of-contract September 29, 2025

[6] https://www.alp.org.au/media/3569/2023-alp-national-platform.pdf Pages 142 -143

The policy platform also states that Labor will:

- ensure appropriate health, security, and welfare services for people seeking asylum
- improve the medical transfer process from offshore detention centres, and
- establish an Independent Health Advice Panel to provide medical advice[7]

It is beyond disappointing that the promised transparency, independent oversight and independent health advice mechanisms do not appear to have eventuated.

Treatment of people detained

CRAG members have received photos and video footage, from people detained offshore between 2013 and 2023, which document the conditions in the offshore centres, including:

- Overflowing sewerage outside toilet buildings
- Flooded floors inside bathroom and toilet buildings
- Crammed sleeping quarters without any privacy
- Sleeping tents covered in mould
- Rotten fruit and food containing maggots (or similar organisms) being served at mealtimes
- Bottled drinking water being stored outside in the sun
- Unshaded areas where people were forced to stand in the hot sun for long periods in queues for food or assistance
- Unhygienic hospital facilities in a state of disrepair

This is astounding given the enormous amounts of money spent by the Australian Government on the offshore detention/processing regime, and in no way represents "integrity in arrangements" or "value for money" for Australian taxpayers.

People we know who were detained during this time also described being:

- Prevented from participating in activities such as art, badminton and soccer due to either the equipment being disallowed, or to the areas they used for recreation suddenly being declared to be 'off limits'
- Unable to access sufficient food to eat, with food often running out while they were still waiting in meal queues
- Unable able to access appropriate medical and dental care when needed, leaving them with ongoing, unmanaged, chronic pain and illness
- Disrespected and humiliated by security personnel

[7] ibid

- Constantly pressured to return to homelands despite the risk of life-threatening persecution there

These conditions, combined with the constant uncertainty of indefinite detention and a lack of clear pathways to resettlement, have had an extremely detrimental effect on people's mental health. Not only has an exorbitant amount of tax-payer money been spent on sub-standard services in the offshore centres, but it has effectively been spent on harming people.

The *Nauru Files* [8] detailed the scale of physical and sexual abuse of children and women detained indefinitely in Nauru, and the Australian Human Rights Commission's *Forgotten Children Report* [9] found that children detained suffered from extreme levels of physical, emotional, psychological and developmental distress.

CRAG continues to remain concerned about the long-term impacts of offshore detention policies and practices on people seeking safety. We have witnessed people here in Geelong suffering severe mental health consequences from their time in PNG and Nauru, and despite their incredible strength and desire to rebuild their lives, the impacts on them and their children will be profound. A Royal Commission into the long-term adverse consequences of offshore processing, the costs and consequences to both individuals and to our society, will be necessary.

Thank you for considering my submission on behalf of CRAG.

F McAloon

Frances McAloon.

Combined Refugee Action Group. Geelong

C/O 127 Myers St Geelong

combinedrefugeeactiongroup@gmail.com

[8] https://www.theguardian.com/news/series/nauru-files

[9] https://www.unhcr.org/au/media/forgotten-children-national-enquiry-children-immigration-detention-2014-australian-human