

Amnesty report highlights companies profiting from Australia's refugee camps

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An Amnesty International report released last month, *Treasure I\$land*, details the vast profits made by the companies overseeing the operations of the Australian government's inhuman offshore refugee detention centres on Papua New Guinea's (PNG) Manus Island and the tiny island nation of Nauru.

The report states that the so-called Regional Processing Centres (RPCs) subject "refugees and people seeking asylum to a daily diet of humiliation, neglect, abuse and poor physical and mental health care." In fact, the Australian government "proudly acknowledged that its offshore processing system is harsh and cruel, saying that this is necessary to deter people from trying to enter the country irregularly."

However, the government has "also created an island of profits." The report focuses on the three main companies that benefit from the misery inflicted on the asylum seekers. The leading private contractor is Broadspectrum, formerly Transfield, which runs the RPCs under a three-and-a-half-year contract with the Department of Immigration and Border Protection (DIBP) worth around \$2.5 billion (\$US1.9 billion). Broadspectrum sub-contracts most of the security work to Wilson Security. In April 2016, Broadspectrum became a subsidiary of Spanish-based transnational Ferrovial.

Broadspectrum was awarded the contract for "garrison" services on Nauru by the Gillard Labor government in 2012 when it reopened the off-shore prison camps. This lasted until March 2014 when the Liberal-National government expanded the contract to include Manus Island. This contract, amended several times to expand Broadspectrum's control, is due to expire in October.

The actual profits these companies garner from their government contracts are veiled in secrecy.

Broadspectrum and Ferrovial can "hide the exact profit they make from an abusive context," the report notes. The secrecy arrangements also allow the government to hide exactly how much money is being spent on these criminal enterprises.

The Amnesty report utilised the available public material to paint a picture of the profits accumulated by Broadspectrum. According to Australian National Audit Office (ANAO) estimates, the current contract with Broadspectrum costs over \$573,000 per detainee, per year. This estimate fits with information from the Australian government's contract web site, which puts the combined total of contracts for "welfare" and "garrison" services over three-and-a-half years at \$2.5 billion.

Broadspectrum claims the value of the contract is \$1.2 billion. The report notes that, "even taken on its own, this is an outstandingly large amount of money." The DIBP contract falls into Broadspectrum's most profitable business sector, the "Social" sub-category of its Defence, Social and Property (DSP) group.

According to the report, in 2016 the DSP group contributed \$1.646 billion of Broadspectrum's total operating revenues of \$3.692 billion, or 45 percent of its overall income. Moreover, 69 percent of the DSP income was derived from the "Social" subsector, which includes the DIBP contract. The DSP profit margin, 17.8 percent, far exceeded the company's other sectors—Infrastructure, 2.8 percent, and Resource and Industrial, 1.6 percent.

The report states "the vast amount of money that Ferrovial and Broadspectrum make from the DIBP contract stands in stark contrast to the shockingly poor conditions in ... the RPCs."

An Australian Senate inquiry, which Amnesty cites, documented conditions on Nauru in which asylum

seekers lived in mouldy tents, children had holes in their shoes, the replacement of soiled sheets on which children had urinated was a low priority and detainees accused security staff of torture and abuse.

The Senate inquiry was designed to whitewash the Australian government's responsibility for the conditions in the camps. Nevertheless, the revelations in its report have been supported by numerous other investigations. One Amnesty report last year, published after the agency gained first-hand access to the centres, characterised the RPCs as places of torture because the infliction of abuse and anguish was the deliberate intent of the Australian government.

RPC staff members and ex-members themselves leaked incident reports that revealed officially suppressed cases of violence and abuse, particularly against children. A Human Rights Watch analysis this year again condemned the "heavy human toll" exacted on asylum seekers by Australia's detention regime.

These are just a few of the now voluminous accounts of torture, physical and sexual abuse and mental degradation. When Ferrovial acquired Broadspectrum in April 2016 it had intimate knowledge of these operations. In December 2015, in a bidder statement, Ferrovial referred to the DIBP contracts as "highly profitable."

After the PNG Supreme Court ruled, last April, that the Manus Island RPC was illegal, because of the unconstitutional deprivation of liberty, and must be closed, Broadspectrum recommended that its shareholders accept Ferrovial's takeover bid. Ferrovial later announced it would not seek to renew Broadspectrum's DIBP contract when it ends this October.

Amnesty's report recommends that Ferrovial end its contract as soon as possible and that the Australian government scrap offshore processing and bring all detainees to Australia to have their "international protection applications" processed in a timely manner.

There is no chance, however, that the current Liberal-National government, or a Labor government, will heed such recommendations. Successive Australian governments, including the previous Greens-backed Labor administration, have deliberately brutalised asylum seekers and stripped them of the most basic legal and democratic rights. Refugees are being demonised and victimised to divert working-class

opposition to worsening inequality and declining social conditions.

Moreover, Australia's supreme court, the High Court, has sanctioned the continuation of indefinite detention on the basis of two fictions—that Australia is not the sovereign power incarcerating the refugees, despite financing and orchestrating the detention, and that RPCs are not "punitive" in character.

Similar developments are taking place across America, Europe and internationally. Xenophobia and nationalism are being whipped up, dovetailing with preparations for war. As a result, some of the world's most vulnerable people, many fleeing the wars already unleashed by the US and its allies, are being subjected to ever-more cruel and lawless imprisonment.



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