



COMMONWEALTH OF AUSTRALIA

# Official Committee Hansard

## **SENATE**

FINANCE AND PUBLIC ADMINISTRATION LEGISLATION  
COMMITTEE

ESTIMATES

**(Budget Estimates)**

MONDAY, 22 MAY 2006

CANBERRA

BY AUTHORITY OF THE SENATE



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**SENATE**

**FINANCE AND PUBLIC ADMINISTRATION LEGISLATION COMMITTEE**

**Monday, 22 May 2006**

**Members:** Senator Mason (*Chair*), Senator Murray (*Deputy Chair*), Senators Brandis, Carol Brown, Fifield and Forshaw

**Senators in attendance:** Senators Bernardi, Brandis, Calvert, Chris Evans, Faulkner, Fifield, Forshaw, Mason, Minchin, Murray, Siewert and Robert Ray

**Committee met at 9.04 am**

**PARLIAMENT PORTFOLIO**

**In Attendance**

Senator Paul Calvert, President of the Senate

**Department of the Senate**

Mr Harry Evans, Clerk of the Senate  
Dr Rosemary Laing, Deputy Clerk of the Senate  
Mr Cleaver Elliott, Clerk Assistant (Procedure)  
Mr Richard Pye, Clerk Assistant (Table Office)  
Mr John Vander Wyk, Clerk Assistant (Committees)  
Ms Andrea Griffiths, Usher of the Black Rod  
Mr Joe d' Angelo, Chief Financial Officer

**Department of Parliamentary Services**

**Portfolio overview and major corporate issues**

Ms Hilary Penfold QC, Secretary  
Mr David Kenny, Deputy Secretary  
Ms Roxanne Missingham, Parliamentary Librarian  
Ms Judy Konig, Chief Finance Officer  
Ms Val Barrett, Assistant Secretary, Strategy and Business Services Branch  
Mr Chris Duffy, Acting Assistant Secretary, Product and Service Development Branch  
Mr Gowrie Waterhouse, Acting Assistant Director, Art Services

**Output 1: Library services**

Ms Carol Kempner, Acting Assistant Secretary, Research Branch  
Miss Roslynn Membrey, Acting Assistant Secretary, Information Access Branch

**Output 2: Building and occupant services**

Mr Peter Ward, Assistant Secretary, Building Services Branch  
Federal Agent Mark Andrews, Director, Security Operations, Building Services Branch  
Ms Maggie Barnes, Director, Facilities, Building Services Branch

**Output 3: Infrastructure services**

Mr Andrew Smith, Assistant Secretary, Infrastructure Services Branch  
Mr John Nakkan, Director, Maintenance Services, Infrastructure Services Branch

**Output 4: Parliamentary records services**

Ms Nola Adcock, Acting Assistant Secretary, Content Management Branch

**ACTING CHAIR (Senator Murray)**—I declare open this meeting of the Finance and Public Administration Legislation Committee, and I welcome Senator Bernardi to his first estimates session. As the deputy chair of the committee, I am sitting in as acting chair on behalf of Senator Mason, who is attending a funeral in Brisbane but will be joining the committee late this afternoon.

The Senate has referred to the committee the particulars of proposed expenditure for 2006-07 for the parliamentary departments and for the portfolios of Prime Minister and Cabinet and Finance and Administration, including the Department of Human Services and related agencies. The committee may also examine the annual reports of the departments and agencies appearing before it. The committee is due to report to the Senate on 20 June 2006 and has fixed Friday, 7 July 2006 as the date for the return of answers to questions taken on notice.

The committee's proceedings today will begin with its examination of the parliamentary departments, followed by the Prime Minister and Cabinet portfolio. Examination of the Finance and Administration portfolio will commence on Wednesday, 24 May. I propose to proceed by opening with general questions, and then calling on the outcomes and outputs in the order listed on the agenda. Under standing order 26, the committee must take all evidence in public session, and that includes answers to questions on notice.

I remind all witnesses that in giving evidence to the committee they are protected by parliamentary privilege. It is unlawful for anyone to threaten or disadvantage a witness on account of evidence given to a committee, and such action may be treated by the Senate as contempt. It is also contempt to give false or misleading evidence to a committee. The Senate, by resolution in 1999, endorsed the following test of relevance of questions at estimates hearings:

Any questions going to the operations or financial positions of the departments and agencies which are seeking funds in the Estimates are relevant questions for the purposes of Estimates hearings.

I remind officers that the Senate has resolved that there are no areas in connection with the expenditure of public funds where any person has a discretion to withhold details or explanations from the parliament or its committees unless the parliament has expressly provided otherwise. The Senate has also resolved that an officer of a department of the Commonwealth or a state shall not be asked to give opinions on matters of policy and should be given reasonable opportunity to refer questions asked of the officer to superior officers or to a minister. This resolution prohibits only questions asking for opinions on matters of policy and does not preclude questions asking for explanations of policies or factual questions about when and how policies were adopted.

If a witness objects to answering a question, the witness should state the ground upon which the objection is taken and the committee will determine whether it will insist on an answer, having regard to the ground which is claimed. Any claim that would be contrary to the public interest to answer a question must be made by the minister and should be accompanied by a statement setting out the basis for the claim.

[9.08 am]

**Department of the Senate**

**ACTING CHAIR**—I welcome the President of the Senate, Senator Calvert, the Clerk and officers from the Department of the Senate. Senator Calvert, do you wish to make an opening statement?

**The PRESIDENT**—No, I do not, but I do wish all members of the committee a good morning.

**ACTING CHAIR**—And good morning to you. Senator Faulkner, would you like to kick off?

**Senator FAULKNER**—I seek your guidance to begin with, Chair. Could you advise me as to whether the Citizenship Visits Program is a matter for consideration under estimates for the Senate or for the Department of Parliamentary Services? Could someone assist me with that? I would not want to do the wrong thing, as you would appreciate, Chair.

**ACTING CHAIR**—I would have thought it was the Senate, but perhaps Mr Evans can advise us.

**Mr Evans**—Until this year, the funds for the Citizenship Visits Program were contained in the estimates for the Department of the Senate and the Department of the House of Representatives, but they are not this year. They have been transferred to the Department of Education, Science and Training.

**Senator FAULKNER**—Yes, but they had been administered by the Department of the Senate previously.

**Mr Evans**—The funds for the program have been divided between the two chamber departments. The actual administration was undertaken by the Department of the House of Representatives.

**Senator FAULKNER**—So the administration has been done in the Department of the House of Representatives—

**Mr Evans**—But the whole operation has now been transferred to the Department of Education, Science and Training.

**ACTING CHAIR**—Effective from the financial year 2006-07?

**Mr Evans**—Yes.

**Senator FAULKNER**—This is of course as a result of a budget measure that was announced in the recent budget?

**Mr Evans**—It was as a result of a government decision—I am not sure whether it was announced as part of the corpus of budget decisions—to transfer the funds to that executive department and to amalgamate the Citizenship Visits Program with another program which that department has been administering.

**Senator FAULKNER**—Were you consulted about this, Mr President?

**The PRESIDENT**—Yes, Senator. The Speaker and I had some correspondence with the government on more than one occasion and we discussed it at Presiding Officers meetings.

But it has been taken out of our hands now and it is going to be administered by the Department of Education, Science and Tourism.

**Senator FAULKNER**—Whom did you have your discussions or negotiations with?

**The PRESIDENT**—They were by correspondence basically with the minister and the Prime Minister.

**Senator FAULKNER**—Which minister?

**The PRESIDENT**—Sorry, just the Prime Minister.

**Senator ROBERT RAY**—Take us through how this happened. You have got a program; take us through from start to finish how it leaves you and ends up in another department.

**The PRESIDENT**—We had a letter from the Prime Minister sometime back—I am not sure of the time—requesting that we look at amalgamating the two programs. I think we wrote back and said—

**Senator FAULKNER**—The initiative came from whom?

**The PRESIDENT**—The Prime Minister's department

**Senator FAULKNER**—It came from the Department of the Prime Minister and Cabinet?

**The PRESIDENT**—The letter was from the Prime Minister.

**Senator FAULKNER**—When was that letter received?

**The PRESIDENT**—I have not got the exact date but it was last year.

**Mr Evans**—December last year.

**Senator FAULKNER**—So there had been no informal discussions with you, Mr President, prior to that? That was just a bolt from the blue, was it?

**The PRESIDENT**—Yes.

**Senator ROBERT RAY**—Could you table a copy of the letter?

**The PRESIDENT**—We will table the letters and any other letters and, while we are at it, we may as well table the letters that we sent back, I guess.

**Senator FAULKNER**—That would be helpful. When did you respond to the Prime Minister?

**The PRESIDENT**—On 9 March of this year.

**Senator FAULKNER**—The correspondence is going to be tabled, and I appreciate that, but what was the general thrust of your response? What was the import of your response?

**The PRESIDENT**—I think that we queried the decision initially because we felt that they were two different programs serving two different bodies, if you like, two different groups of people.

**Senator FAULKNER**—So you did not support it?

**The PRESIDENT**—Not originally, no.



**Senator FAULKNER**—And you informed the Prime Minister that you did not support the transfer of the funding and administration of this program to another government department?

**The PRESIDENT**—If I recall, we informed the Prime Minister of our satisfaction with the arrangements that were currently in place.

**Senator FAULKNER**—And you communicated that by letter to the Prime Minister in March of this year?

**The PRESIDENT**—Yes.

**Senator FAULKNER**—This is not just a matter of the view of the Senate President, is it? I presume that the Prime Minister has written in similar terms to the Speaker of the House of Representatives so it is both the Presiding Officers—would that be right? I presume the Prime Minister wrote to both the Presiding Officers—

**The PRESIDENT**—Yes, and letters we sent back to him were signed jointly by the Speaker and me.

**Senator FAULKNER**—In coming to your own view about the inappropriateness of the Citizenship Visits Program being transferred to a government department, did you consult at all with any senators or did you seek advice from the Department of the Senate?

**The PRESIDENT**—We were advised by our advisers. We did not take advice from senators, but the Clerk had views on the matter. We felt that the current arrangements were satisfactory, but I guess you can recall that the original program that was introduced by Mr Dawkins was administered by the education department. It seems that the whole thing has gone a full circle and it is back to where it started.

**Senator FAULKNER**—So is it fair to say that you were rolled by the Prime Minister? Would that be right?

**The PRESIDENT**—Well—

**Senator FAULKNER**—It sounds like it. Sorry, that is not fair. You and the Speaker were rolled by the Prime Minister?

**The PRESIDENT**—The Prime Minister had different views to ours, but at the end of the day it is a government program and they make the decisions.

**Senator FAULKNER**—Mr Evans, did you provide advice to the President of the Senate about this matter?

**Mr Evans**—Yes. The Department of the Senate provided advice, as did the Department of the House of Representatives and the Parliamentary Education Office.

**Senator FAULKNER**—What was the view of the Department of the Senate?

**Mr Evans**—That it was not really appropriate to amalgamate this program with the program run by the Department of Education, Science and Training because this program was a parliamentary focused program and it was appropriate to have it administered separately and in the parliamentary sphere. We had an apprehension that it might develop more into a tourism program rather than an educational program.

**Senator FAULKNER**—Do you know what the view was of the House of Representatives or the Parliamentary Education Office?

**Mr Evans**—They were of the view that it should remain here with the parliamentary departments.

**Senator FAULKNER**—When you say that the administration of the program was conducted by the House of Representatives—or will be up until 30 June—what does that entail?

**Mr Evans**—Allocating the money to the schools that were subsidised to make their visits to Canberra and making the bookings.

**Senator ROBERT RAY**—Did anyone do an electorate breakdown of those in the past? Was there some sort of problem with the Senate showing bias towards one particular direction or another?

**Mr Evans**—No. The program was administered according to guidelines. The subsidy under those guidelines varied according to distance. That was the basic criterion, and basically the money was allocated until the money was spent each year.

**Senator FAULKNER**—The program funds went only to support the costs of the visits. Were there any other elements to it?

**Mr Evans**—No, I do not believe so. It was just the cost of the school group visiting Canberra.

**Senator FAULKNER**—Do you know what the other program that it has now been rolled into does?

**Mr Evans**—Currently it is also a program supporting visits to Canberra, including visits to other institutions, but we cannot say how the amalgamated program will be arranged in the future.

**Senator FAULKNER**—So, Mr President, the Prime Minister wrote to you about the issue and you responded by saying, ‘No.’ What happened then?

**The PRESIDENT**—We said no because we did not think it was the role of the parliament to be promoting other institutions. That was our main objection. But now we have seen that the broadened new program the minister has announced that is going to be administered by the department takes the pressure off our finances somewhat, and we will be looking at it closely to make sure that—hopefully—it provides the types of services that happened before. We are very proud of our Parliamentary Education Office. That is why we objected originally—we were going to be paying money to promote not the role of the parliament but that of other institutions. So we will be watching it carefully to see that it does both.

**Senator ROBERT RAY**—What will happen to any staff members who were involved in this?

**The PRESIDENT**—I don’t think anything will happen.

**Mr Evans**—There is no great element of staff involvement. Basically it was a matter of the House of Representatives administering it with other staff who have other tasks. The

administration of the program did not involve any specifically dedicated staff who will be transferred with the money.

**Senator FAULKNER**—Mr President, you have said to this committee now twice that you intend to look at how this develops closely. How are you going to do that? How are you going to monitor it?

**The PRESIDENT**—I will take advice from our department.

**Senator FAULKNER**—How will they do it?

**The PRESIDENT**—The same way they do it now. They will observe what is happening.

**Senator FAULKNER**—They used to run it.

**The PRESIDENT**—I know we used to run it, or the parliament used to run it. It will not be a hard thing to monitor, I wouldn't think, because they will still be visiting Parliament House.

**Senator FAULKNER**—So you will be depending on Mr Evans to monitor it.

**The PRESIDENT**—No, I would think the education office would be the ideal people to keep an eye on things.

**Senator ROBERT RAY**—So another department is running a program at Parliament House. Are you making all the facilities free to them? You do not give free facilities to people in the press gallery, to Aussie's or anyone—you charge everyone for use of facilities here. Is there going to be a charge for this program? If not, why not?

**Mr Evans**—The Parliamentary Education Office provides its services as a matter of public interest, and does not charge anybody for the services it provides. We think that schools taking advantage of the subsidy will still make bookings with the Parliamentary Education Office to take in the PEO's program, but we cannot guarantee that. That will depend on what the Department of Education, Science and Training determines as the guidelines for the subsidy. Schools who come to Parliament House and take advantage of the PEO program are not necessarily subsidised under this subsidy. Most of them are not, in fact.

**Senator ROBERT RAY**—Were you aware of any complaints about the existing program from government backbenchers?

**The PRESIDENT**—Not really, except that from time to time we get complaints from backbenchers and senators representing states that are further away from Canberra. It is much more difficult for them to bring their constituents' children to Parliament House than it is, say, for someone from New South Wales or Victoria. But that has always been the case.

**Senator FAULKNER**—Are you aware of any, Mr Evans?

**Mr Evans**—No. The purpose of the subsidy, as I said, was determined by distance. It was to support people coming from more distant areas.

**Senator FAULKNER**—That was just a case of the executive rolling the parliament, wasn't it?

**Mr Evans**—The government took the view that it would be more efficient to amalgamate these resources with the resources available to the Department of Education, Science and

Training and amalgamate the programs. The problem that we saw with that was that it would become less of a parliamentary focused program. As I said before, there is a question of how much education will be contained in the amalgamated program and how much will be purely tourism.

**Senator FAULKNER**—The truth of the matter is that, as I understand it—this is the evidence we have received—the Prime Minister wrote to the President of the Senate and the Speaker of the House of Representatives proposing a course of action; the Presiding Officers wrote back and said, ‘No thanks; we do not want to do that,’ and the Presiding Officers got comprehensively rolled. Did you hear any more about it, Senator Calvert, after that letter you sent back, before the announcement that was made in conjunction with the bringing down of the budget?

**The PRESIDENT**—There was further correspondence which we will make available.

**Senator ROBERT RAY**—If you make it available now, we will probably not have to ask some of these questions.

**The PRESIDENT**—We will get it printed off. Our education office here has provided excellent service to visiting students and they have an outreach program that goes to other states to try to make up for the excessive distances people have to travel. I do not know why—I can guess why—the department is looking at amalgamating because there are other things to see in Canberra apart from parliament, and anybody coming to Canberra to see the other attractions includes parliament in that. It is one of the national icons.

**Senator FAULKNER**—But that contains the grand and courageous assumption that it was a departmental initiative—it was a political initiative, wasn’t it? It was a political fix.

**The PRESIDENT**—I cannot see the politics in it, Senator.

**Senator FAULKNER**—A few other people can.

**Senator ROBERT RAY**—To avoid that conclusion we have to look for other reasons as to why it is done. I agree there is no obvious assumption that can be made but Mr Evans talked about ‘potential efficiencies’. Where are they reflected in the budget papers?

**Mr Evans**—I do not know the answer to that. As I say, we have to see what the Department of Education, Science and Training will do with the amalgamated program. In order to do that, to go back to an earlier question, we will look at the guidelines that that department issues and seek further information in the future about how the amalgamated program works out.

**Senator ROBERT RAY**—This is handled by correspondence. Did you go to the Expenditure Review Committee or its equivalent this time round?

**The PRESIDENT**—No. In fact, I have not had to go to the Expenditure Review Committee for a couple of years, which is very good.

**Senator ROBERT RAY**—That depends on your point of view. If we keep on having parts of the Senate cut up I might recommend you go back.

**Senator FAULKNER**—Exactly—go back and fight for some of these issues instead of just caving in. We will have a look at the correspondence when we receive copies of it. We

might come back to it. Mr President, can you indicate to the committee why on 28 February 2006 you circulated to all committees a paper titled, ‘Conduct of committee hearings: rules of the Senate’?

**The PRESIDENT**—Basically because there seemed to be some confusion and I believed that committee chairs needed reminding in a more simple way of how committees should be run. It is not the first time I have done it.

**Senator FAULKNER**—No.

**The PRESIDENT**—I believed they needed reminding so the Clerk and I looked at putting together what we believed was an appropriate set of rules, if you like.

**Senator ROBERT RAY**—What were these areas of confusion?

**The PRESIDENT**—We had feedback from some senators that there seem to be different versions of the way a committee should be conducted during estimates. We thought we had better clarify it as we had in the past. It was as simple as that.

**Senator ROBERT RAY**—Which senators?

**The PRESIDENT**—Some senators were making a point.

**Senator ROBERT RAY**—Where did they make the point?

**The PRESIDENT**—Just in talking to me and I believe to others around the place. There was feedback coming from estimates committees that some people seemed to be confused about how estimates committees should be run.

**Senator ROBERT RAY**—The chairs of the estimates committees had let you down? They had not done a competent job?

**The PRESIDENT**—I did not say that. There just seemed to be some confusion. That is exactly why we sent that out.

**Senator ROBERT RAY**—What was the nature of this confusion? Can we have some examples?

**Mr Evans**—There were two areas of difficulty. One was the question of relevance. There was not a full appreciation that this question had actually been determined by the Senate back in 1999 when there was a question of the relevance of questions in estimates committees which arose and the Procedure Committee reported on it. In effect, by adopting the Procedure Committee report the Senate determined a test of relevance in relation to estimates hearings. There was not a full awareness of that.

The second area of difficulty was that there was some confusion between the roles of chairs and ministers. A view seemed to be taken that when ministers declined to answer questions that in some way made the questions out of order, which is not the case. Chairs were sometimes taking on the job of ministers in determining whether questions would be answered. They were the two principal areas in relation to estimates hearings.

**Senator FAULKNER**—If you circulated it, Mr President, I assume that you either wrote the advice or that you are comfortable with the advice. You would not have circulated it otherwise.

**The PRESIDENT**—I relied on the advice of the Clerk, as any President would. He is more au fait with all the nuances.

**Senator FAULKNER**—You would not have circulated advice you thought was wrong, would you?

**The PRESIDENT**—I hope not.

**Senator FAULKNER**—I hope not, too, but I am just checking that you did actually support the advice you circulated. I assume you would, but I have learnt in this business that assumptions are risky. Let us just be clear. You do support the advice that was circulated?

**The PRESIDENT**—I suppose I could have taken other advice, but who else would I take it from?

**Senator FAULKNER**—Fair enough. So you support the advice you circulated.

**The PRESIDENT**—Absolutely.

**Senator FAULKNER**—Thank you. That was circulated to all senators—

**The PRESIDENT**—All committee chairs.

**Senator FAULKNER**—on 28 February 2006?

**Mr Evans**—Yes.

**Senator FAULKNER**—I also received a copy of the advice in my capacity as an individual senator.

**Senator ROBERT RAY**—As a committee chair, possibly?

**Senator FAULKNER**—No; I think Senator Hogg may have also circulated similar advice. Are you aware of this, Mr Evans?

**Mr Evans**—Yes. During the last sitting week Senator Hogg, as Deputy President, suggested that it should be circulated to all senators.

**Senator FAULKNER**—Is that the same advice that was circulated by the President?

**Mr Evans**—Yes, it is the same document.

**Senator FAULKNER**—And that went to all senators?

**Mr Evans**—Yes, it did. It would have gone to all senators, virtually, before because it was sent to all committees and, as you know, most committees have a lot of participating members who are entitled to receive the documents of committees. It would have been available to all senators earlier, anyway.

**Senator FAULKNER**—I can assume, then, that the Minister for Justice and Customs, Senator Ellison, would have received a copy of the document.

**Mr Evans**—Yes.

**Senator FAULKNER**—Is it true that the Minister for Justice and Customs, Senator Ellison, said in a debate in the chamber on, I think, our last sitting day:

... estimates are for questions on expenditure. Over time that has become a rule more honoured in the breach than in the observance.

**Mr Evans**—That was the immediate cause of the Deputy President asking that this document be circulated again because that comment and other comments made during that debate seemed not to take account of the determination of the matter which the Senate made in 1999.

**Senator FAULKNER**—As a result of Senator Ellison's comment in the Senate—which is recorded in *Hansard* in the terms that I just outlined to the committee—have you seen cause to counsel Senator Ellison to basically tell him that he got it wrong?

**The PRESIDENT**—No.

**Senator ROBERT RAY**—A wise decision.

**Senator FAULKNER**—Can you confirm whether the Leader of the Government in the Senate, Senator Minchin, in answering a question in the Senate, stated:

There has been a tolerated flagrant disregard for standing order 26 in the operation of the estimates committees.

Can you confirm that he said that?

**Senator CHRIS EVANS**—Someone surely can.

**Mr Evans**—Yes. That was also part of the group of comments in debate which led the Deputy President to ask that I circulate the document again.

**Senator FAULKNER**—I assume, because you have circulated the paper that you have wholeheartedly endorsed the contents of, that you do not accept that there has been any disregard of standing order 26?

**The PRESIDENT**—I am confident that the chairs of committees will adhere to the correct procedures during estimates.

**Senator FAULKNER**—I am pleased that you have that confidence, but I am talking about the suggestion that there has been some disregard for standing order 26. There has not been, has there?

**The PRESIDENT**—I do not believe so, but other people may have different opinions.

**Senator FAULKNER**—Obviously they do. Obviously you and Senator Minchin have different views to start with. Have you sought to counsel Senator Minchin on that?

**The PRESIDENT**—No.

**Senator FAULKNER**—I would not have either, if I were in your position. I am just wondering whether or not you did counsel him. So you just have a different view to Senator Minchin?

**The PRESIDENT**—He may have a different view.

**Senator FAULKNER**—He has expressed a different view in the chamber, hasn't he?

**The PRESIDENT**—Yes.

**Senator FAULKNER**—I see. Have there been any formal responses to you or the Clerk as a result of the circulation of this document to committee chairs or individual senators?

**The PRESIDENT**—I have not received any. I do not know whether the Clerk has.

**Mr Evans**—No, I have not received any formal response, just acknowledgements.

**Senator FAULKNER**—This question will not come as a complete bolt from the blue to Mr Evans. I informed him by telephone before I came to the committee that I would ask this question, because I thought it might require some level of preparation from him. In relation to the schedule of estimates committees, are you able to indicate to the Senate whether the number of days has now effectively been reduced as a result of a decision made by the Senate in relation to the budget estimates round—and we are in the budget estimates round now—to reduce sitting days for each committee from 10 to eight; in other words, to get rid of the spill-over day? If you look at it in terms of committee days, it is effectively a reduction—it is probably best to deal with it in days—from 10 days to eight days. Where does that leave us now in the pattern of estimates days, when you take into account the three estimates rounds, which was previously four estimates rounds? Can you indicate to the committee what that pattern is? Has there been an overall reduction?

**Mr Evans**—We are talking about scheduled estimates days. What we mean is days specified in the resolution of the Senate as days on which estimates committees may meet, including the so-called spill-over days, remembering always that committees are free to meet on other days to consider estimates if they choose to do so. As a result of the decision to which Senator Faulkner refers, the total number of scheduled estimates sitting days has been reduced by two, from 10 to eight in the budget estimates round and in the total number for the year from 19 to 17.

**ACTING CHAIR**—Per committee?

**Mr Evans**—No, that is the total number of days available for committees to meet.

**ACTING CHAIR**—Yes, but my point is that people have been extrapolating by the number of committees and dealing with it that way.

**Senator FAULKNER**—Yes, you can multiply each day by eight if you wish.

**Senator ROBERT RAY**—But you do not get two spillovers. Start again.

**Mr Evans**—It is slightly more complicated than that, Mr Chairman, because, under the rules of the Senate, only four estimates hearings can take place at once. Only four of the committees hold their estimates hearings at once on the scheduled days other than the spillover days. So effectively you are multiplying the days by four. But I do not think we have ever had a situation of more than four committees wanting to take advantage of the spillover days.

**Senator FAULKNER**—You cannot, anyway, have more than four committees sitting on a spillover day.

**Mr Evans**—No; that is correct.

**Senator CHRIS EVANS**—You always prioritise the work.

**Mr Evans**—Yes.

**Senator FAULKNER**—The point is that it is better to talk about days than committees, I think. It does become rather complicated. Anyway, the reduction is from 19 days in the last calendar year to 17 days in this calendar year at this stage. Would that be right?



**Mr Evans**—Yes. Over the last three calendar years there have been a total of 19 days available, which will now be reduced to 17.

**Senator FAULKNER**—All right.

**Senator ROBERT RAY**—Mr President, you would, of course, recall the circumstances where additional supplementaries were sacrificed. Do you remember those? You were at the Procedure Committee meeting.

**The PRESIDENT**—Yes. That was a while ago, wasn't it.

**Senator ROBERT RAY**—You will remember that the opposition, on the basis that we had enough other adequate time, very graciously supported the government in getting rid of what were four sitting days because four days plus an overflow day—

**Senator FAULKNER**—Three sitting days.

**Senator ROBERT RAY**—Yes. Three sitting days plus an overflow would be sufficient. Is there anything that the Liberal and National parties will sign up to and stick to? They gave their word at that time. We gave that up when you did not have a majority in the Senate because it was an efficient, sensible step forward. They were too concertinaed up with budget estimates. So we do all of that and how are we rewarded? The moment you get the numbers in the Senate—bang!—without consultation, the flowover days go. We must be mugs.

**The PRESIDENT**—They are matters for the government and the Senate, aren't they.

**Senator ROBERT RAY**—They are matters for you too. You sat at the committee, Mr President. You sat there along with Robert Hill and a lot of other people. You have to take some responsibility. You cannot just sit there and say, 'I'm totally neutral in all of these things.' You expect our cooperation. As you would acknowledge, I am sure, in a lot of sensible changes to the standing orders we have not been obstructionist. We have allowed parliamentary secretaries to come and represent ministers at estimates committees, which your side of politics never allowed. There is a whole range of things. This is how we are rewarded. We give up additional supplementaries and the moment the numbers change—bang!—there go the flowover days. You have to admit that, in my time on this committee, I do not think we have ever used a flowover day—virtually never—because we have organised our time so as not to. But there may come a day when we need to. This is how you reward us. It is very poor form.

**The PRESIDENT**—As a general observation, Senator, I think it is fair to say that some committees seem to take a lot longer to go through the estimates than others.

**Senator FAULKNER**—But that is not the point, Senator.

**The PRESIDENT**—Well, it is really for them—

**Senator FAULKNER**—The point is that in 2001 a decision was made to go from four estimates rounds to three. A decision was made—and the opposition agreed with it—that the additional estimates supplementary round would be deleted from the sitting schedule, which basically gave an extra three sitting days. You can confirm that, Mr Evans: that that round was three days?

**Mr Evans**—Yes.

**Senator FAULKNER**—Yes, an extra three days; or, if you like—let us put it another way—an extra Senate sitting week. This is because of the pressure of business, which the government regularly complained of. We make that decision and commitments are given at the time that the remainder of the estimates schedule would be maintained and continued in the same form. That promise and commitment was broken and thrown out the window. That is true, isn't it Mr President?

**The PRESIDENT**—Well, there have certainly been some changes. I admit that.

**Senator FAULKNER**—Can I ask you about a document that was sent to me. I only know of it because the publisher of the *Committee Bulletin* sent an email round to me; I assume it was sent to all senators. I do not know about that, but I assume that is the case. This is about a 2006 survey of politicians' lobbying preferences. You know all about this, don't you Mr President?

**The PRESIDENT**—Was it just recently?

**Senator FAULKNER**—It was sent to me on 19 May 2006 at 12.55 pm. I count that as pretty recent, yes.

**The PRESIDENT**—Yes, I think I received one, too. I have not had a look at it yet.

**Senator FAULKNER**—It is not a question of you receiving one. You are quoted in it.

**The PRESIDENT**—As what?

**Senator FAULKNER**—As the President of the Senate, a position you still hold.

**The PRESIDENT**—If I recall, that document did receive approval from us. I know the one we are talking about now.

**Senator FAULKNER**—What is the background of that? This is the *Committee Bulletin*. It is some sort of private business concern, isn't it?

**The PRESIDENT**—Yes, and previous presidents have endorsed it.

**Senator FAULKNER**—I am not worrying about previous presidents. I am not critical of you or suggesting that it is not appropriate, so there is no need to be defensive about that. But just for the record, now that you have raised it, what is the relationship between the *Committee Bulletin* and the Department of the Senate or the Department of Parliamentary Services?

**The PRESIDENT**—It is a private—

**Mr Evans**—It is a privately produced bulletin. The relationship is only that information produced by the Senate department is used by the publishers of that bulletin. Occasionally we assist the publishers of the bulletin with advice.

**Senator FAULKNER**—Okay. Do you think its production is a positive thing for the Senate, Mr Evans?

**Mr Evans**—It is useful to have a published document that surveys the committee work of the Senate, and it is also useful to have a publication privately produced by people outside the institution, because that gives a different view to the matter.

**Senator FAULKNER**—This *Committee Bulletin* outfit also conduct a survey of politicians' lobbying preferences; is that correct?

**Mr Evans**—Yes, it did.

**Senator FAULKNER**—You support that survey, I gather, Mr President?

**The PRESIDENT**—Yes, I do, and I think former presidents and speakers have too. It is a useful document.

**Senator FAULKNER**—You in fact endorsed that survey?

**The PRESIDENT**—Yes, I have.

**Senator FAULKNER**—Can I ask why?

**The PRESIDENT**—Because it has been accepted over a period of time as something that is useful. The previous President and Speaker endorsed it.

**Senator ROBERT RAY**—I am unclear on this, Mr President, because I know nothing about it. Are you saying that they endorsed previous surveys or previous publications? I am confused here—which of the two?

**The PRESIDENT**—The survey. They endorsed the private organisation conducting that survey to improve the bulletin they produce.

**Senator ROBERT RAY**—You are telling me now that previous presidents have endorsed it. I cannot recall the survey, to be honest.

**The PRESIDENT**—They come out once a year.

**Senator ROBERT RAY**—When did this last occur?

**The PRESIDENT**—The Clerk informs me that the last one was about two years ago.

**Mr Evans**—There was a previous one some time ago. I cannot remember the exact period. An update is planned, as I understand it.

**Senator ROBERT RAY**—The President talked about previous presidents endorsing these surveys. When did this occur?

**The PRESIDENT**—The last one was in 2001, I understand. President Reid endorsed it.

**Senator FAULKNER**—And what is the use of it? You have endorsed it, Mr President.

**The PRESIDENT**—I thought I had already explained that. It is a private organisation that, as you quite rightly said, surveys lobbying techniques and needs and puts out a bulletin outside of the parliament that may be of assistance to people involved with the parliament. I cannot see anything wrong with that.

**Senator FAULKNER**—I am not suggesting there is; I am just asking why you endorsed it.

**The PRESIDENT**—I endorsed it because I thought it was useful.

**Senator FAULKNER**—Have you ever read the survey results?

**The PRESIDENT**—We have not got them yet and I do not—

**Senator FAULKNER**—You have read the previous ones?

**The PRESIDENT**—That was in 2001, and my memory is not that good.

**Senator FAULKNER**—Before endorsing it, did you check its history?

**The PRESIDENT**—All I was informed of was that the history of it was that it was a useful document and that other likeminded presidents and speakers had felt the same way about it.

**Senator FAULKNER**—Who informed you that it was a useful document?

**The PRESIDENT**—Our advisers, when we were having a discussion about this matter at the Presiding Officers meeting.

**Senator FAULKNER**—Your advisers?

**The PRESIDENT**—Yes. They have a better history of parliament than I have.

**Senator FAULKNER**—Sorry?

**The PRESIDENT**—They have a better history trail of this because my adviser was also an adviser to President Reid when this matter came up before.

**Senator FAULKNER**—Fair enough. Was the advice of the Department of the Senate sought?

**The PRESIDENT**—No.

**Senator FAULKNER**—Just your own advisers, I see. I am perfectly happy for them not to send me a copy, because I do not respond to such questionnaires.

**Mr Evans**—Perhaps I should add two things to that. When we advise people who are planning to do surveys of senators, we always emphasise that senators get lots of demands on their time and lots of requests to respond to surveys, questionnaires and so on and that they simply have to rely on senators' voluntary cooperation to fill out the survey form. In other words, we do not give any guarantees that senators will cooperate with the surveys or questionnaires. They simply have to take what cooperation they get in that regard, and we do emphasise that senators have a lot of demands on their time. The second thing is that this survey was particularly aimed at giving guidance to people who want to lobby members and senators, in the broad sense, as to what sort of lobbying is acceptable to senators and members, so they can pitch their lobbying activities in a more acceptable way. That was thought to be the usefulness of it.

**Senator FAULKNER**—I just wanted to ask: is there some sort of entertainment fund for the Clerk of the Senate, Mr Evans?

**Mr Evans**—In relation to the Clerk of the Senate, there is the provision for some entertaining of official visitors to the Senate department. That consists basically of providing minimal hospitality to visiting members of other legislatures, the people who deliver our occasional lectures and other people of that sort.

**Senator FAULKNER**—Mr President, is there an entertainment fund for the President? I assume there is because you have to do a bit of entertaining.

**The PRESIDENT**—I do not know whether there is a fund as such, but we have a facility to entertain visiting delegations, which is what mostly happens. Apart from that, if I entertain senators from either side of the chamber, that is also catered for.

**Senator FAULKNER**—How does the administration of those moneys work?

**Mr Evans**—There is a provision in the Department of the Senate's budget. It is not separately identified. It works by the President's office clearing in advance with the department official functions as appropriate to be charged to the fund, and subsequently charges for the function are cleared again by the Department of the Senate as chargeable to the fund.

**Senator FAULKNER**—So they are properly accounted for and acquitted through your normal Department of the Senate operations?

**Mr Evans**—Yes. As I said, they are cleared in advance and then subsequently cleared for payment.

**Senator FAULKNER**—I have no more questions for the Department of the Senate.

**ACTING CHAIR**—Government senators, do you have any questions? Are there any further general questions?

**Senator ROBERT RAY**—Yes, there will be.

**Senator FAULKNER**—We are going to come back to the letters, which I had not realised were on the table.

**Senator ROBERT RAY**—I have some questions on the letters, but I will put them in order and go through them sequentially.

**ACTING CHAIR**—While you are doing that, I have a question from the chair. Mr President, are you aware that in the last sitting week a report was tabled by the Speaker based on the visit of a parliamentary delegation to Denmark and Sweden? You might not have seen it. I want to bring to your attention the fact that in that report the Speaker commented with some interest on the phenomenon in Scandinavia whereby parliaments set and manage their own budgets—which he thought was very interesting—as distinct from the executive setting and determining them. Has the Speaker raised this matter with you? If he has not, do you think it is a matter that you should discuss with him as it is a matter of interest that was raised in a report tabled in the Senate?

**The PRESIDENT**—I missed a part of your question. My hearing is not as good as it should be. Were you referring to the fact that a Presiding Officer should be leading delegations?

**ACTING CHAIR**—If I can repeat it a little louder for you, President, the report that was tabled in the Senate related to the parliamentary visit to Denmark and Sweden led by the Speaker and therefore was written with the Speaker's authority. Whilst there was no recommendation in there, there was an item of interest, a note of interest, as to the way in which the parliamentary budgets in Scandinavia were constituted, managed and authorised, and of course it is an issue that lends itself to greater independence of the parliament from the

executive. I wanted to ask you whether he had raised that matter with you and, if he has not, whether you might consider discussing it with him.

**The PRESIDENT**—No, the Speaker has not raised it with me, but it is something I will query him on and find out his views. He certainly has not brought it up at our latest Presiding Officers meetings, but it is something I will look at with interest. I do note that from time to time when we have requests for delegations, as in the case with this one, they do request that the Presiding Officer leads the delegation, and, if they do not, it seems they do not seem to get the support from the visiting country that they should.

**ACTING CHAIR**—Mr Evans, were you aware of that remark in that report?

**Mr Evans**—Yes. This is an issue which has a long history to it. An attempt was made by the Senate back in 1981 to bring about a situation in which there would be determination of the parliamentary budget by the two houses. As a result of that attempt the separate parliamentary appropriation bill was established so that the appropriations for the parliamentary departments anyway are in the separate parliamentary appropriation bill. The Appropriations and Staffing Committee was established, which according to the rules of the Senate determines the budget for the Senate department. Then there are subsequent provisions in Senate resolutions about how any disagreements about that budget between the Appropriations and Staffing Committee and the government are to be determined. But, basically, that is as far as it got, and the executive government has maintained control over what goes into the appropriation bills in relation to, effectively, the Senate as well as the other parliamentary departments.

There has always been discussion about whether the process could be taken some way further in having greater parliamentary control over the parliamentary budget. But the fundamental problem is that, as I say, successive governments have always insisted on maintaining their control over the amount of money that goes into the appropriation bills, which of course have to be initiated in the House of Representatives.

**ACTING CHAIR**—Perhaps, Mr Evans, at my request, you would draw the attention of the President to the actual section in that report so that he can be informed when he discusses the matter with the Speaker.

**Mr Evans**—Yes, I will do that.

**ACTING CHAIR**—Thank you.

**Senator ROBERT RAY**—Now that we have had a chance to have a glance at this correspondence, can I take you to the letter of 13 October 2005. I hope you have got them in order now; they came to us like a shuffled pack of cards. Do you have that one?

**The PRESIDENT**—Yes.

**Senator ROBERT RAY**—When you were writing to Mr Nelson, the then minister, in the first paragraph you say:

We offered to discuss our views with you but have received no response.

What was the gap between writing to Mr Nelson and finally getting a response? Or didn't you ever get one?

**The PRESIDENT**—I am not sure. This matter was handled between our advisers and parliamentary officers—

**Senator FAULKNER**—No, it was not.

**The PRESIDENT**—and then we filled in between with—

**Senator FAULKNER**—You signed a lot of the correspondence yourself.

**The PRESIDENT**—I am answering Senator Ray's question, Senator.

**Senator FAULKNER**—But you cannot mislead the committee. You are the signatory of a number of letters here.

**The PRESIDENT**—Of course.

**Senator FAULKNER**—You cannot flick this one off to the advisers, as you usually do.

**ACTING CHAIR**—Senator Faulkner, let the President answer the question.

**The PRESIDENT**—I do not know. We obviously did not get a response; Mark informs me that we did not.

**Senator ROBERT RAY**—Later in the letter—at the very end, before you and Mr Hawker sign it—you say:

We are required to make submissions to the Prime Minister by late October. An early response from you would be appreciated.

That is a separate request. Was a response given to you?

**The PRESIDENT**—I do not believe so.

**Senator ROBERT RAY**—Nelson the silent.

**The PRESIDENT**—I think you have all the correspondence concerning this.

**Senator ROBERT RAY**—Such an important issue, but Mr Nelson does not respond on two occasions. You see, this is where we may just get a hint of what all this is about. I think you have put your finger on it very well, Mr President. On page 2, at the bottom of the first paragraph, you say:

It would also seem to us to be most inappropriate for students to be thanking the executive government in relation to a program delivered by the Parliament ...

Is that still the case? Or is that what government really wants: all the little kiddiewinks saying, 'Thank you, Coalition Government, for your generosity subsidising our visit to parliament and for propagandising us'? Is that a concern?

**The PRESIDENT**—We had a view, as we have stated in the letter, that we are only concerned about the parliamentary side of it. Obviously, we do not object to the broadening of the program; hopefully, efficiencies would come from that. Our major concern, which the Speaker and I raised, was about the fact that the education side of it might tend to be lost with the other parts of the program that have been administered by the other area.

**Senator ROBERT RAY**—Do you want me to ask a question that would be suitable for the answer you have just given or do you want me to re-ask the question? In your own correspondence, both you and the Speaker say:

It would also seem to us to be most inappropriate for students to be thanking the executive government in relation to a program delivered by the Parliament.

Is it now appropriate or does it remain inappropriate? That is my question.

**The PRESIDENT**—I do not think our views have changed on that.

**Senator ROBERT RAY**—This is not a trick question, Mr President—frankly, I am staggered by it: do you know what this statement by the Prime Minister in a letter to you means? I do not know what it means.

**The PRESIDENT**—Which letter is it?

**Senator ROBERT RAY**—St Patrick's Day 2006. You were probably making the Derwent River turn green that day. Can you find that letter?

**The PRESIDENT**—Yes.

**Senator ROBERT RAY**—The Prime Minister says:

I am sure you would agree that the experience of school children and teachers visiting Canberra for civics education should reflect the efficient provision of government services across agencies.

Those poor little kiddiewinks, dry economists all, would not sleep at night worrying about the lack of efficiencies between the department of education and the Department of the Senate. Really! Do you know what that means? It has got me baffled.

**The PRESIDENT**—Perhaps it was slanted towards the teachers more than the students.

**Senator ROBERT RAY**—The last piece of correspondence we have, signed off by the Prime Minister the same day, is to Minister Bishop. It is a slightly different letter, not unsurprisingly, to the one that you received. You did say earlier that this was dealt with by correspondence. On the top of page 2 of the letter of St Patrick's Day to Ms Bishop, the education minister, the Prime Minister says:

I would encourage you to consult Senator Calvert and Mr Hawker, and officials from my department, so that these concerns are adequately addressed in your ERC submission.

Did Ms Bishop have consultations with you and the Speaker?

**The PRESIDENT**—No.

**Senator FAULKNER**—So she ignored the request of the Prime Minister. What we have here, as Paul Newman would say, is a breakdown in communications somewhere.

**The PRESIDENT**—I understand that she did have discussions with the department and with officers, but she did not have any directly with me or the Speaker.

**Senator ROBERT RAY**—So much for the Prime Minister's request.

**Senator FAULKNER**—So can you confirm, Mr Evans, that Ms Bishop had communications with the Department of the Senate?

**Mr Evans**—No. I am not aware of any consultations with officers of the Department of the Senate.

**Senator FAULKNER**—Would you now care to reflect on the evidence that you just gave to this committee, Senator Calvert? Would you care to correct the record?



**The PRESIDENT**—Sorry; she had discussions with the Department of the House of Representatives, not the Senate.

**Senator FAULKNER**—The Department of the House of Representatives?

**The PRESIDENT**—Yes. That is what I am advised.

**Senator FAULKNER**—So the Senate were treated like mushrooms?

**Mr Evans**—As I mentioned earlier, the House of Representatives is the department that administered the funds. I would think that those consultations were probably purely about the transfer of the administration of the funds, not the content of the future program.

**Senator FAULKNER**—I think you would be wrong in saying that, Mr Evans, because the Prime Minister's letter entreats Ms Bishop to consult Senator Calvert and Mr Hawker.

**Senator ROBERT RAY**—'And officials' was later added.

**Senator FAULKNER**—'And officials from my department'—that is the Department of Prime Minister and Cabinet.

**Mr Evans**—There were no consultations with Senate department officers or Parliamentary Education Office officers following that letter.

**Senator FAULKNER**—Or with Senator Calvert. So it was a pretty poor effort all round, wasn't it? Anyway, the political fix went in, the parliament was rolled and the executive got its way. The Speaker of the House of Representatives and the President of the Senate were humiliated.

**Senator ROBERT RAY**—Maybe a lesson to be learnt is never ask for a bit of extra funding, because they took it all off you. You got it for one year, you alerted them to the fact and they took it all off you the next year.

**Mr Evans**—As we have mentioned in this committee before, the amount of funding—and this is an administered program, so the funding is quarantined—was basically determined by an assessment of the level of demand. The request for additional funding was the occasion of the transfer being made, not the cause.

**Senator ROBERT RAY**—This push for efficiency from the Prime Minister's department: does the Prime Minister's office and department pay for his own phone calls out of this building and the phone calls of all his 45 staff or are we still paying for them?

**The PRESIDENT**—That might be better left to DPS.

**Senator ROBERT RAY**—It is a general question.

**The PRESIDENT**—I am not aware.

**Senator ROBERT RAY**—You have the Prime Minister writing about efficiencies and the poor little kiddiewinks worrying about who is running which administered program. They probably cannot sleep up there. They would probably be worried about this issue, too. Are we still paying for all the phone calls out of the ministerial wing? If they are worried about proper accountancy and controls on expenditure, why wouldn't they pay for their own phone calls and fax calls?

**The PRESIDENT**—You could go further than that and talk about security as well, couldn't you?

**Senator ROBERT RAY**—No. We know about security. Every agency of government other than the parliament gets subsidised for new security measures. You, however, are told to drive efficiencies to fund security to protect them. Let us not introduce security—we have already been through that. You again are treated differently from every other department across the executive. There is no problem if ASIO wants to go from 590 members to 1,800 members over a four-year period—that all gets funded. You have to find efficiencies around this building to put up the bollards, to put the special plastic over the windows and for everything else. So we are still paying for their phone calls?

**The PRESIDENT**—I am not aware, but I can ask.

**Mr Evans**—Yes, I believe we do.

**Senator ROBERT RAY**—Do we know how much it costs, or can't we disaggregate it?

**The PRESIDENT**—Can we leave those to the DPS?

**Senator ROBERT RAY**—I am going to broader budget issues in principle here rather than that. I am just using it as an example of how the executive is treating the parliament and, in turn, the Presiding Officers.

**The PRESIDENT**—You are asking a detailed question about the cost of phone calls. I don't carry that round with me. Surely the secretary of the department would have a better idea. If she doesn't, she can probably get those figures for you.

**Senator ROBERT RAY**—I expect that answer to it when we get around to it later in the morning or afternoon, having given notice of it.

**Senator FAULKNER**—Thank you, Mr President, for tabling the correspondence that we have been able to refer to. Is this a complete or an incomplete set of the correspondence?

**Mr Evans**—We believe it is a complete set—what is on the file.

**Senator FAULKNER**—The letter of 13 October 2005—this may be because I have an incomplete file—says:

We wrote to you on 15 February 2005.

**The PRESIDENT**—If there are any other letters pertaining to this issue—

**Senator FAULKNER**—I haven't got that one.

**The PRESIDENT**—I will get them for you and make sure that the committee—

**Senator FAULKNER**—This might be made available. I appreciate that, and I thank you for it, Mr President. You are the keeper of the correspondence, Mr Evans, aren't you?

**Mr Evans**—The Parliamentary Education Office, I think, has the file. What has happened is that the correspondence between the Presiding Officers and the Prime Minister and the minister has been extracted from a rather larger file. What we will now do is go back and check that we have all the correspondence.

**Senator FAULKNER**—Could you do that and provide it as soon as possible. I certainly do not have a copy—in what I have in front of me—of the letter that is referred to in the 13 October 2005 letter to Dr Nelson of 15 February, 2005.

**Mr Evans**—I don't have that copy either. I am told that it is not on the file—

**Senator FAULKNER**—Oh right—it has been pulled.

**Mr Evans**—So it is possible that it did not make it to the Parliamentary Education Office's file, which is the source of these documents.

**Senator FAULKNER**—Why wouldn't it make it to the file?

**Mr Evans**—It may not have been provided to the Parliamentary Education Office after it was signed off. But I will now ensure that everybody involved in this correspondence conducts a thorough search and makes sure that we have all the correspondence for you.

**Senator FAULKNER**—It seems like it is a pretty crucial letter, because that is where the President and the Speaker outline, I assume in detail, their views. It would be very unfortunate if that letter went missing.

**Mr Evans**—As I say, it is not on the file that we have been extracting these from.

**Senator FAULKNER**—No, I gathered that.

**Mr Evans**—So we will put up a thorough search to make sure we get everything for you.

**Senator FAULKNER**—Thank you.

**Senator ROBERT RAY**—If you could get that under way, we may have more questions on it then. You understand the difficulty we constantly face—if something is taken on notice or not produced, you cannot follow it through. Probably November at the earliest, if we were actually granted time to do the hearings then. So it makes it a bit harder.

**Mr Evans**—We will endeavour to get what we can find back to the committee at the earliest possible time—later today, I would hope.

**ACTING CHAIR**—Before you move on, I should advise you that I am going to take the break at 10.40—we were due to break at 10.45, but I need to have a short private meeting. Would those who are voting members please make themselves available then, and could you advise those who are not present that they should be here. Are there any further general questions?

**Senator FAULKNER**—I have no further questions for the Department of the Senate.

**Senator ROBERT RAY**—Has any work been done in relation to Senate committee amalgamations or changes in the department?

**Mr Evans**—Not in the Department of the Senate.

**Senator ROBERT RAY**—Do you know of any other area in this universe where the work may be being done?

**Mr Evans**—Not formally, no.

**Senator ROBERT RAY**—I see. I could not possibly ask you to put any informal matters down, but are you aware that somewhere in the entrails of this world some work is being done?

**Mr Evans**—There was some mention of that over the past year or so.

**Senator ROBERT RAY**—Thank you. Mr President, we did ask for the Clerk's view on and interpretation of the cabinet decision of February banning any questions relating to the Cole inquiry but, because the parliamentary departments came on first, we then had a whole series of interchanges on that. I want to return to the question and ask the Clerk, through you, whether it is still his view of standing orders that such a ban cannot contradict standing orders. That is a convoluted way of putting it, but do you have a general view on it?

**Mr Evans**—This goes back to the distinction of whether questions are in order under the rules of the Senate and whether ministers are going to answer them. Certainly, questions about that matter would have been in order under the determination of the Senate, but what you have is a refusal by ministers to answer them and to allow their officers to answer them which is really outside the rules of the Senate.

**Senator ROBERT RAY**—So is there an obligation under Senate standing orders for officers to answer those questions, notwithstanding a direction from their minister, or do they have a choice?

**ACTING CHAIR**—Do you have a point of order, Senator Brandis?

**Senator BRANDIS**—Yes. Is it proper for Mr Evans to be asked in the estimates of the parliamentary departments—even applying the 1999 test of relevance which you read in the opening statement and about which I remind you—to express his opinion about what is appropriate or inappropriate to be asked at other stages of an estimates hearing, either in the past or in the future? Mr Evans does have an opinion. That opinion is a matter of public record, but I question whether his holding of an opinion or the opinion which he does hold—which of course is a contestable opinion—is really a matter for this stage of the proceedings.

**Senator ROBERT RAY**—The matter has been in the public arena and I prefaced my question, Senator Brandis, by saying that, when this had been raised previously it came up first, and subsequent discussion at estimates committees, correspondence and all those things have occurred since. They all involve the expenditure of resources, so I think it is an appropriate question. If you are then going on to argue that any conclusions that Mr Evans makes would become law or whatever, you and I would have no disagreement on that—it is a contested position.

**Senator BRANDIS**—There is no disagreement on that. But, Senator Ray, I did not say that, because I think it goes without saying that Mr Evans's opinions are Mr Evans's opinions and they are not holy writ. My point was a narrower point. The business of this hearing today is to deal with the particulars of proposed expenditure for the parliamentary departments. Mr Evans is here to speak in relation to the Senate. The test of the relevancy of questions about particulars of proposed expenditure is a wide test. As we have been reminded, that refers to any questions going to the operations or financial positions of the departments and agencies. My point is that the opinions that the Clerk might hold on a procedural issue, even on that wide test of relevancy, cannot, I would submit to you, be a question about the operations or

financial positions of the Department of the Senate. It can merely be a question about what Mr Evans privately thinks about an unrelated matter.

**Senator ROBERT RAY**—There is a \$0.9 million allocation to the Clerk's office. One of the principal responsibilities of the Clerk's office is to proffer advice. I am testing that advice to see if the \$900,000 is well spent.

**ACTING CHAIR**—I am ready to rule on the point of order. Mr Evans appears before this committee in two guises: that of the Clerk in the capacity of an adviser to the President and that of the Clerk as the head of the Department of the Senate. I take a very broad view, as has the Senate traditionally, of matters of relevance because any opinion of this kind can and does lead to an issue of resources and some consequences. I will allow the question. It is open to the Clerk as to the way in which he responds.

**Mr Evans**—The opinions that I give consist largely of drawing attention to resolutions of the Senate, which tend to be forgotten. The opinion about relevance consisted largely of simply drawing attention to that 1999 resolution. It is on the basis of that resolution and questioning which has been allowed in the past that I say that the questions were in order. But it is ultimately a matter for the Senate to determine whether an answer to a question will be insisted on. In the first instance it is determined by a committee and in the ultimate instance by the Senate, by a committee reporting back to the Senate. But over the years the Senate has, by a series of resolutions relating to particular cases, put the general view that claims not to answer questions at committee hearings should be based on claims of what is now called 'public interest immunity'—in other words, that there is some public interest reason why a question should not be answered. The Senate has never conceded, and no legislature could ever concede, that ministers have a discretion to simply refuse to answer questions. Whether that is enforced, as I said, is a matter for the Senate to determine.

**ACTING CHAIR**—That is essentially the content which was circulated at the orders of the President to chairs of committees. Is that not so?

**Mr Evans**—Yes, that document does deal with that point.

**Senator BRANDIS**—Would you not agree that, if we look to what are the proper bounds of inquiry by Senate committees, we have to look to not merely the standing orders and the resolutions but also the practise of the Senate through its committees? The source of what might, in the broadest sense, be called parliamentary law and practice is to be found, is it not, in the standing orders, in the resolutions of the Senate and also in the practise of the Senate? In *Odgers*, of which you are the current editor, do you not, from page 464 and following, collect numerous precedents of occasions on which, as a matter of custom, Senate committees have not insisted on answers?

**Mr Evans**—That is true. It is open to a committee not to insist on an answer to a question. But, as I said, that is based on a presumption, if you like, that there will be some grounds for not answering the question which can be advanced and considered by the committee.

**Senator BRANDIS**—I accept that entirely. No decision can be made without grounds. My point was that, when we look to precedent, the inquiry does not stop at previous resolutions of the Senate, which are essentially glosses on the standing orders, but also extends to precedents of Senate practice, as you point out in *Odgers*.

**Mr Evans**—Yes, with this qualification: a practice cannot override a positive prescription by the Senate in standing orders and resolutions.

**Senator BRANDIS**—That is certainly true, but it does not follow from that proposition that a practice cannot give guidance to a committee or to the chair of a committee as to the proper interpretation of standing orders or the proper application of the Senate's interpretation of the meaning of those standing orders in its resolutions.

**Mr Evans**—That is true, but, looking back at what you might regard as a practice, you have to ask yourself whether the particular course of action adopted by a committee or a chair on that occasion was in accordance with the positive prescriptions of the Senate.

**ACTING CHAIR**—May I intercede here. The advice to chairs is quite clear that, if the chair's ruling does not satisfy the matter, a senator who wishes to insist on a question can ask that the committee convene to agree on that point. If the committee agrees on that point it can then convey that to the witness. If the witness still refuses a question, the committee then refers it to the Senate. That, as I understand it, is the procedure.

**Mr Evans**—That is correct. It ultimately lies with the Senate to determine the matter.

**ACTING CHAIR**—So I can say that if any member of this committee wants to insist on a question and is not satisfied with the witness's answer, they should call for a committee meeting if they so desire.

**Senator ROBERT RAY**—We did not insist on questions being answered. Our problem was defining what was within the cabinet ruling and what was not. With some ministers it was such a wide interpretation that, because someone appeared before the Cole inquiry, we could not ask them questions. On that basis we are going to have a very short PM&C, because the Prime Minister appeared.

**Mr Evans**—The other point involved in this, Mr Chairman, is that one hopes that some future chair will not say that, because the government on this occasion refused to answer any questions about a matter before a government appointed commission of inquiry, that means there is a practice of the Senate that those sorts of questions are not asked.

**Senator BRANDIS**—You might say that, Mr Evans, but in fact the way practices develop is that ultimately they develop from a first precedent. In any line of authority, whether in parliamentary practice or in the common law, for that matter, there is always a first precedent which is subsequently followed. I acknowledge, and I agree with you, that one instance is not sufficient. But you can always track back with an established practice to the first occasion on which it was invoked.

**Mr Evans**—The point I am making is that it does not matter how many times ministers refuse to answer questions on the basis that the matters are before a commission of inquiry—it does not establish a practice of the Senate that those kinds of questions cannot be asked.

**Senator BRANDIS**—Unless the Senate, through its committee or corporately, concedes the appropriateness of that conduct.

**Mr Evans**—Certainly not through the committee.

**ACTING CHAIR**—I would like to cut this short if I can unless there is further information to be elicited. It is becoming hypothetical. We have to deal with specific instances. Unless you, Senator Ray, as the original questioner, want to pursue the matter further, I think we have had enough.

**Senator ROBERT RAY**—I just appreciate the fact that Senator Brandis took a point of order against me and then has argued eloquently the other way in his very good cross-examination. Thank, you, Senator Brandis.

**Mr Evans**—Let me put it this way. If the Senate were to pass a resolution that it is not in order for any committee or any senator on a committee to ask a question about a matter that is before a government appointed commission of inquiry, I would advise very strongly against passing such a resolution and I would continue to advise against that sort of resolution. But if the Senate passed that resolution then that would become a procedure of the Senate. Unless and until that happens, no amount of refusal by ministers to answer questions on that ground constitutes a practice of the Senate.

**Senator BRANDIS**—But we are in the realm of practice, Mr Evans, and there is a distinction between declaratory statements by the Senate in its procedural resolutions and the application of those declaratory statements by the practice of committees. There are many instances one can think of in which, as a matter a practice or custom, committees do not insist on answers.

**Mr Evans**—Yes, but that does not establish a practice of the Senate.

**Senator ROBERT RAY**—You are in a position where you have 39 votes and can do what you like. Until that changes, you can do what you like.

**Senator FAULKNER**—I would not worry about it, Mr Evans. It is not a matter of precedent, rules or procedure; it is a matter of unprincipled opportunism on the part of the Howard government.

**Mr Evans**—I simply make the point that one instance by a committee alone cannot establish a practice for all committees or a practice of the Senate.

**Senator BRANDIS**—But a multiplicity of instances may.

**Senator ROBERT RAY**—That is correct; it may.

**Mr Evans**—Over a multiplicity of committees, over a long period of time, you could perhaps say that there is a practice of committees which has not been subject to a contrary direction by the Senate, and that is as far as you could go.

**Senator BRANDIS**—Let me give you an example, Mr Evans. There is nothing—and correct me if I am wrong—in either the standing orders or any procedural resolution of the Senate which imposes the rule that, in these estimates committees, investigative agencies should not be asked and will not be required to answer questions concerning current investigations.

**Senator ROBERT RAY**—Like Senator Chapman did.

**Senator BRANDIS**—And yet that custom and practice, certainly in the committee I chair—the economics committee, which deals with economic regulators—has traditionally and uncontroversially been adhered to.

**Senator ROBERT RAY**—But not universally. In opposition your party did not mind asking about AFP operational matters.

**Mr Evans**—That exchange simply indicates that there is not sufficient basis to establish a practice.

**Senator BRANDIS**—My point is a simpler one: accepting as I do your proposition that one occasion does not establish a practice, you seem to be acknowledging my point that a multiplicity of occasions may establish a practice, and whether or not it does depends on a range of considerations, including the routineness with which the practice is adopted, the regularity with which it is adopted and whether it is adopted across more than one committee.

**Mr Evans**—They are all factors that you can take into account, but a mere assertion that something has been a universal and long-established practice does not make it so.

**Senator BRANDIS**—No, of course it does not. But that does not mean that it is not so either. That is to be tested by reference to the specifics of the practice that is sought to be invoked.

**Mr Evans**—Certainly a ruling by a chair of a committee does not establish a practice.

**Senator BRANDIS**—Not of itself, no.

**Mr Evans**—The other important paragraph that Senator Brandis will find in the work *Odgers* that he referred to is that, in interpreting the rules of the Senate, regard is always had to the rights of senators, and interpretations which favour the rights of senators, particularly the right to ask questions, are favoured over interpretations which restrict the rights of senators. It is not in order to find a restriction on the rights of senators which the Senate has not positively established.

**Senator BRANDIS**—I am sure that is an appropriate and beneficial guideline, but it is nothing more than a guideline to be considered among others in determining the appropriateness or otherwise of a line of questioning against an established practice.

**ACTING CHAIR**—I am going to end the discussion here and take a break. This chair will in fact examine every instance on its merits.

**Senator ROBERT RAY**—I think we can dispense with the Department of the Senate now. I had one more question but it can wait, rather than bringing them back after the morning tea break.

**ACTING CHAIR**—Are all senators content with that?

**Senator FAULKNER**—Yes.

**ACTING CHAIR**—Okay. You are excused and thank you very much for your attendance and evidence. We will clear the room as the committee is going to have a short private meeting.

**Proceedings suspended from 10.39 am to 11.07 am**



[11.07 am]

**Department of Parliamentary Services**

**ACTING CHAIR**—I call the meeting to order. Welcome back. We are now on the Department of Parliamentary Services.

**Senator ROBERT RAY**—Mr President, let us go back to the Podger report. I have asked questions about it previously; sometimes it was a bit early to make a final assessment. Could I now have your overall summary of the amount of savings driven out of the Podger review as enforced by the department of finance and departments.

**The PRESIDENT**—I do not have a figure amount. I am sure the secretary could provide it. All I could say is, as I said to you earlier today, I have not been required to go to ERC to apply for extra funding as yet. I am not saying that we probably will not. There seems to have been some savings—probably not as much as we would have liked. I am sure that the secretary could provide you with up-to-date figures on that.

**Senator ROBERT RAY**—Good. I want to know what savings were derived out of Podger, not the savings derived out of any other department economies, although we might get to that as well. To summarise, I think the Podger report speculated on \$5 million to \$10 million potential savings by the amalgamation of the departments. We contested that at the time. The department of finance swallowed it hook, line and sinker, cynically or otherwise, and said, ‘Your budget is cut accordingly.’ What do we think we have saved through the amalgamation of the departments as recommended by Podger?

**Ms Penfold**—Senator, the actual savings that we are and have been for some time now attributing to Podger—we have effectively given up attributing things to the Podger amalgamation proposal—are just under \$2 million.

**Senator ROBERT RAY**—Do you go back to Finance and revisit this issue and say, ‘We told you so’? I will. If the department of finance is listening: I told you so. And that is not because I did not believe in the amalgamation of the departments; I just wanted a decent one. Or do they come to you and say, ‘Where did you fail?’?

**Ms Penfold**—They certainly have not come to us in that way.

**Senator ROBERT RAY**—They have the \$5 million, haven’t they?

**Ms Penfold**—Absolutely, Senator. We did go back to them very early on—August 2004, by my recollection—and we made the point to them then that we believed that the Podger savings were not going to be more than about \$2 million. We provided a number of figures and estimates of future costs and so on, mainly for our contract costs and things like energy costs and so on that were not readily reducible. They undertook to have a look at that information—as far as I know, they never have—and they suggested we come back when we could go through the entire budgetary position with them. Since then, as you know, we have done a lot of other work on finding efficiencies in restructuring the department and looking at a number of other ways of saving funds. At the moment, we are not running too badly against the reduced budget. I do not think we can keep that up forever and we will get to the point at some stage where we have to go back to the Presiding Officers and say: ‘This is as much as we can do with the current funding. The options are to go back and demand more money or to

start cutting services.’ But we are not yet in a position where we can say: ‘We are doing everything we are doing as efficiently as possible. Therefore, if you want us to keep up all these things—or, indeed, provide extra services—we will need more money.’

**Senator ROBERT RAY**—Do you think, Mr President, that staffing of ministerial offices is a good example—where they have gone from 293 to 443—of going more top-heavy than ever? You are required to cut back; there is no cutback there, is there?

**The PRESIDENT**—I cannot comment on ministerial arrangements, but I am very satisfied with the work that the secretary is doing in the efficiencies of the departments and, of course, since last estimates, we now have a librarian.

**Senator ROBERT RAY**—Where are these new efficiencies? Excluding what you have done under Podger, have any been enhanced by departmental amalgamations or are they separate efficiencies that could have been driven without amalgamations?

**Ms Penfold**—I think most of them, at this stage, are ones that could have been driven without an amalgamation, yes. As I say, we have given up trying to attribute things to Podger because we do not think that there is anything much coming out of Podger anymore.

**Senator ROBERT RAY**—Tell us about the new efficiency measures that have enabled you to survive. What have you done?

**Ms Penfold**—There are two quite separate approaches to it. One is that, as at the beginning of last financial year, our finance committee started taking a very careful oversight of all departmental spending. I think there are various areas that have spent money that perhaps was not really necessary or could have been dealt with more efficiently but they have either not bothered to come to the finance committee, and therefore it has not happened, or they have come to the finance committee with a much more sensible and thoughtful form—or, on occasion, the finance committee has looked at a proposal and said, ‘No, this is not the most efficient way of doing it; why don’t you do X?’ So we have found a variety of efficiencies to straight-out manage our money better. The other angle of our approach is that, under our certified agreements, we have an agreement to do what we are calling ‘continuous improvement reviews’ of every part of the department to have a look at how each part is operating and whether, again, it is providing its services in the most efficient way possible. Those have taken a little while to get off the ground, but they are starting to show some progress.

The restructure also shook out a few EL2 positions in particular that were not really necessary. There have been a small number of voluntary redundancies, which have reduced numbers at that level, and in several other areas people have simply moved on and found themselves jobs elsewhere and we have not needed to fill those. I should mention that the significance of the continuous improvement reviews is that, while they do provide savings for the department, they are initially the source of the salary increases under the certified agreement—so it is not just free money.

**Senator ROBERT RAY**—I did ask a question earlier, you may have noticed, on the cost of providing a free telephone service to executive government, given their generosity in regard to other things.

**Ms Penfold**—The advice I have is that, for reasons that appear to be lost in the mists of time—I certainly cannot give you any reasons at the moment—we do not monitor where phone calls from the building or to the building are coming from and so we cannot disaggregate, for instance, chamber department costs, DPS costs or ministerial wing costs. At the moment we are simply not in a position to charge the ministerial wing.

**Senator ROBERT RAY**—You say that you do not do it; is there a capability to do it if you decide to do it?

**Mr Kenny**—Technically I believe we could, but we do not. It is an issue of the capability within the PABX—the telephone switch.

**Senator ROBERT RAY**—Mr President, it remains a mystery to me. The correspondence you tabled earlier talks about efficiencies, and there is a description of costs and all these sorts of things, and you are giving them a free ride. Surely, that is an expense that must go to a department. All the other costs generated by a minister's office, be it entertainment, travel or anything else, are all ascribed to the department's budget. Why would the parliamentary department be picking up part of their tab? It is not as though they ever show you mercy. Any time you come out of the pack with a ball you get shirt fronted by the executive wing.

**The PRESIDENT**—Phone calls have always been aggregated—through all the previous governments and right back to the Old Parliament House.

**Senator ROBERT RAY**—Mr President, things have changed.

**The PRESIDENT**—I know that; maybe it is something we can look at.

**Senator ROBERT RAY**—Things have changed. You say they have changed, your party and your leader say things have changed and that we are now in a different world. When phone calls were absorbed by the parliamentary departments, we had a telco which was 100 per cent government owned. All these things have changed. There is a dichotomy between the argument of dry economics, user pays and the sort of moralising we saw in this letter from the Prime Minister to Ms Bishop, and this particular anachronism, which is left over because it favours them. It is not going to bankrupt any of them to pay for their own phone calls. Let us look for a bit of consistency.

**Ms Penfold**—I will make a couple of points. There is a MOU of some sort that dates back to, I think, 1988, when people moved into this building, which provides a list of the services that the parliament will provide to the ministerial wing, and that certainly includes the telephone services—the communications services. The problem with that agreement is that it has a single sentence in it that says, 'Charges may be applied where appropriate.' Over the 18 years since then no-one has attempted to apply charges, possibly because the parliamentary departments were relatively well funded at that stage or possibly because they were able to harvest the fairly substantial savings in telecommunications costs over those years.

We need to rethink that whole MOU with the ministerial wing; there is no doubt about that. But the issue that needs to be borne in mind always is that if we go back to the ministerial wing, to the department of finance and say, 'Here are a whole lot of services that we provide; in future we are proposing to charge you for them, and that will cost a million dollars, or whatever,' it is entirely possible that the department of finance's response will be: 'Well, you

were funded to do that. You've been funded to do that for 18 years. That's fine, we'll pay our costs—but we'll also take the million dollars.' That might be economically more sensible, but it does not help us if that is the outcome.

**Senator ROBERT RAY**—I am not trying to help you and I am not trying to save you money. I am just looking for a bit of consistency. By the way, there is a difference between charging rent on a fixed base and a demand driven thing like telephone calls—

**Ms Penfold**—Absolutely.

**Senator ROBERT RAY**—where there is no discipline whatsoever over any ministerial office over ringing overseas, sending faxes and all the rest of it. There is no discipline. They are not paying for it, so there is no supervision. You do not even know how much it is costing.

**Ms Penfold**—And, as I say, as a matter of economic theory that is clearly a more sensible way to do it.

**Senator ROBERT RAY**—It is also the inconsistency—and this is not for you to comment on—of the government preaching, like they have in these letters to the Presiding Officers, about efficiencies. They are not practising it themselves. It is like them funding the security of every agency in this country other than Parliament House. What it is is punishment politics. If you are not strong enough to stand up, you get run down. That is what has happened.

While we are on question of security, have we got any further advanced from last time we raise the questions of traffic management around this building? The bollards are up, and now they appear to be working much better, President, than in the initial period, which is not surprising. But the usual mess around the building is occurring: people pulling up, people slamming on brakes, letting people off all over the place. It is just hopeless.

**The PRESIDENT**—Along with other matters it is something that the Speaker and I have been concerned about. We have given instructions for Parliament Drive to be converted to a one-way road to decrease the dangers or perceived dangers that occur, particularly from people being dropped off on the wrong side of the road and from taxis and cars doing U-turns and all the rest of it.

**Senator FAULKNER**—When will that happen?

**The PRESIDENT**—During the break.

**Senator FAULKNER**—During the winter recess?

**The PRESIDENT**—Yes. Also, I know that the secretary is looking at having more discussions with the users about the drop-off points, whether we provide better protection there, and also about taxis picking up at point 1, as we call it, in the basement. There has been some work done on that. There was a problem with the cabs not being able to use their radios under there and they thought they could fix it, but it has become a bit more complicated than was thought. I am sure the secretary can give you an outline of all that. We are continually monitoring this and we believe that having the traffic anticlockwise will also stop those people who may use the shortcut through, which increases the traffic. It has been looked at by the traffic engineers, that is the recommendation and we have given instructions for it to happen.

**Senator ROBERT RAY**—How does it stop the through traffic by just going one way? Explain that to me.

**The PRESIDENT**—From what I understand, people coming up Melbourne Avenue and coming down the Senate side—

**Senator ROBERT RAY**—I know what they do.

**The PRESIDENT**—Well, they will not be able to go that way any further. They might have to take a longer route.

**Senator FAULKNER**—It depends which way the one way is, doesn't it?

**Ms Penfold**—The one way will go anticlockwise.

**Senator ROBERT RAY**—You either turn left or right, and it is the same distance as now.

**Ms Penfold**—From Melbourne Avenue to Commonwealth Avenue is much further if you have to go anticlockwise around the building—truly.

**Senator ROBERT RAY**—What, I could walk it in about 20 seconds?

**Ms Penfold**—No, because Commonwealth Avenue and Kings Avenue split off but it is not exactly even, and they will have to go through that fiddly bit at the front.

**Senator ROBERT RAY**—A slight deterrent, I agree—I concede that. I can see that point.

**Ms Penfold**—In fact, it is more aimed at dealing with some of the traffic congestion problems that you have raised already.

**Senator ROBERT RAY**—Have you continued to rule out the Senate basement in some form or other as a pick-up and drop-off point?

**The PRESIDENT**—That was one of the issues that was looked at originally, but we have not considered it again.

**Ms Penfold**—We have not ruled out anything yet. As you would remember, we undertook to review all the arrangements. We have the contents of a survey ready—we just need it turned into an electronic survey. We hope to get that out during the budget and winter sittings to see how people—

**Senator FAULKNER**—Who are you going to survey?

**Ms Penfold**—Building occupants, which is why we want to get it out before people go home in July.

**Senator FAULKNER**—It is a bit late in the day for a building occupants survey, isn't it?

**Ms Penfold**—I do not know that it is late for a survey of how the arrangements have worked and how people have found them. If anything, it may be too early, because we have not yet had a winter.

**Senator ROBERT RAY**—I would suggest, Mr President, that it would be appropriate to have an Appropriations and Staffing Committee meeting on this stuff. We have not looked at it for a long while because the Joint House Department took it over and then fumbled it. That probably means we do not have to pursue it any further here today, but we do need to revisit some of these areas we looked at before.

**Senator FAULKNER**—Which direction will the one-way road go?

**The PRESIDENT**—Anticlockwise.

**Senator FAULKNER**—Is that the recommendation of the authorities or consultants that you have gone to?

**The PRESIDENT**—Yes.

**Ms Penfold**—The significance of it going anticlockwise is that the traffic will go round with the passenger side on the inside of Parliament Drive, so everyone who gets dropped off will get dropped off so that—

**Senator FAULKNER**—So that they do not have to cross the road.

**Ms Penfold**—they do not have to cross the road.

**Senator FAULKNER**—That makes sense to me if it is going to be one way. At the beginning of this issue being canvassed it was suggested that the bollards are now working well. Is that right?

**Ms Penfold**—They are certainly working better than they were in terms of mechanical operations.

**Senator FAULKNER**—Does that mean that they are not working well?

**Ms Penfold**—It means that we have not yet achieved perfection. There is still the odd bollard malfunction, but the statistics are going right down.

**Senator FAULKNER**—So how many bollard malfunctions have there been?

**The PRESIDENT**—Two in April and none in May.

**Ms Penfold**—No, there were none in April.

**The PRESIDENT**—Sorry: none in April and two in May.

**Senator ROBERT RAY**—Is there still a tailgating problem in the ministerial wing?

**The PRESIDENT**—That is a problem, and I know that the secretary is looking at that. If you recall, when you come in there is a red and green light on the first set of bollards, and when the green light comes on you know that they are down. There are no lights on the second bollard, and that is something that is being looked at. It might only be halfway down, and in that case you cannot see it over the front of the car. That might create a problem. There has been some tailgating.

**Senator FAULKNER**—What do you mean by tailgating?

**The PRESIDENT**—On the ministerial side, there is room for two cars to get in there. I understand that someone thought they could get through.

**Ms Penfold**—People occasionally try to get two vehicles through at a time.

**Senator ROBERT RAY**—You would have to be thick to do that.

**The PRESIDENT**—They got caught.

**Senator FAULKNER**—These are self-driven ministerial cars, are they?

**Ms Penfold**—Whoever goes up the ministerial wing slip-road.

**Senator ROBERT RAY**—It is not into the basement; it is up the top.

**Ms Penfold**—Yes. It is not the basement car park.

**Senator ROBERT RAY**—It would not be self-driven cars. It would more likely be partners or someone dropping others off.

**Ms Penfold**—It would more likely be public servants visiting ministers.

**Senator ROBERT RAY**—Is there any parking beyond those bollards?

**Ms Penfold**—Yes, there is a small amount of parking.

**Senator FAULKNER**—How does a public servant visiting a minister get the capacity to lower the bollards?

**Ms Penfold**—Because quite a lot of public servants hold photographic Parliament House passes.

**Senator FAULKNER**—So anybody who holds a photographic Parliament House pass can lower the bollards?

**Ms Penfold**—That is right.

**Senator FAULKNER**—Anybody?

**Ms Penfold**—Anybody who has one of those passes.

**Senator FAULKNER**—How many of those pass holders are there?

**Ms Penfold**—It is about 7,000, but I will get the exact number.

**Senator FAULKNER**—So you are telling me that there are 7,000 passes washing around that can lower the bollards?

**Ms Penfold**—That is right.

**Senator FAULKNER**—That is terrific! What was the cost of these bollards, again? So one of 7,000 passes goes astray and basically the whole security plan in relation to the bollards is out the window. I thought the original understanding was that there were going to be very severe limitations—Commonwealth drivers and the like—on who would have the capacity to use passes that could lower the bollards.

**Ms Penfold**—That was the initial thought. When the Protective Security Coordination Centre undertook its review of the arrangements, it was actually doing a risk assessment. It took account of the competing interests and priorities. One was to secure the areas close to the building, and the other was to do it without making life completely impossible for the people who have to use the building. So there was a balance of convenience and—

**Senator FAULKNER**—So it goes back to the long-standing problem of security and safety for staff and staff drop-offs, doesn't it? That is still the nub of the problem. So if you had come up with an idea which provides shelter, safety, security, easy access for exit of and entrance to the building—such as the idea that was presented at the Senate Staffing and Appropriations Committee with the use of what is currently the senators' car park—then all those problems would have been solved.

**Ms Penfold**—I do not quite understand what you are suggesting. The senators' car park would solve some of the problems you have identified but at the risk of bringing unknown vehicles into a car park that is part of the building. There is, again, a security risk there.

**Senator FAULKNER**—You tell me what the efficacy is of the bollards, with 7,000 passes floating around that can lower the damn things? Have you made any assessment of that? The original idea, of course, was that that was not going to happen, and we would look at other secure and safe ways—and this is crucial—for staff to enter and exit the building. I am not underestimating the significance of that as an issue; I know how important it is, and I think you know that a number of us have given it the highest priority. But what impact does it have, when the whole approach was originally designed with a very limited number of passes or tags that would lower the bollards? Now there are thousands and thousands of them.

**Ms Penfold**—I do not know that it is even true to say that it was designed with any particular approach at all. It was designed on the basis of a report that was received in 2003, which referred to 'authorised people' being able to access the slip-roads. When we started working on how to implement that we pretty much met a black hole. Frankly, I think that was an easy phrase that had been put in to move the thing along. So we had to start from scratch with the structure pretty much in place, and get a new set of advice. And the new set of advice was that on a risk management approach we could let pass holders access those slip-roads at certain times.

**Senator FAULKNER**—Do those electronic passes work in such a way that they will only operate the bollards at certain times?

**Ms Penfold**—The bollards work in such a way that they will only be opened by those passes at certain times.

**Senator FAULKNER**—What are those times?

**Ms Penfold**—I will have to find the brief to give you the exact times, but in rough terms it is most of each working day. I think it starts at 4.30 in the morning and goes till about an hour after sitting finishes if it is a sitting day and about eight o'clock at night if it is a non-sitting day, and then the Sunday afternoons before sitting weeks when people are coming in.

**Senator FAULKNER**—There was an idea being floated by the Presiding Officers at one stage, because of pressure from certain members of parliament, that the bollards would remain down for a period, that they would be non-operational. What has happened to that idea?

**Ms Penfold**—There was a very brief period when we were putting the bollards down—there is a peak hour in the morning—but that has been abandoned now.

**Senator FAULKNER**—That has been scrapped?

**Ms Penfold**—That has been scrapped. We replaced that for a couple of weeks, maybe a little longer. We had an AFP person based at the bollards just to make sure that everything was working okay and that people knew what they were doing and to see to any traffic management if there was a problem. That has also been abandoned now because the bollards seem to be working quite well and people seem to be getting the hang of how to use them.

**Senator FAULKNER**—You said that there were two incidents in May and none in April.



**Ms Penfold**—There were no mechanical ones in April. We are classifying the incidents as mechanical failure or, in effect, user error.

**Senator FAULKNER**—Let us look at the pattern. You say that there were none in April and think that that is a terrific achievement. Was parliament sitting in April?

**Ms Penfold**—No, and clearly that puts less pressure on the whole system.

**Senator FAULKNER**—Let us go through the months of this year in the two categories of mechanical and user failure. Can you give us those monthly figures? Could you go through the months of this year and May to date and give us the number of incidents of mechanical and user failure of the bollards, please.

**Ms Penfold**—In January this report shows four user operator faults and nine mechanical faults. In February there were four user faults and eight mechanical faults. In March there were seven user faults and six mechanical faults. In April there were four user faults and no mechanical faults. The document which I have got, which is slightly later than the one the President had, has the four user faults which we have already mentioned for May and mine has four mechanical faults but, looking at the analysis, these are some episodes that are identified as both tailgating and mechanical faults to do with the access software. I can only assume that this stage—and I am happy to get the detail and Peter Ward might be able to give you the detailed information—that the tailgating causes some sort of reaction from the software.

**Senator FAULKNER**—So when you say that the pattern of mechanical faults has reduced, that is true, there seems to have been a steady decline in the figures that you have given since January, from nine in January, eight in February, six in March, none in April and possibly four in May. The user faults seem to be pretty steady, don't they? There seem to be at least four in each month.

**Ms Penfold**—That is right. They are not necessarily getting worse; they are just a bigger proportion now of what goes wrong.

**Senator FAULKNER**—When you have these faults, how long are the bollards out of operation generally?

**Ms Penfold**—I can give you the figures for how long they are out of service in each month. Again, going back to January, it was 3.5 hours. In February it was five hours. In March it was 4.2 hours. In April it was 1.3 hours and in May, 4.4 hours.

**Senator FAULKNER**—4.4 hours to date?

**Ms Penfold**—Yes.

**Senator FAULKNER**—So in fact, to 22 May you have lost more time than any other months of this calendar year in relation to bollards—

**Ms Penfold**—We lost five hours in February.

**Senator FAULKNER**—With bollards out of service.

**Ms Penfold**—Yes.

**Senator FAULKNER**—Four and a half hours this month and February is the only one worse than that. That is not a very encouraging sign, is it?

**Ms Penfold**—I do not know that it is too discouraging. I would have to get specific information for you, but in May we had that incident where a vehicle actually hit the bollards in the ministerial wing. I suspect that took a little longer to clear than the normal mechanical faults. Those figures for total hours out of service cover the cases where user error causes a problem that needs to be fixed up as well, so I suspect that is the issue for that.

**Senator FAULKNER**—Has any formal assessment been done? You are keeping a very close eye on these figures. Are you making any sort of formal assessment of the effectiveness and efficiency of the bollards?

**Ms Penfold**—We have not done anything formal beyond, as you say, monitoring these figures at the moment. I would have thought probably after six months we could usefully do a formal assessment. Maybe 12 months would be a more sensible time, but not at this stage.

**Senator FAULKNER**—What about the wire cable barriers that I read about? What are they?

**Ms Penfold**—They are the cables across—

**Senator FAULKNER**—You sent out a note to people a week or so ago saying that the department is installing wire cable barriers in the gardens next to the Senate and the House of Representatives entrances. What are they?

**Ms Penfold**—These are cables that will go across the steepest parts of the embankment below the Senate and House of Representatives entrances. Initially, our security consultants, I think perhaps distracted by some of the plant life that was there, advised that we did not need any form of protection against vehicle access in those areas. Subsequently, it became apparent that there was not enough to rely on in the way of vegetation and slope, so we are putting wire cables from where the stairs go down across to where we run into bollards. David will know the exact details. There are a few bollards in each of those garden areas already. That will be the final closing off of the perimeter security.

**Senator FAULKNER**—What is the cost of that?

**Mr Kenny**—It is estimated to be \$90,340.

**Senator FAULKNER**—How is the total security works budget looking now?

**Ms Penfold**—That amount, I think, is still going to come in within the \$11.7 million. I think we do have a consolidated figure.

**Senator FAULKNER**—It is within budget.

**Ms Penfold**—Yes.

**Senator FAULKNER**—Just one disaggregation: what is the cost of the bollards out of the \$11.7 million?

**Ms Penfold**—We do have that. It is \$2,248,606.

**Senator FAULKNER**—With the mechanical failures, are there any design or other faults that you have been able to identify? There are user failures; people have mucked it up

themselves. A mechanical failure is when there is some problem with the actual system, isn't it?

**Ms Penfold**—Yes.

**Senator FAULKNER**—You have had consistent failures now since they have been in place. I would have hoped that by now it would have started to drop off.

**Ms Penfold**—It has started to drop off.

**Senator FAULKNER**—It has dropped off, but it is still a problem. Have you been able to identify any particular problem that you believe needs addressing by the manufacturers or the installers?

**Ms Penfold**—There is a problem, as I understand it—and I will get an expert to talk to you in a moment, if you like—with the loop under the road surface in the driveway of the ministerial wing. That can be fixed, and I think it is going to cost us about \$3,000 to fix it. However, it will be necessary to change the direction of the ministerial wing slip-road for the one-way road project, and so we are going to fix up the one at the right side of it when we change the direction of the road. That is the only actual failing in how the thing has been set up that I am aware of.

**Senator FAULKNER**—So the plan is to deal with that when the change is made to the traffic direction.

**Ms Penfold**—Yes.

**Senator FAULKNER**—I also noticed that you are proposing to put speed humps in the car parks.

**Ms Penfold**—Yes.

**Senator FAULKNER**—What is the background to that?

**Ms Penfold**—The background to that is a quite old report now—there were several reports, and in fact the most recent one was in 2003—about car park safety. One of its recommendations was that we needed more speed humps in various parts of the several car parks.

**Senator FAULKNER**—Has speeding in the car parks been a problem?

**Ms Penfold**—I am not aware of any particular issue with speeding. I do not know whether there were particular issues going back to 2003 or before that, so much as it being identified as a possible problem in those reports.

**Senator FAULKNER**—Have you heard of any complaints about speeding in the car parks?

**Ms Penfold**—I have not.

**Senator FAULKNER**—So we are putting speed humps into the car parks even though there have been no complaints. Is there an advertised speed limit in the car parks?

**Ms Penfold**—I cannot tell you off the top of my head.

**Senator FAULKNER**—In other words, are you saying to people, ‘Don’t drive above 20 kilometres an hour,’ or whatever the appropriate figure may be? I have driven through the car parks here and I have not seen any such thing.

**Ms Penfold**—I am told that there are speed signs that say ‘20’. Possibly there is not one in the one that you and I use, because it is so short—

**Senator FAULKNER**—No, there is not one there and that is fine, but there are speed signs in the other car parks. Is that correct?

**Ms Penfold**—So I am advised.

**Senator FAULKNER**—How many?

**Ms Penfold**—We would have to get that on notice.

**Senator FAULKNER**—Given that we do not know how many speed-limiting signs or maximum speed signs there are, and we do not know of any cases of speeding in the car parks, why are speed humps justified in the car parks? This is underground car parks we are talking about, isn’t it?

**Ms Penfold**—I would be happy to dig out the report of the car park safety experts for you. All I can say at this stage is that this project arose from expert advice.

**Senator FAULKNER**—Yes, but there has been no reported case of speeding in the car parks, has there?

**Ms Penfold**—I am not aware of any. There may well have been reports—

**Senator FAULKNER**—No-one has got their finger on the pulse better than you have, Ms Penfold!

**Ms Penfold**—I do not have my finger on a lot of the pulse dating back to before 2003.

**Senator FAULKNER**—How many speed humps are being built?

**The PRESIDENT**—Thirty-one.

**Senator FAULKNER**—Thirty-one!

**The PRESIDENT**—But some of them are to replace old ones and some of them are to replace the noisy metal ones that have been there for years.

**Senator FAULKNER**—And what is the cost of the 31 speed humps?

**The PRESIDENT**—It is \$25,000.

**Senator FAULKNER**—And when will they be in place?

**Ms Penfold**—I think they are all in place.

**Senator FAULKNER**—The new ones?

**Ms Penfold**—Yes.

**Senator FAULKNER**—They are all done?

**Ms Penfold**—Yes. That is my understanding. They were done last week.

**Senator FAULKNER**—Do you have available now the number of speed limitation signs that are in these car parks?

**Ms Penfold**—No.

**Senator FAULKNER**—But you know it is a 20-kilometre-an-hour limit.

**Ms Penfold**—That is my advice.

**Senator FAULKNER**—Well, before we finish, someone might be able to tell us just how many of these 20-kilometre-an-hour signs there are.

Anyway, I noticed that during budget week there was a debt truck—to give you the full picture, the Labor Party had organised it—which seems to be a very popular thing to do in Australian politics. I assume that the Labor Party was in the business of advertising the fact that Australia has, at last count, a \$473 billion foreign debt. I did not see the debt truck myself. Is it true that the organisers of that operation were heaved away from Parliament Drive?

**The PRESIDENT**—Yes, they were. But the fact is the policy has always been that vehicles cannot be used in protests or demonstrations without the Presiding Officers' permission, and they did not ask for it. I understand the Labor Party were told that under the current policy on protests and demonstrations they could ask permission from the Presiding Officers for the truck to be used and they chose not to.

**Senator FAULKNER**—I see. So, in such a situation, where do you force such a vehicle to park? Is it all right for the vehicle to be moving? Can they, if they want to, continually drive around and around Parliament Drive? Is that all right?

**The PRESIDENT**—If they have the Presiding Officers' permission they can. But if they do not ask for it—

**Senator FAULKNER**—You are saying they need the Presiding Officers' permission to drive around Parliament Drive for those sorts of things?

**Ms Penfold**—Senator, there is a provision in the guidelines that says that, unless approved by the Presiding Officers, vehicles shall not be used within the precincts as part of a protest, demonstration or public assembly. I suspect that dates back to the logging trucks and suchlike.

**Senator FAULKNER**—So what was this—a protest, a demonstration or a public assembly?

**Ms Penfold**—I do not think that the AFP officer who was involved in applying that made any particular decision about which category it fell into.

**Senator FAULKNER**—This is an important point. Is any vehicle with an advertising sign on it not allowed to use Parliament Drive? Is that what we are saying? Or is it only the Labor Party's vehicle that cannot use Parliament Drive? That is what it sounds like.

**The PRESIDENT**—It is vehicles that are used for protests and demonstrations.

**Senator FAULKNER**—Was there a protest associated with this?

**The PRESIDENT**—I think you have already explained that it was a protest against perceived debt.

**Senator FAULKNER**—I think it is the usual dictionary definition of ‘protest’ that they are talking about, which is ‘demonstration’—‘protest’ as in ‘protest march’.

**The PRESIDENT**—Obviously, the officer took the view that it was a protest. The Labor Party were told, and if they had asked for permission they would have been granted permission. But they chose not to. That is the point.

**Senator FAULKNER**—When were the Labor Party told that? After the event?

**Ms Penfold**—No. I understand that a staff member from the Leader of the Opposition’s office contacted our security people at eight o’clock that morning. She was told that she would need to seek permission from the Serjeant-at-Arms and the Usher of the Black Rod. I have a slightly different version of the story—a slightly different perspective on it. Security then had a call from someone in the Serjeant-at-Arms office to say that they had been approached by the Leader of the Opposition’s office asking for approval to park the truck on the forecourt. The Serjeant-at-Arms then advised that the Presiding Officers’ approval needed to be sought. Security got that message at nine o’clock; so, between eight o’clock, when they were first advised, and nine o’clock, when our security people heard from the Serjeant-at-Arms office, there had obviously been some further discussion with or approach to the Serjeant-at-Arms office, at which point the point was made that the Presiding Officers could give permission but that without that permission they should not do it.

**Senator FAULKNER**—The point here is that this is not a protest, a demonstration or public assembly, is it? It is a truck with an advertising hoarding on it.

**Ms Penfold**—I do not think it was unreasonable of the AFP officer to see it as something that was covered by the guidelines. It was a situation where it would have been very easy to get the Presiding Officers’ approval rather than to place an individual AFP officer in the position of having to make that decision on the run. On the face of it and with hindsight it is easy enough to say that it was only one truck and it was not doing any harm. It is another thing if there are two of them, three of them or eight of them—at what point does the AFP person back off? In fairness, this was not a senior AFP officer; it was one of the officers posted out the front.

**Senator FAULKNER**—I am not being critical of the AFP officer. There is no need to shift the blame, either, to the AFP officer.

**Ms Penfold**—I am not posing any blame at all.

**Senator FAULKNER**—Let us look at the consistency of these things. I am not critical of Senator Fielding for this but let me address an issue I read about on 11 May. I do not want to criticise him for this, it sounds perfectly appropriate in the circumstances, but the point is that this got the tick. This is when Senator Fielding was outside Parliament House, with others, carrying a jerry can as part of a protest about fuel taxes. His party was saying, ‘Stop the petrol tax rip-off,’ et cetera. That was okay. Why is that okay—I have no problem with it; I stress that—and the debt truck is not acceptable?

**Ms Penfold**—I do not know about the Senator Fielding incident but if he and his colleagues were in the authorised assembly area with their jerry cans then there would not have been a problem.

**Senator FAULKNER**—I refer you to the *Australian Financial Review* of 11 May, page 46. If you are like me, you closely examine these issues in the *Australian Financial Review*. If you do not read the *Australian Financial Review*, perhaps you read the *Sunday Age* of 29 January, at page 15. This is from an article by Michelle Grattan, a very prominent journalist in the federal press gallery:

Yesterday, the incorrigible Nelson—

I will interpolate here: that is Dr Brendan Nelson; and she has described him as ‘incorrigible’, which in some ways is absolutely accurate—

was getting some publicity by doing the final lap to Parliament House in a motorcycle safety ride. He’d ridden his bike from Sydney on Thursday night, and was accompanied yesterday by the Nationals’ Luke Hartsuyker, an MP and a serious bike man.

Again interpolating, that is fair enough as far as I am concerned. Then, listen to this:

Nelson has persuasive ways. After he and Hartsuyker zoomed up closer to Parliament House, a security officer demanded the bikes leave. Nelson spoke to him, and the man left the photo shoot undisturbed. “I just told him who we were and what we were doing.” ...

There is one rule for Dr Nelson and co and another rule for Mr Swan and the Labor Party. That is the problem—the inconsistency with the way these things are dealt with.

My own view—for what it is worth—is that I do not have a problem with Dr Nelson, Senator Fielding, Mr Swan or anybody else doing anything they want, but what I do not like is the inconsistency in the way these things are dealt with. Someone ought to do something about it, without duckshoving it on to some poor junior AFP officer, who would only be following orders—and we know where they come from. So let us have a bit of consistency in the way these things are applied, because we do not have it now. There is one rule for Dr Nelson and one rule for Wayne Swan, and that is not good enough.

On another matter, I would like to ask about the budget lockup. I noted that the *Australian Financial Review*, always a good source for these issues, indicated that there was a massive bottleneck—which is, I think, understandable if it is true—for budget lockup day. Was there a security bottleneck on lockup day?

**Ms Penfold**—I have read that report too.

**Senator FAULKNER**—That was on page 71. How come you got to page 71 but you did not get to page 45? Anyway, it does not matter.

**Ms Penfold**—Perhaps I started from the back.

**Senator FAULKNER**—That is always good if you are interested in the footy results but, if you are interested in the footy results and you are reading the *Financial Review*, you are reading the wrong newspaper, basically.

**Ms Penfold**—There may or may not have been a bottleneck. We have a very limited role in that particular security arrangement, which consists of our security people actually putting people through the metal detectors and ensuring that people hand over their communication devices. We do that on behalf of the Department of the Treasury. I understand that, some time before, Treasury notified participants of the lockup that they would have to go through this process and that they should allow sufficient time. I have the documents that they sent out.

The security checking was open for quite some time. There is a limit to how many X-ray machines we could have made available.

**Senator FAULKNER**—I appreciate that; I accept that. Obviously, this is a very high-pressure day. I do not want to labour the point, but it might be something worth thinking about in terms of staffing rosters and the like. I think it is the right thing to do to inform, as you apparently have, those who are likely to use the lockup of the requirements and the fact that there will be a strain and stress, obviously, on the parliament on that day. That is a good idea. I think it is to be commended that it was done. Obviously, the resources were not adequate—I heard a number of complaints—so maybe next time we can do better.

**Ms Penfold**—There is a question in my mind as to whether they ought to be our resources at all. This is not really a security issue.

**Senator FAULKNER**—You have a lot more people than normal trying to get into the building over a comparatively short period of time, because you have a lot of people trying to go into the budget lockup who ordinarily would not be doing so.

**Ms Penfold**—Sorry, Senator. The story I saw was about getting access into the budget lockup. That is not a security issue; that is a matter of removing people's communication devices, like their mobile phones and their BlackBerries, so that they cannot, presumably, breach the embargo before the Treasurer speaks. As I say, that was done by some of our security staff. It is not clear to me that it is part of our role at all.

**Senator FAULKNER**—But it was done by your security staff?

**Ms Penfold**—As it happened, yes.

**Senator FAULKNER**—Why was it done by your security staff?

**Ms Penfold**—The only answer I can give you to that is that we have always done it that way. Whether we should do it that way in the future is another question.

**Senator FAULKNER**—There is a slight disconnect here. It is done by your security staff and you say it is not your responsibility. I appreciate the point that you make. As I understand it, there are two searches going on here: the search when you go into the building and the search when you go into the lockup. Is that right?

**Ms Penfold**—That is right.

**Senator FAULKNER**—And your security staff were conducting both searches?

**Ms Penfold**—As it happened, yes.

**Senator FAULKNER**—As it happened? Are you now saying that you do not think they should conduct a search of people going into the lockup? If that is the case, someone ought to tell the Treasury about the problem and get it sorted out for next year.

**Ms Penfold**—That is absolutely right. The only reason we have not done that yet is because I have not yet finished doing the thinking about whether it really is an exercise that fits within the functions that we are funded to secure or whether it is a function that ought to be on, in effect, a user-pays basis, in which case we could put on as many security staff as the Treasury are prepared to pay for, or they might wish to send some of their own staff to help things through. To the extent that we need metal detectors to enforce the Treasury security



requirement, that may be a difficulty. We had all our entrances working at full capacity on budget day, as you said. We would not have too many spare metal detectors to put in place, but it may be that extra staff would make things move a little bit faster.

**Senator FAULKNER**—Anyway, you accept that this was a problem and you are looking at ways to try and make it work a bit better?

**Ms Penfold**—It appears to have been an issue. I do not accept that it was our problem.

**Senator FAULKNER**—So it appears to have been an issue and it is somebody's problem. Given that your staff were having to handle it because no-one, including you, instructed them not to, it strikes me that it is your problem until you decide it is not your problem. At the end of the day, you are responsible for the staff who are undertaking this duty, and if you do not think they should have been undertaking that duty then you should have done something about it.

**Ms Penfold**—If I had known about it, I might well have.

**Senator FAULKNER**—You did not do anything about it, so let us fix it for next time. I notice that you have had discussions with the ACT police authorities about random breath testing and the like on Parliament Drive. Is that right? I am told that is correct.

**Ms Penfold**—I have exchanged letters with the ACT Police Chief about routine traffic enforcement around Parliament Drive.

**Senator FAULKNER**—I think you have informed the occupants of Parliament House that you have had those discussions or that there is likely to be an increased police presence on Parliament Drive?

**Ms Penfold**—Yes.

**Senator FAULKNER**—Are there a lot of drunks driving around Parliament House?

**Ms Penfold**—I have no idea.

**Senator FAULKNER**—I am wondering about the basis of this random breath testing. If there are, it is a concern. I would like to know about it.

**Ms Penfold**—The basis of the invitation to the ACT police was not, in fact, anything to do with drunk driving; it was to do with speed around Parliament Drive. It was on the basis of AFP-PS observations that drivers were routinely exceeding the 40 kilometre speed limit and also on the tendency of many drivers entering Parliament Drive not to bother stopping at the stop signs. There are stop signs at each of the three entrances to Parliament Drive. We are particularly concerned with the stop sign on Melbourne Avenue, because people coming off Melbourne Avenue onto Parliament Drive reach a pedestrian crossing almost immediately if they turn left and nearly as immediately if they turn right. Am I imagining the pedestrian crossing if they turn right? It is certainly immediately there if they turn left. Those things induced us to invite the ACT police back.

What we invited the ACT police to do was routine traffic enforcement. Routine traffic enforcement includes random breath testing. As it happens, there were no issues of drunk driving around Parliament House that I am aware of, but it would not have occurred to me to go to the ACT police or to recommend to the Presiding Officers that we go to the ACT police

and say, 'We would like you to enforce speed limits, stop signs but not drunk driving.' I think that would have been an entirely inappropriate thing to ask.

**Senator FAULKNER**—It may well have been, but as I understand it, as a consequence of your approach to the ACT authorities, there will be random breath tests, radar speed traps and the like on Parliament Drive. Is that right or wrong? Is that a matter for the police?

**Ms Penfold**—That is a matter for the police. If they think that any of those particular forms of enforcement are appropriate, they will do them. I am told that we have already had some ACT police up here looking at stop sign behaviour and several people have been booked.

**Senator FAULKNER**—Having raised the issue with the ACT police, is it likely that they will be indicating to you any outcome or the like? I am not suggesting that would necessarily be the case. Is this just something that gets passed across to the police and que sera sera?

**Ms Penfold**—There is no arrangement for routine reporting. There is one thing, which is that the ACT police have let us know that if we are concerned about anything in particular, beyond those general problems that we have raised, we can let them know and they will target their enforcement activities accordingly. Apart from that, there is no routine reporting from them to us, and I do not know that it would be appropriate for us to demand that, given that what we are really saying to them is, 'Please just treat this like any other ACT road and undertake your enforcement activities as seems best to you.'

**Senator FAULKNER**—But I assume, if you had not made that approach to the ACT police, they would not have treated Parliament Drive as just another ACT road. That was the reason you went to them, isn't it?

**Ms Penfold**—That is right. In the past it has been a matter of delicacy relating to the Presiding Officers' overarching responsibility for the parliamentary precinct.

**Senator FAULKNER**—Was this decision made by you, Mr President?

**The PRESIDENT**—Yes, and it was like the other decisions on speed humps and all the rest of it: what is the point of having speed reduction devices there if you are not going to enforce them?

**Senator FAULKNER**—Where did the initiative come from?

**The PRESIDENT**—It came from the department and we approved it.

**Senator FAULKNER**—In relation to the evacuation exercises, has a problem been discovered with the fact that the courtyard gates are locked?

**Ms Penfold**—There was a problem discovered in the last evacuation exercise—that is, for people who got caught in the courtyards by themselves there was no information available about how to operate the emergency release button or whatever it is. Usually, if there are wardens involved in that particular evacuation, then people will be led through, but I understand that there was an event during the last evacuation exercise where some people found themselves locked in a courtyard without a warden to get them out.

**Senator FAULKNER**—That is fair enough. Have there been any repercussions from the search of the Speaker of the National Assembly of Pakistan, Mr Hussain, who apparently felt

very humiliated by the security procedures associated with the walk-through metal detector in the building? Was this raised with you, Mr President?

**The PRESIDENT**—Yes, of course it was. The normal procedure is that the Speaker and his party were screened, as you and I are, through the detector. He obviously set it off and was asked to submit to a handheld metal detector, like some of us are. I actually had him over for dinner that night and delicately raised the matter with him, and he was quite relaxed about it because, he said, in Pakistan—

**Senator CHRIS EVANS**—It depends on what stage of the dinner you were at as to how relaxed he was.

**The PRESIDENT**—He does not drink alcohol, I do not think.

**Senator FAULKNER**—He will not be caught at a random breath test, will he!

**The PRESIDENT**—He did understand the reasons we have security, coming from Pakistan, where his superior, the President, has been the target of two or three assassination attempts. I think it was blown out of proportion somewhat. The Speaker and I have talked about this, and we believe that presiding officers who have been invited to the parliament as guests of the parliament should be treated the same as heads of government. That is something we are looking at, and we will probably make that determination—that in future when the head of a delegation is a speaker or presiding officer they will be allowed to come through as heads of government are.

**Senator FAULKNER**—So at the moment the only people who enter the building who do not have to go through a metal detector are heads of government. Is that right?

**The PRESIDENT**—Yes: heads of government or people who we have been asked to give permission for, such as the head of a delegation—a senior minister from China was one. From time to time we do get applications from embassies to preclude the leaders of their delegations from security arrangements, and we look at that on a case-by-case basis. It does not happen all that often.

**Ms Penfold**—I should add that, when an exemption is granted for a head of state or head of government, it quite often extends to the immediate accompanying party.

**Senator FAULKNER**—Why would you need an exemption for a head of government if they are exempted already?

**Ms Penfold**—There is a sort of standing approval for heads of government—

**Senator FAULKNER**—‘A sort of standing approval’? What does that mean?

**Ms Penfold**—It is my description of how it is set out in the current policy manual. The difficulty is that I think the policy manual says there is an exemption for heads of government but somewhere else it refers to them being approved by the Presiding Officers. However, the fact is that they do not come in by themselves, so an application for an exemption also tends to come in relation to their spouse and perhaps the ambassador, the ambassador’s spouse and a couple of other people.

**Senator FAULKNER**—What happened when Mr Bush came, for example?

**Ms Penfold**—That was before my time. I can find out what the exemptions were.

**Senator FAULKNER**—How about a more recent one. Mr Blair certainly came in your time.

**Ms Penfold**—Yes.

**Senator FAULKNER**—How many of his party would have been exempt? He is a head of government.

**Ms Penfold**—Somewhere between eight and 12 people all up.

**Senator FAULKNER**—So if eight or 12 people in Mr Blair's party were exempt from going through the metal detector, it is possibly not so surprising that the Speaker of the National Assembly of Pakistan got a bit upset at being frisked.

**The PRESIDENT**—Are you basing that particular assumption on what he said or what was printed in the paper?

**Senator FAULKNER**—I am basing that assumption on what I have read about the incident. I have not spoken to Mr Amir Hussain personally.

**The PRESIDENT**—I did, and he was not upset about it at all. He understood the situation.

**Senator FAULKNER**—I often ask questions at these estimates committees about matters which I have not raised directly with the individuals involved. For example, regarding every question I ask about Mr Howard, I have never got around to checking with him before I ask the questions. It is just the way it is.

**The PRESIDENT**—Having spoken with the Pakistani presiding officer, I can assure you that he was very relaxed about the whole process.

**Senator FAULKNER**—It was in fact a member of the Liberal Party, backbencher Michael Johnson, who said that occupants of Parliament House were in danger of becoming slaves to security. Has he been counselled?

**The PRESIDENT**—I have not spoken to him.

**Senator FAULKNER**—It is probably a job for Senator Brandis.

**The PRESIDENT**—He has not raised the matter with me.

**Senator FAULKNER**—Are there cases of members of parliament refusing to be tested in the metal detector? In other words, is there a rule for heads of government and Mrs Bronwyn Bishop? The *Age* newspaper splashed the fact that she refused to be tested with a metal detector.

**The PRESIDENT**—I am not aware of that. But senators who, for whatever reason, have complained about the process—and there have been only one or two occasions of this—have been spoken to. I believe that all senators—I cannot speak for members—abide by the normal security arrangements. We are looking at changes to that, and perhaps the secretary can inform you about that later.

**Senator FAULKNER**—Is it time, then, for some more complete guidance about this? What are the changes that you are referring to?

**The PRESIDENT**—They are to do with the metal detectors.

**Ms Penfold**—The settings. I am not aware of any members or senators who do not go through the walk-through metal detectors. It is occasionally the case that a senator or member sets off the alarm when walking through that and does not remain to be screened with the handheld wand. Sometimes, that is a pure oversight. If it is a busy time, they may not even realise that they are the ones who have set it off. The changes that the President is referring to are some changes that we are proposing to make to the settings on the walk-through metal detectors. As you would probably know, they are currently set at a level that sometimes at least picks up quite a lot of very minor metal. It picks up minor metal in various situations: zippers or jewellery or whatever. We are planning to set them at a level that will pick up only more substantial amounts of metal. However, anyone who sets off that less sensitive alarm will have to be properly screened or will have to keep divesting themselves of things until they can get through the walk-through metal detector.

**Senator FAULKNER**—That is true. In the Senate wing, for example, there are two metal detectors. It seems to be an inefficient use of metal detectors but one is mainly for senators. I think that is right?

**Ms Penfold**—Yes—generally.

**Senator FAULKNER**—One is for other staff. Given that there are only 76 senators, whether that is a sensible way of operating I do not know.

**Senator CHRIS EVANS**—For those of us who get in early it is not—

**Senator FAULKNER**—You would not know about that, because I never see you when I get in early.

**Senator CHRIS EVANS**—I am through before the second machine is operating. Most of us do not use it, Senator Faulkner, but you have obviously noticed it.

**Senator FAULKNER**—I have noticed it. I try to keep across things that are happening in the building.

**Senator CHRIS EVANS**—You should try getting in earlier.

**Senator FAULKNER**—I commend you for that. Is it true that the detector levels are lower on the Senators-only machine than on the other machine?

**Ms Penfold**—Not to my knowledge.

**Senator FAULKNER**—By lower, I meant less likely to—

**Ms Penfold**—Less sensitive.

**Senator FAULKNER**—Less sensitive, yes.

**Ms Penfold**—Not to my knowledge. They are supposed to be all set at the same level. It is true, however, that sometimes different detectors appear to be reacting differently, and I have certainly had the experience of having my shoes set off one detector and the same shoes not set off another one on the same day in the building. I am told—and I have no way of checking this—that there are issues with environmental metal in this building. For instance, the staff entrance in the Senate has the metal detector right next to the lift. I am told that the operation of that detector may be affected by the position of the lift.

**Senator FAULKNER**—Fair enough. I saw the article in the newspaper in relation to Mrs Bishop and wondered what the situation was. The newspaper suggested that she may have secreted on her person a revolver. It suggested that she might have secreted it in her hairdo, which I thought rather extreme.

**Senator CHRIS EVANS**—It is a very extreme hairdo.

**Senator FAULKNER**—Perhaps. Anyway, the aim of the exercise is for all of us to use these metal detectors, which is as it should be. But if there is a policy of exemptions, and it sounds like there is at least an informal policy of exemptions for heads of government and the like—and I do not think it is unreasonable if that is the case—is that going to be more formalised so that parliament knows what it is? If, let us say, the US President visits the building, we would not want him and his wife to go through a metal detector. That is fair enough. But I do not think it is fair enough for every hanger-on in his entourage to not go through the detector when all the rest of us have to.

**Ms Penfold**—As I suggested earlier—

**Senator FAULKNER**—What do you think, Senator Murray?

**ACTING CHAIR**—As Ms Penfold probably recalls, the security officers with President Bush were armed, and that is an issue. The parliament is concerned about any person being armed—

**Senator FAULKNER**—Yes, I know: every second FBI agent running around does not have to go through a security system.

**ACTING CHAIR**—Is that the context in which you are presenting your question?

**Senator FAULKNER**—Exactly: we have canvassed this before. I think the key point here is that you are saying that you are going to develop some more formal guidance about this—and I think this is what the President is suggesting. For example, it might go to the issues of visiting presiding officers; that is right, isn't it Mr President?

**The PRESIDENT**—Yes, that is right.

**Senator FAULKNER**—If that sort of thing is to be done, that is probably a good idea and there obviously ought to be a document that is made available and public so we all know what the situation is.

**Ms Penfold**—I would hesitate to promise to make that final policy document completely publicly available, but I think it would be quite appropriate for the Presiding Officers to consult party leaders or party whips across the parliament on it.

**Senator FAULKNER**—Yes. Have there been a lot of staffing and morale problems at the 2020 help desk? Have there been a lot of resignations and the like?

**Mr Kenny**—There has been a fair degree of turnover.

**Senator FAULKNER**—What is the cause of these morale problems, Mr Kenny?

**Mr Kenny**—I do not know that I have said there are morale problems; I have said there has been turnover.

**Senator FAULKNER**—What is the reason for the turnover, then?

**Mr Kenny**—I think that it is an industry where there is a fair degree of alternative employment available; there is a lot of competition for skilled IT people. I also think that, historically—and I do not have the numbers—we had more non-ongoing staff than would have been our preference, and non-ongoing staff are more likely to be attracted to ongoing employment elsewhere. There also seems to be a suggestion that the nature of IT help-desk work is that people only want to do it for a certain amount of time and then they are attracted to moving on to other forms of work.

**Senator FAULKNER**—Did six people resign on one day?

**Mr Kenny**—Not to my knowledge. I can get a list of resignations and dates over the last, say, 12 months.

**Senator FAULKNER**—Well, you should be able to fill the committee in on the general pattern. It sounds like it is in crisis. I am sure it is in crisis; I have been informed it is in crisis. I am sure no-one would mislead me.

**Mr Kenny**—I do not accept that it is in crisis. I do accept that we have got problems in terms of our total number of staff and the rate we have been losing them.

**Senator FAULKNER**—Are you managing it now? Who manages 2020?

**Mr Kenny**—The 2020 area reports to me, but not directly. It is managed by an exec level 2 officer who—

**Senator FAULKNER**—In something like this, can't you tell me precisely what the situation is with the staff turnover?

**Mr Kenny**—Not off the top of my head, no.

**Senator FAULKNER**—Well, let us get somebody up here who can. There must be somebody here who can help us.

**ACTING CHAIR**—Senator Faulkner, it is half past 12—when we are due to break.

**Senator FAULKNER**—I am happy to come back.

**ACTING CHAIR**—Would you prefer to return to this afterwards? That will give the officers time to develop the information.

**Senator FAULKNER**—By all means, Chair. I am always happy to help, as you know.

**ACTING CHAIR**—Mr Kenny, we will return to this after the break. That will give you time to prepare the information.

**Senator FAULKNER**—And perhaps you can come up with what the situation is.

**Mr Kenny**—Over the break, I can get you some numbers, but I have just been advised that we have not had six in one day.

**Senator FAULKNER**—How many have you had in total?

**Mr Kenny**—I will get those numbers to you after the break.

**Senator FAULKNER**—I thought you might have been advised of that too.

**Mr Kenny**—I was told that we will have to get them.

**Senator FAULKNER**—We will go through it after the break.

**The PRESIDENT**—Before we go, you may recall that, during the early part of the estimates, the Clerk undertook to table all correspondence regarding the CVP. I understand that the letters in the possession of the Senate are the ones that are in the Clerk's filing system, but I believe there are a couple of letters in my office, which I will get to the committee this afternoon.

**ACTING CHAIR**—Thank you.

**Proceedings suspended from 12.30 pm to 1.34 pm**

**ACTING CHAIR**—We were in the midst of general questions to the Department of Parliamentary Services, and Senator Faulkner had the call.

**Senator FAULKNER**—Thank you, Chair. We were talking about the help desk, 2020, and Mr Kenny was going to come back with an indication of what is happening down there with the crisis of 2020.

**Mr Kenny**—They were not my words, Senator.

**Senator FAULKNER**—No, they are mine.

**Mr Kenny**—Since May 2005 there have been 11 resignations or departures from the area which provides the IT help desk services. That last bit of slight hesitation on my part is that, from February, we moved two parts, which had previously been separate, into the one area. But 11 is the total number.

**Senator FAULKNER**—How many staff are in that section?

**Mr Kenny**—At the moment there are 42. That includes three part-timers.

**Senator FAULKNER**—How many of those 11 are resignations?

**Mr Kenny**—I will give the answer in two parts because of this bringing-together. I will split the 11 into six and five. Of the group of six, five were listed as resignations and one was an end to temporary employment. Of the group of five, three were resignations, one was a permanent transfer and one was an end to temporary employment.

**Senator FAULKNER**—So that is 11 separations in the last 12 months. Is that right? That is what you have said.

**Mr Kenny**—Eleven departures. There are a couple of other temporary separations relating to things such as maternity leave and temporary transfer within the department or secondment.

**Senator FAULKNER**—So there were 11 departures. How many ongoing employees are there? What is the staffing establishment for 2020? Do you call it 2020 there?

**Mr Kenny**—We can call it that, yes.

**Senator FAULKNER**—What is the correct title—the help desk or client support?

**Mr Kenny**—IT operations—support and maintenance is what it is now called.

**Senator FAULKNER**—What is the staffing establishment of IT client support? Is it 42?



**Mr Kenny**—I do not believe we have a list of the total numbers in terms of establishments. We have a number of positions which have recently been or are in the process of being filled. For example, someone started today. We have someone else starting on 5 June. The secretary mentioned earlier, I think, the continuous improvement reviews within the department. All of our IT components have had their reviews started or announced just last week.

**Senator FAULKNER**—I do not care whether there is a review or not. What is the current establishment? That is my terminology. If there is a better term, you can tell me what it is. But there must be a current staffing level. There must be a finite number of positions, surely?

**Mr Kenny**—There are 58 positions within the HR system. That does not mean that there is a requirement that we should expect to have 58 people.

**Senator FAULKNER**—So there are 58 positions. How many of those are in IT client support or is that what we are talking about?

**Mr Kenny**—That is the 58.

**Senator FAULKNER**—Of the 58 positions, how many are filled? Is it 42?

**Mr Kenny**—I think it is now 43. I suspect that the one that started today will not have been in the report that I read from which said it was 42.

**Senator FAULKNER**—It is 43 filled out of 58 positions. Would I be correct in saying that we are either 15 or 16—depending on this person who started today—staff members short?

**Mr Kenny**—Short of that establishment, yes.

**Senator FAULKNER**—Short of the IT client support establishment that I described as a crisis; but you do not accept that description. Of the 43, are they all ongoing employees? As we speak there are 43 people employed, are there? Or are there fewer?

**Mr Kenny**—That number includes four non-ongoing staff.

**Senator FAULKNER**—What does that reduces us to: 39? What does that mean for—

**Mr Kenny**—Subject to the question mark over whether the one who started today is in or out, yes.

**Senator FAULKNER**—There are four non-ongoing out of 43. So there are 39 positions out of 58.

**Mr Kenny**—I do not know how the non-ongoing ones would be counted as not part of the 58.

**Senator FAULKNER**—I am asking you. I want to know how many bodies—people—there are. I mean staff.

**Mr Kenny**—There are 43.

**Senator FAULKNER**—There are 43. And there have been 11 departures?

**Mr Kenny**—Most of them were resignations, since 1 May 2005.

**Senator FAULKNER**—How many of those positions have been filled?

**Mr Kenny**—I do not have that information at the moment.

**Senator FAULKNER**—How many positions do you want to have filled?

**Mr Kenny**—The answer to that is in two parts. Firstly, we want to fill sufficient positions to meet the workload of the section or the area, but secondly, the answer will be determined in the continuous improvement review.

**Senator FAULKNER**—But you are not meeting the demands of the workload, are you? That is why this matter has come to my attention. The joint is in crisis, isn't it? You have got 43 positions filled out of a total number of 58. And you have had 11 resignations or departures in the last 12 months. Something has gone wrong, so I would like you to tell me, Mr Kenny, why you have got this situation. What is wrong? What has gone haywire?

**Mr Kenny**—I acknowledge the number of departures—if we say 11 out of 43—is around 25 per cent, which is higher than we would like. It is, in my experience, an area which has quite high turnover. Whether 25 per cent is the right number or—

**Senator FAULKNER**—This is 25 per cent per annum.

**Mr Kenny**—Yes.

**Senator FAULKNER**—What is the historical pattern in that area?

**Mr Kenny**—I do not have any information with me prior to May—

**Senator FAULKNER**—But with such a high turnover, why doesn't someone have that information? You also had a one-hour break over lunchtime to try to find out some of this information. This is hopeless.

**Mr Kenny**—I have got this information with effect from May. I am confident we can get something going back earlier than that, but I do not know exactly what we will get because if we go back further we will need to rely on HR records that I do not absolutely know whether we have. This is because different systems were used in the past. I can find whatever is available.

**Senator FAULKNER**—Are you saying to me that we have not got a massive problem in the IT client support area of DPS?

**Mr Kenny**—I think I have already said that the rate of turnover is a concern.

**Senator FAULKNER**—You are apparently the boss of this area, are you? That is what you told me.

**Mr Kenny**—It reports to me, yes.

**Senator FAULKNER**—All right. Why is there such a big turnover? I assume that you are concerned by these figures and I assume—it is only an assumption; you might tell me if I am wrong—

**Mr Kenny**—I have said I am concerned.

**Senator FAULKNER**—that you would have tried to get to the bottom of it. Can you share with this committee why we are faced with this situation? Only 43 of 58 positions have been filled, and there is a staff turnover rate of 25 per cent per annum. There is a crisis, in my view. You tell me what you believe the reason for this is.

**Mr Kenny**—We do exit interviews, and in the break between 12.30 and now I have had a look at several—four—of those exit interviews. I have not had a look at the balance. However, the quick glance that I have had does not indicate that there is a single or common cause for the departures.

**Senator FAULKNER**—Is this the first time that you have looked at the exit interviews?

**Mr Kenny**—I have looked at exit interviews in general. We get a six-monthly report that summarises the issues being raised in exit interviews.

**Senator FAULKNER**—So you look at the exit interviews.

**Mr Kenny**—I look at the summary report.

**Senator FAULKNER**—So you do not look at the exit interviews; you look at a summary report.

**Mr Kenny**—Yes, although I could not honestly say to you that prior to today I have not seen an exit interview in the time I have been here. But I do not as a matter of course look at all the exit interviews. There was an instance unrelated to the client support area, the 2020 area or the IT operations area where I asked to have a look at some of the exit interview information. That was last year. But that was not related to this line of questioning.

**Senator FAULKNER**—Have you got to the bottom of why there is such a large staff turnover here? Let me ask a preliminary question: have you tried to get to the bottom of why there is such a large staff turnover in this area? Has the thought crossed your mind that this might be worth while doing?

**Mr Kenny**—The issue of staff turnover and the issue of staff retention and providing staff with careers and career options is something that I have thought about and something that we have given consideration to in some of the departmental structure considerations that were looked at in the last several months. The absence of career options was raised in a number of different places as an issue for IT people and the 2020 people.

**Senator FAULKNER**—What is the reason for the large staff turnover?

**Mr Kenny**—I do not believe there is any single reason. However, being attracted to better jobs has been listed by some of the people who have recorded why they have left.

**Senator FAULKNER**—How does the staff turnover in the IT client support area compare to the rest of DPS?

**Ms Penfold**—I do not have immediate figures for staff turnover for the rest of DPS. Maybe we can get you that.

**Senator FAULKNER**—Have you been concerned about this high rate of turnover?

**Ms Penfold**—In the client support area?

**Senator FAULKNER**—Yes.

**Ms Penfold**—Not particularly, no.

**Senator FAULKNER**—Oh. I would have thought that if 25 per cent of your department was turning over on an annualised basis that it might be something that would have come to your attention.

**Ms Penfold**—If the whole department was turning over on that basis I would expect to know about it. There are parts of the department where that would not necessarily be a bad or a surprising thing. The other thing that I should say, I suppose, in relation to client support is that when we took over the electorate office client support nearly three years ago we had a quite dramatic increase in the numbers of calls we were handling—not surprisingly, since we were getting electorate office ones as well. That put a bit of pressure on client support. In last year's figures, there was quite a substantial drop again in the number of calls. There has also been some work done by the client support people, and I think there is scope for more of this, in terms of thinking about how client support operates and whether it has been operating in the most efficient way in the past. Both of those things lead us in the direction of expecting that we probably do not need the numbers in the client support area that we might have had, say, three years ago.

**Senator FAULKNER**—Have you got much feedback about services for senators, members and other staff?

**Ms Penfold**—We do have a survey which has recently been completed. I do not think the results have been properly analysed yet, but my recollection from some material that David showed me just the other day is that client support assistance is very highly regarded. It did not appear to include any significant complaints about how it is managed.

**Senator FAULKNER**—I am sure it is highly regarded. The pressure on the service is the problem; it is not the quality of the service.

**Ms Penfold**—If there were substantial pressures, I would expect that to show up in a survey like that, perhaps in terms of timeliness.

**Mr Kenny**—The survey was completed several months ago. We have only just seen the draft analysis of the results. It arrived on my desk last week. When that survey is finalised—and, quite frankly, I do not know what steps need to be taken to turn it from a draft into a final; I would have thought not much—it will be published.

**Senator FAULKNER**—I would not be worrying about the survey. I would be worrying about a situation where you filled 43 out of 58 positions and of the 43 you have a staff turnover of 25 per cent per annum, and that a lot of people in this building tell me that you have a real crisis on your hands, that it is a hopeless shemozzle and mess administratively and management wise. It has nothing to do with the quality of the support, which I can certainly vouch for and I bet that everyone around this table can vouch for. But it seems to me that these sorts of figures fall to you, to the witnesses at the table.

**Mr Kenny**—The exit interviews that I glanced at in the luncheon break—and there was not a large number—and this includes certainly not even half of the 11 resignations, were not painting a picture of hopelessness and crisis.

**Senator FAULKNER**—Who conducted the exit interviews?

**Mr Kenny**—The HR people do it. The PM&S, Personnel Management and Support, people do them.

**Senator FAULKNER**—They were not independently conducted?

**Mr Kenny**—Yes; they are independent of the management of all areas.

**Senator FAULKNER**—So they are external?

**Mr Kenny**—They are internal to the department.

**Senator FAULKNER**—So they are not independent?

**Mr Kenny**—No, but they are not done by the line management.

**Senator FAULKNER**—That is all right—I just wanted to check that they were not independent. I do not have any more questions about 2020. I have other questions for DPS. Could you tell us where the planning for the creche or the child-care facility—whatever the correct terminology is—is up to?

**Ms Penfold**—We had got to a point some time ago where we were ready to call for expressions of interest to run what I have been calling a ‘babies room’. As a result of some further suggestions made to me, we are now investigating a slightly larger area where we might be able to put a slightly larger group of children and, therefore, presumably slightly older children. The babies room that we were looking at was for children up to nine months of age. If we can find enough space, a slightly bigger space, we might be able to have, for instance, children up to 18 months of age—maybe even a little bit older than that, depending on demand. That will depend on how much the different age groups need to be separated. We are still waiting on some costings for the refurbishment of the larger area to be suitable for child care and I have not seen those yet. But if they are reasonable figures, if they are not completely out of any sort of reasonable ballpark, we would probably be able to find that amount in administered funding, as a change of use expenditure.

**Senator FAULKNER**—Where is the area?

**Ms Penfold**—The one we are looking at right now is the old staff bar, which is near the staff cafeteria. Depending on those costings, and depending on whether that looks even vaguely feasible, we will then—probably after the joint house committee meeting in June—be able to call for expressions of interest from child-care providers to run it.

**Senator FAULKNER**—Where are we up to? Has an in-principle decision to establish a facility in the building been made? Is that true?

**Ms Penfold**—Yes. I think that is a fair statement.

**Senator FAULKNER**—Who made that decision? Was it the joint house committee?

**Ms Penfold**—No. The Presiding Officers.

**Senator FAULKNER**—Mr President, have any suggestions about the provision of resources or funding for the facility been made yet? Or is just at the stage of an in-principle decision?

**The PRESIDENT**—The secretary has already stated that we made the in-principle decision to provide a babies room, if you like to call it that. We have had a couple of places suggested, the latest one being the old staff bar. We will bring that proposal, as the secretary said, to the joint committee and to Trish Crossin’s reference committee in June. If they are happy, we will call for expressions of interest to run the centre. If we have to go any bigger then a case has to be made, I believe, for a building. But that would be outside of parliament—there would be no room for it in the parliament.

**Senator FAULKNER**—What do you see as the likely commencement date of this facility? What is the planning?

**The PRESIDENT**—That is a bit difficult; ASAP, but it is—

**Ms Penfold**—Senator, I have said that after the joint house committee meeting we hope to be in a position to go out and call for expressions of interest. That, I think, will be the next crunch point, because there is no proposal to run a subsidised child-care centre in this building. That means that someone needs to be able to make it possibly commercially viable but certainly, I would have thought, break even. Even if we get one of the community groups who is interested to run it, I do not think they can afford to subsidise a child-care centre in Parliament House. That is not going to be an easy thing to do. I do not think it is impossible, but it is not going to be easy to run a child-care centre where a substantial number of the customers, potentially, only want child care for 20 weeks a year and, when they do, want it till 11 o'clock at night.

**Senator FAULKNER**—So the concept is to have such a facility for only—what? Parliamentarians?

**Ms Penfold**—No. The facility would be open to other people who work in the building. But I think we would have to give priority to members of parliament because they are the ones who have, if you like, the biggest problem with child care, given that they spend half their lives here and half their lives back home. They cannot readily—this is my view, at least—take a year off after having a baby and leave their constituents unrepresented.

**Senator FAULKNER**—Who is doing all the planning that you are talking about?

**Ms Penfold**—The facilities area of DPS.

**Senator FAULKNER**—Is that a process where interested members of parliament and others are being consulted as it develops?

**Ms Penfold**—The consultations are happening through the joint house committee and, as the President mentioned, Senator Crossin chairs a group called the Childcare Reference Group, which advises the joint house committee.

**Senator FAULKNER**—So, at this stage, a start-up time has not been confirmed.

**Ms Penfold**—There is no confirmed start-up time.

**Senator FAULKNER**—And the actual venue or place at Parliament House has not been determined.

**Ms Penfold**—I may have mentioned before that we had identified an area in the House of Representatives as the possible babies room. We are now looking at the old staff bar as a possible larger facility.

**Senator FAULKNER**—You are down to two possibilities, effectively. There are two options.

**Ms Penfold**—Two options, depending on what size centre we decide to go with.

**Senator FAULKNER**—So a decision has not yet been made about the size of the centre—in other words, how many kids will be catered for?

**Ms Penfold**—Those decisions, in effect, are dependent on the size of the room—the area identified. I think the figure for the babies room was a maximum of about 10 and, for the old staff bar, we would be looking at 20 to 22.

**Senator FAULKNER**—So the number of kids who can be placed there is dependent on the venue?

**Ms Penfold**—Yes.

**Senator FAULKNER**—And is the age of the kids also dependent on the venue?

**Ms Penfold**—Not necessarily. There are rules—and I am not familiar with all the details of them—about how you split up a group of children. Child care can cover children from six weeks to six years. Generally, it is not sensible to try to care for that full spread of ages in a completely integrated group. I suspect if you did, you would have to match the highest staff to child ratios and all the other requirements that are imposed for looking after babies. Presumably, you would also have to match the highest requirements for play areas, security and so on for older children. To work out the age groups of children we could put into, say, a group of 22 might depend on whether we could divide that area into three physically separate groups, so that each age group could have its own areas. Or it might be that there are other ways of dealing with that if you adopt a different staff to child ratio and so on. The rules about child-care venues are quite complicated, and there is no simple answer.

**Senator FAULKNER**—So at this stage we have had all the grand publicity of the in-principle announcement but we have not gone too much further, really, have we?

**Ms Penfold**—I am not aware of any particular grand publicity.

**Senator FAULKNER**—I have read considerable press about it.

**Ms Penfold**—There have been press mentions but they were not initiated by us.

**Senator FAULKNER**—In early April there was some substantial publicity.

**Ms Penfold**—Yes, but not initiated by us.

**Senator FAULKNER**—I am not saying that it came from you. You have not issued a press release?

**Ms Penfold**—Certainly not.

**Senator FAULKNER**—There is not much to issue a press release about, to be fair. On another issue, have you been formally approach, Mr President, or the department, by Galarwuy Yunupingu about the return of the *Barunga Statement*? Mr Yunupingu made a statement about his view that the painting ought to be unhooked and lifted into a traditional log coffin and returned to Barunga, where they would hold a sorry ceremony for it. Have you been approached about that?

**The PRESIDENT**—I have not been approached. The Speaker may have been. I think we had a brief on it at last estimates, but I cannot recall—

**Ms Penfold**—We have not been formally approached. There has been no approach. We are aware of the comments that were made quite early this year but nothing appears to have come of it.

**Senator FAULKNER**—Can you tell me whether the problem of the leaking roof above the reflection pond—as it is called—has been fixed?

**Ms Penfold**—I do not believe it has.

**Mr Kenny**—I do not think any work has been done. I will confirm that.

**Senator FAULKNER**—So it is still leaking?

**Ms Penfold**—If it rains, it will leak, yes.

**Senator FAULKNER**—An occupational hazard. Are there any plans to fix the leak?

**Mr Kenny**—Not immediately.

**Senator FAULKNER**—Either there are plans or there are not. Do you mean there are indeterminate plans?

**Ms Penfold**—There is a problem with this leak; I cannot remember the detailed explanation, and I do not want to make it up.

**Mr Smith**—The leaking roof above the reflection pond has been leaking for a number of years—in fact probably since soon after the building was opened. It is related to the fact that there is a lot of expansion and contraction in the roof and the seals are inadequate to deal with that. There have been several attempts to try to rectify those leaks but none of them have been engineered to the stage where they have been successful. I believe there is a project on the forward project plan to have a consultant relook at that but I am not sure what the scheduled date of that is.

**Senator FAULKNER**—What about all the other leaks—in the car park and the pond in the forecourt? Have you finally got on top of all those?

**Mr Smith**—Yes.

**Senator FAULKNER**—What did the forecourt cost?

**Mr Smith**—I do not have the numbers with me.

**Senator FAULKNER**—How many millions?

**Mr Smith**—It was not in the millions. I think it was in the tens of thousands. I do not have the numbers with me.

**Senator FAULKNER**—Repairing the leak may have been in the tens of thousands but the forecourt refurbishment was pretty substantial, wasn't it?

**Mr Smith**—Yes.

**Senator FAULKNER**—What did that cost?

**Mr Smith**—I had the numbers about a year ago when we were doing the work. I would rather not answer that because I do not have the exact number with me.

**Senator ROBERT RAY**—Did you come in under project estimate or over?

**Mr Smith**—There were a couple of variations in the project. It was under the estimate at the end of the day.



**Senator FAULKNER**—Is it true that the parliamentary security staff are now required to make visual inspections of bottles of liquid—drink bottles and the like—that are being brought through into Parliament House?

**Ms Penfold**—If we went and got our briefs for the last estimates hearing I would have the answer to that. This, again, dates back quite a long way.

**Senator FAULKNER**—I am just asking whether that is true or not. It is either true or it is not. Just because it was not asked at the last estimates committee has got nothing to do with it.

**Ms Penfold**—All I am suggesting is that it is not in our current briefs. My recollection is that there was some reference to making visual inspections in a PSS daily brief, but not to opening bottles and smelling them, which I think was the media report.

**Senator FAULKNER**—Mr Ward provided the advice, didn't he?

**Mr Ward**—We did put out a note in one of the daily briefs to the PSS—they go out, obviously, daily—just to remind them to be diligent with bottles of liquid. The instruction was not to open up every bottle and check it but to just be diligent to the fact that bottles of liquid could be coming through and if they are at all suspicious or suspect something then they should inspect them.

**Senator FAULKNER**—Why did you decide to ask the staff to take that action?

**Mr Ward**—I cannot recall the actual incident but certainly what we tend to do is if a PSS supervisor, normally, brings to my attention or the attention of one of the senior managers of security that they are concerned about a particular issue and if we think it might be useful we simply remind staff to do certain things. This was just one of those situations where it was brought to our attention that the same care may not be given to looking at bottles and that we should just remind staff about it. There was not an incident as such.

**Senator FAULKNER**—Have the security guards changed their approach in relation to these sorts of articles?

**Mr Ward**—They have not changed their method of inspection, if that is what you are asking—

**Senator FAULKNER**—Yes.

**Mr Ward**—That is simply informing them of the responsibilities they have and reminding them to be diligent.

**Senator FAULKNER**—In relation to the Historic Memorials Committee, which I raised at a previous meeting, we have established that the committee has not met since 1988. Is that correct, Ms Penfold? You gave that information to me in an answer to a question on notice.

**Ms Penfold**—I think we have established that we do not have any evidence of it meeting after that.

**Senator FAULKNER**—You said that there was a history of the committee written in 1988, and it appears that the committee has not met since that document was prepared. It is obviously the longest serving committee in the Commonwealth of Australia, and possibly in the Western world, that has survived without a meeting. We know it has now been in existence for 18 years and has not met. Would it be possible that it actually was established by

determination of the executive council on 22 December 1911 and actually has not met since then?

**Ms Penfold**—I thought when went through this in answer to your previous question—

**Senator FAULKNER**—But you have since dug out this really interesting history of the Historic Memorials Committee—and I thank you for it. It was interesting to me, but I suspect, Ms Penfold—

**Senator ROBERT RAY**—I want to know how we can get on it!

**Senator FAULKNER**—I used to serve on it. I think Senator Evans is now a member of it, but it will not take much of his time, I can assure him of that, because it does not meet!

**Senator CHRIS EVANS**—And I can assure you, Senator Faulkner, that it is one of the committees I enjoy most, due to that fact!

**Senator BRANDIS**—You could always requisition a meeting, Senator Faulkner.

**Senator FAULKNER**—Perhaps.

**Senator CHRIS EVANS**—We have dispensed with his services on the committee—he made no contribution at all!

**Senator BRANDIS**—It is like an interstate commission, Senator Faulkner.

**Senator FAULKNER**—Yes, there are some similarities—that is true!

**Ms Penfold**—Sorry, what was the question again?

**Senator FAULKNER**—We know that it has not met for 18 years. I am asking whether in fact it probably has not met for 95 years.

**Ms Penfold**—My feeling is that we discovered some information—and it may well be in the history that you mentioned—that it had met from time to time earlier on.

**Senator BRANDIS**—It may have lost its corporate memory over that time, Senator Faulkner.

**Senator FAULKNER**—So you can only confirm to us that it has not met for the last 18 years.

**Ms Penfold**—I can confirm that it does not appear to have met in the last 18 years—that we have not found any evidence that it has met.

**Senator FAULKNER**—Are you the secretary of the committee?

**Ms Penfold**—I believe so.

**Senator FAULKNER**—And you certainly have not attended any meetings.

**Ms Penfold**—There have certainly not been any meetings of that committee since 1 February 2004. I am prepared to confirm that much for you.

**Senator FAULKNER**—Do you write on your CV that you are the secretary of that committee?

**Ms Penfold**—Yes, I think it actually is there!

**Senator FAULKNER**—Very wise!

**Senator CHRIS EVANS**—Do they approve the portraits?

**Ms Penfold**—You do, Senator, yes. You have recently approved one, I believe.

**Senator CHRIS EVANS**—Yes. I recently approved a very flattering one of a very young looking President of the Senate, but we do not need to formally meet to do that, I gather.

**Ms Penfold**—No, you are all making your own independent decisions about that and so there is no need to meet.

**Senator FAULKNER**—Are we now on top of the infestation with the turf? There are a lot of infestations around Parliament House, of course, but this was the infestation with winter turf. How are we going with that?

**Ms Penfold**—Of winter grass?

**Senator FAULKNER**—Winter grass? I am using their terminology. Okay, winter grass not winter turf—that green stuff.

**Mr Smith**—There is 10.2 hectares of turf around the building and it is replaced on a rolling program. There is certainly a program to do some work during the winter recess to replace some more turf that is affected by the winter grass infestation. It is about \$100,000 worth of work.

**Senator FAULKNER**—So the winter grass is the infester?

**Mr Smith**—Yes, Senator, that is right. It is a weed that blows in or is brought in by birds. Once it gets established, it is a very prolific seeder and takes over the turf very rapidly. When I say ‘rapidly’ I mean over about a five- or eight-year period. We monitor that and, when it gets too bad, we rotate out the grass with new grass.

**Senator FAULKNER**—So what is the budget for replacement of the winter grass for next financial year?

**Mr Smith**—We have a allowance of \$100,000 in the administered budget.

**Senator FAULKNER**—My recollection is you spent about that much in the last financial year, didn’t you?

**Mr Smith**—That is about correct, yes.

**Senator FAULKNER**—So what proportion of the turf does \$100,000 allow you to replace?

**Mr Smith**—The plan this year is 1.3 hectares, which is just over 10 per cent.

**Senator FAULKNER**—So the whole project will cost over \$1 million, will it?

**Mr Smith**—Close to \$1 million, yes.

**Senator FAULKNER**—How close to \$1 million?

**Mr Smith**—I have not got the exact numbers because it varies from year to year in the amount we are replacing, and the cost increases when we start doing work inside the courtyards, because it is more expensive work.

**Senator FAULKNER**—I see. While we are on matters relating to vegetation—and I said ‘vegetation’, not ‘vegetables’—could you indicate to me how many pot plants there are

around the building? I would be very interested to hear that. Well, it is not that I would be very interested, but I would like to hear that.

**Mr Smith**—I do not have the exact number, but I know that senators and members are entitled to two pot plants in their suites.

**Senator FAULKNER**—Let us define ‘pot plant’.

**Senator ROBERT RAY**—We have given you a big saving—

**Senator FAULKNER**—Interesting, I provided the same saving, Senator Ray. These are not plants of pot, by the way, are they?

**Mr Smith**—No, Senator, they are—

**Senator FAULKNER**—Potted plants?

**Mr Smith**—Yes.

**Senator FAULKNER**—What is the annual cost to the parliament of these pot plants?

**Mr Smith**—There is a contract for the supply, care and maintenance of the plants. I think it is somewhere around the \$100,000 per year mark, but I do not have the exact number.

**Senator FAULKNER**—Could you establish that for us?

**Mr Smith**—Yes, Senator, I will take that on notice.

**Senator FAULKNER**—What benefit do we get from this \$100,000 a year?

**Senator ROBERT RAY**—Apart from bringing in mosquitoes, of course!

**Mr Smith**—I think it breaks up some of the harder architectural features with a bit of softer vegetation. It does provide a bit of air quality improvement. I could not put a precise figure on that.

**Senator FAULKNER**—But surely we can get a precise figure on what it costs us and how many of these plants there are in the place, because there are an awful lot, aren’t there? It is not just senators and members, is it?

**Mr Smith**—No.

**Senator FAULKNER**—You said that each senator and member is entitled to two. That might be so, but there is—

**Mr Smith**—There are others in the building, such as in the mural hall and other locations which were designed to have pot plants in the original construction.

**Senator FAULKNER**—Were they?

**Mr Smith**—Yes.

**Senator FAULKNER**—I would appreciate those figures if you could provide them to us. Ms Penfold, could you indicate to us where the annual resource agreement with the library is up to? I assume that is now signed, sealed and delivered.

**Ms Penfold**—No, it is not yet signed, sealed and delivered. The Parliamentary Librarian has been working on possible inclusions in the resource agreement. She might want to tell you at greater length what she has in mind. She and I need to get to a point on that agreement

where we are comfortable with what is proposed and then it needs to go to the library committee, as well as needing to be approved by the Presiding Officers. We are certainly working on a timetable of having an agreement in place by 1 July next year.

**Senator FAULKNER**—Next year?

**Ms Penfold**—Sorry, I meant this year: 1 July next financial year. It is a month and a half away. The only thing that might hold that up is that there has not yet been a formal meeting of the library committee. The last meeting did not get a quorum.

**Senator FAULKNER**—This resource agreement has been a long time coming, hasn't it?

**Ms Penfold**—It has been a long time coming, and I think I have explained to you before that it did not seem to me to be appropriate to have a draft resource agreement ready to put in front of the Parliamentary Librarian on her first day. The process we are going through at the moment, whereby she is working through what the library needs and what it can produce for that, is actually a much more appropriate process. That will get us a genuinely negotiated agreement. She can describe her process.

**Ms Missingham**—The parliamentary library executive has been focusing on the issues that should be in the scope of the resource agreement and the clarification of issues we need to look at, such as workforce planning, technology support and administrative support from the department. We prepared a discussion paper, and we have held discussions with library staff to ensure that we were including everything that was needed for the operation of the library, and that draft has been through a series of discussions. In the next fortnight, we are hoping to have more or less a final agreement for circulation and further discussion and to take it to the next library committee meeting, which is on 22 June.

**Senator FAULKNER**—So, Ms Penfold, are you saying that you think that this will be finalised by 1 July this year?

**Ms Penfold**—If we can get the library committee to meet so that it can advise the Presiding Officers, because the Presiding Officers cannot approve the agreement unless they have had advice from the library committee.

**Senator FAULKNER**—I appreciate that. Can we say that it will be ready to be finalised at least by 1 July this year?

**Ms Penfold**—Yes.

**Senator FAULKNER**—What is the *DPS Dispatch*?

**Ms Penfold**—It is our departmental newsletter.

**Senator FAULKNER**—I wondered about that. In the *DPS Dispatch* of 7 April you quote this example in a letter signed by you:

Not long ago, a DPS employee was asked about a discrepancy between two pieces of advice that had been obtained from a consultant about a particular proposal. He explained that the earlier advice was “just a little fib we told because we didn't like [the proposal]”. The employee may have believed that that he was opposing the proposal for good reason, but his method of opposing it was absolutely unacceptable. Furthermore, all his advice in the future would inevitably be taken with a large handful of salt. Telling “little fibs” is not the way to become influential in DPS.

That is interesting. Can you tell me what that was all about, because, when I saw the *DPS Dispatch*, naturally being anal retentive I thought, ‘I must ask Ms Penfold about that so she can inform us fully about that little bon mot.’

**Ms Penfold**—The story relates to the question of whether it would be acceptable to build extra levels on the side wings of this building. My understanding is that the original plan included a provision for an extra storey to be added to both side wings—the inner wing on each side and the outer wing on each side. Sometime in the course of the last 18 years—I cannot remember the exact date—advice was obtained from architectural advisors to say that this should not be done and that there were all sorts of good reasons why it should not be done. Much later, those advisors, perhaps forgetting the earlier advice, asserted that it would be perfectly acceptable to build those outer wings, as a matter of architecture, engineering and so on.

**Senator FAULKNER**—What was the point of having it in the *DPS Dispatch*?

**Ms Penfold**—The point of having it in the *DPS Dispatch*—and I imagine you have the whole of that newsletter—

**Senator FAULKNER**—Yes, although I do not get sent a copy, I must say. I would appreciate it if you would like to send me copies.

**Ms Penfold**—We do not generally send it widely outside the department, but I see no reason why you should not have a copy.

**Senator FAULKNER**—It does not matter.

**Ms Penfold**—There was a talk I gave to our larger leadership group—the SES and the EL2s and possibly some of our EL1s; I cannot remember the exact cut-off point—about leadership and, in particular, my expectations of the leaders in our department. It divided up into three categories the things that I expected of those leaders and the things that I thought their staff ought to be able to expect of them. From memory, the first category was personal qualities—what sort of a person you are. The second was skills and expertise—what things you know. The third was to do with behaviour—what you do. I made that presentation at the meeting and then I decided that it would be useful to make that information more widely available through the department, partly so that those who had heard it at the meeting would be able to refer to it and so that staff also knew what they could expect of their leaders, their managers. So I started writing it up into little chunks to go into *DPS Dispatch*. I have just done the third one. We missed a fortnight; there was too much other material to put in the last issue. The one you have is the one that related to No. 1 on my list of expected personal qualities, and the expected personal quality being described was honesty.

**Senator FAULKNER**—Having heard that, I now do not want to receive the *DPS Dispatch*. Take me off the mailing list, thanks.

**Ms Penfold**—Now I am offended. I was looking forward to expanding your—

**Senator FAULKNER**—I do not think I could read another *DPS Dispatch*; I really do not. But thank you for telling me that. You advertise job vacancies in DPS in the *DPS Dispatch*. That is true, isn't it?

**Ms Penfold**—Yes.

**Senator FAULKNER**—I noticed an advertisement back at the end of last year for an SES band 1 Chief Finance Officer. Has that been filled?

**Ms Penfold**—None of the positions has been filled yet. There was that one and there were several other SES positions. We interviewed for all of them in the last sitting week in March. We were hoping to have them all finalised before parliament came back. We ran into some difficulties with the report that we were getting written for us by a scribe. That has caused a bit of a delay. In fact, we have had to take over doing most of that work ourselves, but I am quite optimistic now that both the reports are very nearly ready to be finalised and to go to the Parliamentary Service Commissioner for approval.

**Senator FAULKNER**—Are any of the vacancies going into the IT-client support area? Will they be dealing with that area, where we have such a crisis?

**Ms Penfold**—The SES position that is responsible for client support is substantively filled at the moment. It is not one that we have treated as a vacancy.

**Senator FAULKNER**—Since the last estimates round, have there been any refurbishments in the Prime Minister's office or the cabinet suite that have been the responsibility of DPS?

**Ms Penfold**—We can give you the figures for general maintenance work. No minor or major administered works were undertaken, but I have got maintenance costs for both the Prime Minister's suite and the cabinet suite, if you are interested.

**Senator FAULKNER**—Yes. What were the elements of those?

**Ms Penfold**—The elements were simply the routine maintenance work.

**Senator FAULKNER**—It was routine maintenance?

**Ms Penfold**—Routine maintenance. The figures were: \$15,000-odd in the Prime Minister's suite and \$8,700 in the cabinet room.

**Senator FAULKNER**—You mentioned Parliament Drive becoming one way in the winter recess and you mentioned the direction. There will be no exceptions to the direction of the traffic. So if, for example—I am sorry, you were going to respond?

**Ms Penfold**—I was going to respond that we certainly are not planning for any exceptions. My experience is that things like ambulances and fire engines go in all sorts of funny directions, if they have got a very good reason for it, and I do not imagine that we would be restricting them more than they are normally restricted. But, no, we have no plans for other exceptions.

**Senator FAULKNER**—So we will certainly have prime ministers and ministers and members of parliament and all staff—everyone—going the full circuit to access the set-down place at whatever it might be—executive wing, House of Reps or Senate?

**Ms Penfold**—Well, whether it is the full circuit or not, yes, going in the correct direction to wherever they are going—subject to the point that I made earlier that the entrance and exit for the ministerial wing slip-road will be switched. That will still require the Prime Minister and ministers to go in the correct direction.

**Senator FAULKNER**—Won't the effect of switching the exit and entrance slipway to the executive wing mean that if you were in the happy position of taking a short journey from the

Lodge to the executive wing you would just chuck a left for a few yards, then a right and up you go, and then back again, and you would not actually have to do the full circuit like everybody else? It just happens to suit someone who lives in the Lodge right down to ground, doesn't it?

**Ms Penfold**—It is certainly being done to ensure that cars coming up Melbourne Avenue do not have to do the full circuit before they get into the ministerial wing slip-road, yes.

**Senator FAULKNER**—So it is being done for the Prime Minister's benefit. I thought that was the case when you first said it.

**Ms Penfold**—It is being done for the benefit of anyone who comes up Melbourne Avenue.

**Senator FAULKNER**—How many people are using the executive wing slip-road? In other words, everyone else will be driving—and fair enough too—right around the perimeter of Parliament House except the Prime Minister's car. That will just go a few feet and up to the Prime Minister's office and back down a couple of feet more and out of the building. That is the real explanation, of course, for changing the slip-road.

**Ms Penfold**—It will certainly make a difference there. It will also affect members of the diplomatic corps, who I suspect would by and large come up Melbourne Avenue, and public servants coming from anywhere south of Parliament House, and there are quite a lot of them, coming up to the ministerial wing to see ministers and so on.

**Senator FAULKNER**—I understand that, but that is why it is being done. All this garbage I hear about the need to have some sort of \$3,000 maintenance work for the bollards that are servicing the executive wing slip-roads is not true. It is being done for the convenience of the Prime Minister and some others—they might be members of the executive or a few diplomats going to the front floor at the executive wing—and that is why that change has been made. It has got absolutely nothing to do with the mechanical operation of bollards at all. I think that we ought to be frank about these things.

**Ms Penfold**—Bollards are not of particular concern to the Prime Minister's vehicle because it goes through with AFP support. The Prime Minister's driver does not stop and swipe his pass, for very good security reasons.

**Senator FAULKNER**—What would be concerning is if he had to go a couple of kilometres right around the building. That is what everyone else has to do but we cannot have the Prime Minister doing that. That might be fair enough, but why doesn't someone actually say to us honestly why the changes in the slip-road are being made? They are not being made because of some mechanical problem with the bollards; they are being made for the convenience of the Prime Minister coming from the Lodge to Parliament House. That is the truth and we ought to tell the truth.

**Ms Penfold**—Senator, mechanical changes need to be made to those slip-roads, to the bollards arrangement, whichever way it continues to work. I do not believe that I have suggested that they will be made because we are switching the operation of the ministerial wing slip-road.

**Senator FAULKNER**—It is quite simple. There is one rule for the Prime Minister and one rule for everybody else.



**Senator ROBERT RAY**—When the one-way operation comes in the entrance to the ministerial wing carpark is going to have to be swapped, isn't it? You can get in the left-hand side one, I would have thought, coming in of Melbourne Avenue and then depart outside the other where you currently enter. Is that going to be—

**Ms Penfold**—That would be the sensible way to do it. We are investigating that at the moment. At the moment we only have one entry-exit working. Obviously the neat solution would be to open the other one as, I believe, they were originally intended to operate. But we are trying to track down why one of them was closed and whether there is anything that needs to be addressed before we reopen the second one.

**Senator ROBERT RAY**—You have to look at the costing too, do you?

**Ms Penfold**—The only significant cost implication would be if we needed a security person there.

**The PRESIDENT**—Dozens of cars use that ministerial slip-road and you know that. This is just to try—

**Senator FAULKNER**—I know exactly why it is being done.

**The PRESIDENT**—That is the spin you are trying to put on it. It is not a fact at all.

**Senator FAULKNER**—I would think it is better to be honest about this. People should just front up and say why it is being done instead of all this palaver about mechanical problems with the bollards and the need to change the slip-roads. I think that is garbage. It is being done for the convenience of the Prime Minister—well, so be it—but people should just say so. Now I have another question to ask. My hardworking staff member went to pick up some computer printer paper or fax paper this morning and I noticed when it was delivered that the brand has changed. Is that right? Is there a change?

**Ms Penfold**—I do not believe that we supply you with paper.

**Senator FAULKNER**—This can go to you, Mr President.

**The PRESIDENT**—I will take it on notice.

**Senator FAULKNER**—It might be a Department of the Senate issue.

**The PRESIDENT**—It may well be.

**Senator FAULKNER**—I assume it would be the Black Rod's Office.

**The PRESIDENT**—In the past we have always tried to use Tasmanian paper, but we are bound by guidelines and I think it may have changed. I will check that for you.

**Senator FAULKNER**—What interested me about it—if you could check for me, please—is that this is paper called UPM Office copy/print paper. Previously it was Reflex paper. I believe one is sourced in Australia and one is sourced overseas. That is my understanding.

**The PRESIDENT**—They may well be.

**Senator FAULKNER**—I wondered why we had changed in the Department of the Senate from Australian sourced paper to overseas paper. I appreciate that Ms Penfold cannot answer this but, if that could be taken on notice and an answer provided, I would appreciate it.

**Senator ROBERT RAY**—Firstly, Mr President, thank you for providing the two additional letters from this morning. Is there anything in those two additional letters that would compel you to either alter or add to your evidence of this morning?

**The PRESIDENT**—No, I do not believe so. At the end of the day, we have a situation where both programs have melded in together. We will monitor the situation from the point of view of ascertaining whether the aims and objectives of the parliament are catered for in that new arrangement.

**Senator ROBERT RAY**—One that was added was from 13—

**The PRESIDENT**—The one I tabled was from the 15th.

**Senator ROBERT RAY**—There was one that suggested a further discussion, and clearly there was not a discussion. That is not really your fault, is it?

**The PRESIDENT**—We did attempt to have a discussion with Dr Nelson. If I recall, matters were raised when he was not available and then we had a condolence motion in the Senate that I had to attend that made me unavailable. Then I think the end of the week came and the matter was continued on by our advisers.

**Senator ROBERT RAY**—The other question I had was to do with the categorisation of the Tom Roberts painting *Opening of the first Parliament of the Australian Commonwealth*. How was it that that was quite wrongly listed as an asset of DPS in their asset register when quite clearly it was on loan? How was that mistake made and why was it up to the Department of Finance and Administration to point it out?

**The PRESIDENT**—I cannot answer that, but the secretary may be able to.

**Ms Penfold**—I cannot answer it fully because it has, I suspect, been on our assets register since we had assets registers—which is some years now, but not going back to 1927. My suspicion—and it is only a suspicion—is that when the assets register was first required to be put together it was basically done by someone walking around the building and writing down everything they saw. We are still not confident that those lists are exactly right. When you ask why it was up to the department of finance to point it out, my understanding is that it actually emerged from some work we were doing on the assets register—stocktaking, valuation and so on—which identified a number of things that probably should not have been there. There were a number of things that we have resolved that were at one stage on our list but had been handed over to other institutions, like archives and so on. I think there are still some assets whose ownership within the building is not quite clear. I think there are some that are on both our assets register and the House of Representatives assets register and so on. That is the best explanation I can give you—that is, that it was all put together quite a while ago and it has taken us a long time to tidy it up.

**The PRESIDENT**—Can I add to that. I have this on very good authority. The Tom Roberts painting has been on permanent loan from the Royal collection since 1958. Since the building is built around it, it is effectively now our asset, even though the Queen retains technical ownership.

**Senator ROBERT RAY**—So possession is nine-tenths of the law. Is that what you are saying?

**Ms Penfold**—It is not our asset for accounting purposes.

**The PRESIDENT**—No. But it is effectively our asset, even though the Queen retains effective ownership.

**Ms Penfold**—We do not expect to lose it.

**Senator ROBERT RAY**—No. I was not implying that.

**The PRESIDENT**—I can assure you that the Magna Carta is definitely in our ownership now.

**Senator ROBERT RAY**—How is the value of that going? Is it still going down?

**The PRESIDENT**—It is like the share market.

**Senator ROBERT RAY**—That is going up. Is there a relationship?

**The PRESIDENT**—I do not know.

**Senator FIFIELD**—Ms Penfold, could you give the committee an update on the tender for the lock contracts?

**Ms Penfold**—Could we clarify which locks we are talking about?

**Senator FIFIELD**—There have been tenders called on two occasions for locks—I think they are door locks.

**Ms Penfold**—The locks on suites and rooms and things?

**Senator FIFIELD**—Yes.

**Ms Penfold**—The reason I ask is that we have another acquisition process going on to do with what are called end of line locks, which are the locks outside the perimeter of the building. With the inside locks, we have attempted three tenders. At the moment, having called off the last one, we want to go back to ASIO and get some advice from them about what the range of acceptable locks would be. Those tenders were all run on the basis of us needing to replace the locks we have exactly. The view has now been taken—rightly—that we ought to be looking a bit more broadly at whether, for instance, swipe access or possibly even some sort of biometric locking system would be more sensible at this stage. We are in the process of working through getting that advice.

**Senator FIFIELD**—So was the ASIO advice the reason for the termination of the first tender process?

**Ms Penfold**—There was some advice as I understand it, and this goes back a long time now, that the existing locks have or are about to—I think perhaps have—run out of patent protection, so they are a bit of a risk. Before we go out and buy the new version of the same sort of thing, which is what we were looking at doing before, we now want to see whether we should look at more modern technology.

**Senator FIFIELD**—What was the reason for the termination of the second tender process?

**Ms Penfold**—The second one?

**Senator FIFIELD**—We are on to the third.

**Ms Penfold**—We terminated the third one.

**Senator FIFIELD**—So tenders have been called on three occasions?

**Ms Penfold**—Yes.

**Senator FIFIELD**—And the tender process has been terminated on three occasions?

**Ms Penfold**—That is right.

**Senator FIFIELD**—Okay. So was the ASIO advice and looking at biometrics or swipe cards the rationale for the termination of the third tender process?

**Ms Penfold**—The rationale for terminating the third process was that I had reason to believe that the process had been compromised by the behaviour of one of the members of the tender evaluation committee.

**Senator FIFIELD**—So it was not in relation to lock technology; it was in relation to the integrity of the process.

**Ms Penfold**—That is right.

**Senator FIFIELD**—Are we going to a fourth tender?

**Ms Penfold**—There will be a fourth, yes.

**Senator FIFIELD**—If there are reasons why you think it is not appropriate to answer this, by all means signal them. What was the nature of the integrity issue?

**Ms Penfold**—Obviously, I do not want to go into too much detail but it was to do with dealings between a member of the tender evaluation committee and the recommended tenderer.

**Senator ROBERT RAY**—What do you mean, you do not want to go into any detail? What is involved here? Have you referred it to the police? Sorry to interrupt, Senator, but I could not understand that point.

**Ms Penfold**—It was to do with the acceptance of hospitality from the recommended tenderer.

**Senator ROBERT RAY**—Why are you hesitant to tell us that? You said you did not want to go into detail.

**Ms Penfold**—I do not have a problem telling you that part of it. I am not sure that this is the right place to start naming people, for instance.

**Senator ROBERT RAY**—Excuse me, I do not recall anyone asking you to name anyone. We are looking for the circumstances in which a tender is cancelled. You say that someone on the tender process compromised it. That is an enervating process—if you cancel a tender we are entitled to know generally why and how it came about without naming anyone.

**Ms Penfold**—I do not have any problem with what I have said to you so far.

**Senator ROBERT RAY**—Sorry, Senator Fifield.

**Senator FIFIELD**—Is that person on the staff still?

**Ms Penfold**—No.

**Senator FIFIELD**—That matter obviously has been investigated internally. Is it the sort of matter that would be referred to police or was it more a matter of bad judgment on the part of the person involved?

**Ms Penfold**—It certainly involved bad judgment on the part of the person involved. I think the nature of the evidence we had would have made it very difficult. I do not think the police could have taken it very far at all.

**Senator FIFIELD**—In this tender process and the previous two tender processes, there have obviously been people who have applied under the tender and been unsuccessful but who have nevertheless, no doubt, put time, effort and money into taking part in the tender process. Have there been any requests for compensation from any of those tenderers?

**Ms Penfold**—Not to my knowledge.

**Senator FIFIELD**—Just to clarify in my own mind: the first tender was cancelled because the patent over the locks had expired.

**Ms Penfold**—No; the first tender was issued because we knew that we were getting to a point where we needed to replace the locks.

**Senator FIFIELD**—You mentioned very briefly why each of the three tenders was cancelled. I am clear on why the third tender was terminated. What about the first two?

**Ms Penfold**—In the first one, we had tenders covering two kinds of locks that were endorsed by ASIO T4. One of the tenderers did not adequately address our evaluation criteria, for whatever reason, and we did not evaluate that tender. The other one raised concerns within the department, I think, about whether the product was suitable for the department, and there were also some issues about the maintenance requirements for what was being offered. The decision at that stage was that we could not get a value for money outcome and that we needed to rethink. I do not have the full detail here but there was some further dealing with one of the tenderers at that point who then did not respond to a request for information. That is the first one.

The second one went out only to the company that had failed to address the selection criteria properly the first time. Apparently the reason for that decision was that our attempts to deal with the other company had met with no success and we had not had any answers from them. The assumption was made, perhaps unwisely, that they were therefore no longer interested in participating in this tender. So there was this single select tender. Then the other firm made representations to us to the effect that they were not happy with that approach and they had not really meant to indicate that they were not interested. So we decided that the only way to deal with that one as well was to get out of it and start again.

**Senator FIFIELD**—How many tenderers were involved in the first process?

**Ms Penfold**—I do not have that information. I mentioned to you that only two of them produced endorsed products. I do not know whether there were other tenderers at that stage. We will have to take that bit on notice.

**Senator FIFIELD**—What was the number of tenderers in the second process?

**Ms Penfold**—For the second one, as I said, because it was an invitation-only tender which only went to this one company, there was only the one company.

**Senator FIFIELD**—And the third process?

**Ms Penfold**—In the third, my recollection is that there were four tenderers but only two who produced things that looked feasible.

**Senator FIFIELD**—When will the fourth tender process commence?

**Ms Penfold**—I wish I knew. It will be as soon as possible after we get this advice about whether we just go out and replace the same sorts of things we have now or look more broadly.

**Senator FIFIELD**—And these three processes have taken place over two or three years?

**Ms Penfold**—Over two years, in fact. It was a bit less than two years between the issue of the first one and the termination of the third one.

**Senator FIFIELD**—Has this delay through the cancellation of the three tender processes in any way led to a loss or diminution of the integrity of the security of the building?

**Ms Penfold**—Technically I guess once the patent has expired we are at a bit of a risk. I suspect we are at less of a risk from that than we are from the difficulties that we have routinely and that the department of finance has routinely with things like getting keys back from staff who move on.

**Senator FIFIELD**—But that is the only element—

**Ms Penfold**—That is the only element of it.

**Senator FIFIELD**—There is a greater likelihood that there could be keys in the wrong hands—keys that have been cut?

**Ms Penfold**—That is right. My understanding is that, if a person got hold of one of our keys and then copied it, it would be easier for them to copy these days.

**Senator FIFIELD**—Sure.

**Ms Penfold**—But that is probably not a substantially bigger or different risk from the one that we have with all of the keys that are held by staff and in some cases former staff.

**Senator FIFIELD**—You are confident that the fourth tender process will be successful?

**Ms Penfold**—I am very hopeful that the fourth tender process will be successful. It will certainly be run in a different way.

**Senator FIFIELD**—How will it be run differently from the last one?

**Ms Penfold**—It will be run with a lot more senior management supervision.

**Senator ROBERT RAY**—You talked about copying keys. You can, of course, put a system in with a code so that at least a locksmith will not copy a key without written authorisation. Has that been contemplated?

**Ms Penfold**—It is my understanding that that is what we have had in the past.

**Senator ROBERT RAY**—I am not surprised. I suppose people can get a key run off without going through a locksmith. Is that the danger?

**Ms Penfold**—I have to again qualify this by saying that this is my understanding of it. That sort of right to restrict other people copying it is part of the patent protection that eventually runs out. Peter may be able to add to or correct that.

**Mr Ward**—That is as much as I know, I am sorry.

**Senator ROBERT RAY**—Did the person who compromised the third tender voluntarily leave, were they given guidance to leave or were they terminated?

**Ms Penfold**—They voluntarily left.

**Senator ROBERT RAY**—How did you find out about the compromise?

**Ms Penfold**—We found out about it through an email that was sent to a number of people in this department from a person who had observed the receipt of hospitality from the—

**Senator ROBERT RAY**—In other words, a whistleblower of sorts?

**Ms Penfold**—Well, if you want to call it that, yes. It was a former officer of this department. And I should say that we did give the person in question an opportunity to address that. We did not jump to any conclusions.

**Senator ROBERT RAY**—What do you do in that circumstance, when a person voluntarily leaves but asks for a reference?

**Ms Penfold**—If that happened—and I should say that it has not happened in this case, as far as I am aware—I think my inclination would be either to refuse to provide a reference or to provide a reference that was very carefully limited to matters other than probity issues. My preference certainly would be not to give a reference at all.

**Senator ROBERT RAY**—Have you reiterated the guidelines that pertain to accepting hospitality and similar things to all departmental employees subsequent to this incident?

**Ms Penfold**—I am not sure about ‘reiterated’. We certainly have an issued policy about this, and it is raised not infrequently at our executive committee meetings. I would expect that the participants at that meeting, who are the SES in the department, would be feeding that down into their areas. Shortly before Christmas last year I put a note in the *DPS Dispatch*, which Senator Faulkner might have seen, drawing people’s attention to the policy on gifts, benefits and hospitality in particular. But I have to say that that would have been done in the context of Christmas invitations and presents and so on, rather than in this particular context.

**Senator ROBERT RAY**—Okay, that is good. Do you record the overall incidence of theft inside the parliamentary building?

**Ms Penfold**—We have a report on that, yes.

**Senator ROBERT RAY**—Would you like to share the broad outline of whether theft is a major problem around the building or not?

**Ms Penfold**—At the moment it does not seem to be.

**The PRESIDENT**—It seems to have decreased since we had the closed-circuit television installed.

**Senator ROBERT RAY**—Sorry?

**The PRESIDENT**—Since we had the closed-circuit television installed a couple of years ago—you may recall that.

**Senator ROBERT RAY**—Yes.

**The PRESIDENT**—Since that happened, my understanding is that there has been a marked reduction in the number of reported thefts in the building.

**Senator ROBERT RAY**—Yes, because people would never know whether they have been captured wandering in that area?

**The PRESIDENT**—You know how it works. They do not start to work until after certain times.

**Ms Penfold**—What can I give you, Senator?

**Senator ROBERT RAY**—What is the overall position: reported incidents, is it trending down—that sort of thing. The President has already mentioned that he is fairly certain it has dropped down a fair bit since the installation of internal cameras.

**Ms Penfold**—The consolidated figures that I have show that in 2002 there were 22 incidents, and then in 2003 there were six, in 2004 there were seven, and in 2005 there were 13—and I want to mention something about that in a minute. This year there have been three, although one of those thefts was in fact not in this building; it was in Sydney. It was a theft of DPS property but it was in Sydney, so it probably does not count. I think the 13 thefts from last year give a misleading impression because that reflects the number of reports we got in 2005 after we started to pull together a proper ongoing list of them. The list from last year includes a number of possible thefts that were reported very late. I have identified one here, just looking at it, and they are mainly things where people have suddenly realised they did not have something anymore and decided to report it as a theft. A data network switch, for instance, which went missing between October 2003 and April 2005, was reported in May 2005. There are several more along those lines.

**The PRESIDENT**—I think the figures are 22 down to two, to give you an indication.

**Senator ROBERT RAY**—That is a good indication—a good trend line, as they say. Thank you for that.

**Senator FAULKNER**—We have now established that the slip-roads to the ministerial wing are being changed. In other words, the entrance ramp is going to become the exit ramp and the exit ramp is going to become the entrance ramp. I have explained why I think that is going to occur, but let us leave that aside for a moment. Can someone indicate to the committee whether there is a safety issue in relation to changing ramps. Obviously, the ramps were designed for a different purpose, which you would appreciate. If an entrance ramp is designed as an entrance and becomes an exit, obviously, in relation to the design of this building, that requires a sharp turn. Vice versa, if an exit ramp becomes an entrance ramp, requiring a very sharp turn off Parliament Drive—I am assuming this might well happen—is there a safety issue in relation to that?



**Ms Penfold**—My own layperson's assessment of those ramps is that there would not be, but what is happening right now about the one-way road is that the whole proposal is being assessed by consultant traffic engineers. I would expect that, when we get their report, if that is an issue it will be raised and addressed.

**Senator FAULKNER**—But the decision has been made to change the entrance slipway of the ministerial wing to an exit slipway and the exit slipway to an entrance slipway. That decision has been made, hasn't it?

**Ms Penfold**—We are talking on the basis that that is what will happen. The Presiding Officers have certainly directed that they want the one-way road in place. But until we get that traffic engineers' final report we will not go to the Presiding Officers for a final decision, ticking off all the elements of that.

**Senator ROBERT RAY**—What Senator Faulkner is asking you is: irrespective of the one-way road, is the ramp order going to change?

**Ms Penfold**—There would be no reason for changing it if we were not going to a one-way road.

**Senator ROBERT RAY**—Unless it is one way.

**Ms Penfold**—If the traffic engineers said, for instance, that it was completely unacceptable to change it because of the danger of the sharp turn then we would have to look at whether we would just have to live with the existing layout or whether something could be done to configure the corner differently. But we have not got that advice yet, so we have not had to consider it. Equally, the Presiding Officers have not finally signed off on every last detail of that.

**Senator FAULKNER**—Yes, but the cat is out of the bag, Ms Penfold. The cat is out of the bag, the fix is in and we all know what is going to happen. You have told us what is going to occur and you have told us what the excuse is going to be. We have established at this committee what the real reason is. But I am raising a serious safety issue here. Just because it suits the convenience of the Prime Minister, for a short drive over to the Lodge, to always drive up what was designed as an exit ramp and to drive down and exit out of what was designed as an entrance ramp does not mean it is necessarily a safe thing to do. I do not think that the Prime Minister's convenience should be put above safety, but I know that that will not amount to a row of beans when those decisions are made.

**The PRESIDENT**—I repeat: a lot more people use that road than the Prime Minister.

**Senator CHRIS EVANS**—We know his aversion to exiting.

**ACTING CHAIR**—Before we close off, I have a piece of housekeeping. Do you have an idea, opposition senators, of how long you will be with the Office of the Official Secretary to the Governor-General?

**Senator FAULKNER**—How long are we going to keep the Governor-General's office for?

**ACTING CHAIR**—Because that will affect the tea break.

**Senator ROBERT RAY**—Are you thinking of running him in now and still going for a tea break at the normal time?

**ACTING CHAIR**—What I am thinking of is a quick five-minute break for everyone and then in comes the next witness, and then we have tea at the normal time, which is a quarter to, or when you have finished.

**Senator ROBERT RAY**—I do not think we will be keeping the secretary of the Governor-General's office for very long.

**Senator FAULKNER**—I would imagine it would be an hour or an hour and a half, but not any longer.

**ACTING CHAIR**—Okay, that gives us an idea.

**Ms Penfold**—There was one question on which we had undertaken to bring the answer back to you, and that was on the number of signs in the car parks notifying the 20-kilometre speed limit. It appears that there are three 20-kilometre signs in the House of Representatives car park and six in the Senate car park.

**Senator FAULKNER**—Thank you for providing that information. I appreciate it.

**Senator CHRIS EVANS**—The senators are the hoons, then!

**Ms Penfold**—I do not wish to speculate.

**Senator FAULKNER**—It strikes me that more signage might have been a cheaper approach than speed humps.

**Senator ROBERT RAY**—That is terrific from someone whose speed limiter on his car is set at 195 kilometres!

**Senator FAULKNER**—But I have never travelled above the speed limit.

**Senator ROBERT RAY**—No, I accept that!

**Senator FAULKNER**—That is only because I did not know there was a speed limiter on the car and, because I have never got to 195 kilometres, I never will.

**Senator CHRIS EVANS**—Given your eyesight, I am relieved.

**Senator FAULKNER**—Yes, I think a lot of people would be. Given that there were no reported incidences of someone actually speeding in the car park, I was wondering if that might have been a better alternative.

**Senator ROBERT RAY**—No—none since 1997.

**Ms Penfold**—I have had some further advice on that too. Before those safety assessments were done—and I think I did flag this possibility—so going back before 2003, there were some questions raised. I have someone here who could talk to you about that in more detail if you wish, including the report on car park safety.

**Senator FAULKNER**—Is the Senate car park a bigger one than the House of Representatives one? Is there any reason for the different number of signs?

**Ms Penfold**—I think it is bigger, although there are two on each level in the Senate car park.

**Senator FAULKNER**—Anyway, adequate signage is always a smart thing to have. What about in the public car park? Is there signage in the public car park about speed limits and so forth? Are there going to be speed humps in the public car park?

**Ms Penfold**—I am not aware that we have a proposal on that at the moment. There is some work being done in the public car park to sort out the parking signs, but I do not know that anything has been raised about the—

**Senator FAULKNER**—But is the safety concern the same in the public car park as it would be in the car parks on both the Senate and House of Representatives sides of the building? I thought it would be. Or is it just that people who work here are more irresponsible than the average member of the public?

**Ms Penfold**—John Nakkas was responsible for the car park reports.

**Mr Nakkas**—I was chairman of the Joint House Department's Occupational Health and Safety Committee in 2002-03. Our staff brought to us concerns about speed in the car parks—primarily the Senate and House of Representatives car parks. They undertook a hazard assessment and identified that there was a hazard for both pedestrian traffic and workmen in those car parks. We undertook a consultancy using an OH&S expert, who concurred with that and provided some recommendations. The forecourt car park was looked at at the same time and it did not provide the same level of risk to pedestrians because there are identified pedestrian zones in the forecourt car park.

**Senator FAULKNER**—Thanks for that. Was it the view of your committee that there was adequate signage in both the Senate and the House of Representatives car parks?

**Mr Nakkas**—No. Part of the recommendation was to improve signage, and that was part of the upgrade project specification.

**Senator FAULKNER**—That has not been done yet, I gather.

**Mr Nakkas**—Correct—that is in progress.

**Senator FAULKNER**—How many signs will there be?

**Mr Nakkas**—I am not aware of the exact number.

**Senator FAULKNER**—What about signage in the public car park areas?

**Mr Nakkas**—There is signage at the entry. Obviously it is on a single level and a far smaller car park so the display of that signage is more evident than in the House of Reps or the Senate car parks.

**Senator FAULKNER**—So you are saying that you think it is adequate?

**Mr Nakkas**—I do not think that the report recommended additional signage.

**ACTING CHAIR**—Thank you, Mr President, and officers of the department.

**Proceedings suspended from 3.15 pm to 3.22 pm**

**PRIME MINISTER AND CABINET PORTFOLIO****In Attendance**

Senator Minchin, Minister for Finance and Administration

**Department of the Prime Minister and Cabinet****Executive**

Dr Louise Morauta, Deputy Secretary

Mr Duncan Lewis, Deputy Secretary

Mr Phillip Glyde, First Assistant Secretary, Industry, Infrastructure and Environment Division

**Economic policy advice and coordination****Output Group 1**

Mr Paul Tilley, First Assistant Secretary, Economic Division

**Social policy advice and coordination****Output Group 2**

Ms Serena Wilson, First Assistant Secretary, Social Policy Division

Mr Dominic English, Assistant Secretary, Immigration and Education

Ms Jan Harris, Principal Adviser, COAG Human Capital

Ms Leonie Smith, Assistant Secretary COAG Health/Mental Health Group

Mr Shane Hoffman, Assistant Secretary

**International policy advice and coordination****Output Group 3**

Mr Angus Campbell, First Assistant Secretary National Security Division

Ms Ruth Pearce, First Assistant Secretary, APEC 2007 Taskforce

Mr Nicholas Coppel, Assistant Secretary, Pacific, Rest of the World Multilateral Branch

Mr Allaster Cox, Assistant Secretary, Asia, Americas and Trade Branch

Mr Frank Leverett, Assistant Secretary, Ceremonial and Hospitality Branch

Mr Terry Fahey, General Manager, Procurement and Legal Branch, APEC 2007 Taskforce

Mr Andrew Harper, General Manager, Corporate Branch, APEC 2007 Taskforce

Mr Stuart Page, General Manager, Venues, Logistics and Security Branch, APEC 2007 Taskforce

**Support services for government operations****Output Group 4**

Ms Barbara Belcher, First Assistant Secretary, Government Division

Mr Peter Hamburger, First Assistant Secretary, Cabinet Division

Mr Greg Williams, First Assistant Secretary, People, Resources and Communications Division

Dr Susan Ball, Assistant Secretary, Information Services Branch

Mr David Macgill, Assistant Secretary, Parliamentary and Government Branch

Ms Michelle Patterson, Assistant Secretary, Human Resources and Official Establishments Branch

Mr Peter Rush, Assistant Secretary, Awards and Culture Branch

Mr Robert Twomey, Chief Financial Officer

**Australian National Audit Office**

Mr Warren Cochrane, Acting Deputy Auditor-General  
Mr Brian Boyd  
Mr Kevin Caruana  
Mr Steve Chapman  
Mr Colin Cronin  
Ms Rachel Harris  
Mr John Hawley  
Mr Steven Lack  
Mr John Meert  
Mr Michael White

**Australian Public Service Commission**

Ms Lynelle Briggs, Australian Public Service Commissioner  
Ms Lynne Tacy, Deputy Public Service Commissioner  
Mr Jeff Lamond, Merit Protection Commissioner  
Ms Jacqui Curtis, Acting Group Manager, Programmes  
Ms Karin Fisher, Acting Group Manager, Corporate  
Ms Ngaire Hosking, Group Manager, Evaluation  
Ms Clare Page, Group Manager, Better Practice  
Mr Patrick Palmer, Group Manager, Regional Services  
Ms Georgia Tarjan, Group Manager, Policy

**National Water Commission**

Mr Ken Matthews, Chief Executive Officer  
Ms Linda Holub, General Manager Corporate Strategy and Services Group  
Ms Virginia Hart, General manager Water Programmes Group  
Mr Malcolm Thompson, General Manager Water Policy Group  
Mr Roger Cobcroft, Chief Financial Officer  
Mr Steve Costello, Manager Water Programmes Group  
Mr Craig Bradley, Manager Water Policy Group

**Office of National Assessments**

Mr Peter Varghese, Director General  
Mr Derryl Triffett, Assistant Director General Corporate Services  
Mr Patrick Keane, Director Business Management  
Ms Laura Rennie, Accountant Corporate Services

**Office of the Commonwealth Ombudsman**

Mr John McMillan, Ombudsman  
Ms Vivienne Thom, Deputy Ombudsman  
Ms Mary Durkin, Senior Assistant Ombudsman  
Ms Natalie Humphry, Contract Manager

**Office of the Inspector-General of Intelligence and Security**

Mr Ian Carnell, Inspector-General

**Office of the Official Secretary to the Governor-General**

Mr Gary Bullivant, Corporate Manager  
Mr Malcolm Hazell, Official Secretary to the Governor-General

Ms Amanda O'Rourke, Acting Deputy Official Secretary  
[3.23 pm]

**Office of the Official Secretary to the Governor-General**

**ACTING CHAIR**—I call the committee to order. We have before us officials from the Office of the Official Secretary to the Governor-General. Senator Faulkner or Senator Ray: do you have questions?

**Senator FAULKNER**—Mr Hazell, the Governor-General appears to have been doing quite a bit of travel of late. I saw the press coverage of what was described, it seemed to me reasonably enough, as an outback tour. That might not be the right description but you know what I mean by that.

**Mr Hazell**—I do.

**Senator FAULKNER**—Are you happy if I use that term?

**Mr Hazell**—Yes, indeed.

**Senator FAULKNER**—Is that tour completed yet?

**Mr Hazell**—Part 1 of it is. Part 2 actually begins today. The Governor-General is flying to Alice Springs today and will visit Alice Springs and then parts of Western Australia during the next few days, and he will end up in Perth.

**Senator FAULKNER**—How many days will that be?

**Mr Hazell**—Four.

**Senator FAULKNER**—What was part 1?

**Mr Hazell**—Part 1 began in Adelaide on the 8th of this month and finished up in Charleville. It encompassed Adelaide, Wilpena Pound, Marree, the Birdsville Track, Charleville and then Longreach.

**Senator FAULKNER**—How long was that?

**Mr Hazell**—From memory, that was eight nights.

**Senator FAULKNER**—The press coverage of this unkindly said that the Governor-General was accompanied by a pretty substantial entourage—and I suppose you saw that. Is that right? I never take these things at face value, as you know, Mr Hazell.

**Mr Hazell**—I am glad to hear that. Let me answer your question this way. The visit was organised by the Australian Outback Development Consortium, which is a not-for-profit organisation that instigated and sponsored the Year of the Outback 2002 and the Year of the Outback 2006. The trip that the Governor-General was part of was one of the major activities associated with promoting the Year of the Outback 2006. The whole purpose of the visit was to promote the importance and benefits of rural and regional Australia; to help regional areas to remain important economically and socially; to promote tourism and highlight opportunities for young people in rural areas in relation to both education and employment; and, clearly along the way, to recognise the impact of the sustained drought on country life and the vital role of water and Indigenous culture.

Those participating numbered up to about 40 people, under, as I said, the auspices of the Australian Outback Development Consortium, the AODC. There were approximately 42 people representing various participating organisations. It might help the committee if I tell you what those organisations were. Apart from the AODC people, there was an organisation called Lead On Australia, which is a community based program to build community capacity in rural areas through projects designed to support young people and to provide skills, training, education and employment opportunities in country areas. There were people from the rural press and from Bendigo Bank. The administrator of the Northern Territory, Mr Ted Egan, and his wife were there, as were the staff supporting the Governor-General. We totalled only 10 of the over 40 people in the group.

**Senator FAULKNER**—So his own entourage was 10, plus himself, making 11?

**Mr Hazell**—No, that number includes the Governor-General.

**Senator FAULKNER**—So it was 10, including the Governor-General?

**Mr Hazell**—Yes.

**Senator FAULKNER**—You talk about sponsorship by the AODC. Are they bearing the costs of some of this?

**Mr Hazell**—Yes. They paid for their own costs. Government House clearly supports the costs of the Governor-General and the people from Government House, but the AODC people and others paid for themselves.

**Senator FAULKNER**—But I think it is important to say that the office of the Governor-General is in fact meeting the costs of the Governor-General's trip.

**Mr Hazell**—That is correct.

**Senator FAULKNER**—So it is not sponsored in that sense.

**Mr Hazell**—Financially, no. It is an idea that is being sponsored.

**Senator FAULKNER**—So it was the Governor-General plus nine staff. Could you run through the positions that the nine staff fulfil?

**Mr Hazell**—There was the Governor-General and, towards the latter part of the trip, Mrs Jeffery joined them. She had not been well up until that point. There were two RAAF ADCs from Government House. There was a personal staff member, whose responsibilities were to assist with the luggage, baggage, camping equipment et cetera. There was our media adviser, and there were some medical staff as well—plus the usual security.

**Senator FAULKNER**—According to the media reports, the entourage included five police officers. Is that right?

**Mr Hazell**—To be very honest, I do not know. Some of those would have been state police officers. There were only two from the Australian Federal Police. As you would know, when the Governor-General is interstate he would be joined by various state police.

**Senator FAULKNER**—A doctor?

**Mr Hazell**—There was a doctor and a physiotherapist.

**Senator FAULKNER**—There was a media adviser, as you have mentioned, two aides-de-camp and a valet. Is that correct?

**Mr Hazell**—Someone to look after the baggage, yes.

**Senator FAULKNER**—This must be the first outback tour where a valet has gone along for the ride. If you go on a camping trip, you don't take a valet to look after the camping gear. It is an interesting approach.

**Mr Hazell**—There was quite a lot of camping stuff to be done, and that was part of the responsibilities of one of the members of the party.

**Senator CHRIS EVANS**—Is he one of the Governor-General's personal staff?

**Mr Hazell**—Yes.

**Senator FAULKNER**—It puts a different spin on an outback tour, doesn't it, if you have a valet going along and a couple of ADCs et cetera?

**Mr Hazell**—I know the press used that word, but I would not have used the term 'valet'. As I said, it was one of the personal staff looking after baggage and luggage arrangements.

**Senator FAULKNER**—How do you judge the success of these things?

**Mr Hazell**—From the reports that we have had from the many communities that they visited along the way, I think it was a great success. As I said, the whole idea was to promote a number of themes and ideas and probably to bring attention to the fact that there is a great deal of opportunity still in rural and regional Australia. I do not know whether you saw on yesterday's *Landline* program on the ABC a segment on the particular visit. The comments from the people interviewed there were very positive indeed. These people ranged from schoolkids, people who owned properties and workers, to the Indigenous community and a whole range of people, who, I might say, were very pleased that the Governor-General had taken the trouble to come out to that part of the world. I believe it is probably the first time a Governor-General has done so. For example, at Leigh Creek, Brooke Mengersen said:

I thought it was excellent that the Governor-General would come out this far and visit us.

Brittanie Acland said:

He is a very nice person, actually. Really nice and just like any of us, really.

The Indigenous people said that they were very proud to have the Governor-General visit them. There were people around the country who met him for the first time. I think there was a shot of a gentleman on horseback who came across the group of people and said that he was quite surprised to see the Governor-General there. He thought it was a very good idea and congratulated the Governor-General for taking the opportunity to come out. I think it was, by any stretch of the imagination, well received.

**Senator FAULKNER**—So you judge the success of these things by the media?

**Mr Hazell**—No, I am saying what the people along the way were saying to the Governor-General. I think the feeling was very positive.

**Senator FAULKNER**—It is typical of the media, but I have read a couple of critical articles and there were probably some factual ones. I have not seen the television program that



you referred to but, as you have mentioned it, I will have a look at the transcript of that so that I can be across all the information. During the trip the Governor-General appeared to make a public call for better rural roads and services. Is that right? He was reported as doing so.

**Mr Hazell**—Certainly he was reported to have done so. I did not go on the trip, so I cannot speak from first-hand information. I certainly read the report that the Governor-General had noted some areas, and I think he was going to try to speak to the relevant member of government about it.

**Senator FAULKNER**—Who was the relevant member of government?

**Mr Hazell**—I expect it was the Minister for Transport and Regional Services.

**Senator FAULKNER**—Does he often take these sorts of issues up with ministers?

**Mr Hazell**—I am sure that from time to time, as he travels around the country, if people bring things to his attention, yes, he does pass them on to the various ministers.

**Senator FAULKNER**—Is there a problem here about entry into the political debate by the Governor-General? I am not being critical of a call for better rural roads and services in this regard, but—

**Mr Hazell**—I do not think the Governor-General entered into the debate.

**Senator FAULKNER**—You would appreciate that rural services and infrastructure of their nature can be quite a contentious and partisan political issue—that is certainly true. I am not saying that this necessarily crossed the line, but is there an issue for the Governor-General to be careful about these sorts of public comments so that he ensures that he does not trample onto that more difficult ground?

**Mr Hazell**—As you said, I do not think he did cross the line. He meets a very broad cross-section of the community as he travels around Australia. If any issues need to be canvassed with various ministers, he will do so. Certainly the comments that I saw did not have him transgressing into what I would call the ‘party political’ at all. It was a statement of fact.

**Senator FAULKNER**—I agree with you. It was not party political in any sense. The point I am making to you is that these issues obviously intersect with matters that from time to time are the subject of political debate and involve different approaches from political parties and those in the political process. I am sure you would appreciate that. So there is a need to be careful, isn’t there?

**Mr Hazell**—And the Governor-General understands that very well. He takes great pains to avoid being drawn into elements of political controversy.

**Senator FAULKNER**—We have part 2 of this trip to Alice Springs and it sounds like to the Northern Territory, Western Australia and maybe some other places as well. Are there any plans for further overseas trips for the Governor-General in the offing?

**Mr Hazell**—There is. I know that the Governor-General has already accepted an invitation to visit Norfolk Island, if we regard that as an overseas trip.

**Senator FAULKNER**—I do not regard that as overseas.

**Mr Hazell**—That will be coming up in—

**Senator FAULKNER**—As a former minister for territories, I think it would be a bit rich of me to regard that as overseas.

**Mr Hazell**—Indeed. I know the Governor-General will be accepting an invitation that has only recently arrived to represent Australia at a service in London for the Queen in June this year.

**Senator FAULKNER**—What is that celebration for?

**Mr Hazell**—As I understand it, there will be a thanksgiving service in London to celebrate the Queen's 80th birthday. He will represent Australia, and I understand there will be a very large international contingent.

**Senator FAULKNER**—Is the Governor-General going to present a birthday present to her Majesty?

**Mr Hazell**—Not on that occasion, no.

**Senator FAULKNER**—Has that been done?

**Mr Hazell**—When the Queen was out here, the Governor-General and Mrs Jeffery gave the Queen a memento, which was a silver framed photograph taken of the various vice-regal representatives who attended during the Queen's visit. That is it.

**Senator FAULKNER**—What do you mean by the 'various vice-regal representatives'? Do you mean the state governors?

**Mr Hazell**—Yes. When the Queen visited, the Governor-General had to lunch the state governors and the Administrator of the Northern Territory and former governors-general, who all attended, with the exception of Sir Zelman Cowen who was not well enough.

**Senator FAULKNER**—I see. So it was a framed photograph of the event, effectively?

**Mr Hazell**—That is correct.

**Senator FAULKNER**—What did that set the taxpayers back?

**Mr Hazell**—I am advised that the cost of that was \$2,000.

**Senator FAULKNER**—Let us hope the Queen gets it out for display when the Governor-General goes over and visits Buckingham Palace.

**Mr Hazell**—The Queen was very pleased to receive it.

**Senator FAULKNER**—I suppose she would be. What recent travel has the Governor-General been engaged in? I believe there was a visit to Turkey in recent times.

**Mr Hazell**—That is correct. The Governor-General and Mrs Jeffery visited Turkey and Egypt mainly in the context of the commemorations for Anzac Day and, in the case of Egypt, to rededicate the 9th Division memorial in El Alamein. Part of the visit to Turkey was an official visit at the invitation of the Turkish government and that was a very successful visit.

**Senator FAULKNER**—So we have had that visit. Is there anything else in this calendar year?

**Mr Hazell**—No. The visit before that was done at the end of last year, for Christmas, when the Governor-General visited the ADF troops deployed in the gulf region.

**Senator FAULKNER**—Have the costs of the Turkey trip been finalised now?

**Mr Hazell**—No.

**Senator FAULKNER**—What was the budget for that?

**Mr Hazell**—We do not put a specific figure on it. We just exercise due prudence and caution all the way. It depends clearly on length but there is no specific figure that I can put on it.

**Senator FAULKNER**—How many of the Governor-General's staff accompanied him to Turkey?

**Mr Hazell**—There was me, two members of the personal staff, the media adviser and a doctor.

**Senator FAULKNER**—That was smaller than the outback tour. That's five, isn't it?

**Mr Hazell**—There is always an AFP presence that goes with those—

**Senator FAULKNER**—On a tour in this country, you mean?

**Mr Hazell**—Overseas. There were two AFP—

**Senator FAULKNER**—You are not counting those?

**Mr Hazell**—No.

**Senator FAULKNER**—How big was that?

**Mr Hazell**—Two.

**Senator FAULKNER**—So what was the total number of staff accompanying him?

**Mr Hazell**—That is why I draw the distinction. They are not my staff.

**Senator FAULKNER**—Let us use the word 'entourage' then.

**Mr Hazell**—There was the Governor-General and Mrs Jeffery, me, two members of the personal staff, a doctor, the media adviser and two policemen.

**Senator FAULKNER**—Nine, and seven staff—Major General Jeffery and Mrs Jeffery, and seven others.

**Mr Hazell**—That is correct.

**Senator FAULKNER**—I use the terminology 'others' which covers all contingencies. So we have not got the breakdown of the costs of that visit yet?

**Mr Hazell**—No.

**Senator FAULKNER**—Will you be able to provide that to the committee when it is available?

**Mr Hazell**—That will be some time away but, yes of course.

**Senator FAULKNER**—And you might also provide the costs of the visit, part 1 and part 2, of the outback visit as well, which I assume you have not got either. Would that be right?

**Mr Hazell**—That is correct.

**Senator FAULKNER**—I would appreciate it if you could take on notice those questions about the trips. Have you got a current value of the material that is on loan to the Governor-General at the moment? The last dollar figure that I had was \$15 million.

**Mr Hazell**—That is for artwork?

**Senator FAULKNER**—Yes.

**Mr Hazell**—That is about the same.

**Senator FAULKNER**—Are there other loans, apart from artworks?

**Mr Hazell**—The Australiana Fund, which as you know is a private company, has some articles in the official residences as well.

**Senator FAULKNER**—But that is not included in the \$15 million, is it?

**Mr Hazell**—No.

**Senator FAULKNER**—Do you know what the value of that is? We have often had this discussion, not so much in relation to the Governor-General but partly. Sometimes it is difficult to establish the values, and we have just accepted insurance values. So any information you could provide would be gratefully received.

**Mr Hazell**—Somewhere in my brief there is something about it; I just cannot put my finger on it immediately. Can you bear with me, please.

**Senator FAULKNER**—You have provided this information to me, in answer to a question on notice, from other places. I just wondered whether fundamentally there were any changes.

**Mr Hazell**—I am sorry, I cannot just immediately put my finger on it. But I can say to you that there have not been any significant changes to what we have already advised you.

**Senator FAULKNER**—The inventory of these art works—let us use ‘art works’ as the appropriate terminology to pick up most of these things—changes from time to time, doesn’t it? Things go in and out of loan; that is right, isn’t it?

**Mr Hazell**—It is not a drastic thing. They are not changed frequently, but that is correct.

**Senator FAULKNER**—What proportion of these would change on an annual basis? Would it be around 10 per cent? I appreciate you cannot be precise about this.

**Mr Hazell**—I am just going from recollection now, but very few changes have been made while I have been official secretary, which is three years now. It would not be anywhere near as high as 10 per cent.

**Senator FAULKNER**—Okay. Do you keep a close eye on the valuation of the items?

**Mr Hazell**—In the case of the art works, the valuation is from the National Gallery. We keep a register of where all the pieces of art are, but the value of those is provided to us by the Gallery.

**Senator FAULKNER**—Is that generally an insurance value?

**Mr Hazell**—I understand so, yes.

**Senator FAULKNER**—We have heard evidence previously, in relation to the Australiana Fund at least, that it is. You might take on notice then any changes to the inventory. I will not delay the committee. ‘Changes’, of course, means additions and subtractions.

**Mr Hazell**—Yes, thank you. I will just make the point, because I have noticed some press comment on it, that it is true that Government House is the beneficiary of some very significant paintings from the National Gallery that are displayed in the public areas at both Admiralty House and Government House. They are viewed by a considerable number of people, including, for example, heads of state and the significant number of people who attend functions. In other words they are very widely viewed, so they are not, as some commentators have regarded them, an eclectic collection at all. They are on fairly wide display.

**Senator FAULKNER**—That is partly true, but in response I would say to you that nowhere near as many people view them as would if, for example, they were hanging in the National Gallery. I am sure you appreciate that point.

**Mr Hazell**—I do, and I would also say that you would not get the same number of international visitors of that ilk going through the National Gallery. I think it is a very good way of demonstrating very high profile Australian art and culture.

**Senator FAULKNER**—The inventory that this committee and I have is the one that was provided in the supplementary budget hearings in 2005-06. The inventory was of items on loan as of 30 June 2004. In these sorts of things it is good to have a baseline, so there is a baseline. If we work on that as the baseline, have there been any changes since that time that you might bring us up to date with?

**Mr Hazell**—Sure.

**Senator FAULKNER**—I think that is the easiest way of dealing with that without delaying the committee too long. Obviously with these sorts of collections—and they are very valuable; we are talking about \$15 million worth of artworks and the like, with some individual items valued in the \$1 million range—care and conservation of these sorts of artworks is critical, isn’t it?

**Mr Hazell**—Yes.

**Senator FAULKNER**—How is that taken account of?

**Mr Hazell**—The artworks in question are all handled, I think I can say exclusively, by the experts from the Gallery. They are monitored. The folk from the Gallery come and visit us and make sure that everything is according to the way they would prefer it or are comfortable with. We rely on them to give us any advice or whatever.

**Senator FAULKNER**—Does this monitoring include thermohydrographs and the like for checking humidity?

**Mr Hazell**—That is a matter I leave to the people from the Gallery themselves.

**Senator FAULKNER**—What about light levels and all of that sort of stuff? Is this something that you do not take much account of—you just depend on what is being said by the Gallery experts?

**Mr Hazell**—They are the experts. We are very conscious of what they require.

**Senator FAULKNER**—Does the Governor-General's residence, for example, conform to the recommended light and humidity levels in the spaces where these sorts of valuable artworks should be hung? How do we know that?

**Mr Hazell**—I do know that the National Gallery people have advised us that the light readings they have taken previously and the check of light levels which is undertaken during their annual condition checks have been satisfactory. The same applies to the works that have been on loan from the Department of Parliamentary Services.

**Senator FAULKNER**—I appreciate the point that you made earlier that you are dependent here on the lending institution, so to speak, but do you actually have a formal policy on the displaying and safeguarding of this sort of material? Does the Governor-General's office have any formal policy about handling of these sorts of very important heritage items?

**Mr Hazell**—We have contractual arrangements with places like the Gallery. Any handling, as I said, is actually done by them.

**Senator FAULKNER**—So you do not have a policy for care, maintenance, handling and so forth at Admiralty House and Yarralumla? You actually do not have a policy for your own operations?

**Mr Hazell**—If I understand where you are coming from correctly, the policy as such is actually incorporated in the contractual arrangements that we have with the various lending institutions.

**Senator FAULKNER**—Have you had a situation, let us say, in the last five years or so where any of this material has been nicked?

**Mr Hazell**—Not in the last five years, no. Not that I can recall.

**Senator FAULKNER**—What about earlier? Have there been any instances of this material being stolen?

**Mr Hazell**—I am advised that in the very late 1990s one of the paintings went missing. We believe it was theft.

**Senator FAULKNER**—Where did it go missing from?

**Mr Hazell**—From Government House.

**Senator FAULKNER**—What was the painting?

**Mr Hazell**—It was an Albert Namatjira.

**Senator FAULKNER**—What was its value?

**Mr Hazell**—I am advised that it was worth \$20,000.

**Senator FAULKNER**—Was that owned by the Australiana Fund or the Gallery?

**Mr Hazell**—The Australiana Fund.

**Senator FAULKNER**—The police were called in and so forth, I suppose.

**Mr Hazell**—Yes.

**Senator FAULKNER**—Has the painting been recovered?

**Mr Hazell**—No.

**Senator FAULKNER**—Let us not just look at the collection of these valuable artworks and other heritage and cultural items. Have there been any cases of theft or the like that have come to the attention of your office where you have been required to call in the police or any other authority?

**Mr Hazell**—None that we are aware of.

**Senator FAULKNER**—So the only one you can bring to mind is the Namatjira painting; is that right?

**Mr Hazell**—That is true.

**Senator FAULKNER**—Was that stolen in 1999?

**Mr Hazell**—As I understand it, yes.

**Senator FAULKNER**—Mr Bullivant can help us there. Was it in 1999?

**Mr Bullivant**—Yes.

**Senator FAULKNER**—Thank you. Are there any cases of any damage to any of these heritage items or artworks that you are able to tell us about?

**Mr Hazell**—I am advised that in February 2004 there was some damage to the frame of a painting by John Peter Russell when the painting fell from its hanging fixture due to a wall plug coming out of the wall.

**Senator FAULKNER**—Was that repaired?

**Mr Hazell**—Yes.

**Senator FAULKNER**—It did not actually damage the painting itself; it was the frame?

**Mr Hazell**—Just the frame.

**Senator FAULKNER**—Any other instances?

**Mr Hazell**—No.

**Senator FAULKNER**—As a result of the theft of the Namatjira painting from Government House, was there any sort of security review or any action taken? Some Namatjira paintings are not large, are they? Some of them are actually quite small. How big was it? Let me ask you the question without hypothesising.

**Mr Hazell**—I am told that it was not a very large painting at all.

**Senator FAULKNER**—A smallish painting. I gathered that partly by the value, I suppose. Given this circumstance, has anything been done to try to review security arrangements and the like?

**Mr Hazell**—I am told we did a thorough investigation to see whether or not there was anything within our procedures that we should have been tightening up. I am afraid it was one of those unpleasant things that happened, but we always keep an ongoing eye on anything we can do to make sure that security is preserved.

**Senator FAULKNER**—But how could someone get into Government House and pinch a painting?

**Mr Hazell**—I do not want to cast aspersions on—

**Senator FAULKNER**—Or was it an inside job?

**Mr Hazell**—We do not believe so. Frankly, the police could not find out, but there were suspicions that it may have been a contractor, because the painting was of a size that could easily have been stored somewhere. I am speculating now and I do not think I should go any further than that.

**Senator FAULKNER**—But the point is: since that time you have looked to try to address the security concerns?

**Mr Hazell**—Certainly, as best we can. When contractors are there, especially if they are in the house, they are accompanied—and that sort of thing.

**Senator FAULKNER**—Who makes the decision as to what is on loan from, let us say, the National Gallery of Australia? Is it the Governor-General himself or does some adviser do that?

**Mr Hazell**—It is a collaborative thing between the Governor-General, Mrs Jeffery and the Gallery people, and maybe one or two staff. As I said to you before, it has not happened very often. The Gallery will make some suggestions, and probably the Governor-General and/or Mrs Jeffery might be involved.

**Senator FAULKNER**—How many staff actually live at Government House and Admiralty House?

**Mr Hazell**—Three.

**Senator FAULKNER**—Between the two residences?

**Mr Hazell**—Yes.

**Senator FAULKNER**—Are artworks hung or located in the private quarters of staff?

**Mr Hazell**—No.

**Senator FAULKNER**—So they are effectively in public areas of the buildings, are they?

**Mr Hazell**—They are in the main houses—Admiralty House and Government House.

**Senator FAULKNER**—But are they in the private quarters of the Governor-General?

**Mr Hazell**—No. By far the majority of them are in the public areas. From memory, there may be one or two—and I am thinking specifically of portraits of former governors-general that may be on the first floor, which is not used very often—but by far the great majority of them are in the public areas of both houses.

**Senator FAULKNER**—But the ones that are not in those public areas certainly would not be accessible to people, would they?

**Mr Hazell**—They are accessible but not as much. That is a valid point.

**Senator FAULKNER**—They would not be accessible to very many people at all, surely.



**Mr Hazell**—Yes—to people that are staying there and that sort of thing. There are indeed very few of those paintings, though.

**Senator FAULKNER**—Does the Governor-General play any role when a person is stripped of an Order of Australia? Does your office play any role in that?

**Mr Hazell**—Yes. There is a specific part of the regulations which affects that. It is the terminations and cancellations ordinance under the constitution of the Order of Australia. The general administrative procedure is that, on becoming aware of any criminal or inappropriate behaviour by nominees, the council may invoke the terminations and cancellations ordinance. That ordinance applies checks and balances and due process, so that matters are investigated and then a recommendation is made to the Governor-General. I think it is also important to say that we on the council do not take any action at all until after legal proceedings have been concluded and appeal periods have expired.

**Senator FAULKNER**—Do you know how many Orders of Australia have been stripped?

**Mr Hazell**—Twenty-two.

**Senator FAULKNER**—Over what period of time?

**Mr Hazell**—Since the establishment of the Order of Australia in 1975.

**Senator FAULKNER**—Fair enough. Did your office bear any costs in relation to the visit of the Queen and the Duke of Edinburgh from 12 to 16 March? The main function of this visit was the opening of the Commonwealth Games in Melbourne, as I recall. I just wondered what costs, if any, were borne by the Office of the Official Secretary to the Governor-General for that visit.

**Mr Hazell**—The Queen and the Duke of Edinburgh stayed at Government House for, I think, three nights. There was some hospitality, as I mentioned before, at Government House. But that is it.

**Senator FAULKNER**—What do you mean by ‘some hospitality’?

**Mr Hazell**—There was a lunch—the lunch that I mentioned before involving former governors-general and governors of states. The Governor-General had a lunch for the Queen at Government House.

**Senator FAULKNER**—I heard about the photograph being taken. Was the guest list for that particular function limited to former governors-general and state governors, was it?

**Mr Hazell**—And a few members of the Queen’s household, yes.

**Senator FAULKNER**—So it had a very vice-regal flavour, did it?

**Mr Hazell**—It did.

**Senator FAULKNER**—I see. What about any hospitality or support for the visit of Prince Edward? His official title is the Earl of Wessex, isn’t it?

**Mr Hazell**—No.

**Senator FAULKNER**—It is not the Earl of Wessex?

**Mr Hazell**—It is the Earl of Wessex but there was no hospitality from our point of view. My understanding was that the Earl of Wessex was primarily located in Melbourne.

**Senator FAULKNER**—Why did the Governor-General need to take a physiotherapist on his outback trip? A valet is one thing to take on a camping trip, although I thought that was a bit unusual. But I thought a physiotherapist was a bit of a long bow.

**Mr Hazell**—Can I answer that by saying that it was my decision and it was based on an existing medical condition.

**Senator FAULKNER**—Of course, doctors are common. I do not mean they are common; I mean that I think it is standard and appropriate that a doctor accompanies the Governor-General and Prime Minister and so forth. That is still the case, isn't it?

**Mr Hazell**—In broad measure, yes.

**Senator FAULKNER**—It is not a standard thing for a physiotherapist to do so—you would accept that?

**Mr Hazell**—That is true.

**Senator FAULKNER**—Are you saying to the committee that the circumstances warranted the expense on this occasion?

**Mr Hazell**—They did.

**Senator FAULKNER**—I noticed that there was an honorary award of the Order of Australia to Harriet Fulbright. You would be aware of that?

**Mr Hazell**—I am.

**Senator FAULKNER**—Can you give us the background of that? What was the involvement of your office in that award?

**Mr Hazell**—Honorary awards within the Order of Australia are made on the recommendation of the Prime Minister to the Governor-General. They do not go through the same process involving the Council for the Order of Australia as all other awards do.

**Senator FAULKNER**—People who are recipients of honorary awards are generally not Australian citizens are they?

**Mr Hazell**—That is correct.

**Senator FAULKNER**—Are they exclusively not Australian citizens?

**Mr Hazell**—The collective memory is that they are sometimes Australian residents but not Australian citizens.

**Senator FAULKNER**—How many of those have been awarded?

**Mr Hazell**—I could not tell you. I do not have those sorts of records. They are handled within the Prime Minister's department.

**Senator FAULKNER**—You just said that they were made on the recommendation of the Prime Minister to your own office. Do you mean that you do not keep a record of who you hand them out to?

**Mr Hazell**—We do not hold the central record of it, no, but we can get some information.

**Senator FAULKNER**—Surely there would be a central database of it.

**Mr Hazell**—As I said, I believe that is handled in the Prime Minister's department.

**Senator FAULKNER**—That seems very odd to me. I want to raise just one other issue because we are running short of time. I have seen some press speculation about a croquet lawn at one of the residences. Did you see that article?

**Mr Hazell**—No.

**Senator FAULKNER**—Is there a croquet lawn at either residence?

**Mr Hazell**—I think there is a space that has been variously described as a croquet lawn.

**Senator FAULKNER**—Where is that?

**Mr Hazell**—It is at Admiralty House.

**Senator FAULKNER**—So there is a croquet lawn.

**Mr Hazell**—There is a lawn that someone has described as a croquet lawn, but croquet, to the best of my knowledge, has never been played on it for a very long period of time.

**Senator FAULKNER**—So you haven't been out there having a game?

**Mr Hazell**—I certainly have not, no.

**Senator CHRIS EVANS**—My in-laws are into croquet, so if there is a spare game going make sure they're on the invitation list!

**Mr Hazell**—It is a very skilful game, I am told, Senator. That would rule me out instantly.

**ACTING CHAIR**—It is a very ruthless game as well.

**Senator FAULKNER**—So it is just an area of the grounds of Admiralty House—

**Mr Hazell**—Just call it a lawn.

**Senator FAULKNER**—called the croquet lawn.

**Mr Hazell**—It is called a lawn.

**Senator FAULKNER**—It is called a lawn?

**Mr Hazell**—I do not know why the adjective 'croquet' was applied there. As far as I am concerned it is grass that needs mowing.

**Senator FAULKNER**—Fair enough. I am sure you have to mow croquet lawns too.

**ACTING CHAIR**—Are you done on that sporting note?

**Senator FAULKNER**—It turned out to be a non-sporting note because we have a lawn but no croquet, which would be a very great disappointment to many, I think.

**ACTING CHAIR**—My thanks to the officers from the Office of the Official Secretary to the Governor-General. When we resume we will be joined by the Department of the Prime Minister and Cabinet.

**Proceedings suspended from 4.12 pm to 4.30 pm**

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**Department of the Prime Minister and Cabinet**

**ACTING CHAIR**—Welcome, Minister Minchin and Dr Morauta. Do either of you wish to make an opening statement?

**Senator Minchin**—No.

**Dr Morauta**—No.

**ACTING CHAIR**—We will move to general questions then.

**Senator ROBERT RAY**—Have all the questions taken on notice at the additional estimates been answered and were they answered within the required time?

**Dr Morauta**—I am just looking for my fact sheet on this. Of the questions that we took on notice on 13 February, only one out of 42 was provided by the due date, but we have now provided 38 of the 42 and there are four outstanding questions.

**Senator ROBERT RAY**—Was one sent on to DOFA to answer? Did I read that somewhere?

**Dr Morauta**—I am sorry, but I do not know that right now. I will find that out and get back to you.

**Senator ROBERT RAY**—It is not that important, but I always commend people when, if the question is not relevant to them, they send it on to another department, rather than just say, 'It's the wrong department.' That is a good process. So you managed to provide one out of 42, is that right?

**Dr Morauta**—Yes.

**Senator ROBERT RAY**—Which one was that?

**Dr Morauta**—I will just have to take advice on which one we got in on time. Of the questions, 11 were answered by the following week and 17 by the following month, and 38 out of the 42 were answered as of 19 May.

**Senator ROBERT RAY**—So which one was on time? Are you checking on that?

**Dr Morauta**—Yes.

**Senator ROBERT RAY**—While you are checking on that, do we know the four that have not been answered at all?

**Dr Morauta**—Yes. One was about the Cabinet Implementation Unit and three related to water policy.

**Senator ROBERT RAY**—What is the hold-up with those four? Is it the complexity of the questions?

**Dr Morauta**—On the water policy ones they are awaiting clearance, and on the Cabinet Implementation Unit one, broadly speaking, there are rather large policy issues around the question asked and the detail that might be provided in answer, and we are still working on that.

**Senator ROBERT RAY**—I see. So that is a complexity issue. When were the three questions on water policy submitted for clearance?

**Dr Morauta**—I will have to take that on notice, but I am sure we can find the answer quite quickly.

**Senator FAULKNER**—Are they submitted for clearance to Mr Howard or Mr Turnbull?

**Dr Morauta**—My understanding is that they went to the Prime Minister's office, but I will need to confirm that.

**Senator ROBERT RAY**—Generally, we have established that one was on time and four are not there. Of the other 37—and you did kindly give us the approximate dates on which they came in—what was the reason for not meeting the date determined by the Senate? Was it primarily the complexity of the questions, was it a hold up in clearance, or is there some other reason for their late arrival?

**Dr Morauta**—I think it was mainly their complexity, but there would probably be occasions when it was clearance. However, I do not have a breakdown of that before me.

**Senator ROBERT RAY**—I do not know how these are numbered, but on *Hansard* pages F&PA 74, 75 and 80, Senator Faulkner asked, 'Who above Mr Borrowman in PM&C hierarchy did he consult prior to the documents being sent to DFAT?' I find it hard to understand the complexity in that question—especially as the answer is, to say the least, extremely concise. Where is the complexity there, or are you generalising—some were complex and some were not?

**Dr Morauta**—I am generalising and saying some were complex and some would take time to clear, and sometimes the department do not provide things as quickly as they should, and I think there are occasions in this case where we did not provide them as quickly as we could have done.

**Senator ROBERT RAY**—What was the date on which they were expected to be back?

**Dr Morauta**—The deadline was 31 March 2006.

**Senator ROBERT RAY**—Can you give me a rundown of when the answers came in?

**Dr Morauta**—One out of 42 was provided by 29 March. Eleven out of 42 were provided by the following week.

**Senator ROBERT RAY**—So sometime in early April?

**Dr Morauta**—Yes. They apparently went on 5 and 6 April. Seventeen out of 42 had got through by the following month. Another six went through on 12 and 13 April. Four were tabled on 4 May, and 17 were provided to the committee on 17 May.

**Senator ROBERT RAY**—Would you regard that as a satisfactory performance?

**Dr Morauta**—No.

**Senator ROBERT RAY**—It seems to be a very up and down process. One estimates we congratulate you on a very good performance and we condemn DOFA, and next estimates it reverses. It makes it very hard for us to be cross with you when every third or fourth time you do very well.

**Dr Morauta**—We will come back to you later when we have the answers to those particular questions we talked about.

**Senator ROBERT RAY**—Let us go to some of the answers to questions on notice. In terms of the answer to question PM1, am I correct in saying that you knew the answer to this question but did not communicate it to the committee when asked?

**Dr Morauta**—I am sorry, but I do not have that question in front of me at the moment.

**Senator ROBERT RAY**—I will wait while you find it. It is actually listed as PM1-3 because it is in three parts, but I assume it is the one question.

**Mr Lewis**—I have the question here.

**Senator ROBERT RAY**—Mr Lewis, I am not asking you to respond, because you did not give the answer—or fail to give the answer. I am asking Dr Morauta: didn't she in fact have knowledge of the information contained in the answer at the time the question was asked and did not respond?

**Dr Morauta**—I think the response I have given you is an accurate reflection of what happened.

**Senator ROBERT RAY**—Yes, I accept that. I am asking why you did not give us that response on 13 February, when you knew the answer. Why did you take it on notice?

**Dr Morauta**—I think I was unsure of the sequence of events until I went back to the department and checked the actual sequence of events on the occasion. I came to the conclusion that it was the cabinet minute that was the critical, or deciding, factor. I have been reminded that I needed to check. We keep very close records on the cabinet minute and its circulation and I needed to check that too.

**Senator ROBERT RAY**—Are you telling me that, on 13 February, you could not remember having read about this in a cabinet minute and having been made aware of the government's decision, just six days before, on what is a fairly dramatic thing? It is not some minor procedural item.

**Dr Morauta**—I think it was about accuracy to do with dates. I needed to be sure on what date I had seen that.

**Senator ROBERT RAY**—Don't you think it would have been a better idea to say, 'I'm uncertain of the date' and just take it on notice? It was said before that questions are taken on notice because you do not know or you want to seek advice as to the advisability of giving that information. It is not there—and I am not accusing you of this—to prevent us asking further questions, by you taking the substantive one on notice and killing all the follow-up questions.

**Dr Morauta**—I think that I behaved properly in taking it away and making absolutely sure what the record showed.

**Senator ROBERT RAY**—I find it hard to understand how the secretary of the department of agriculture, Ms Hewitt, and the deputy secretary of the Foreign Affairs can answer these questions straight after they read it in a cabinet minute but the Deputy Secretary of the Department of the Prime Minister and Cabinet cannot. You have not convinced me.

Let us go to the second question. In question 10 I asked how the government decision was transmitted to public servants. This is a very similar question to the one I asked of Ms Hewitt

and, I think, Mr Chester from the Department of Foreign Affairs and Trade. They both interpreted that question as to how they—the person we were questioning—transmitted it to others. You, however, say, ‘The secretaries of all relevant departments received the cabinet minute.’ The core of the question was: how did the rest of the people in PM&C find out about this direction? I understand that it has been misinterpreted, but you might answer that question now.

**Dr Morauta**—The question you are asking is: how did other people in PM&C get to know about the cabinet minute or the—

**Senator ROBERT RAY**—Yes. If there is an instruction to public servants from executive government that they are not answer questions about anything that may have any vague relevance to the Cole inquiry, they must find out from somewhere. They do not all read the cabinet minute. In the case of the department of agriculture et cetera—I won’t give you the full title because I do not know it—they put it out in writing. I think, but do not hold me to this, but I think the department of foreign affairs briefed people and it was the percolate down effect. In this question I was asking what happened in PM&C. It has obviously been misinterpreted—fair enough—but now I actually want the answer to the question. How were people told?

**Ms Belcher**—The relevant division heads in PM&C received their own copies of the cabinet minute. Beyond that, against the possibility that more junior officers would be asked, it was discussed.

**Senator ROBERT RAY**—So how many people sitting behind the table here today who were at the previous hearing do you think would have known that and could have told Dr Morauta that this information came from a cabinet minute and was discovered on 7 February? Isn’t there any sort of trickle up to the table when people at the back of the room know these things?

**Ms Belcher**—Generally, I would have thought so, yes. We do assume that questions are asked broadly of those present.

**Dr Morauta**—I think the important issue was to be very clear on what date we received information. That was not something that was easy to recall at the table and we did need to go and check that one.

**Senator ROBERT RAY**—The question by Senator Faulkner was: when were you informed of the government’s decision? Then I asked whether you were informed in writing and, if so, whether you were so informed and whether you have communicated this ruling to anyone else in the department. That is the question that you took on notice. It was not just related to the date. In fact that third part of the question taken on notice has not been answered, has it?

**Dr Morauta**—I think that Ms Belcher has probably answered it now for you, by saying that people who did not—

**Senator ROBERT RAY**—Clearly. But I am asking you now why it was not answered in the question provided to this committee, not just to me, but to the committee and to the Senate

and the parliament. Why wasn't that part answered in what was plenty of time? You were given plenty of time. I assume that this is not the one that came in by 29 March.

**Dr Morauta**—No, but it was certainly one of the first group that were in quite early.

**Senator ROBERT RAY**—Seeing it is related to others, it is a reasonable assumption. So you had a fair amount of time to think of an answer to what is a three-part question. I think that the other answers are basically fairly factual. We might come back to the question on documents later because that is a process issue. Senator Minchin, you indicated in the Senate on the Thursday of the last sitting week, I think, that you would convey to the Senate whether the directive to public servants was still extant. I have yet to read the correspondence but you have corresponded with at least Senator Evans and I assume a few of the party leaders to that effect. Has there been a fresh cabinet decision on this or a consultation between senior ministers to keep the prohibition going or has it devolved to you as Senate leader to so rule? I am trying to find out what the decision-making process is.

**Senator Minchin**—Senator Evans asked me a perfectly legitimate question and I undertook to come back to him. I conferred with senior ministers and it was resolved that, given that the Cole royal commission had not yet reported, the government's position at the February estimates hearings would not be altered with respect to these estimates hearings. I was therefore in a position to write to Senator Evans on 17 May, I think, to convey that to him, as requested.

**Senator ROBERT RAY**—I notice in the letter you refer to 'without parallel public questioning'. Public questioning at Cole, I understand, has ceased. Did that have any impact on the decision?

**Senator Minchin**—The formal position in February was, as you know, that the government's view was that, given there was a wide-ranging royal commission being undertaken with fairly wide terms of reference into the whole for oil for food program and the involvement of Australian companies and whether any Australian laws had been breached, we did not think it appropriate to be responding to questions on that matter until the report was delivered and, in a sense, nothing has changed at this point. The royal commission has still not reported so the government's position really has not changed.

**Senator ROBERT RAY**—There is just this dichotomy between the Cole committee reporting and parallel public questioning. There is more emphasis now on Cole reporting than on interference with parallel public questioning. It seems to have changed ground just a little.

**Senator Minchin**—No, it was made clear back when we discussed this matter in February that, in a sense, we did not think parallel inquiries were appropriate. What I have alluded to in that letter is that, once the royal commission has reported, the position might well change. But, until we receive the report, the government's position is the same as it was in February.

**Senator ROBERT RAY**—In this discussion amongst senior ministers, has there been any consideration given to the future? There are quite a few matters concerning government behaviour and expenditure that Cole clearly has not covered. I am not saying that that is inappropriate, by the way. It is not about the terms of reference; it is about peripheral issues. The appointment of former wheat officials to the reconstruction in Iraq has not been examined by Cole, but it still remains of interest to us.



**Senator Minchin**—As the letter says, questions relating to matters before the Cole royal commission were what we referred to as matters we thought to be not appropriate to respond to at this time. As was the case in February, you are, of course, free to ask any question you like and we will need to make a judgment at the table as to whether it is a question that is appropriate to be answered at this time or not, given the government's view of this matter, and whether or not it is a matter that might need to be deferred. As I said, you are free to ask questions if you think they are matters that are not actually before the royal commission and that you would like an answer on. You are obviously free to ask them and we will have to make a quick judgment as to whether we think either I or officials are in a position to answer them here and now. Either they are or are not matters before the commission per se. Obviously, there are matters surrounding the whole Iraq issue and the UN and everything else that may not be before the commission.

**Senator ROBERT RAY**—It seems to me, Minister, that the position has changed. I am not being critical of that. In fact, questions were ruled out and not answered in February because they could potentially come before the Cole commission. Now that the Cole commission has finished its hearings, we can be more definitive about what falls within their areas of interest. It seems to be that that is what you are saying, but I do not want to put words into your mouth.

**Senator Minchin**—I do not know that it is all that different to February. The position then was that matters before or potentially before Mr Cole we felt it better not to respond to given his inquiry. Obviously, as I understand the position, his hearings have been completed and we await the report, subject to him wanting to reopen the hearings, of course. I guess we are more cognisant now than we were in February of the full range of his inquiries. As was the case then, we will give due and instant consideration to the question of whether any of your inquiries fall within the ambit of the government's position on this or not.

**Senator ROBERT RAY**—We are going to come back to some of those process issues because I think they fall within the legitimate inquiry. We raised the question earlier today, because it will be relevant in the supplementary budget estimates, about available time. We cannot ask the questions now. My guess is that, by the time we get to the supplementary budget estimates, we may not have time to fully explore these issues as we would have in the budget estimates. Can you explain the reason why the government has cut out spillover days in this particular round of estimates?

**Senator Minchin**—I think Senator Ellison explained at great length in the chamber the government's view on this matter. I am not sure that I can add any great wisdom or knowledge to that which Senator Ellison put on the record in the chamber. While it was being said widely and publicly that the government was going to ravage and destroy the whole Senate estimates process and was treating the Senate with contempt, we made it clear that, no, from the government's point of view we would support the continuation of effectively three lots of estimates in any one year. As you know, we retained the possibility of a spillover day in the February estimates because it is only a week. But given that this period of estimates is two weeks—eight days, from nine in the morning till 11 at night—and that spillover days were not used all that frequently, and given the imposition on both senators and senior officials in effectively having to write off two full working days, it seemed to us inappropriate and therefore we came to the view that we would not have spillover days in this fortnight of

budget estimates. We would anticipate retaining them in the shorter period, when you only have the four days. But given that there are eight full days, nine till 11, we thought that was sufficient time without everybody having to write out of their diaries the Fridays without any idea whether they would be used or not. Given that you already had eight days we thought that was unreasonable.

**Senator ROBERT RAY**—Thanks for answering my next question, which was going to be what your attitude is for November. Minister, I thank you for that assurance.

**Senator Minchin**—At this stage my understanding is and the inclination is to keep the spillover day—

**Senator ROBERT RAY**—But do you have any corporate understanding of how we came to this? Don't you understand that as a government you came to the Procedure Committee, when you did not have a majority in the Senate, putting a strong case for the abolition of supplementary additional estimates and we accepted it with good faith on the assurance that the rest of the estimates process would stay intact? Just a few years later the only thing that has changed is you have got a Senate majority, and then you knock off the extra day. Even a degree of consultation with the minor parties and the opposition would have been appreciated. We had a lot of consultation at the Procedure Committee when we got rid of those additional days, and there were good arguments to get rid of them. But assurances were given: this was the last territorial demand. What do we find? You turn up in the Senate chamber and knock them off without consultation. I do not think that is a very good way of operating because I can tell you now, Minister, sooner or later you will lose your Senate majority, and people have long memories. That is not a threat; it is just political reality that when the punishment comes back it will be doubled. That is not a sensible way of doing it. At least by way of consultation you might have moved it forward and you might have been reminded of the corporate history of this.

**Senator Minchin**—Fair enough. I would just make the point that it is our intention to retain the three phases of estimates. There are plenty of people saying, 'Why on earth do you need three estimates in a year?' and all that sort of stuff. But, no, we are happy to keep the three lots of estimates. All that has happened—which I think is, frankly, a relatively minor change—is just not to make available those two spillover days in one session of the three. Fair enough—I do pride myself on seeking to encourage a more consultative approach. But, against that background, I think it was obvious that other parties would kick and scream and say, 'That's outrageous, you mustn't get rid of the spillover days.' I think it was obvious what the position would be. Given that that is the only change we proposed, I think our position is eminently reasonable, and probably much more reasonable than you might have privately expected.

**Senator FAULKNER**—That is not right. You talk about the three phases of estimates. That is true, there are three phases of estimates. There have been three phases of estimates since 2001. But prior to that there were four phases of estimates, as you know: a budget round, a budget supplementary round, an additional estimates round and an additional estimates supplementary round. That has been the way the Senate has worked for decades—and it is decades. An agreement was reached, on a clear understanding that the other three rounds of estimates would be protected and defended in their entirety, to move away from a

fourth round—the point being that even though a fourth round was only three days, as you appreciate, it basically cost a parliamentary sitting week. So it gave the government of the day—which was the Howard government—an extra parliamentary sitting week as well as having an impact, obviously, on accountability and the like, which these estimates rounds bring. So my problem with it is that it is a complete breach of faith.

**Senator Minchin**—I am sorry you think that.

**Senator FAULKNER**—It is not a matter of me thinking it—it is! If you were to check with your predecessor, who was part of the—

**Senator ROBERT RAY**—That would be Beekman Place, New York.

**Senator Minchin**—Thanks, Senator Ray.

**Senator ROBERT RAY**—You always remind me that I went there—not you, but your other ministers—so I thought I would remind you of that. That is next to ex-senator John Olsen, who lives across the corridor. I thought I would remind you of that too.

**Senator FAULKNER**—And I might say, Senator Minchin, you have a much better record of honouring commitments you make than Senator Hill has ever had. We both know that. But this commitment was made by me on behalf of the opposition at the time, with my colleagues, and by Senator Hill in consultation with his colleagues. Many senators still in the chamber were on the Procedure Committee and worked through these issues, so I respectfully suggest that you need to look at that history and acknowledge it, if not act on it.

**Senator Minchin**—Thank you, Senator Faulkner. I hear what you say.

**Senator ROBERT RAY**—Have we got any further information on those questions on notice?

**Dr Morauta**—I have one: PM39 was answered on time—that was about briefs to the DPP—but we are still looking for the other answers at the moment and I am chasing them now.

**Senator ROBERT RAY**—Some of these answers close off the issues because they are definitive. Let us go to PM6, PM8 and PM17. After the Prime Minister gave evidence to the Cole commission, he was required, along with Mr Downer and Mr Vaile, to put in a supplementary statement referring to a cable that had not at that stage been tendered. Therefore, they could not have been cross-examined on the cable because it had not reached Cole at that point. We have asked question about process: how good the search was for relevant documents and whether all documents have been handed over. How many were not handed over in what was thought to be the complete amount? How many slipped through the system in one form or another?

**Mr Lewis**—Perhaps I could step you through the way in which the documents were presented.

**Senator ROBERT RAY**—That would be good.

**Mr Lewis**—We might be able to come back to the math part of that, if you agree. On 3 February the department volunteered 23 documents to the inquiry, and they were forwarded by DFAT to the commission that day. This was as a result of the Department of Foreign

Affairs and Trade having been called upon to provide documentation. So we were providing them to the commission through the Department of Foreign Affairs and Trade.

**Senator ROBERT RAY**—You were not subpoenaed, were you?

**Mr Lewis**—No. On 17 February we were served a notice to produce and on 24 February, in response to that notice to produce, we submitted 94 documents that went to correspondence, cables, emails, ministerial submissions, briefs and PPQs. Along with that response, the secretary of the department advised that there were some classified documents and that we would need to work a little to make sure that there was no breach of classification in their tendering.

**Senator ROBERT RAY**—Did you know the number at that stage?

**Mr Lewis**—I do not know. It was a small number. It turns out to be three—I am about to tell you. It was a small number of documents. Also, we would likely turn up some additional documents—again, a fairly modest number—as a result of an absolutely detailed and extensive electronic search and search of our files. Just recapping that particular evolution, on 24 February we submitted 94 documents. On 27 February—three days later—the department submitted a further three documents, which were classified documents. They were redacted; they had bits cut out of them. They needed to be redacted because of the security classification of the documents. On 20 March we then provided a further 12 documents, which were recovered as a result of searches of the departmental G drive and a number of other hard copy searches that were done. They are the four key dates.

**Senator ROBERT RAY**—What was that last date?

**Mr Lewis**—20 March.

**Senator CHRIS EVANS**—Can I just be clear on this. Did you say the subpoena to PM&C was issued on 17 February?

**Mr Lewis**—Yes, the 17th.

**Senator CHRIS EVANS**—And you responded on the 24th after an electronic search of the G drive?

**Mr Lewis**—That is right. That was the requirement of the subpoena.

**Senator CHRIS EVANS**—Sorry, I had the 21st as being the date of the subpoena.

**Senator ROBERT RAY**—There was a cable that the Prime Minister, Mr Vaile and Mr Downer subsequently had to put a statement in because it was not subject to cross-examination. Did that emanate and go to the Cole commission from DFAT rather than from PM&C?

**Mr Lewis**—I will have to seek some advice on that.

**Senator ROBERT RAY**—While you are doing that you might clarify this, and we may be able to foreshorten this. With all the documents you held, did you have to send cables that were sent to PM&C and DFAT to the commission, or did you rely on DFAT to send all those cables to the commission? Take advice, please.

**Mr Lewis**—I am advised that we did not send cables; we only sent the other correspondence. The cable you are referring to came from the Department of Agriculture, Fisheries and Forestry.

**Senator FAULKNER**—Just on this technical issue, you mentioned that you were served notice on 17 February. Separate to that there was a subpoena to the Prime Minister, wasn't there?

**Mr Lewis**—There was a subpoena to the Prime Minister, I believe. But it was not at that time, as I recall.

**Senator FAULKNER**—No, that was 21 February wasn't it?

**Senator CHRIS EVANS**—That was the date I had, but I must have been getting confused.

**Mr Lewis**—I will need to check on that date.

**Senator CHRIS EVANS**—You are saying the subpoena on the 17th was to the department?

**Mr Lewis**—Yes, that is correct.

**Senator FAULKNER**—What Senator Evans and I are trying to establish here is whether we are talking about one and the same thing, or two different notices.

**Mr Lewis**—For 21 February, the only record I have here is that Mr Cole issued a statement extending an invitation to anyone with information concerning actual or constructive knowledge of the Commonwealth matters before the inquiry to come forward. You might recall that was in the public domain.

**Senator CHRIS EVANS**—Just so I am clear: as far as you are concerned there was only one subpoena?

**Mr Lewis**—There were a large number of subpoenas to various departments and agencies, but to this department there was only the one subpoena.

**Senator CHRIS EVANS**—To your knowledge was there a separate subpoena to the Prime Minister, or was it just to his department?

**Mr Lewis**—I can confirm that on 21 February the Prime Minister received a request to produce, which was responded to on the 27th.

**Senator CHRIS EVANS**—So are the three documents you filed on the 27th in response to the request to the department of the 17th, or were they in response to the request personally to the Prime Minister of the 21st?

**Mr Lewis**—To the department on the 17th.

**Senator CHRIS EVANS**—Was there a response to the subpoena/request of the Prime Minister?

**Mr Lewis**—Yes.

**Senator CHRIS EVANS**—That was also on 27 February?

**Mr Lewis**—Yes, I believe that to be true.

**Senator CHRIS EVANS**—Did he provide documents?

**Mr Lewis**—Yes, documents were involved in that, with documentary.

**Senator CHRIS EVANS**—So, separate to the three documents provided by the department on 27 February, further documents were provided by the Prime Minister on 27 February?

**Mr Lewis**—That is correct.

**Senator CHRIS EVANS**—How many documents did that consist of?

**Mr Lewis**—My record shows 39.

**Senator CHRIS EVANS**—Thirty-nine documents were provided by the Prime Minister in response to the subpoena he received on 21 February? Who compiled those documents for him? Was it done by PM&C?

**Mr Lewis**—I do not know. It was not done by the department, to my knowledge.

**Senator FAULKNER**—You do know that it was not done by PM&C?

**Mr Lewis**—It was not done by PM&C.

**Senator ROBERT RAY**—One of the things I am trying to work out is: were any of the 39 documents the same as you provided? Are they all separate documents? Is there any sort of liaison to say, 'We won't duplicate here, because that set of documents has already come out of the Department of the Prime Minister and Cabinet' or are they separate documents?

**Mr Lewis**—I am unable to say. I do not know. I can only account for the ones that we dispatched from the department.

**Senator ROBERT RAY**—Let us go to just your procedures for a moment. No doubt my colleagues will come back to that. In terms of duplication, how do you determine what they already have—what the Department of Agriculture, Fisheries and Forestry, the Department of Foreign Affairs and Trade or someone else sends off? How is that sorted out?

**Mr Lewis**—That was managed through the process of a coordination meeting, which I chaired, which met about twice a week, from late February, I think. We sought to ensure two things: firstly, that the departments were responding in a coordinated way to get around the point that you raised about duplication; and, secondly, to ensure that the government's direction that there be full compliance with the request for documentation was carried through.

**Senator ROBERT RAY**—Was that a committee or an ad hoc committee? How would you describe it?

**Mr Lewis**—Not a committee. I would characterise it as a coordination meeting with a number of departments and agencies present.

**Senator FAULKNER**—It was not an IDC?

**Mr Lewis**—No. An IDC is something that has form around it.

**Senator ROBERT RAY**—Who would have been at the coordinating meeting? How many did you have? Did you have several?

**Mr Lewis**—We had a number—about two a week for a period of a number of weeks. I will just get you a record of who was there. As I said, I chaired the meeting. There were

representatives from DFAT, the Attorney-General's Department, AusAID, DAFF, Treasury, the Wheat Export Authority, Austrade, Customs, AFP, Defence and, generally, the AIC, the Australian intelligence community, were at most of the meetings—the agencies that had an interest in the notices to produce.

**Senator ROBERT RAY**—First of all, I am puzzled as to why the Wheat Export Authority would be there when they are a statutory authority, not within the Public Service, and therefore were not subject to the cabinet direction. Why were they in sometimes and out at other times? Do you know?

**Mr Lewis**—Indeed, they were in sometimes and out at other times. I do not recall them being there as continuous and uninterrupted members. They were there for a couple of meetings. I think they would not have been present as often as they were in attendance.

**Senator ROBERT RAY**—I am using this only as an example. You have a document—I think it came from the agriculture department—that came to Cole very late and, therefore, the Prime Minister and others had to put in their response to it. How was that not picked up? Surely you have a copy of it and you could look at the overall list and say to that department, 'Why haven't you put that in?' or is it just too big a task? I do not understand this. Taking bias out of it, if I or Senator Minchin had to rank the five biggest documents, it would easily be in the top five. I think we would agree on that. How does it miss out in the system when you have the informal working group looking at all this?

**Mr Lewis**—I cannot explain that. It was not brought forward to the committee. We were not aware of it.

**Senator ROBERT RAY**—But I am asking about PM&C processes. Surely you have a copy of that somewhere on your files—it was relevant. It was not your primary document—I accept that. Someone is shaking his head so perhaps you did not have a copy.

**Mr Lewis**—We did not have a copy.

**Senator ROBERT RAY**—So when was it sent to you—and this cable was actually sent to you at some stage, I assume?

**Mr Lewis**—I can only say that it was sent to us as part of the trawl when it finally surfaced. Whether we had received it before that or not, it does not appear on our records as having been part of our holdings.

**Senator FAULKNER**—But the Prime Minister was an addressee on this document, wasn't he?

**Mr Coppel**—We had access to the cable electronically but it was not printed off and filed.

**Senator ROBERT RAY**—So there was no hard copy?

**Mr Coppel**—There is no requirement for us to keep a hard copy as it is not our document.

**Senator ROBERT RAY**—We are just trying to establish what happens.

**Senator FAULKNER**—The Prime Minister is an addressee; the department is not an addressee—is that right?

**Mr Coppel**—No, I am saying that the department would have had access to that cable.

**Senator FAULKNER**—I heard that and that is why I am just trying to understand whether the department is an addressee of—

**Mr Coppel**—That is what I understand is meant by being an addressee.

**Senator FAULKNER**—I did not know that that is what having access means. So you were an addressee?

**Mr Coppel**—That is right.

**Senator ROBERT RAY**—You think that in both cases—the one that is addressed to the Prime Minister and the one that is addressed to the department—you received it but did not access it?

**Mr Coppel**—It is the same document. It is the same cable.

**Senator ROBERT RAY**—It is only received at one central point—is that what you are saying?

**Mr Coppel**—It is dispatched once and a large number of agencies and individuals would have access to it electronically off the computer, including the department.

**Senator ROBERT RAY**—And the Prime Minister's office—separately from you?

**Mr Coppel**—Yes.

**Senator ROBERT RAY**—If you like, electronically it has gone to two potential points of access and you are telling us that neither actually accessed it?

**Mr Coppel**—We do not have a record of having printed that cable out and of it being kept on file. It may have been accessed in the sense that you can open the document, read it on the screen and then close it.

**Senator FAULKNER**—Do you have a record of the document being opened at the Department of the Prime Minister and Cabinet?

**Mr Coppel**—No, we do not. That is not captured by our system so we do not have a record.

**Senator FAULKNER**—So you have no record of that so you do not know whether it was opened or not?

**Mr Coppel**—Correct.

**Senator ROBERT RAY**—When you go back and do an electronic search to assist the subpoena and the Cole inquiry this does not come up and register on your system either?

**Mr Coppel**—The electronic searches are on what is called the G drive of documents which the department creates.

**Senator ROBERT RAY**—I am sorry, I am not following you.

**Mr Coppel**—There are two computer systems within International Division. One is a classified system, which is the Department of Foreign Affairs and Trade's SATIN High system. Cables are received on the system. Our G drive, which is a standard drive for the department, is where we would create letters, correspondence, and briefs for the Prime



Minister and documents of that sort. The electronic searches of our documents are on the G drive.

**Senator FAULKNER**—I am not an expert in this and I am a layman. Is it fair to say that, in relation to the system that operates in the Department of the Prime Minister and Cabinet, you can read a cable such as this without printing it—that is the first point—and, secondly, if a cable such as this is read, there is no record in the department of the fact that it has been read? Is that in a nutshell what you are saying?

**Mr Coppel**—That is my understanding.

**Senator Faulkner**—That is your understanding but it is either right or it is wrong. Is what I am saying correct? I am trying to put in a nutshell what your evidence is.

**Mr Lewis**—Perhaps we could get an answer for you in fairly short order on that.

**Senator FAULKNER**—The trouble is, Mr Lewis, that that is the evidence that we have received. If that is the case, at least we understand what the situation is. It can be read without printing and, if it is read, there is no record of it having been read, unless it is printed.

**Mr Coppel**—Certainly we in International Division are unable to have those records. The answer to the senator's question is that there is no record in the department.

**Senator ROBERT RAY**—And what you are further telling us is that the electronic searches within Department of the Prime Minister and Cabinet went to the G drive of generated documents but would not in any normal course of events search what you may have received or what is on in basically what you regard as a DFAT site?

**Mr Coppel**—That is the DFAT database of cables, yes.

**Senator ROBERT RAY**—So that document should have been, we presume, discovered either by DFAT or by the department concerned, not by PM&C—you would not have known of its existence?

**Mr Coppel**—Yes.

**Senator ROBERT RAY**—I am just trying to establish how these things happen. It is not a trick question—not yet anyway. Tell me about the three classified ones. I am not going to ask you about the contents—you know that. Who determines what parts of those documents are classified? Is there any independent way of establishing what is deleted is deleted for proper classification or some other departmental sensitivity? I am not accusing you of anything, but reassure me of the method used.

**Mr Lewis**—The originator has responsibility for the release of information that is in any document that they originate. So the originator of each of those three documents would have been the final arbiter as to what could or could not go forward.

**Senator FAULKNER**—Might such a cable be password protected for opening?

**Mr Coppel**—Yes. Just to get onto the system you need a password. Each individual has their own separate password.

**Senator FAULKNER**—Individual passwords?

**Mr Coppel**—Yes, individual passwords.

**Senator ROBERT RAY**—I am not sure about that.

**Mr Coppel**—About having an individual password?

**Senator ROBERT RAY**—No, I am going back to Mr Lewis's answer about the originator having the sole say on what goes on to a royal commission.

**Mr Lewis**—The originator is, as you know, formally responsible for the content of that material and for the on-handling of it, if you like, beyond its first distribution.

**Senator ROBERT RAY**—It is who makes the final assessment as to what should be deleted on security grounds and how that can ever be arbitrated or cross-checked. I have never been one to argue for the automatic production of classified material or anything else—in another life, both Senator Faulkner and I have had a lot of experience in protecting it—but it is who eventually determines what is relevant within that. We have seen examples, for instance, of commercial in confidence being used on both sides of politics—I acknowledge that—to protect a particular document, but maybe, when you actually see the document, parts could have been deleted and other parts not. I am just wondering where the independence in this process is to make sure something has not been deleted for politically sensitive or personal reasons. Just leaving it to the original is something I worry about a little. I would wonder whether the Inspector General of Intelligence and Security could be used on occasion to verify that. He has access to most of these documents. Anyway, it is a suggestion for the future.

**Senator CHRIS EVANS**—Before you go off the subject, there is a question I would like to ask, Mr Coppel. What guidelines do you provide for staff in relation to printing of cables? Is it normal for people to print and file cables? Are there particular circumstances where one is supposed to print them?

**Mr Coppel**—The Department of Foreign Affairs and Trade would have their instructions. In the Department of the Prime Minister and Cabinet, some cables are printed off when they relate to matters which involve the department for action—for example, the travel of the Prime Minister or meetings that the Prime Minister might be having. Most cables that we have access to and can print or we can read on the screen, we do so as a means of keeping informed about what is going on internationally. There is no ongoing requirement to retain them on file.

**Senator CHRIS EVANS**—That is what I thought. Do you encourage people to print them or do you encourage people not to print them?

**Mr Coppel**—All documents which we have created, if they are cables which we have sent to a post overseas, we would print off and file. Similarly, with cables that come in in response to some tasking we have done we would. But if a post somewhere in the world sends in a report on some social developments we can access it and read it if we wish but there is no benefit in our filing that separately.

**Senator CHRIS EVANS**—Your evidence is the cable in focus at the moment was not printed off.

**Mr Coppel**—I cannot say that it was not printed off. I can only say—

**Senator CHRIS EVANS**—But you did not find it on your files.

**Mr Coppel**—Correct.

**Senator CHRIS EVANS**—So a reasonable assumption is it was not printed off, or if it was printed off it was not filed.

**Mr Coppel**—Some people print cables to make it easier to read them and then put them in the classified waste.

**Senator CHRIS EVANS**—But in terms of a policy, you are saying to me that unless it was for the attention of the Prime Minister or there was some action involved you would not necessarily have printed it off.

**Mr Coppel**—That is correct.

**Senator ROBERT RAY**—On the interrelationship between the International Division and the Prime Minister's staff on the access of cables, is it entirely left to the Prime Minister's staff as to which cables are either summarised or brought to his attention, or does the International Division highlight to the Prime Minister's staff that they think these cables should at least be accessed or summarised for the Prime Minister's attention?

**Mr Lewis**—I think it could be a combination of both.

**Senator ROBERT RAY**—I do not want to know what it could be. I want to know what it is. Could-be's ain't so!

**Mr Lewis**—Most certainly the Prime Minister's staff will bring to attention of the Prime Minister those things that they think he should be aware of.

**Senator ROBERT RAY**—Yes, they will.

**Mr Lewis**—In our case, from the department's point of view, if there is material there which we think is of that sort of importance and where there is any suggestion that perhaps it is not being brought to the Prime Minister's attention, then our officers would bring it to the attention of the PMO.

**Senator ROBERT RAY**—Okay. That has answered the question—and you did not have to say 'possibly, maybe'.

**Mr Lewis**—No. But it is both.

**Senator ROBERT RAY**—Yes—not everything: some they would access independently; others you would highlight for their attention to be brought to the Prime Minister's attention, with no compulsion involved. I understand that. Are there any plans to revise that into the future, given that it appears that some crucial cables may not have been drawn to the attention, not even have been opened?

**Mr Lewis**—Not that I am aware of.

**Senator ROBERT RAY**—So we just go on and blunder into the future, do we? It is not an unfair question. It is not an unfair question, is it, that cables that may indicate that bribes are being paid to Saddam Hussein, our sworn enemy, were not drawn to the attention of the Prime Minister? There may be just a little fault in the system somewhere. Maybe the whole cables system has to be revised. I do not know, but I would have thought someone in PM&C might have been thinking about it. No?

**Mr Lewis**—No.

**Senator FAULKNER**—How was the Prime Minister able to say in parliament on 8 February that the Cole inquiry had all the documents held by the Department of the Prime Minister and Cabinet? You would recall that statement by the Prime Minister. They may not be the precise words he used—I do not have the *Hansard* in front of me—but that is a very fair reflection of what was said. Was the Prime Minister able to say that on advice from the department?

**Mr Lewis**—Yes, we believed that all the documents had been found at that point. That turned out not to be the case, as I have described earlier, with the four tranches of submission.

**Senator ROBERT RAY**—You went through that experience of four tranches and you coordinated the overseeing and coordinating of other departments. Did other departments go through a similar process? Is this an endemic problem to PM&C, or is it just a common pattern?

**Mr Lewis**—I cannot speak for other departments; I can only speak for our own. The system we have for the management of cables has been in place for quite a long while. There is room for improvement, I am sure; there always is with these systems. But I am satisfied that it is a thorough system.

**Senator ROBERT RAY**—Thanks for that, but I did not ask that. I appreciate the answer. You are chairing a coordination of an informal group about the production of documents, hopefully ensuring there is no duplication. You know yourself that PM&C has had to put in four tranches. Surely you would know whether other departments had to do the same. They would say, ‘We’ve just found X or Y.’ I am trying to find out whether this is just a specific problem to PM&C. I am almost certain it is not; I am almost certain DFAT has been through the same thing. But I am asking you, as the chair of the informal group, do you have knowledge of that?

**Mr Lewis**—I am sure that there were subsequent discoveries in other departments, but I do not know the detail.

**Senator ROBERT RAY**—I am not going to ask you for the details. I am asking: did it come up at the meeting? I am just asking whether it exists. I could not possibly ask you for the details; I will ask the other departments. Did they say at these coordination meetings, ‘Yes, we’ve found some extra ones’?

**Mr Lewis**—Yes.

**Senator ROBERT RAY**—Thank you. It took a long while, but we got there.

**Senator FAULKNER**—Given the time line that you have provided, I assume that it is true that if there had been no notice to produce documents—or a subpoena, if you like—received at the department on 17 February, then 94 plus three plus 39 plus 12 documents would never have seen the light of day, because you felt by 17 February that the job had been done. Is that right?

**Mr Lewis**—Based on the search that we had done to that time, yes, that is correct.

**Senator FAULKNER**—Have you be able to establish why the search was so hopeless—or inadequate?

**Mr Lewis**—I would not characterise it as ‘hopeless’.

**Senator FAULKNER**—It was hopeless—

**Mr Lewis**—It was narrow.

**Senator FAULKNER**—All right: why it failed to produce 94 plus three plus 39 plus 12 documents and only produced 23. It fell a long way short of the mark.

**Mr Lewis**—You might recall that I was describing to Senator Ray a moment ago that we did not have our notice to produce at that point. The notice to produce which came on the 17th had quite an extensive and specific list of issues to be searched. I am not a technical person, but clearly those key words were inserted into the search engine and that resulted in the discovery of these additional documents. But there was a considerable expansion of what was being called for between the gather in January and the gather following the 17 February notice to produce.

**Senator FAULKNER**—What about the extra 12 on 20 March, which I gather were from some form of electronic search that was not conducted previously—is that right?

**Mr Lewis**—That is right.

**Senator FAULKNER**—Why was that?

**Mr Lewis**—In the department’s response on 24 February we advised the commission that the granularity of the search had been adjusted and it was possible that some additional documents might come out of that. Those 12 are indeed documents that came out of a further electronic search and a search of files and records.

**Senator CHRIS EVANS**—Do you know what the source of the 39 documents that the Prime Minister submitted was?

**Mr Lewis**—No, I do not.

**Senator CHRIS EVANS**—These were documents not held by the department.

**Mr Lewis**—I cannot answer that. I do not know.

**Senator CHRIS EVANS**—I assume they were documents not previously submitted. Would the Prime Minister’s office have known of the documents that you submitted?

**Mr Lewis**—Of the original 23?

**Senator CHRIS EVANS**—The original 94, wasn’t it?

**Mr Lewis**—The subsequent 94, yes.

**Senator CHRIS EVANS**—The 23 or the 94. What I am saying is: on 27 February, the Prime Minister’s office or the Prime Minister submitted 39 documents to the Cole commission. I am trying to ascertain whether these are in addition to the 23 you submitted on 3 February, the 94 you submitted on 24 February, and the three you submitted on 27 February. Are we talking about 39 different documents?

**Mr Lewis**—As I say, I do not know what those 39 were. I cannot comment on them.

**Senator CHRIS EVANS**—Are they on the commission website now?

**Mr Lewis**—Again, I am sorry, I am not aware. I do not know.

**Senator CHRIS EVANS**—When you submitted your documents to the Cole commission, did you inform the Prime Minister's office of the nature of the documents or list them?

**Mr Lewis**—There was consultation with the Prime Minister's office for material that was submitted to Cole.

**Senator CHRIS EVANS**—I would have assumed that they were closely involved in this. Did you take the first subpoena to apply to the Prime Minister's office as well as the department, or purely to the department?

**Mr Lewis**—The subpoena we received on the 17th?

**Senator CHRIS EVANS**—Yes.

**Mr Lewis**—It was directed to the department, addressed to the secretary.

**Senator CHRIS EVANS**—So the ambit of your search would not include the Prime Minister's office?

**Mr Lewis**—No.

**Senator CHRIS EVANS**—But obviously you would inform them that you were doing the task and you were in consultation. When you submitted on 3 February and 24 February, did you inform the Prime Minister's office that you had submitted those documents to the Cole commission?

**Mr Lewis**—There was consultation for all documents submitted.

**Senator CHRIS EVANS**—So you are saying to me that they knew you had submitted those documents?

**Mr Lewis**—There was consultation for all of the documents that were submitted.

**Senator CHRIS EVANS**—If the question that I am trying to put to you isn't the right one, tell me what the right one is. I accept that there was consultation. Did they know that you had put the 23 documents in on 3 February?

**Mr Lewis**—As a result of consultation, yes, they would have known that.

**Senator CHRIS EVANS**—And the same with the submission of documents on 24 February—okay. Did they know the nature of the documents that you submitted?

**Mr Lewis**—Yes.

**Senator CHRIS EVANS**—Did they have copies of the documents you submitted?

**Mr Lewis**—I do not know, Senator. I am not sure.

**Senator CHRIS EVANS**—Is there someone here who can help us with that?

**Mr Lewis**—No, I do not know, Senator.

**Senator CHRIS EVANS**—And there is no-one here who can help us with that?

**Mr Lewis**—No.

**Senator CHRIS EVANS**—Perhaps you could take that on notice for me. Given that the Prime Minister's office knew of the nature of the documents, if not had copies, which is an open question, we can assume, I suspect, that therefore the 39 documents they submitted on 27 February were in addition. Otherwise, they would simply be resubmitting stuff you had already submitted.

**Mr Lewis**—I am not able to speak further on the subject of the knowledge of the Prime Minister's office. As you know, it is a matter before the commission and I am not able to comment further on that.

**Senator CHRIS EVANS**—Did the Prime Minister's office provide PM&C with a copy of the documents that you had submitted to the Cole commission?

**Mr Lewis**—I believe not, certainly not with International Division, and we will check with the rest of the department.

**Senator CHRIS EVANS**—So you did not even have a list of the nature of the documents?

**Mr Lewis**—I am unable to comment on that, Senator. I do not know the answer to your question but the detail of that is a matter, in my view, before the commission.

**Senator CHRIS EVANS**—The detail is, but I am asking you a question that is in your knowledge. Were you at International Division provided with a list describing the nature of the documents supplied? It is a straight factual process. Did you have the list or didn't you? I am not asking what the list said.

**Mr Lewis**—I can only say that we understand it to be cables and emails. I do not know the detail.

**Senator CHRIS EVANS**—I am not asking you the detail. I am asking—

**Mr Lewis**—I am just saying I do not know the answer to your question.

**Senator CHRIS EVANS**—That is a different answer. When you say that, are you speaking on behalf of Prime Minister and Cabinet or are you saying that as Duncan Lewis the individual? Was PM&C provided with information as to the sort of documents or a list of the documents that were supplied to the Cole commission by the Prime Minister's office?

**Mr Lewis**—That is not something that I can answer. I do not know.

**Senator CHRIS EVANS**—Perhaps you might take that on notice for me.

**Senator ROBERT RAY**—Regarding PM17, it is really a question of how you interpreted that question. Senator Faulkner asked: do you know how many documents there were? I think the answer is accurate: records of the Department of the Prime Minister and Cabinet indicate there were 23 documents. But, of course, subsequent to being asked that question you released another 98 and then another 12. Did you ever consider putting that in the bulk of this just to assist the Senate in the parliamentary process, or do you always read them so literally?

**Mr Lewis**—It was a straight answer to the question, as we knew it at the time. I understand the point of your question, but it is a direct answer to the question asked.

**Senator FAULKNER**—Can you tell me when the answer to that question was provided.

**Senator ROBERT RAY**—Does 6 May seem right?

**Dr Morauta**—We can find out when the answer was provided for you, Senator.

**Senator FAULKNER**—We ought to be able to find that out now because you have the list in front of you.

**Dr Morauta**—I have a list of the answers. What I have not got is a list of the dates. I have asked somebody to get me a list of the dates. I have an aggregate list of the dates but I do not have a date for each question.

**Senator ROBERT RAY**—Did some answers go in on 6 May? That might help us. I am pretty certain that is when it came in. Maybe that is when they were received here.

**Dr Morauta**—I have some going on 4 May and some on 17 May.

**Senator ROBERT RAY**—It sounds like 4 May would be the most likely. Anyway, you read it literally and did not think that sharing extra information with us would educate us or help us.

**Senator FAULKNER**—In relation to this particular question, we need to know when a draft answer went forward to Mr Howard, because if it has gone forward to Mr Howard any later than 24 February it is hopelessly inaccurate. I would not believe for one second that that is the case. Really, someone here is not being very helpful with the committee. It was provided to me on 19 May.

**Dr Morauta**—It could well be that it was provided technically on the 17th and reached you on the 19th. I am not sure whether anybody from the committee—

**Senator FAULKNER**—There is an issue, of course, of when a draft answer went to the Prime Minister and so forth. But the answer says 23 documents. By 24 February, forgetting about what happened in March, there was an additional 94 documents. That does not really indicate that the Department of the Prime Minister and Cabinet has been particularly helpful in answering these questions. And I suspect, in fact, that it is quite an inaccurate answer, even at the time it was provided, judging by the information that we have heard from Mr Lewis.

**Dr Morauta**—I think the department would not feel it was inaccurate in the sense that there was a series of questions about material provided in that early tranche of things. I think the questions in relation to that early tranche were answered as they were asked.

**Senator ROBERT RAY**—Which is what I said. I actually said in my question that I thought that. If you want to answer every question so literally, you are going to get an awful lot more that you are going to have to take on notice to cover off these things. There was a lot of subsequent information that would have been of assistance to this committee and the Senate. Minister, when the Cole committee reports, is the report going to be tabled in parliament? Has consideration been given to that?

**Senator Minchin**—I am not aware of what, if any, consideration has been given to that. There has been no discussion of that in my presence. I am happy to see what I can find out about that, but I suspect that no thought has been given to that as yet.

**Senator ROBERT RAY**—The last royal commission I can remember was into Centenary House.

**Senator FAULKNER**—Which one?



**Senator ROBERT RAY**—There were two, but I am talking about the last one, which was not tabled in the Senate and a government minister came in and put himself fourth on the adjournment so that there would be no response. It was put down that way. I would hate to think that the Cole inquiry was going to follow that sleazy practice.

**Senator Minchin**—It is a very important report and I would think that the government will deal with it appropriately. I am simply not in a position to tell you right now.

**Senator FAULKNER**—Not to mention the precedent of asking questions at Senate estimates committees about royal commissions!

**Senator CHRIS EVANS**—I would like to go back to the cable argument as it is not at all clear to me. Mr Lewis, you seemed to express some confidence in the system, but do I take it that your system does not allow you to tell whether or not a senior officer or a minister has actually seen a cable?

**Mr Lewis**—That is true. This answer might be a bit drawn out and there are others better qualified in respective agencies to speak for their own agency, but each department and agency has a different system of both receipt and then distribution of that sort of material. The DFAT SATIN High system, which is the system we are talking about for the cables, records the name of an account when a user opens a cable for reading as well as when the cable is printed. This clarifies the point that we were making earlier. I will make the point very clear that, when you log on and you open a cable, the SATIN High system records your account as having opened that cable. So there is a record that you, the individual, had opened the system.

**Senator ROBERT RAY**—You had better clarify that, because I think you were probably asked whether you would know that. Are you now saying that the department of foreign affairs would know but the department of PM&C may not know?

**Mr Lewis**—In the department of PM&C, we do not, because we do not control that system. The system is run and managed by the Department of Foreign Affairs and Trade.

**Senator ROBERT RAY**—That was not made clear in your earlier answer.

**Mr Lewis**—Sorry. That is why I am trying to clarify it now.

**Senator CHRIS EVANS**—So they would know whether you had opened cable X?

**Mr Lewis**—That is correct.

**Senator CHRIS EVANS**—But no-one else in your department would know whether you had opened cable X?

**Mr Lewis**—That is right.

**Senator CHRIS EVANS**—Would they know if a cable had been opened by an officer inside the Prime Minister's office?

**Mr Lewis**—I imagine so—on the same basis.

**Senator CHRIS EVANS**—So DFAT does know who read these cables?

**Mr Lewis**—I would think that the system controller would have a view of whoever was opening cables. I make one qualification here. We know this to be the current capability. I do

not know how far back that capability goes. I am not sure whether there is any sort of grandfathering arrangement with that.

**Senator CHRIS EVANS**—Thanks for that. That is something we can obviously ask DFAT about.

**Senator FAULKNER**—Did you ask DFAT in relation to the cable we were speaking about earlier?

**Senator ROBERT RAY**—I thought that Mr Coppel said that he did not think anyone had opened it.

**Senator FAULKNER**—He said that he did not know whether anyone had opened it.

**Senator ROBERT RAY**—Did you go back and check with DFAT?

**Senator FAULKNER**—This is the 9 March cable about—

**Senator CHRIS EVANS**—Did you ask DFAT whether or not they could tell you if the cable had been opened inside PM&C?

**Mr Coppel**—We were asked whether we had received a notice to produce the documents we had to the commission and we complied with that request.

**Senator ROBERT RAY**—That is a good answer. Now answer the question.

**Senator FAULKNER**—We know from your evidence that the cables can be read on your computer without being printed and there is no PM&C International Division record of whether a cable has been opened or not. You have told us that, haven't you?

**Mr Coppel**—Yes.

**Senator FAULKNER**—We have now heard the broad brush evidence that the originating department has, or might have—sounds like 'has'—a record of who opens a cable. Is that right or wrong? That is what Senator Evans has just been told. That is correct, isn't it, Mr Lewis?

**Mr Lewis**—The department which administers the system, which is DFAT, has that capacity technically.

**Senator FAULKNER**—Exactly. So now I am trying to establish in relation to the cable about which we were asking a range of questions previously, which was dated 9 March, whether a check was made by any officer in the Department of the Prime Minister and Cabinet with an officer of the Department of Foreign Affairs and Trade as to whether an officer of the Department of the Prime Minister and Cabinet opened the cable. Surely to God you did that!

**Senator ROBERT RAY**—Give him a chance to answer. There are two possibilities here: yes or no.

**Mr Lewis**—No, we did not do it and we were not required to do it.

**Senator FAULKNER**—You didn't?

**Mr Lewis**—No.

**Senator FAULKNER**—I find that absolutely extraordinary. You could have gone back to DFAT to find whether the cable had been opened and you did not do it.

**Mr Lewis**—I think that we are getting quite close to areas that I would consider to be before the commission—

**Senator FAULKNER**—No, it is a process question.

**Mr Lewis**—No, in particular with regard to what has been characterised as constructive knowledge, I think that this is a matter before the commission.

**Senator FAULKNER**—With due respect, I do not agree with you at all there, Mr Lewis. This is not only relevant to the cable of 9 March 2001 but actually relevant to any cable. It is incredible that the Department of the Prime Minister and Cabinet, given these circumstances and the coordination meeting that you chair and the like, did not make that fundamental check that we now have been able to establish at this Senate estimates committee can be made about this very important cable in question, or for that matter any cable. You are perfectly happy to come here and say that the system is of such a nature that you do not know if it has been read in PM&C unless it is printed and if it has been read and opened there is no record of it in your department without telling us the crucial piece of information and evidence that if it is opened and not printed in the Department of the Prime Minister and Cabinet—in other words, opened, read, digested—the Department of Foreign Affairs and Trade knows, but no-one bothered to go back and check with this cable of 9 March 2001. Did they check with any of the other cables?

**Mr Lewis**—I think that is the point. You say that it applies to all of the other cables, and for that reason I think these are matters to do with constructed knowledge and I am not able to provide any further information.

**Senator ROBERT RAY**—That is half right if the following question were, ‘Who did access it?’ You have not been asked that and I doubt you will be because you would be entitled to refuse it on the very grounds you have just put forward. You are one step short of that. I am sorry to have to disagree with you. You are one step short of that. The question asked was still within the process area.

**Mr Lewis**—I disagree with that. I think that I am at that point.

**Senator ROBERT RAY**—You are not entitled to anticipate where we are going. Quite often it is very obvious, but it does not entitle you to not answer the question that is still on the process.

**Mr Lewis**—I understand.

**Senator ROBERT RAY**—Once we get to the crossing of the line, you are entitled to say, ‘Minister, I’ve been directed not to answer this.’ The question is still about why you would not check.

**Senator CHRIS EVANS**—Isn’t it the case that the Prime Minister and his office were able to say which cables were opened in their office and which were not?

**Mr Lewis**—I cannot comment. I do not know.

**Senator CHRIS EVANS**—It is part of the transcript of the evidence at the Cole inquiry.

**Mr Lewis**—Then it is a matter in front of the Cole inquiry. That is my point. I am not prepared to answer any questions along that line.

**Senator FAULKNER**—A lot of information has been given to the Cole commission about failure to recall, but here is something that is completely able to be checked. You do not have to rely on recall; it can be checked with the Department of Foreign Affairs and Trade.

**Mr Lewis**—I would suggest you check with them.

**Senator FAULKNER**—I might do so, but we have only been—

**Senator ROBERT RAY**—After you do.

**Senator FAULKNER**—Yes. In other words, you expect me to do your job.

**Mr Lewis**—No.

**Senator FAULKNER**—Exactly. You want me to check with the Department of Foreign Affairs and Trade when these highly paid officials—you earn a lot more than I do—from the Department of the Prime Minister and Cabinet do not appear to have worked out that it was possible to make the same check and answer these essential questions. Anyway, Mr Cole said he is not interested in constructed knowledge.

**Senator ROBERT RAY**—We are not getting any further on that. Minister, you will not answer this question, but I will ask it anyway. What I know about wheat exports you could write on the back of a postage stamp, but one thing I have discovered, and I hope that you as Minister for Finance will look at it, is the efficiency and competency of the Wheat Export Authority. To me, it seems to absorb a lot of salaries and do nothing. I will leave that little editorial with the Minister for Finance—

**Senator Minchin**—I will not answer that question.

**Senator ROBERT RAY**—It came up in the context—

**Senator Minchin**—I know as much about wheat exports as you obviously do.

**Senator ROBERT RAY**—You should have a close look at the salaries paid and what the output is, because I was totally shocked by it.

**ACTING CHAIR**—On that note, it is time to close.

#### **Proceedings suspended from 5.58 pm to 7.54 pm**

**CHAIR (Senator Mason)**—I call the committee to order. Firstly, I apologise for my absence earlier today and I thank Senator Murray for doing such a good job as acting chair. I welcome the minister and Dr Morauta. Good evening. We are on general questions, but before we commence I think Dr Morauta has some information for the committee.

**Dr Morauta**—Yes. We had a few questions that we took on notice. I will just run through them. First of all, there is a correction. Senator Faulkner, I think you said that you received some answers on 18 May and I tried to tell you that you received them on 17 May. You were right. We tabled 17 responses on 18 May. That is a correction for the record.

**Senator FAULKNER**—Dr Morauta, it has been taken for granted that you said that I was right.

**Dr Morauta**—Yes, you were right. I think we were asked for when we provided PN17. That was on 18 May. You also asked us about questions 60, 62 and 63 and where those were at. They were ones that had not been provided to you. They were first submitted to the Prime Minister's office on 15 March. There have been a number of iterations, and they are not yet finalised. That was the group of questions that I picked up from earlier on.

**CHAIR**—Thank you. The committee is continuing its examination of general questions. Who will open the batting?

**Senator CHRIS EVANS**—I was going to ask Mr Lewis a couple of follow-up questions. I did not want him to feel unloved, as he retired to the back benches. Mr Chair, I just want to confirm my understanding of the evidence before we broke for dinner—that is, that PM&C has not asked for nor been provided with information concerning which cables provided in relation to AWB were opened by PM&C officials. Is that right, Mr Lewis?

**Mr Lewis**—I do not recall you asking that question before. I will have to check on this. We do not have a record of that. We do not know who in the department opened those cables.

**Senator CHRIS EVANS**—And you have not asked the department of foreign affairs or the Department of Defence for that information?

**Mr Lewis**—That is correct.

**Senator CHRIS EVANS**—Have individual officers been able to ask Foreign Affairs that question as an aid to their memory?

**Mr Lewis**—I do not know the answer to that. I am sure they could but I do not know whether they have.

**Senator CHRIS EVANS**—So you have not done it as a department, but you are not aware of whether individual officials may have?

**Mr Lewis**—No, I am not aware.

**Senator CHRIS EVANS**—When did PM&C become aware that Foreign Affairs had that capacity? Was it widely known? Has it been known for a long time? You said earlier that you were not sure how long they had had that capacity.

**Mr Lewis**—I cannot speak for everybody in the department. Certainly, in my own case—and I am sure this would be widely the situation—I became aware as a result of our own checks into the system and what access we did or did not have. I became aware of how the system operates as a result of our own internal checking.

**Senator CHRIS EVANS**—Do you mean in relation to the AWB matters?

**Mr Lewis**—In relation to our trawl for our documents.

**Senator CHRIS EVANS**—So before the request to trawl through your documents you did not have knowledge that Foreign Affairs and Defence could keep a record of who had opened the cable?

**Mr Lewis**—I do not think we ever indicated that the Department of Defence could record open cables.

**Senator CHRIS EVANS**—Sorry, I mean Foreign Affairs.

**Mr Lewis**—The Department of Foreign Affairs and Trade. I was not aware of the detail of how the system works. It is a technical issue which I was not aware of.

**Senator CHRIS EVANS**—Sorry, that was my error. So this knowledge that Foreign Affairs was able to keep a record of who opened a cable was news to you and you think more generally fairly recent news to other officials as well?

**Mr Lewis**—As I say, I cannot speak on behalf of others but, for me, it was certainly new information. I was not aware of how the system worked. I had not taken any particular interest in the technical operation of the system.

**Senator CHRIS EVANS**—People tell me that previous systems to this current email, cable system used to require people in various departments to acknowledge receipt. There was a system by which the person who sent you the cable found out that you had got it and read it. Your evidence earlier seemed to indicate that these days that is not the case—that when PM&C are sent a cable from Foreign Affairs it may remain unopened and no-one would know. Is that right?

**Mr Lewis**—I stand corrected here. The option is with the originator, who can request that acknowledgment of the cable be sent. I am being corrected here.

**Mr Coppel**—I am not aware of that.

**Senator CHRIS EVANS**—That was the old Defence system, as I understand it.

**Mr Lewis**—I may be a bit dated here.

**Senator CHRIS EVANS**—So is my source. They tell me that that was the system inside Defence and other departments. It is counterintuitive that we now have a system where we might send the senior national security person in the PM's department a cable that says 'al-Qaeda has infiltrated the New Zealand government' and unless they opened the cable they would never know. I would have thought that that was something that they would need to know in terms of doing their daily job. But, on the basis of the description of the system given to us tonight, it seems that if you do not open it you will never know. That would seem to be a pretty slap-dash system with a lot of holes. Is that the case? Does no-one ever know whether you have read what they think you ought to read?

**Mr Coppel**—That is right. The cables are received by many people. If you open up your system, you can see the titles of all the cables that you have access to. Whether you take the next step of opening the cables is driven by your work priorities and whether the matter falls within your area of responsibility.

**Senator CHRIS EVANS**—I can understand that if you are—

**Mr Coppel**—The access is much larger than the need.

**Senator CHRIS EVANS**—I can understand it if you are dealing with spam.

**Mr Coppel**—We are talking about cables, not emails.

**Senator CHRIS EVANS**—That is right. This is fairly serious stuff.

**Mr Coppel**—It is not spam. They are all official documents.

**Senator CHRIS EVANS**—I treat them seriously. That is why I am a bit concerned that no one else seems to.

**Mr Coppel**—That is not what is being said. You asked whether there is a guarantee that a particular individual opens that cable. The system does not allow the originator to know who has opened their cable.

**Senator CHRIS EVANS**—Does it let them know whether anyone has opened them?

**Mr Coppel**—No, it does not.

**Senator CHRIS EVANS**—With my example of al-Qaeda infiltrating the New Zealand government, if Foreign Affairs sent that to PM&C, we would never know whether or not you found out.

**Mr Coppel**—With matters of importance, I can assure you that there is a lot of dialogue between the departments. People are, generally speaking, opening most messages.

**Senator CHRIS EVANS**—If they are like me, sometimes they might come in and find that 700 have accumulated over the weekend and they will have to prioritise. Anyway, the point is that there is no formal acknowledgment process for emails containing cable information sent to PM&C.

**Mr Coppel**—For cables, not emails. There is a distinction between an email and a cable. Our emails are much the same as emails you might receive. The discussion we have been having has been centred on diplomatic cables.

**Senator CHRIS EVANS**—Okay. But, as I understood your evidence, cables come up on your system in much the same way but they come from a different source.

**Mr Coppel**—It is a separate inbox.

**Senator CHRIS EVANS**—Nevertheless, it is received in the same sort of way.

**Mr Coppel**—That is right.

**Senator CHRIS EVANS**—You get a message from Foreign Affairs that says, ‘Cable so-and-so regarding al-Qaeda,’ and you open it or you do not open it.

**Mr Coppel**—It is something similar to that.

**Senator CHRIS EVANS**—Okay. So there is no acknowledgment, and you therefore do not know who inside PM&C has seen or not seen any particular cable.

**Mr Coppel**—That is right.

**Senator CHRIS EVANS**—Is that impacted if action is taken? Do some of the cables require action? Do they note that action is required by your department?

**Mr Lewis**—Cables can be sent for action or for information. I think there are two general sorts of categories.

**Senator CHRIS EVANS**—They are therefore notated as such so that when you receive it you know whether you are expected to do something about it or whether it is just for general information.

**Mr Coppel**—The content of the cable will indicate that.

**Mr Lewis**—But you will receive it as an addressee as an action or information copy.

**Mr Coppel**—Yes.

**Senator CHRIS EVANS**—Is there a separate listing for those who are required to act versus those who are just getting it for information? As I understand it, in the old system there would be a list of addressees of whom action was required and a list of those others for whom it was information only. Is there still that distinction with cables?

**Mr Coppel**—My understanding is yes.

**Senator CHRIS EVANS**—You are the expert, Mr Coppel. You look at the stars as though you were hoping that was right.

**Mr Coppel**—The system keeps changing with modifications and improvements.

**Senator CHRIS EVANS**—There is no formal system of acknowledging that some have received it. PM&C does not know who opened any of the cables related to AWB. Do you know whether the Prime Minister's office knows?

**Mr Lewis**—No, Senator, I have no idea. I say again that that line of question relating to the knowledge of the Prime Minister's office I regard as being a matter that is before the Cole commission.

**Senator CHRIS EVANS**—That is how I know, because I read the transcript and it has been in the public domain. I assume it is not a state secret. Are you able to give me a rough idea, Mr Lewis, of when you discovered that Foreign Affairs were able to determine who opened the cables?

**Mr Lewis**—Perhaps in March or April. I could not be more specific than that.

**Senator CHRIS EVANS**—Effectively, after you had first responded to the Cole subpoenas for information?

**Mr Lewis**—Yes, I think it was after that.

**Senator CHRIS EVANS**—Later in the piece. Can you be any more specific than late March/April?

**Mr Lewis**—No, I am sorry, I cannot.

**Senator CHRIS EVANS**—Thank you.

**Senator FAULKNER**—Mr Coppel is new to the committee. Did you come from the Department of Foreign Affairs and Trade?

**Mr Coppel**—Yes.

**Senator FAULKNER**—Are you seconded from the Department of Foreign Affairs and Trade?

**Mr Coppel**—Yes.

**Senator FAULKNER**—What is your secondment for?

**Mr Coppel**—Two years.

**Senator FAULKNER**—What is your role?



**Mr Coppel**—I am the Assistant Secretary of the Pacific, Rest of the World and Multilateral Branch in the International Division.

**Senator FAULKNER**—Given that you are a DFAT officer, wouldn't you have known the situation in relation to the issue that has been canvassed here recently and before the dinner break in relation to the DFAT capacity to record who in PM&C may have opened a DFAT cable? You would have been aware of that because of your DFAT experience, wouldn't you?

**Mr Coppel**—I was asked whether PM&C have that capacity, and I answered that question.

**Senator FAULKNER**—I am not suggesting that you did not. Because you are a DFAT officer, you would have had an awareness. You are not a PM&C officer at all. You are from DFAT, seconded to PM&C. I am not saying you are a DFAT spy in PM&C, by the way.

**Senator ROBERT RAY**—No, that is someone else.

**Senator CHRIS EVANS**—That is the bloke in the mackintosh.

**Senator FAULKNER**—Wouldn't you have known automatically what these procedures would be?

**Mr Coppel**—To be honest, I do not have an intimate, detailed knowledge of the systems. They are computer systems, and systems administrators run them. I am not terribly familiar with their capacities. I am aware in general terms that our email exchanges in DFAT can be and are monitored, because they issue administrative circulars on the use of email and the guidance for proper use of the email system. That gives me a general awareness of emails, but not of the cable system as such. But it does not come as any surprise to me that they have that capacity. I would not be able to speak with authority on what can be accessed, how and so on.

**Senator FAULKNER**—When did your secondment commence?

**Mr Coppel**—On 6 March 2006.

**Senator FAULKNER**—Were you dealing with issues in relation to AWB back at DFAT?

**Mr Coppel**—No, I was the executive director of the department's economic analytical unit.

**Senator FAULKNER**—Lucky! I am following up Senator Evans's extremely incisive questioning here.

**CHAIR**—Any further general questions?

**Senator FAULKNER**—I have a number of general questions.

**CHAIR**—On that train of thought.

**Senator FAULKNER**—I will just ask a question that is not associated with matters before the Cole commission but is in a related area, which is the US Senate inquiry into AWB. I asked for and received an answer in supplementary estimates on 14 February to the question: 'What role, if any, did PM&C have in relation to the approach of Ambassador Thawley to the chairman of the US investigations committee, and were any departmental processes involved in that approach?' Dr Morauta, I am sure you would recall that question that I asked.

**Dr Morauta**—Yes.

**Senator FAULKNER**—And the answer I received was that the Department of the Prime Minister and Cabinet has no record of any involvement in Ambassador Thawley's meeting with US Senator Coleman, the chairperson of the US Senate Permanent Subcommittee on Investigations. That is the record; that is the information I have received about no record of any involvement. Could someone outline to me when the department actually first became aware of this US Senate investigation?

**CHAIR**—Who is addressing that question? Are you looking at that?

**Dr Morauta**—No, I am not, really. I think it is more likely to be along the table.

**Mr Lewis**—I do not believe I have an answer to that.

**Senator FAULKNER**—You do not have an answer?

**Mr Lewis**—No, I do not.

**Senator FAULKNER**—Are we aware whether the Prime Minister had any contact with Mr Thawley about the investigation?

**Mr Lewis**—I am not able to answer that.

**Senator FAULKNER**—Why not?

**Mr Lewis**—It is a matter that I think is probably before the commission.

**Senator FAULKNER**—Come off it! This is a matter—

**Mr Lewis**—I am not able to answer that question—

**Senator FAULKNER**—The reason I am asking these questions is that there can be no argument about this particular issue being before Cole. It is not. I am talking about the US Senate inquiry. That Senate investigation is not a matter that is before Cole in any way, shape or form, and everybody knows it, so let us try to answer the substantive question.

**Mr Lewis**—I am not able to answer that. I do not know the answer.

**Senator ROBERT RAY**—Now how about uttering the other words: 'And out of respect for the committee, I will take it on notice and give you an answer.'

**Mr Lewis**—I will take it on notice. I do not know the answer.

**Senator FAULKNER**—If you do not know the answer to my question in relation to the Prime Minister and his contact with Mr Thawley, which may or may not be explicable—that you do not know, I mean—I would expect someone to know whether the department has had any contact with Mr Thawley. Can someone answer that, please?

**Mr Lewis**—I think that answer PM22 goes to that issue, doesn't it?

**Senator FAULKNER**—Can you remind me of that answer please?

**Mr Lewis**—The Department of the Prime Minister and Cabinet records show no record of the department having a role in Ambassador Thawley's meeting with the United States Senator Coleman, the chairperson of the US Senate Permanent Subcommittee on Investigations.

**Senator FAULKNER**—Is a record kept of the contact the Prime Minister has with the Australian Ambassador to the United States?

**Mr Lewis**—Not in the department. I would not imagine there would be any particular record of that, unless there was some sort of formal traffic between the two. But, as to what might happen privately, there would be no record in the department.

**Senator FAULKNER**—Do you know if a record is kept in the Department of Foreign Affairs and Trade? Is that what you are suggesting—if there was a record to be kept, it would be kept in another department?

**Mr Lewis**—No, I do not know whether there is a record kept there.

**Senator FAULKNER**—The Department of the Prime Minister and Cabinet is not routinely informed of contact that the Prime Minister might have with Australian ambassadors in other countries? I am surprised to hear that, but I accept it if that is your evidence.

**Mr Lewis**—I think it would depend very much on the circumstances of the time and to what extent the information needed to be shared around. I think every case would be different.

**Senator FAULKNER**—If the Prime Minister has meetings or contact with an ambassador, is the Department of the Prime Minister and Cabinet involved in briefing? I do not want to ask a hypothetical question, but obviously I am interested in the case of Mr Thawley. That is what I am thinking about here. That is no surprise to you. If, for example, the Prime Minister has a sit-down meeting with Mr Thawley, is the Department of the Prime Minister and Cabinet involved in briefing the Prime Minister? Is his own department involved in briefing or is it the Department of Foreign Affairs and Trade, or don't you know?

**Mr Lewis**—In my view, the exchanges between the Prime Minister and Ambassador Thawley, which go particularly to your question, are matters that are before the Cole inquiry and I am not prepared to answer on that basis.

**Senator FAULKNER**—I do not believe that they are before the inquiry.

**Senator ROBERT RAY**—Do you know that it has been raised at Cole?

**Mr Lewis**—I think there is a strong argument to be made that these questions and the line of questioning you are pursuing now go to the issue of constructive knowledge. For that reason, I do not believe I am able to answer.

**Senator FAULKNER**—What has Mr Cole said about constructive knowledge?

**Mr Lewis**—That it is a matter for the Cole inquiry. Surely I cannot speak to the views of the Cole inquiry. I am sorry—I cannot help with that.

**Senator FAULKNER**—I am now asking what involvement the Department of the Prime Minister and Cabinet has in the briefing of the Prime Minister for meetings he has with Australian ambassadors.

**Mr Lewis**—I will take it as a general question.

**Senator FAULKNER**—It was a general question.

**Mr Lewis**—In the general sense, if there were to be a prearranged formal meeting between the Prime Minister and an ambassador and it was going to be a meeting of some substance, it would be reasonable that the Prime Minister would get a briefing from the department. It would not be unusual.

**Senator FAULKNER**—Is this handled by the International Division?

**Mr Lewis**—That is correct.

**Senator FAULKNER**—Do you keep a log or a record of these briefings that goes through to the Prime Minister?

**Mr Lewis**—Yes, if a written brief goes to the Prime Minister we have a record of that.

**Senator FAULKNER**—Did the department brief the Prime Minister for discussions with Mr Thawley in September and October 2004?

**Mr Lewis**—I do not believe so, but I do not have any specific information to that extent. I go back to the answer we gave to your question with regard to the Prime Minister's involvement or engagement with Ambassador Thawley, where we have said to you formally that Department of the Prime Minister and Cabinet records show that there is no record of the department having a role in Ambassador Thawley's meeting. I cannot give you a more definitive answer than that. If I could take that one on notice, we can get you a very quick answer as to whether a brief went to the Prime Minister.

**Senator FAULKNER**—Thank you. The answer to this question is: the Department of the Prime Minister and Cabinet has no record of any involvement in Ambassador Thawley's meeting with US Senator Coleman, Chairman of the US Senate Permanent Subcommittee on Investigations. The reason I am asking these follow-up questions is the language that is used in answer to a question that is provided to me emanating from the last Senate estimates round. They are the words 'no record of any involvement in the meeting'. That seems pretty odd language to use, and I am just trying to find out what 'no record' means. Does it mean that there was involvement but you do not have a record of it? That is how I have read it but I try, of course, as Senator Minchin would know, not to be conspiratorial about these things.

**Mr Lewis**—I certainly would not construe that as meaning that there was knowledge and we just did not have a record of it. I regard that as being a statement that we have no record so there is no knowledge within the department of such a thing. I am assuming, therefore, that there was no involvement.

**Senator FAULKNER**—It does not say that it has no knowledge; it says that it has no record. That is the point, surely—that is a point. You cannot throw any light on that?

**Mr Lewis**—That is correct, I cannot.

**Senator FAULKNER**—Are you aware of meetings or discussions between Mr Howard and Mr Thawley in September and October 2004?

**Mr Lewis**—No, I am not.

**Senator FAULKNER**—You are not. Is anyone in the department aware of that?

**Mr Lewis**—I would have to run a check on that. I do not know.

**Senator FAULKNER**—What does 'involvement' mean here? It said 'no record of any involvement'. Does that mean there is no record of the meeting or no record of involvement in the meeting?

**Mr Lewis**—It says 'no record of having a role'.

**Senator FAULKNER**—The Department of the Prime Minister and Cabinet has no record of having a role in Ambassador Thawley’s meeting? Does it have any record of the meeting? It is not about having a role; is there any record? I am just trying to define down this extraordinary use of language: ‘The Department of the Prime Minister and Cabinet has no record of any involvement in Ambassador Thawley’s meeting.’ We will try this again: does that mean you have no record of the meeting?

**Mr Lewis**—It means that we have no record and therefore I believe that we would have no knowledge. But that is something that I would, obviously, have to check.

**Senator FAULKNER**—You are now able to say to me that ‘no record of any involvement’ means no record at all?

**Mr Lewis**—No record of the department having a role, Senator, is what it says there. I do not believe there is any attempt to be clever with the English language there. It is just a straight answer to the question that was asked.

**Senator FAULKNER**—It sounds to me like it is an attempt to be clever with the English language, I have to say. You say you have no record of the department having any role in the meeting. I am asking whether the department has any record or awareness of the meeting, as opposed to having a role directly. These are the weasel words that are being used here all of the time.

**Senator Minchin**—Senator Faulkner, do not abuse the officers in that way.

**Senator FAULKNER**—I am not abusing the officers. I do not know who prepared this answer to the question on notice.

**Senator Minchin**—The question was, ‘What role if any,’ and the department is saying, ‘We have no record of any role.’ In other words, ‘To the best of our knowledge there was no role in this meeting.’ Now you are asking a subsidiary question. That is fair enough. You are asking, ‘What about the meeting itself?’ You do not need to abuse the official’s use of the language by calling them weasel words.

**Senator FAULKNER**—I do not know who wrote the answer to the question on notice. Whoever it is, I am not actually abusing them. But you would appreciate, I am sure, Senator Minchin—because you are so careful in the words you use yourself—that the words ‘no record of any involvement’, which has now been redefined to ‘no record of any role’ by the witness at the table, is still unclear. I am trying to find out whether there was an awareness or record that the department had in relation to the meeting—not the involvement of or a role for Prime Minister and Cabinet, but an awareness or a record, which is a very different question. Every time I ask this question, it is redefined in a different way.

**Dr Morauta**—I think that can be taken on notice. It is a different question from the one we answered. We accept that. We will take it on notice.

**Senator FAULKNER**—It is a different question, but I was hopeful that a witness at the table might be able to provide an answer, given that investigations or work at the departmental level must have taken place here to draft an answer for the question asked in supplementary estimates.

**Mr Lewis**—I must say that, when I look at the question you asked—‘What role if any did the department play?’—and see that we have answered that the departments records show that there is no role that we have played, I would regard that as us not having knowledge of the meeting at all. But, as I said, I am happy to take that question as a separate issue and give you an answer.

**Senator FAULKNER**—Do you believe, by the way, that the words ‘role’ and ‘involvement’ are the same thing?

**Mr Lewis**—We have just tried to answer your question here. You asked, ‘What role if any did the department play?’ We have answered about the role. We have no record to show that the department had any role. I just take that to be that the department had no knowledge of the meeting at all.

**Senator FAULKNER**—I do not take it to be that because it does not say that.

**Senator Minchin**—The officer has said he is going to check that out.

**Mr Lewis**—I will take that on notice.

**Senator FAULKNER**—Are you saying to me, Mr Lewis, that there is no officer at the table who can actually answer this question?

**Mr Lewis**—I think that is true. We do not have anybody here who would have first-hand knowledge of that.

**Senator FAULKNER**—So there is no-one that can help?

**Mr Lewis**—That is right.

**Senator FAULKNER**—There was an email exchange, wasn’t there—Mr Howard has told parliament that it was in February 2005—between the head of the Iraq Task Force, Mr Blazey, and Ambassador Thawley? In the exchange, Mr Blazey informed the ambassador of ‘guidance we have received from the PM and ministers’. Are you aware of that email exchange?

**Mr Lewis**—No, I am not.

**Senator FAULKNER**—You are not?

**Mr Lewis**—No.

**Senator FAULKNER**—Are you aware of the internal Department of Foreign Affairs and Trade email dated 30 July 2004 which states:

... we have been discussing discreetly with key agencies (notably PM&C and A-Gs) how best to deal with the various OFF inquiries currently underway and the significant wider implications of this issue.

Are you aware of that DFAT email?

**Mr Lewis**—No, I am not.

**Senator FAULKNER**—Isn’t it true that the Department of the Prime Minister and Cabinet would appear, from the evidence that is available, to have been aware of the US Senate inquiry in July 2004 and that they were providing guidance on how best to handle it? Isn’t that true?

**Mr Lewis**—I do not know the precise detail or the timing, I am sorry. I was not involved personally in the matter.

**Senator ROBERT RAY**—I am sorry but you are not here to give evidence of what you know personally or what you are involved in. You are representing a department. You have got a range of officers behind you. Don't personalise the answers so much. That is not going to assist the committee.

**Senator FAULKNER**—We know that the ambassador and the Department of Foreign Affairs and Trade tried to shut down the US Senate inquiry. I want to know whether that was in accordance with PM&C guidance. We have got two documents on the public record that point to the Department of the Prime Minister and Cabinet and possibly the Prime Minister himself being informed and providing guidance to Ambassador Thawley on that very matter. Can someone from the department help me on this?

**Mr Lewis**—I am unable to, Senator. I do not believe we have people here who can do that.

**Dr Morauta**—We can take the question on notice.

**Senator FAULKNER**—If you have to take all these questions on notice, please find out for me when the department first became aware of the US Senate investigation into AWB—because you do not know that, do you?

**Mr Lewis**—No.

**Senator FAULKNER**—Please find out for me when the Prime Minister first became aware of that investigation. Can you also take on notice for me what action the department took after it became aware of the investigation. Can you also indicate to me when the department became aware of the fact that the Department of Foreign Affairs and Trade instructions were given to Washington about the inquiry—you might find that out for me. Please find out for me on how many occasions the Prime Minister spoke to Mr Thawley about this matter. I specifically want chased through the matter you have already taken on notice about the Prime Minister speaking to Mr Thawley in September and October 2004. You might also inform me, in relation to the Department of the Prime Minister and Cabinet, if there was any involvement of the department and any other agencies in relation to the US Senate Permanent Subcommittee on Investigations inquiries into the AWB. I would appreciate all those matters being taken on notice. It is very disappointing that there is no-one from the department that is apparently able to answer those questions.

**Mr Lewis**—I might just say that the reason we are unable to provide information on this is not because it has not been matters for which I personally have researched. The reason is, despite your previous assertion, that the PM was asked about the cables that relate to the US Senate investigations, *prima facie*, in the Cole inquiry and they are matters before the inquiry. I just come back to my point: as such, they are matters that I am not prepared to discuss further in this sitting.

**Senator FAULKNER**—Answers have not been provided to the questions I have asked.

**Mr Lewis**—I just want to correct the point you made earlier, that these were not matters before Cole. In my view they are matters before Cole.

**Senator FAULKNER**—In my view they are not. We have a different approach on this. I think we are dealing with different matters. I think in the case of the cable you are referring to, the questioning relates to matters in 2003 and 2004, as I understood it. I might be wrong; I have been known to make more than the odd mistake. I think you are mixing up the evidence and what Mr Howard's answers related to. I think you will find that these matters are absolutely matters that can be appropriately followed through at this inquiry. Not that I accept the gag on witnesses, anyway. Even if the gag were to apply, I do not believe that any of these questions are off limits. We will wait for the answers. I think you are referring to different matters—earlier matters. And I believe that Mr Howard was not asked anything at all about Ambassador Thawley in the Cole commission.

**Senator CHRIS EVANS**—I will ask about a related matter while we are here, and that is the question of payments of commission to a bank account on the Cayman Islands as a result of this sale to the Indian government. I would like to be clear as to when PM&C became aware of the allegations involving that transaction.

**Senator FAULKNER**—While you are thinking about your answer to that, for completeness of the record of my previous comment, Mr Lewis, not only was Mr Howard not asked anything in relation to Ambassador Thawley, he was asked nothing about the US Senate investigation either.

**Mr Lewis**—That is contrary to my understanding.

**Senator FAULKNER**—That is my understanding.

**Mr Lewis**—I have advice to the contrary.

**Senator FAULKNER**—So do I, and my own reading of everything that I have been able to read means that I am fairly confident in making that comment. Anyway, the questions are on notice and I would appreciate an answer to them at the earliest opportunity.

**Mr Lewis**—I will ask Mr Glyde to address the question on the Indian matter that is running in the newspapers today.

**Mr Glyde**—I am not aware as to when PM&C first became aware of this matter, but I am aware that this is a matter that is being dealt with by the Attorney-General's Department, and I suggest that is probably the best place to direct the questions in the first instance. I can get back to you in relation to when PM&C first became aware of the allegations, but I do not have the specifics of that. It is a matter for the Attorney-General's Department.

**Senator CHRIS EVANS**—In terms of PM&C's knowledge, are we talking recent times or are we confident it was some years ago when the matter was more current?

**Mr Glyde**—That is what I really have to check. I am not quite sure about when PM&C first became aware of this—whether it was just in recent times or earlier.

**Senator CHRIS EVANS**—I was not going to hold you to the date; I was just trying to get a sense of whether you were involved when the issue first came up.

**Mr Glyde**—I am afraid I do not have that information.

**Senator CHRIS EVANS**—Perhaps you could take that on notice for me?

**Mr Glyde**—Yes.



**Senator CHRIS EVANS**—What has your involvement been in responding to matters more recently?

**Mr Glyde**—The department has been in contact with the Attorney-General's Department today in relation to preparation of material for question time, but, again, I have not personally been involved in that work.

**Senator CHRIS EVANS**—So you requested a brief for the Prime Minister for question time today?

**Mr Glyde**—No. One of my staff was involved in that. I am not aware of—

**Senator CHRIS EVANS**—No—I meant the department.

**Mr Glyde**—Yes.

**Senator CHRIS EVANS**—When I say 'you', I am using the royal 'you'. You share responsibility more broadly, so do not take it as personal. PM&C sought material to equip the Prime Minister for question time today on these matters and you sought that from A-Gs?

**Mr Glyde**—We sought from A-Gs further information about the allegations and the background to the allegations.

**Senator CHRIS EVANS**—What is the distinction you are drawing there?

**Mr Glyde**—I was not trying to make any distinction at all. It was just to say that, as is our normal practice in these matters, we usually go to the line department to find out the background to any issue. I was just really saying that that is what we were involved in today.

**Senator CHRIS EVANS**—So are you suggesting to me that you may not have had any information prior to this appearing in Saturday's papers?

**Mr Glyde**—No. What I said I would have to do is check the extent of prior information that PM&C had. I personally do not have any prior knowledge.

**Senator CHRIS EVANS**—But did PM&C know before the *Saturday Age* article?

**Mr Glyde**—I have already taken that question on notice.

**Senator CHRIS EVANS**—The first question was broader as to when you first knew, but I am now asking you: did you know anything before you read about it in the paper on Saturday?

**Mr Glyde**—That is what I have to check in terms of other people in my division and the extent of their knowledge, if any, of that matter prior to the article appearing in the newspaper.

**Senator CHRIS EVANS**—But you are confident that A-Gs knew something about it before then?

**Mr Glyde**—Again, I do not have enough background to be able to comment on that. My apologies.

**Senator CHRIS EVANS**—I will refer to the *Age* article then. How is this matter being handled? What is PM&C's involvement in it now?

**Mr Glyde**—We will continue to provide a briefing for the Prime Minister, I would imagine. It really just depends on the information that comes forward. I really cannot predict what our future role will be.

**Senator CHRIS EVANS**—So you are not currently involved in the management of the issue?

**Mr Glyde**—No. As I said before, this is a matter for the Attorney-General's Department.

**Senator CHRIS EVANS**—Thanks for that.

**Senator ROBERT RAY**—I have not asked this question for a couple of years, but I know the department is well prepared. Someone is leaning forward. Could I have a list of DLOs? I think I have not asked this question for a couple of years.

**Senator FAULKNER**—I have asked it in your absence.

**Senator ROBERT RAY**—I am now told that Senator Faulkner may have asked it while I was on urgent government business somewhere. Ms Belcher, you have a list that you are prepared to table?

**Ms Belcher**—Yes. I will table that now.

**Senator ROBERT RAY**—Did you bring multiple copies? Should we await developments?

**Ms Belcher**—Not enough.

**Senator ROBERT RAY**—What is the total number?

**Ms Belcher**—The total number at the moment is 71.

**Senator ROBERT RAY**—At its peak, the number got to 72. Am I right?

**Ms Belcher**—Yes, that is right.

**Senator ROBERT RAY**—So it has sort of flattened out?

**Ms Belcher**—Yes. On several occasions over the last four or five years, the number has been 72.

**Senator ROBERT RAY**—Government staffing, of course, has not, but that is for another department. That number has gone to a record 443 in the last week, I believe, so it is good to see that the number of DLOs has flattened out. Are there any nasty little scandals in there that I should ask you about or can I just send you back to the back of the room?

**Ms Belcher**—I do not think there is anything that you will want to pursue.

**Senator ROBERT RAY**—Okay. Go back to the back of the room then. I would like to raise a matter out of the PBS. I just did not understand one of the references. I think this is a general question. I refer to page 19, under 2.5, 'Special Appropriations'. That deals with special appropriations for Governors-General. Does someone understand these things better than I possibly could?

**Dr Morauta**—If it is a technical financial question, I will get the chief financial officer to the table.

**Senator ROBERT RAY**—There is no provision in either 2005-06 or 2006-07 under ‘Provision of superannuation surcharge for former Governors-General’. I do not understand what that provision ever was. Could you explain it to me?

**Ms Patterson**—I do not know the answer to that question at the moment.

**Senator ROBERT RAY**—That has killed any follow-up questions.

**Dr Morauta**—I think we are in violent agreement that we do not know the answer to your question. We will have to find out. I am sorry. We will try and find out why the figure is zero in both years and why we would include it. We do not know the answer as to why that item is still sitting there. We will have to find out in order to give you an answer.

**Senator ROBERT RAY**—The question is not really about why it is still sitting there but why it was ever there in the first place. What is it about? It is not about there not being any funds this year or in the previous year but why was it ever there?

**Dr Morauta**—I am sorry, we do not know and we will have to find out.

**Mr Williams**—We will have to take it on notice.

**Senator ROBERT RAY**—I do not think you will have to take it on notice. PM&C has a while to run. I do not mean tonight.

**Dr Morauta**—We can find out.

**Mr Williams**—I meant for the time being. We can find out overnight, I believe.

**Senator ROBERT RAY**—Raise it with me some time tomorrow. We will come back to it.

**Senator FAULKNER**—I would like to ask a question—and this may be in Ms Belcher’s area; I am not sure, but that is most likely—about the decision-making process in relation to the offering and holding of state funerals. This may be a question for CERHOS. I am not sure. Is it?

**Dr Morauta**—Yes, CERHOS.

**Senator FAULKNER**—I have never asked questions about state funerals before. I thought it would be in either a government division or in CERHOS. Can you run through the process for the benefit of the committee? This is something we have not done at estimates committees in the time I have been around, which is all too long. Can you run through the process about offering a state funeral and how it works from the departmental perspective?

**Mr Leverett**—There is actually no official entitlement on anybody to a state funeral. But, by convention, there are certain categories of public officeholders that are offered a state funeral. They would include: prime ministers, governors-general, executive councillors, chief justices and a few others.

**Senator FAULKNER**—Did you say chief justices—as opposed to justices of the High Court?

**Mr Leverett**—That is correct; just the chief justice. I can get you on notice the definitive list. There are not many more than that, but I think there are a couple of other categories that I have just not touched on.

**Senator FAULKNER**—I did not think there was a definitive list, from what you were saying.

**Mr Leverett**—No, there are guidelines that define by convention who has been offered them and who typically would be offered them. There is nowhere that says anyone has an entitlement—that is the point I was making.

**Senator FAULKNER**—It is a convention.

**Mr Leverett**—There are guidelines that have developed by convention that include certain categories.

**Senator FAULKNER**—Have those guidelines been in place for quite a while?

**Mr Leverett**—Yes, for a long time.

**Senator FAULKNER**—Have they changed at all?

**Mr Leverett**—No.

**Senator FAULKNER**—If a person dies and if they fit the guidelines, are they automatically offered a state funeral or is the offer of a state funeral made after a request? What is the situation?

**Mr Leverett**—It happens both ways. For more high profile people who have had appropriate office and are well known, the initiative to offer a state funeral to this particular individual is often taken by the department or by the PM's office. There are other cases where—I do not mean this disrespectfully—certain ex-ministers and others from a long time ago who were never high profile in the first place and were not on the public record die and we do not know that until someone approaches us. Usually the family will come to us and say that their husband, father or whatever has died and ask whether there is an entitlement for a state funeral. The department cannot approve that; we put it to the Prime Minister of the day, who is the ultimate approving authority for a state funeral.

**Senator FAULKNER**—Is each and every state funeral signed off by the Prime Minister?

**Mr Leverett**—Yes.

**Senator FAULKNER**—Has that ever been delegated?

**Mr Leverett**—I could not answer that question specifically. To my knowledge it has never been delegated, but state funerals have been around for a long time.

**Senator FAULKNER**—In a situation where a state funeral has been offered and the family of the deceased accept the offer of a state funeral, what happens then? Does this mean the costs are picked up by the government? Are the arrangements made by CERHOS and the like? Can you explain to me what happens after the offer has been accepted?

**Mr Leverett**—CERHOS would meet with representatives of the family and the appointed funeral director. The family would choose that—we do not impose any particular arrangements on the family; the family make that decision. We trilaterally get together and discuss the arrangements.

**Senator FAULKNER**—There might be an involvement in organisation or there might not be. It is case by case; is that right?

**Mr Leverett**—Correct. Some are bigger than others; some want a very private funeral. There are all sorts of variables.

**Senator FAULKNER**—I understand that. What about the costs issue? Does this tend to mean that some costs are picked up by the Commonwealth?

**Mr Leverett**—Most of the costs but not all. For instance, if a state funeral is granted, we advertise it in the public notices, so there is an advertising cost, which is generally one of the higher costs involved in a state funeral. We pay the funeral director's costs and the celebrant if there is one. If there is hospitality before or after, we do not pay for that—that is the family's business. There are guidelines and it would depend. There are so many variables as to what might happen at a particular funeral.

**Senator FAULKNER**—Are there written guidelines?

**Mr Leverett**—Yes.

**Senator FAULKNER**—Could you table them?

**Mr Leverett**—I do not have them with me but, yes, I can.

**Senator FAULKNER**—You are going to table the convention or guidelines in relation to those who are offered state funerals. You might table, if you do not mind, the guidelines in relation to the costs that are borne by the Commonwealth. There are also, it seems to me, occasions when a state funeral is offered perhaps to a person, a prominent citizen, who might not necessarily be in a category defined by convention. That is obviously the case; I can think of a number of examples. Can you confirm that for the committee?

**Mr Leverett**—That is correct. The guidelines have a sentence—I cannot quote the exact words—along the lines of 'other distinguished Australians who have made a significant contribution', or words to that effect.

**Senator FAULKNER**—Again, these decisions are made by the Prime Minister?

**Mr Leverett**—He would approve it, yes, but the initiative could come from a range of sources.

**Senator FAULKNER**—What sorts of sources might an initiative come from?

**Mr Leverett**—The department. For instance, we might discuss a particular passing with the office and say whether we do or do not think that particular person warrants a state funeral, and we make a recommendation. But the Prime Minister would make the ultimate decision to grant or not grant a state funeral.

**Senator FAULKNER**—Is it almost an automatic thing now that when a prominent citizen dies the department puts forward a brief to the Prime Minister saying that this person passes muster or does not pass muster for a state funeral?

**Mr Leverett**—No, it is not an automatic thing at all. In fact, it would be the exception rather than the rule.

**Senator FAULKNER**—Who initiates that at the departmental level?

**Mr Leverett**—Me or my branch. If we initiate it, it would come from us, but we do not say routinely that someone has died so let us put a note up for a state funeral. Clearly, it is the

exception not the rule to offer a state funeral, and the person's contribution needs to be very significant. We make a judgment that we put forward for approval.

**Senator FAULKNER**—Has there been a change over time in the number of state funerals?

**Mr Leverett**—I would have to check the statistics but I do not think so.

**Senator FAULKNER**—Do you have the statistics available?

**Mr Leverett**—We do.

**Senator FAULKNER**—Could you share them with the committee?

**Mr Leverett**—I think we can.

**Senator FAULKNER**—Do you have them here?

**Mr Leverett**—No, I do not have them with me. I did not bring any material on state funerals with me at all. I am sorry; I did not expect this line of questioning so I am not prepared for it in that sense. But we do have the records of all the people who have been offered and granted a state funeral.

**Senator BRANDIS**—Does that include Victoria Cross recipients?

**Mr Leverett**—No, it does not. They are not on the list as such. That is not to say that a Victoria Cross winner could not be offered one, but they are not specifically mentioned.

**Senator FIFIELD**—Are backbenchers ever given a state funeral?

**Senator ROBERT RAY**—Are you volunteering?

**Senator CHRIS EVANS**—I understand that the Prime Minister would approve yours—any time you want one! Senator Brandis is also on the list, I understand.

**Senator FAULKNER**—He would certainly attend to check that you were cold! Anyway, I was waiting for the answer on VC winners.

**CHAIR**—I think the answer was no.

**Mr Leverett**—That is right. They are not on the list, but I qualified that by saying that it does not mean that somebody could not be offered one if they were deemed to be—

**Senator FAULKNER**—Where are the funds drawn from?

**Mr Leverett**—The state occasions funds, which is an area that my branch administers. We do not have a little bucket that says 'state funerals'; we have a bucket for official activities, and that is one of the things. One cannot budget for that sort of thing.

**Senator FAULKNER**—No, because there might be a significant number in any one year and very few in another, I would imagine. Is that the problem?

**Mr Leverett**—Correct.

**Senator FAULKNER**—It is not what you would describe as a capped entitlement. There is not a maximum.

**Mr Leverett**—In terms of value per funeral or the number of funerals?

**Senator FAULKNER**—Yes. There is not a maximum amount that could be spent. It would depend on how grand the occasion was et cetera. Would that be right?

**Mr Leverett**—That is correct. It is not an open chequebook, however. In those discussions, we keep an eye on that sort of thing.

**Senator FAULKNER**—Have you had any FOI requests in relation to details about state funerals?

**Mr Leverett**—Yes.

**Senator FAULKNER**—What did that go to—the actual costs and so forth?

**Mr Leverett**—I can recall one. There may have been one or two more, but I certainly recall one. It was a question on the cost of the state memorial service for Kerry Packer.

**Senator FAULKNER**—Did the department comply with that or is that still being processed?

**Mr Leverett**—My understanding is—I do not handle—

**Senator FAULKNER**—You are not the FOI officer.

**Mr Leverett**—No. But my understanding is that the request was withdrawn, with discussion. We also had some parliamentary questions on the issue of cost. As with visit costs, we feel that we have an obligation to table them in the parliament first. As you would know from questions at earlier meetings, we do not table our costs in a piecemeal way. When we have a full accounting of a visit or a funeral then we are happy to provide the full details of that.

**Senator FAULKNER**—So have those parliamentary questions been answered?

**Mr Leverett**—They have not been tabled. The answers have been prepared. They are awaiting approval and tabling. That should happen soon, I would think.

**Senator FAULKNER**—Were the questions generated from the Senate or the House of Representatives?

**Mr Leverett**—One from each.

**Senator FAULKNER**—Do you recall the nature of those questions?

**Mr Leverett**—They both went to the cost of the Packer memorial service. One was exclusively on cost; the other was on cost and the rationale.

**Senator FAULKNER**—In relation to those questions, you said that the answers are prepared or are being processed. Is that right?

**Mr Leverett**—Yes. And the FOI was withdrawn because the information that was sought was going to be available on the public record and we were not going to give it to them until it was on the public record. The person then withdrew the FOI request.

**Senator FAULKNER**—Is it an easy thing to do to show the pattern, let us say, over the past period of years? I do not want to disaggregate it, but I would have thought that the amounts spent on state funerals on an annualised basis would be a comparatively easy thing for you to pull out for us.

**Mr Leverett**—Yes, we could do that. I am not sure how far back we can go, but certainly for recent years that is easy.

**Senator FAULKNER**—It would be interesting to see the pattern over a number of years. It could be five or 10 years—that would be excellent. I assume that would be a comparatively easy thing to do. I ask you to take that on notice.

**Dr Morauta**—One thing that occurs to me is that we need to be careful if there was only one funeral in a year. We would not want to—

**Senator FAULKNER**—I was going to suggest that you might indicate the cost borne by the Commonwealth and the number of state funerals that had been granted. That would pick up the valid point that Dr Morauta made.

**Mr Leverett**—As I said earlier, we will tell you the numbers but not the cost, but I can add the cost as a separate exercise.

**Senator FAULKNER**—I just want an annualised figure, not a disaggregated one, at this stage. If you provide that other documentation and table it at some stage, we might be able to follow that up at the next estimates round.

**Senator ROBERT RAY**—Moving on to a different subject, did the Sheller committee report to government as a whole or just to the Attorney-General's Department?

**Dr Morauta**—Which committee?

**Senator ROBERT RAY**—The Sheller committee. It was a requirement in the ASIO legislation that an independent inquiry be set up and report to government and eventually the joint intelligence committee. It reported some weeks ago, but I do not know whether it reported to government as a whole or to the Attorney-General's—that then determines my next series of questions, or we move on.

**Mr Lewis**—I will get Mr Campbell to address the detail of this and to answer your question.

**Mr Campbell**—The Sheller report will be tabled by the Attorney-General in June. We have received only an electronic copy.

**Senator ROBERT RAY**—I do not want to ask any questions about it, nor can I because both Senator Faulkner and I have to consider it in another committee, but I noticed that a newspaper article in the *Sydney Morning Herald* on 8 May purported to report some of the findings of the Sheller committee. I am wondering if this is by way of an official government release, or whether it is in fact a leak of some form and, if so, whether the AFP have been called in to investigate the leak.

**Mr Lewis**—We have a security-in-confidence electronic copy of the report. It is embargoed. I cannot say more than that, I am afraid.

**Senator ROBERT RAY**—I do not understand what you mean by 'embargoed'. Do you mean it is a confidential document?

**Mr Lewis**—Yes, it is embargoed-confidential—that is correct.

**Senator ROBERT RAY**—So it should not appear in the press?



**Mr Lewis**—That is correct.

**Senator ROBERT RAY**—But getting back to the question, is it a whole-of-government responsibility here because it is a document that has gone to cabinet et cetera or does it remain basically a document of the Attorney-General's Department?

**Mr Lewis**—It remains a document of the Attorney-General's Department, as I understand it.

**Senator ROBERT RAY**—Having established that, I will not go on and ask you why you have not called in the Federal Police, because it is not your job. Very good.

**Dr Morauta**—I think Mr Williams would like to add to an earlier nonanswer we managed.

**Mr Williams**—That was in response to your question on the surcharge issue under our special appropriations. As noted in the heading preceding that table, the department has a number of special appropriations. The only active elements for this year and next year are the allowances to the former Governors-General. However, the first item covered the provision of a superannuation surcharge for former Governors-General. The requirement to pay a surcharge crystallised when Dr Hollingworth retired as Governor-General. The department in a sense is the superannuation fund for the Governors-General and pays their allowances pursuant to a special appropriation. When you receive a pension from a superannuation fund, you can opt either to have the fund pay the surcharge and have the fund recover the cost of the surcharge from you as time goes by or to pay the surcharge yourself and take your full pension. When Dr Hollingworth retired he elected for the fund to pay the surcharge, and that payment would have been made in the year that Dr Hollingworth retired or resigned. That amount would have been shown on that line for that particular financial year. We pay his allowance each year—and that is on the second line—at a reduced amount to reflect the fact that we are recovering the superannuation surcharge.

**Senator ROBERT RAY**—All that is very clear. I think I understand it. I just wonder why we bother to leave it in.

**Mr Williams**—They are standing special appropriations for the department. The third element, which is remuneration and allowances of members and other expenses relating to section 10 of the Parliamentary Commission of Inquiry (repeal) Act 1986, relates to the inquiry into Justice Murphy back in 1982. It is there in case there are any expenses that might be required to be paid relating to that inquiry. It is highly unlikely, I admit, but it is there. That is why that is showing nothing. The bottom element relates to the FMA Act, and it is basically a device for refunds that might have to be paid. It provides us coverage for the FMA Act. As you can see, there is no activity anticipated either this year or next year. They are four standing appropriations that the department administers, and you just happened to pick on the superannuation surcharge tonight. I apologise for not being able to answer before, but I hope I have cleared the matter up now.

**Senator ROBERT RAY**—I am wondering why insurance against being hit by an asteroid is not there with everything else.

**Mr Williams**—That is probably covered under the fourth part, which is payments admitted by law under the FMA Act.

**Senator ROBERT RAY**—Okay. Thank you for that information.

**Senator FAULKNER**—This question probably goes to Mr Lewis. You head up the International Division, don't you, Mr Lewis?

**Mr Lewis**—It is one of the divisions in my group, yes.

**Senator FAULKNER**—I asked some questions at this estimates committee on 14 February 2005 about Iraqi civilian casualties and what role, if any, the Department of Prime Minister and Cabinet might have had in establishing what those numbers of casualties might have been. I also asked questions of the Office of National Assessments, and I will follow that through tomorrow, and of the Department of Foreign Affairs and Trade. To sum up the responses I received, they were less than satisfactory and the clear indication was given that no efforts had been made to establish what the level of civilian casualties might have been and that our coalition partners, particularly the US, did not have any figures that we could draw on either.

Since that time, information has become public that in fact there was data that had been released in a report compiled by the Pentagon for the US Congress about civilian casualties in Iraq and some other issues. That was in early November last year. Given that there is now a tangible report which has been also commented on in the Australian media—admittedly late last year—I wonder if the Department of the Prime Minister and Cabinet is now able to confirm the fact that the US military has in fact conceded that it is keeping records of the deaths of civilians in Iraq.

**Mr Lewis**—I recall your question at the February estimates sitting. I do not believe we have the ability to confirm or not confirm that American report. I do not have knowledge of it personally. I know that within the department we have not taken any specific measure to capture those sorts of figures. That was explained to you at the last sitting, and I do not think that has changed. If there has been an American report—and I do not doubt what you are saying and will not dispute it—then we are not able to confirm those figures or offer you any figures from our own point of view.

**Senator FAULKNER**—The thing is, this gives quite a different picture than the evidence that was provided to me—and I am not suggesting that this evidence was provided to me by the Department of the Prime Minister and Cabinet—by government agencies broadly at that estimates round. I am disappointed that you cannot confirm for me that there was a report compiled by the Pentagon for the US Congress. You cannot confirm that?

**Mr Lewis**—I might suggest that this is a question that may be better directed to ONA or to Defence, because I recall you asking that question of them and at the time getting a rather more engaging answer than you had received from this department.

**Senator FAULKNER**—I intend to. I do not intend to spend a lot of time questioning this department at this time.

**Mr Lewis**—I am unable to confirm that.

**Senator FAULKNER**—I will raise it with ONA, and no doubt they will be made aware of that fact by somebody. This was first drawn to my attention through newspaper articles on 1 November last year, the general thrust of which was that the US admitted to keeping a secret

Iraq tally. My questions to you are simple ones. The first one was whether you can confirm the report compiled by the Pentagon for the US Congress. You said you cannot.

**Mr Lewis**—I cannot confirm the figures. I do not deny the report. I understand you have a record of that, but I cannot confirm the report.

**Senator FAULKNER**—I do not have an adequate record of it. I am hoping that at this estimates round I may be able to be provided with more detail. If you are not aware of the report, I assume you do not have any knowledge of the content of the report. Would that be right?

**Mr Lewis**—That is correct.

**Senator FAULKNER**—Has any effort been made by the department through the International Division over the 18 months since this issue was originally raised at Senate estimates to see if Australia can get a handle on any of this information—information which I would have thought was pretty critical?

**Mr Lewis**—Not to my knowledge. The principal carriage for this would not necessarily rest with PM&C. There has been no follow-up, other than us being aware that if figures were made available or put before us that there was interest. The answer is no.

**Senator FAULKNER**—It just strikes me that the crucial change here is a very clear and tangible indication that these sorts of records or, if you like, tallies—that is a term I do not like—have been used in relation to this. In other words, effectively, what are often called ‘body counts’ have actually been made by the Pentagon. Anyway, I broadly accept that it is probably better to raise the issue with ONA. I will do just that. I just wanted to check whether the department had had any formal knowledge of these Pentagon figures, which you have not.

**Senator CHRIS EVANS**—Can I ask about task forces. On the last organisational chart I saw, you had six task forces. Can I just run through them to see if they are still operating and whether you have others? Then I want to go to a couple of the specific ones. The APEC Task Force is still going and still costing a fortune, so we know about them. What about the COAG Skills Recognition Task Force?

**Dr Morauta**—Yes, in another form. It is now the Implementation Taskforce. It is actually located in DEST, with one PM&C officer heading it.

**Senator CHRIS EVANS**—So you have moved it on?

**Dr Morauta**—Yes.

**Senator CHRIS EVANS**—It is no longer a PM&C task force?

**Dr Morauta**—No, but it does have a PM&C officer at the head, so I mentioned it.

**Senator CHRIS EVANS**—Does that have fewer resources than it had previously?

**Dr Morauta**—No, it has more resources in DEST in the implementation phase.

**Senator CHRIS EVANS**—Yes, but in terms of the resource drain on PM&C?

**Dr Morauta**—Yes, it is less.

**Senator CHRIS EVANS**—What about the COAG Human Capital Taskforce?

**Dr Morauta**—Yes, we still have that.

**Senator CHRIS EVANS**—And the COAG Health Taskforce?

**Dr Morauta**—Yes.

**Senator CHRIS EVANS**—What about the Avian Pandemic Team?

**Dr Morauta**—Yes.

**Senator CHRIS EVANS**—And the Banks Taskforce Response Report? I have no idea what that is, but it is on my list.

**Dr Morauta**—You are talking about what we have at the present?

**Senator CHRIS EVANS**—Yes.

**Mr Glyde**—Yes, the Banks Taskforce Response Report is still going.

**Senator CHRIS EVANS**—They are the six I had on your organisational chart. I see there was some announcement by the Prime Minister about examining the regulatory burden on business. Is that a task force?

**Mr Glyde**—That is the Banks Taskforce Response Report. That is responding to the one you just mentioned.

**Senator CHRIS EVANS**—I told you I did not know what the Banks Taskforce Response Report was. Now I know!

**Mr Glyde**—It is to do with reducing regulation.

**Senator CHRIS EVANS**—I had something about a Taskforce on Biofuels.

**Mr Glyde**—That task force is now complete. It has finished its work.

**Senator CHRIS EVANS**—That was not on your organisational chart when I last saw it. Has that come and gone quickly?

**Mr Glyde**—Yes. It went for about two months. It was a very short term task force.

**Senator CHRIS EVANS**—You have solved the biofuels problem?

**Mr Glyde**—It led to the government's biofuels target and response.

**Senator CHRIS EVANS**—So that is gone. What about the task force of coalition senators and members to assist in communicating the government's IR changes? Is that run out of PM&C?

**Dr Morauta**—It is not ringing a bell for me. We are just scurrying around to see if we can find out about it. I am not sure about it.

**Senator CHRIS EVANS**—Maybe when you are searching to see if you are running that one, you can tell me what other ones you are running or that are now run at PM&C.

**Dr Morauta**—Sorry, we are just going back to the one you asked about.

**Senator CHRIS EVANS**—I suppose you had better list the things in government that PM&C is not running these days—that would be a shorter list.

**Dr Morauta**—Mr Tilley can answer your question.

**Mr Tilley**—Sorry, Senator, I only half heard the question from the other room.

**Senator CHRIS EVANS**—There is a task force of coalition members and senators to assist in communicating the government's industrial relations changes. Is that one of yours?

**Mr Tilley**—I am not aware of such a task force in PM&C.

**Senator CHRIS EVANS**—What other task forces are there, apart from the six I mentioned and the biofuels one?

**Mr Glyde**—There were a couple of task forces running throughout 2005. The first was in relation to export infrastructure, and it reported in mid-2005. That is my recollection. There was also a task force that came out of a COAG meeting—a national competition policy task force—which again went for about six months, and it finished at the end of 2005. So that work is now over.

**Senator CHRIS EVANS**—Are any other task forces still operative?

**Mr Lewis**—I can add another to your list, and it is one that has also ceased operation. The fisheries task force was formed over December, January and February, and it wound up its work in February. It has now ceased operating.

**Senator CHRIS EVANS**—And was that a PM&C task force?

**Mr Lewis**—Yes, it was.

**Senator CHRIS EVANS**—I know you are represented on a lot of other task forces. Are there any others that are at home at your place?

**Dr Morauta**—I think we have got it, but we would like to double-check our answers, and we will come back to you if we have missed anything out.

**Senator CHRIS EVANS**—I appreciate that. What percentage of your staff does this task force operation represent? It is obviously becoming quite resource intensive.

**Dr Morauta**—I am just waiting to see if we have got those figures.

**Senator CHRIS EVANS**—I thought I saw a figure somewhere that you were anticipating 130 task force based staff in your new building. Is that right? Is 130 the correct figure?

**Dr Morauta**—No, I think that is about spaces to accommodate task forces. Obviously the APEC Taskforce is very large at the moment, so the numbers of all our task forces at the moment are much bigger than that because of APEC in Sydney. There are a lot of staff in the APEC Taskforce, but the other task forces are much smaller than that.

**Senator CHRIS EVANS**—Sure, but you are not actually housing the APEC ones here, are you—you are housing them in Sydney?

**Dr Morauta**—Yes, most of APEC is in Sydney. Am I right about that?

**Mr Lewis**—Some members of the APEC Taskforce are here and they will continue to be here, but that is a very small number.

**Senator CHRIS EVANS**—Last time we went through the costs of the set-up in Sydney, and the majority of the operation is up there, isn't it?

**Dr Morauta**—Correct.

**Senator CHRIS EVANS**—What is the staffing level for task forces? Is that expressed separately or is it just included in your total PM&C staffing complement?

**Dr Morauta**—They are within the total staffing, but obviously, as a result of the funding for things, the total staffing number goes up and down in relation to task forces.

**Senator CHRIS EVANS**—What sort of numbers have we got engaged in task force work?

**Dr Morauta**—Putting APEC to one side, it might be 30 to 40—something like that. We have not got an exact figure in front of us.

**Senator CHRIS EVANS**—Putting APEC to one side, are your longer range staffing projections pretty stable?

**Dr Morauta**—Yes. We have just got a lift in 2006-07 and 2007-08 for some slightly longer running task forces that are larger, but then it drops back again. Our experience has been that task forces do come upon us and so we do have task forces all the time.

**Senator CHRIS EVANS**—You had abolished two before I had found out about them, so you are getting much quicker at them. Is the extra staffing for the next two years just for APEC, or is that separate again from APEC?

**Dr Morauta**—That is separate. That is under the budget measure for initiatives arising from COAG in February, and there is some staffing in the budget for us for these activities from COAG.

**Senator CHRIS EVANS**—Can you detail for me what staffing—

**Dr Morauta**—We are getting 29.5 in 2006-07 and 25 in 2007-08 from the budget measure that is described in the papers.

**Senator CHRIS EVANS**—What is that for?

**Dr Morauta**—The budget measure is called ‘Council of Australian Governments—supporting its agenda’. It is on page 17.

**Senator CHRIS EVANS**—Is that allocated to particular projects?

**Dr Morauta**—Yes, it is.

**Senator CHRIS EVANS**—Which ones?

**Dr Morauta**—There are three projects relating to COAG’s national reform agenda: the COAG regulation and competition reform team, the human capital team that you have already talked about, and there is one ASL that goes to economic and fiscal analysis.

**Senator CHRIS EVANS**—Can you give me a breakdown of the staff for each of those?

**Dr Morauta**—Yes. For COAG regulation and competition reform, 12.5 in 2006-07 and 12 in 2007-08; for human capital, eight in both years; and for economic and fiscal analysis, one in each year. Then it goes on. For completeness, there are some other COAG initiatives for which there are very small amounts of staffing—that is, work on therapeutic cloning, the pandemic team, the COAG secretariat and COAG water reform.

**Senator CHRIS EVANS**—So the COAG secretariat is now a separate section inside—

**Dr Morauta**—I will get Phil to explain it, but this is just an augmentation of it for the extra workload coming through.

**Mr Glyde**—Essentially, COAG have a new team to deal with the regulation and competition reform work that COAG kicked off in the last couple of meetings.

**Dr Morauta**—I am talking about the COAG secretariat.

**Mr Glyde**—Yes. Because of that overall increased workload for COAG more broadly, there is a slight increase in the number of people working in the COAG secretariat to support all of the COAG work.

**Senator CHRIS EVANS**—But how do you structure your COAG support more generally? Is it a unit within PM&C?

**Mr Glyde**—It is a unit that has been absorbed into the COAG Regulation and Competition Reform Branch, so it is a section within that branch.

**Senator CHRIS EVANS**—Yes, but, more generally, how does PM&C service COAG?

**Dr Morauta**—More generally it is by the topic that we are dealing with. So, if it is a topic relating to the Social Policy Division, the task force and the people working on it will be in Social Policy; if it is in Phillip's area, it will be in II&E; and, if it is in economic, it will be in Economics. We tend to keep the COAG work within the subject divisions.

**Senator CHRIS EVANS**—So you do not actually have a COAG secretariat per se?

**Mr Glyde**—We do in order to manage the business of COAG, the agendas—

**Senator CHRIS EVANS**—I figured there would be an administrative load.

**Mr Glyde**—Yes, it is primarily an administrative load, primarily a briefing load and mainly a coordination role with the states and territories.

**Senator CHRIS EVANS**—So how big is that?

**Mr Glyde**—It is about four or five people.

**Senator CHRIS EVANS**—But in terms of the policy work, that is done within the different—

**Mr Glyde**—Generally speaking, the policy work is done by the line divisions working with their line departmental contacts.

**Senator CHRIS EVANS**—Regarding the mental health announcement, what was PM&C's role in developing that package? Is that an IDC or a task force?

**Dr Morauta**—We had an IDC. There is also a small task force. PM&C's role was to chair the IDC and bring together the advice—which was obviously, as you can see from the announcement, cross-portfolio advice—into one piece of advice to government.

**Senator CHRIS EVANS**—So PM&C actually chaired the IDC?

**Dr Morauta**—Yes.

**Senator CHRIS EVANS**—Not Health?

**Dr Morauta**—No.

**Senator CHRIS EVANS**—What about the task force? That was not on the list you gave me, was it?

**Dr Morauta**—It was a pre-existing one; it is not on the new list. It is one that was previously funded. It is within PM&C, and it has people from Health in it.

**Senator CHRIS EVANS**—Seconded into PM&C?

**Dr Morauta**—Yes.

**Senator CHRIS EVANS**—What is the size of this task force? Is it ongoing or is its work finished?

**Dr Morauta**—We would expect that that group would finish with COAG in July.

**Senator CHRIS EVANS**—Wasn't that group doing the Podger review?

**Dr Morauta**—Well, it has actually moved into—

**Senator CHRIS EVANS**—It has morphed, has it?

**Dr Morauta**—two jobs that were given on the health side at COAG—one was on the health workforce and one was on mental health. So that has morphed into a group doing those two tasks only.

**Senator CHRIS EVANS**—So you have a health task force that is doing mental health and workforce?

**Dr Morauta**—Yes.

**Senator CHRIS EVANS**—And they are implementing the Podger review?

**Dr Morauta**—No. It is not really related to the Podger review. It is related to what COAG decided they should be doing.

**Senator CHRIS EVANS**—So that work is ongoing and will be ongoing?

**Dr Morauta**—No.

**Senator CHRIS EVANS**—Will that finish in July as well?

**Dr Morauta**—We would expect decisions to be taken by COAG in July on these matters. The projects would then move to an implementation phase, which would move it back to the line departments.

**Senator CHRIS EVANS**—Do you think that is true of workforce and mental health?

**Dr Morauta**—At the moment, that is how it looks, but these are things to be decided in the future.

**Senator CHRIS EVANS**—Sure. But they are working towards a July COAG timeframe?

**Dr Morauta**—Yes.

**Senator CHRIS EVANS**—Did the task force do the work on the mental health package?

**Dr Morauta**—Yes. There was a very large amount of work done in all the line agencies who were involved in that.

**Senator CHRIS EVANS**—But the task force was located in PM&C.



**Dr Morauta**—Yes.

**Senator CHRIS EVANS**—And what was the size of the task force?

**Ms Wilson**—Approximately six staff.

**Senator CHRIS EVANS**—But they were doing both the mental health and the—

**Ms Wilson**—That is correct, Senator.

**Senator CHRIS EVANS**—At the same time? Right. How many of those staff were out of other departments?

**Ms Wilson**—Two of those have been seconded from other departments.

**Senator CHRIS EVANS**—Which departments?

**Ms Wilson**—The department of health.

**Senator CHRIS EVANS**—Both from Health?

**Ms Wilson**—Yes.

**Senator CHRIS EVANS**—And the other four were PM&C officers?

**Ms Wilson**—Yes, that is correct.

**Senator CHRIS EVANS**—Who headed the task force?

**Dr Morauta**—A PM&C officer.

**Ms Wilson**—A PM&C SES officer.

**Senator CHRIS EVANS**—And I presume the IDC had a whole range of departments represented?

**Ms Wilson**—Indeed, Senator. It had the Department of Health and Ageing, the Department of Employment and Workplace Relations, the Department of Education, Science and Training—

**Dr Morauta**—FaCSIA, AFP, Finance, Treasury—I do not know that we have a complete list with us.

**Senator CHRIS EVANS**—That is all right.

**Dr Morauta**—It was a very wide range of departments.

**Senator CHRIS EVANS**—Yes, I figured that. But that has given me a sense of it, so that is fine. Can you give me a sense of what is happening now? You have made the announcement that it is going to COAG in July. What processes are occurring still? What is going to happen in terms of implementation of the announced package? What is PM&C's role in the implementation?

**Dr Morauta**—The general pattern we have followed in all these COAG things is that, if there are programs as were announced in the budget for mental health, they are located in particular portfolios. The portfolio ministers have responsibility for implementing those particular initiatives. We are expecting that the health department will convene an implementation IDC to ensure that the different things are well coordinated in their

implementation. But then it passes out of the policy-making phase into the implementation phase.

**Senator CHRIS EVANS**—I am sorry, but I am still not clear, first of all, on what they are doing between the announcement of the package in the budget and the COAG meeting.

**Dr Morauta**—All the states have not yet announced what they will be doing, but their budgets are coming up and they are beginning to announce what they are doing. But, also, our work with the states involves considering how we can implement what the states are doing and what we are doing in a coordinated way. There is quite a lot of discussion going on with the states at the moment about how to draw the package together. The main work with the states and within the Commonwealth at the moment is how to make sure that all the different things that have been done fit well together. So there is further work being done, and that will come to fruition in time for COAG.

**Senator CHRIS EVANS**—But, once that is finalised and COAG, I presume, adopts a set of policies, all responsibility for implementation then passes to the department of health—is that right?

**Dr Morauta**—And the other departments. There are very big measures in the Department of Family and Community Services.

**Senator CHRIS EVANS**—But responsibility for coordination goes to Health?

**Dr Morauta**—Yes—in a kind of ‘drawing it together and leading’ way.

**Senator CHRIS EVANS**—But you still have—what do you call it—the cabinet decision monitoring unit?

**Dr Morauta**—The Cabinet Implementation Unit.

**Senator CHRIS EVANS**—Does PM&C therefore act as a check to see that the implementation is meeting the cabinet decisions?

**Dr Morauta**—Setting aside the Cabinet Implementation Unit angle, COAG’s senior officials are actually interested in implementation, and they are taking up reports on a regular basis on things that COAG decides. We will be involved in that process.

**Senator CHRIS EVANS**—So why was the decision taken to make the announcement about the whole package on 5 April? What was the trigger for that?

**Dr Morauta**—I think it was a decision of government. I cannot comment further.

**Senator CHRIS EVANS**—Were the states consulted before the announcement?

**Dr Morauta**—We were already in deep discussions with them about what the package would look like and so on.

**Senator CHRIS EVANS**—Did they know you were going to announce it?

**Dr Morauta**—I would not think so. No, Senator.

**Senator CHRIS EVANS**—Did Mr Abbott know?

**Dr Morauta**—I think going into what bits of the government and Commonwealth knew and did not know probably is not appropriate—particularly what ministers knew.

**Senator CHRIS EVANS**—It just seemed odd that he did not seem to be involved in announcing the package. Are you telling me that the department of health knew that you were going to announce it?

**Dr Morauta**—These matters were all considered by government and were the product of a government decision.

**Senator CHRIS EVANS**—I know that; I want to know whether the department of health knew you were going to announce it.

**Dr Morauta**—Yes, I think they would have known.

**Ms Wilson**—I suspect so. They would have known shortly ahead of the announcement, once the government had taken a decision to do it.

**Senator CHRIS EVANS**—They knew shortly ahead of the announcement?

**Dr Morauta**—The department of health did know.

**Senator CHRIS EVANS**—Are you able to tell me when they knew?

**Dr Morauta**—They, and other agencies as appropriate, were involved in the development of the details of the announcement.

**Senator CHRIS EVANS**—Yes. Are you able to tell me when they knew?

**Dr Morauta**—Not off the top of my head, no.

**Senator CHRIS EVANS**—Maybe you would like to take on notice for me when the department of health formally knew you were going to announce the package. Perhaps you could also tell me when the minister for health was informed. The government has set up the Secretaries Group on Indigenous Affairs. Can you explain to me how that fits in with your task forces and your normal departmental responsibilities? I am trying to understand how all that fits together.

**Ms Wilson**—The Secretaries Group on Indigenous Affairs is supported through the Indigenous Policy Branch of the Social Policy Division, which is a standing branch in the division. That is one of the functions that that branch performs.

**Senator CHRIS EVANS**—How big is that branch?

**Ms Wilson**—It has around 11 staff, not all of whom are full-time equivalent. I believe two are part time. I do not have the exact proportion.

**Senator CHRIS EVANS**—This is the Indigenous Policy Branch?

**Ms Wilson**—Yes, that is right.

**Senator CHRIS EVANS**—Is ‘branch’ the right word or is it a subbranch?

**Ms Wilson**—It is the Indigenous Policy Branch. It is a branch headed by an assistant secretary.

**Senator CHRIS EVANS**—And that is part of the Social Policy Division?

**Ms Wilson**—That is correct, yes.

**Senator CHRIS EVANS**—How does that fit together with the secretaries group and OIPC?

**Ms Wilson**—The Indigenous Policy Branch has a broad role in advising the Prime Minister on Indigenous policy issues. It has particular responsibility for a portfolio of issues on which it provides policy advice. It does the general supporting of the PM as the chair of cabinet on things that come forward and are relevant to that bundle of responsibilities within the branch. In addition, it provides secretariat support and support for the secretary of Prime Minister and Cabinet, Dr Shergold, in his role as the chair of the Secretaries Group on Indigenous Affairs.

**Senator CHRIS EVANS**—So they provide the administrative support for Dr Shergold in chairing that group?

**Ms Wilson**—That is correct.

**Senator CHRIS EVANS**—So they would organise the meetings, take the minutes, deal with agendas et cetera?

**Ms Wilson**—That is correct.

**Senator CHRIS EVANS**—Do they provide policy advice to Dr Shergold as well?

**Ms Wilson**—In the same way as any other branch in my division would provide policy advice to the secretary on social policy issues.

**Senator CHRIS EVANS**—What is your understanding of how the secretaries group operates in relation to the functions of OIPC in line departments?

**Ms Wilson**—It has been established to provide whole-of-government consideration of issues relevant to Indigenous affairs. The secretaries group is responsible for providing advice to the Ministerial Task Force on Indigenous Affairs and for guiding cross-portfolio new policy development, including the single Indigenous budget submission. The advice is across coordination of policy and service delivery, the performance of programs in improving outcomes and, as I mentioned, the single Indigenous budget submission. It has a number of secretaries from line departments on it and it meets generally bimonthly.

**Senator CHRIS EVANS**—Which secretaries are represented on the group?

**Ms Wilson**—Generally the secretaries of: the Attorney-General's Department; the Department of Health and Ageing; the Australian Public Service Commission; the Department of Education, Science and Training; the Department of Families, Community Services and Indigenous Affairs; the Department of Communications, Information Technology and the Arts; the Department of Employment and Workplace Relations; the Department of Transport and Regional Services; and the Department of the Environment and Heritage. From time to time, other secretaries may be co-opted for a particular issue that comes up and is relevant to their portfolio.

**Senator CHRIS EVANS**—Thank you for that. So you have the Indigenous Policy Branch, which advises the secretary, Dr Shergold, and you have the secretaries group. You also have a ministerial task force. Is that made up of all the ministers in the same guise as the secretaries group?

**Ms Wilson**—Yes.

**Senator CHRIS EVANS**—So the same departments are represented but by their ministers?

**Ms Wilson**—That is correct.

**Senator CHRIS EVANS**—The secretaries group meets bimonthly. How often does the ministerial task force meet?

**Ms Wilson**—It meets at least quarterly. Sometimes it meets a bit more frequently around the development of the single Indigenous budget submission.

**Senator CHRIS EVANS**—Does the Indigenous Policy Branch of PM&C provide the secretariat for that as well?

**Ms Wilson**—No. That is a function for the Office of Indigenous Policy Coordination within the FaCSIA department.

**Senator CHRIS EVANS**—I will have to get Barry Jones to do me a flow chart for this! OIPC services the ministerial task force?

**Ms Wilson**—That is correct.

**Senator CHRIS EVANS**—Are they represented on the secretaries group?

**Ms Wilson**—OIPC is part of the Department of Families, Community Services and Indigenous Affairs, but generally either the associate secretary or the deputy secretary responsible for OIPC attends the secretaries group meetings, as well as the Secretary of FaCSIA.

**Senator CHRIS EVANS**—But you did not list them as being separately represented. Is that a courtesy, or are they members? I am not trying to catch you out; I just did not pick them up.

**Ms Wilson**—They were on my list as being separately represented, but I guess because they are part of FaCSIA I did not specify them.

**Senator CHRIS EVANS**—I was not trying to be smart. They are there in their own right.

**Ms Wilson**—That is correct.

**Senator CHRIS EVANS**—Was that true when they were in Immigration?

**Ms Wilson**—That is correct. Often there was the Secretary of DIMA there as well as OIPC.

**Senator CHRIS EVANS**—But they provide the secretariat work for the ministerial task force.

**Ms Wilson**—That is correct.

**Senator CHRIS EVANS**—Apart from providing the secretariat work, what else do OIPC do for the ministerial task force? Do they implement their decisions?

**Ms Wilson**—They report on their decisions. I believe detailed questions about the functions of OIPC are properly left for that organisation.

**Senator CHRIS EVANS**—I will certainly get to them, but I am trying to understand how all this comes together. We have got the policy branch inside PM&C and they provide support to Dr Shergold and the secretaries group. But when it moves to the ministerial task force, responsibility then moves over to OIPC.

**Ms Wilson**—In coordination with the secretaries group. There is a convention that, generally, large issues are considered by the secretaries group prior to going to the ministerial task force so that there has been an opportunity for cross-portfolio cross-departmental discussion in the bureaucracy ahead of the ministerial task force considering an issue.

**Senator CHRIS EVANS**—Sure. I am just trying to understand how that works. Say the ministerial task force takes a decision—not the budget; I will come to that. Whose job is it to make sure it happens? Each department, or OIPC?

**Ms Wilson**—It depends upon the nature of the decision. If it is something that is cross-departmental then each department would be individually charged with it and collectively responsible through the secretaries group to the ministerial task force.

**Senator CHRIS EVANS**—The *Hansard* of that is going to read beautifully—but what does it mean?

**Ms Wilson**—What it means is that Indigenous business is every department's business and, therefore, if there is a decision made by government that a number of portfolios are required to be involved in implementation then each of those portfolios is responsible for the implementation but that there is an oversight from a whole-of-government perspective through the secretaries group and the ministerial task force.

**Senator CHRIS EVANS**—Isn't that really setting up a sort of bureaucratic contest between the role of the secretaries group and OIPC?

**Ms Wilson**—No, I do not believe so.

**Senator CHRIS EVANS**—I keep hearing from people that others do. It is not clear to me where the buck stops. If I want to probe who is responsible for Indigenous policy now in the government, who do I talk to? You?

**Ms Wilson**—You talk to the minister for Indigenous policy in respect of those things that are within his portfolio and as chair of the ministerial task force, but the idea of the whole-of-government approach and mainstreaming was that every department through its mainstream programs or, where they exist, Indigenous-specific programs is responsible for addressing Indigenous affairs.

**Senator CHRIS EVANS**—Well, we will see how that goes. I did not have much success following that philosophy last estimates round with departments, some of whom seemed to think it was OIPC's job and some of whom seemed to think it was Dr Shergold's job. We will have another go this round.

I take you to some of the detail about the COAG implementation. In the 2003 budget there was some funding for CEDP to support family violence and substance abuse prevention and rehabilitation. Then, in July 2003, the Prime Minister held a roundtable on Indigenous family violence. He invited about 16 Indigenous leaders and experts. And on 23 July 2003 the Prime Minister announced a \$20 million down payment to address family violence, substance abuse

and child abuse. I note, looking at the publicity surrounding this, that a working group was established to advise the Prime Minister on ways of advancing strategies to address family violence in Indigenous communities. Could you tell me whether that working group was established?

**Ms Wilson**—I understand that a working group was established and it was located within PM&C from around November 2003 to March 2004 to lead discussions with each state and territory on possible joint initiatives to address those issues. Then, from March 2004, that leadership responsibility was transferred to the Office of Indigenous Policy Coordination, which was then in DIMIA.

**Senator CHRIS EVANS**—So you are telling me that the working group mentioned in the July 2003 announcement by the Prime Minister was the group that emerged in November of that year inside PM&C?

**Ms Wilson**—Yes. I understand that—

**Senator CHRIS EVANS**—We are sure that we are talking about the same thing?

**Ms Wilson**—I believe so. There was some work at the Commonwealth level, which was the announcement that the Prime Minister made in August 2003, and then the Prime Minister—

**Senator CHRIS EVANS**—Was it in August 2003?

**Ms Wilson**—That is what my briefing advises me.

**Senator CHRIS EVANS**—Sorry—the roundtable was in July 2003, so that might be right.

**Ms Wilson**—That is right, and the announcement was in August.

**Senator CHRIS EVANS**—I just want to make sure that we are on the same page.

**Ms Wilson**—Subsequent to that announcement, the Prime Minister wrote to the first ministers of each state and territory in September, indicating the desire to address the issue of Indigenous family violence. Following that, a working group was established within PM&C, which subsequently transferred to OIPC in DIMIA.

**Senator CHRIS EVANS**—Do you know what the function of the working group inside PM&C was? What was its charter?

**Ms Wilson**—As I understand it, it was to lead discussions on a bilateral basis with each state and territory jurisdiction on possible joint initiatives.

**Senator CHRIS EVANS**—Do you know the size of that unit?

**Ms Wilson**—No, I would have to take that on notice. I do not have that information.

**Senator CHRIS EVANS**—It would be appreciated if you would take that on notice. Just to go back, would that have been the Indigenous Policy Branch or was that not in existence then?

**Ms Wilson**—I do not believe it existed in its current form then. I think there was a slightly different configuration within PM&C. I am sorry that I do not have the detail of that. I could take that on notice for you.

**Senator CHRIS EVANS**—Yes, if you would not mind, just for completeness. Essentially, you are saying that the working group inside PM&C was a new group. Is that fair to say? Or was it an old group that morphed into a new group?

**Ms Wilson**—I do not know whether it was a group substantially established for the first time or whether it drew on existing staff within the department in some configuration to focus on this activity.

**Senator CHRIS EVANS**—Is anyone with historical knowledge at the table? Rather than taking this stuff on notice, it may just be a question of someone knowing. It is not that I am critical of your answers at all.

**Ms Wilson**—I am not sure that we have anyone with us in the room who was around at that time.

**Senator CHRIS EVANS**—The main problem in Indigenous affairs is the lack of corporate knowledge. So there was a working group inside PM&C from November 2003 to March 2004. Had anything concrete emerged by the time they left PM&C?

**Ms Wilson**—In the following budget of 2004-05, the Commonwealth allocated \$37.3 million for the family violence prevention package and \$22.7 million to expand the family violence prevention legal services—both of those amounts being over four years. So it evidently fed into the budget.

**Senator CHRIS EVANS**—There was \$22.7 million for family violence prevention legal centres—

**Ms Wilson**—Services.

**Senator CHRIS EVANS**—and \$37 million for the Family Violence Partnerships Program. Is that right?

**Dr Morauta**—Family violence prevention package.

**Ms Wilson**—My briefing says family violence prevention package. It may have been rebadged at some stage or badged separately as the Family Violence Partnerships Program.

**Senator CHRIS EVANS**—Yes. I had it as the Family Violence Partnerships Program, but anyway I think it is the same thing. Both those funding allocations were over four years, so that would have been 2004-05, 2006-07, 2008-09 and 2009-10. Is that right?

**Ms Wilson**—Each was over four years; I am not sure which year they started, but I would anticipate it was 2004-05.

**Senator CHRIS EVANS**—So we think that that came out of the work done in PM&C, because it was in the prebudget period and OIPC did not get hold of it until March 2004. It would have been too late by then for budget bids; it was pretty well at the end of the budget bid process.

**Ms Wilson**—I assume so.

**Senator CHRIS EVANS**—When did it formally transfer to OIPC?

**Ms Wilson**—I am advised that it was after March 2004, but I am not sure exactly on what date.



**Senator CHRIS EVANS**—What did this handover entail? Was it personnel or just responsibility?

**Ms Wilson**—I would have to take that on notice. I do not have that information; I am sorry.

**Senator CHRIS EVANS**—What did you hand over to them?

**Ms Wilson**—I would have to take that on notice.

**Dr Morauta**—Our brief suggests that it was the lead role in discussions with states and territories.

**Senator CHRIS EVANS**—So there is nothing in your brief that suggests a particular, specific agenda that it had?

**Ms Wilson**—I am just trying to get a bit more background.

**Dr Morauta**—I think Michelle was head of that branch in that period, and she may be able to help. She has not got the briefing with her, but she will have a go at assisting with the answers here.

**Senator CHRIS EVANS**—That would be useful. I will not hold her to the details.

**Ms Patterson**—Thank you for that. I will tell you from the best of my memory, but I have not refreshed it lately on these issues. The working group, as I recall, was an internal group. It was a nomenclature given to existing PM&C staff working with their state and territory COAG colleagues to progress a statement on family violence. From memory, there were not additional people who were then transferred anywhere. It was a notion of a working group, which we have now when we want to progress a particular issue.

**Senator CHRIS EVANS**—Was there an Indigenous policy branch at the time? Are these people out of that?

**Ms Patterson**—No, there was not. There were staff who provided advice in a similar way to what Serena has described, to provide advice to the Prime Minister and the secretary on Indigenous issues within another branch in the Social Policy Division. At that time I think it may have been the immigration or education branch.

**Senator CHRIS EVANS**—So these were a few people who were taking responsibility for Indigenous issues inside PM&C, but there was not a specialist branch at that time?

**Ms Patterson**—That is right. The branch only came into being with the machinery of government changes—the change to administration of Indigenous affairs and the responsibilities of the secretary's group coming to the department. There was then a need to support that, and the branch was created then.

**Ms Wilson**—Prior to that, there was an Indigenous policy section in the Education, Immigration and Indigenous Policy Branch. It was not a branch in itself, but there were a number of staff within another branch working on Indigenous policy.

**Senator CHRIS EVANS**—This group, which we are loosely calling a working group, of PM&C staff worked on these initiatives for the budget in 2004. Is that—

**Ms Patterson**—As I understand it, they were working prior to that with senior officials on a statement that was published either then or about then. I would need to check. We could

certainly bring that tomorrow. That was a statement around cooperation on family violence issues. We have that here.

**Senator CHRIS EVANS**—Is this the national framework on Indigenous family violence and child protection?

**Mr Williams**—I believe so. I understand that that was announced on 25 June 2004. Following the budget, in which the Commonwealth announced its measure, there was this COAG statement in June 2004.

**Ms Patterson**—Also at the same time there was an announcement of one of the funding measures that were to come underneath that package. If I recall, that may have been with the Northern Territory government. It was one of the first state and territory governments to make an agreement underneath that particular policy. My understanding is that at that time the program was with the Department of Family and Community Services. We could check on that. OIPC has since transferred there. All of those agencies would have worked very closely together on parts of the program, but there was no transfer of staff at the time. It was a matter of PM&C taking the lead role, as they very often do in the early days of policy development, with the departments of the Premiers or Chief Ministers in other states and territories, and then engaging with our other colleagues and handing the policy on.

**Senator CHRIS EVANS**—I have not been able to track it down but I get the sense that it was FaCS, judging by something that happened later.

**Ms Wilson**—I believe that there was a transfer of some programs from ATSIC to FaCS that were then expanded as part of this set of measures.

**Senator CHRIS EVANS**—You have to be Inspector Clouseau to follow the trail! In 2004, we had a national framework on Indigenous family violence and child protection announced by COAG. Originally, that work had been done inside PM&C but that responsibility had been handed to OIPC in late March or early April 2004.

**Ms Wilson**—As I understand it, the leadership role was handed to them, which would have been the continuing engagement with states and territories and the coordination at the Commonwealth level.

**Senator CHRIS EVANS**—So responsibility for the federal involvement in the COAG national framework on Indigenous family violence and child protection would have been with OIPC when the announcement was made. Or are you saying that PM&C were still involved? I know you would be involved more generally, but you know what I mean.

**Ms Patterson**—This particular package was also being progressed in tandem with bilateral agreements with states and territories under the broader COAG framework.

**Senator CHRIS EVANS**—I will come to that in a second.

**Ms Patterson**—Together, staff from both OIPC and the Department of the Prime Minister and Cabinet were progressing that with states and territories. Often, the discussions would happen at the same time, with both departments having a leadership role.

**Senator CHRIS EVANS**—In June 2004 there was a communique about the national framework which committed all jurisdictions to it. It read:

All jurisdictions agree that preventing family violence and child abuse in Indigenous families is a **priority for action that requires a national effort**.

**Ms Patterson**—Yes.

**Senator CHRIS EVANS**—It continued:

Jurisdictions will work cooperatively to improve how they engage with each other and with indigenous communities to prevent family violence and child abuse in Indigenous families. **Jurisdictions will formalise their cooperation through bi-lateral arrangements** between the Commonwealth and State and Territory Governments.

I gather that at about the same time, if not on the same day, the Northern Territory bilateral arrangement was announced. Is that right?

**Ms Patterson**—As I recall, the Northern Territory family violence prevention programs that were funded under the program were announced on that day. The bilateral agreement between the Commonwealth and the Northern Territory government was announced some time later—in April 2005 from memory.

**Senator CHRIS EVANS**—I have not got that. In the June 2004 announcement for the Northern Territory regarding family violence projects there was \$160,000 for ‘Stop it ... before it starts!’ Is that right?

**Ms Wilson**—My information is \$160,000 for ‘Stop it ... before it starts!’ from the Commonwealth and \$40,000 from the Northern Territory, bringing it to a total of \$200,000.

**Senator CHRIS EVANS**—And \$360,000 for planning and community patrols.

**Ms Wilson**—There was \$360,000 from the Commonwealth for community patrols and \$501,000 from the Northern Territory. The total was \$861,000.

**Senator CHRIS EVANS**—How many years was that over?

**Ms Wilson**—I anticipate it was over four years, but I do not have that specific information.

**Senator CHRIS EVANS**—It was not in the budget; I presume it will be reflected in the next budget for 2005, though. Like everything, it was announced after the budget—in June 2004.

**Ms Wilson**—The Commonwealth announced its contributions to the Family Violence Prevention Program in the 2004-05 budget, which would have been in May, as I understand it, but the bilateral discussions presumably continued until the announcements of these individual elements.

**Senator CHRIS EVANS**—I see. This came out of the bucket of \$37 million that was announced in the budget. Is that right?

**Ms Wilson**—That is as I understand it.

**Senator CHRIS EVANS**—For what I think was the family violence partnerships program, but it might be a different name. So that came out of that \$37 million. Is that right?

**Ms Wilson**—That is as I understand it.

**Senator CHRIS EVANS**—That sounds like it was the Northern Territory share of the global funding.

**Ms Wilson**—The Northern Territory share of the global funding was larger than that. I have a number of other projects on the table for the Northern Territory. There is Jidan Gudbalawei, which was designed for therapeutic interventions for children exposed to family violence. The Commonwealth share of that was approximately \$946,000 and the Northern Territory share was some \$1.5 million. Further elements were interventions for children who have been exposed to domestic or family violence, and the Commonwealth share of that was \$214,895 and the Northern Territory share was \$105,353. There are further elements to empower Indigenous communities to identify, address and monitor family violence. The Commonwealth's contribution is some \$51,800 and the NT's contribution is some \$99,000. The Mutitjulu multipurpose centre has \$1 million from the Commonwealth and \$420,000 from the Northern Territory. A measure aiming to prevent family breakdown as a result of family violence, called Safe Families, has \$915,694 from the Commonwealth and \$996,858 from the Northern Territory.

**Senator CHRIS EVANS**—That Safe Families project was in 2005. Is that right?

**Ms Wilson**—I do not have the specific dates for each of these elements, I am sorry, but I assume that they are part of a package that was negotiated and agreed over a multiyear period, which would have commenced, I would anticipate, from 2004-05.

**Senator CHRIS EVANS**—I have FaCS announcing \$1.9 million for the Safe Families project and \$1 million for the Indigenous Family Violence Offender Program in the Northern Territory. But they were both funded out of the Family Violence Partnership Program. It sounds like they were announcing money out of those buckets as they finalised agreed projects. Is that right?

**Ms Wilson**—Yes, that is what I believe occurred.

**Senator CHRIS EVANS**—Have you completed the list?

**Ms Wilson**—No, I have not. There are several more elements for the Northern Territory—

**Senator CHRIS EVANS**—Would it be easier for you to table that list?

**Ms Wilson**—Yes.

**Senator CHRIS EVANS**—I am not after state secrets. I am just having trouble getting the detail down.

**Ms Wilson**—I will just ask my colleague Mr Hoffman whether he wants to add anything.

**Mr Hoffman**—When the responsibility for leading the negotiations with the states was transferred in November 2003, OIPC did not exist. It was transferred to the Aboriginal and Torres Strait Islander Services, which was then a part of the DIMIA portfolio.

**Senator CHRIS EVANS**—Sorry, but can we go back a step. I thought the earlier evidence was that it existed inside PM&C from November 2003 to March 2004.

**Mr Hoffman**—Sorry—that is right. When it was transferred in March 2004, it was transferred to the Aboriginal and Torres Strait Islander Services, which was part of the DIMIA portfolio. OIPC did not commence until July 2004. However, a program called the Indigenous family violence prevention package transferred to FaCSIA from July 2004 as part of the

machinery of government changes establishing the new arrangements. So FaCSIA did become responsible for that particular program from July 2004.

**Senator CHRIS EVANS**—Even though they did not have OIPC with them at the time?

**Ms Wilson**—That is correct.

**Senator CHRIS EVANS**—So what did OIPC get? You say that in March 2004 things went to ATISIS. Did they lose them straightaway in July 2004?

**Ms Wilson**—As I understand it, the leadership role for developing the package transferred to ATISIS from PM&C. Then, in July 2004, the foundation programs—if I understand it correctly, Mr Hoffman—transferred from ATISIS to FaCS.

**Mr Hoffman**—The particular program which we know as the Indigenous family violence prevention package transferred to what was then FaCS in July 2004.

**Senator CHRIS EVANS**—But it had been a couple of months at ATISIS—is that right?

**Ms Wilson**—That is correct.

**Mr Hoffman**—In July 2004.

**Senator CHRIS EVANS**—So it had been a couple of months at ATISIS—from March to July—and then in July it went over to FaCS?

**Ms Wilson**—That is correct.

**Senator CHRIS EVANS**—And what else went to ATISIS in March 2004? Lead policy work? Work for the state governments?

**Ms Wilson**—Yes. It is our understanding that the lead policy role for developing these bilateral agreements and the elements of this package moved from PM&C to the ATISIS component within the DIMIA portfolio in March 2004.

**Senator CHRIS EVANS**—When did they lose them? FaCS picked up the family violence program package in 2004. Did DIMIA keep the lead responsibility for work with the states and the Commonwealth?

**Ms Wilson**—I think the detailed negotiations with jurisdictions, following the transfer from ATISIS to FaCS, also went to FaCS at the same time. The COAG support role, if you like, in terms of reporting to COAG, would have come through PM&C.

**Senator CHRIS EVANS**—So PM&C would have got back the COAG.

**Ms Wilson**—PM&C has never lost the COAG, if you like—it has always had the COAG responsibility—but the detailed negotiation and development of bilateral agreements and the detailed projects within the package went to FaCS, as I understand it, along with the responsibility for the family violence prevention program.

**Senator CHRIS EVANS**—So basically most of it went from PM&C to ATISIS in March 2004 and then went on to FaCSIA in July 2004. What happened next? Has FaCSIA still got it?

**Ms Wilson**—Yes.

**Senator CHRIS EVANS**—Well, what did OIPC get? Your earlier evidence seemed to be that OIPC got the leadership role.

**Ms Wilson**—I beg your pardon, I think we were confusing AT SIS and OIPC.

**Senator CHRIS EVANS**—I am not being critical. I am just trying to make sure that I have got it. So OIPC did not get anything in March 2004?

**Ms Wilson**—No, because they did not exist.

**Senator CHRIS EVANS**—Remind me when they came into existence.

**Mr Hoffman**—1 July 2004.

**Senator CHRIS EVANS**—But on 1 July 2004 OIPC did not get responsibility for the bilaterals or the family violence program—that went to FaCS.

**Ms Wilson**—That is correct.

**Senator CHRIS EVANS**—So what did the OIPC get in relation to these matters?

**Ms Wilson**—I am not sure what further role they would have had in relation to these matters, other than in terms of their general coordination.

**Ms Patterson**—That is right, they have that key lead role. But they also have—and, again, I have not checked my notes recently, so this is a question you might want to pursue with them—additional CDEP places that could be used towards services that might assist in addressing issues of family violence and some other programs in that way that they might have been able to use.

**Senator CHRIS EVANS**—There was some money for that in the 2003 budget.

**Ms Patterson**—There was.

**Senator CHRIS EVANS**—So wouldn't that have gone to Employment?

**Ms Wilson**—No, CDEP would then have been with AT SIS.

**Ms Patterson**—But you were talking about that date so, sorry, I think I shall refrain from trying to recall where these portions went to.

**Senator CHRIS EVANS**—You have learnt that it is not helpful to be helpful, already! So we have got the National Framework on Indigenous Family Violence and Child Protection.

**Ms Patterson**—Yes.

**Senator CHRIS EVANS**—In June 2004 the PM announced some money for the Northern Territory, fairly small money, but you said there was a range of other programs that came on in the next year or two. Can you provide me with that list?

**Ms Wilson**—Yes. Can I take that on notice? I just want to check that I have a complete list and then provide it.

**Senator CHRIS EVANS**—All right. That would be really useful. Maybe you could give that to us tomorrow: just the program, the money and the dates and also when the name of the program changed. I want to make sure we are talking about the same thing. When did we get the first of the bilaterals actually signed up?

**Ms Wilson**—I am not sure that I have that information. Are you talking about the family violence prevention bilateral agreements?

**Senator CHRIS EVANS**—No, I am talking about the broader—

**Ms Patterson**—The broader agreements?

**Senator CHRIS EVANS**—As I understood it, the COAG meeting called for jurisdictions to formalise their cooperation through bilateral arrangements.

**Ms Patterson**—Yes. The first agreement was the April 2005 agreement, Commonwealth-Northern Territory government.

**Senator CHRIS EVANS**—When was the next one signed?

**Ms Wilson**—I have got that. The Northern Territory agreement was signed on 6 April 2005. You are talking about the broad bilateral agreements with states and territories on service delivery and new arrangements—is that what your question pertains to?

**Senator CHRIS EVANS**—I am talking about the bilaterals that were referred to in the National Framework on Indigenous Family Violence and Child Protection.

**Ms Patterson**—There were earlier discussions that there would be perhaps some kind of separate agreement around family violence issues, but what transpired, again as I recall, is that there was an agreement around a policy statement on family violence at the same COAG meeting that there was an agreement to have further bilateral discussions with each state and territory. So there was no need to then negotiate separate family violence agreements. The larger and broader bilateral agreement was the main agreement to be negotiated and, rather than hold up any of that, the money was already available from the Commonwealth for states and territories to agree on programs and projects that would come under the family violence program, and indeed is that is what happened.

**Senator CHRIS EVANS**—When was the concept of bilateral agreements regarding family violence abandoned or subsumed into the broader concept? It all seems to be at around the same time.

**Ms Wilson**—It sounds like it was in late 2004 or early 2005 that they came together.

**Ms Patterson**—They came together. Work had been done on the family violence statement and work had been done in tandem with that about the broader issues that COAG could agree on addressing. They came together at, I think, a June COAG meeting where they agreed to the statement and also to subsequent bilateral agreements.

**Senator CHRIS EVANS**—At the June 2004 COAG meeting, the statement was about family violence and child protection, not broader issues, and within that statement was the commitment to bilateral arrangements. I took it to be in the context of Indigenous family violence. You are telling me that at some stage this morphed into more general bilaterals that the government had been talking about over the last couple of years?

**Ms Patterson**—No, I do not think so. What I am saying is that the two discussions were held at the same time, that the meaning of bilateral agreements on family violence was to be implemented via agreed projects in each jurisdiction and that the money was made available to do that immediately.

**Ms Wilson**—It was at the same meeting that COAG established its National Framework of Principles for Delivering Services to Indigenous Australians as the framework for addressing

family violence and child abuse or child protection. I am sorry that I do not have the right title in front of me.

**Senator CHRIS EVANS**—So you are telling me that they took two decisions: one about the service arrangements and one about the National Framework on Indigenous Family Violence and Child Protection?

**Ms Wilson**—That is as I understand it.

**Senator CHRIS EVANS**—So we do not have any bilaterals that specifically concentrate on family violence and child protection issues?

**Ms Wilson**—Not separate formal agreements, but there were bilateral discussions about the specific elements that would be subsumed within the broader bilateral agreements.

**Senator CHRIS EVANS**—I accept that some of the programs started in the Northern Territory. Does your list go further than the Northern Territory?

**Ms Wilson**—Yes. I can table that.

**Senator CHRIS EVANS**—It would be very helpful if you could table that. The bilaterals were then taken to be a broader thing and the family violence concepts were to be subsumed into the broader document. I think they have signed a couple of those bilaterals in recent times, haven't they?

**Ms Wilson**—Yes. Four five-year bilateral agreements have been signed: in the Northern Territory, Queensland, New South Wales and South Australia.

**Senator CHRIS EVANS**—On 6 April 2005 for the Northern Territory—

**Ms Wilson**—That is correct.

**Senator CHRIS EVANS**—Do you have the other dates?

**Ms Wilson**—The Queensland agreement was announced in December 2005, the South Australian agreement in April this year and the New South Wales agreement in April this year.

**Senator CHRIS EVANS**—From what I have seen of one or two of those, they are fairly general statements of intent, aren't they, rather than being specific?

**Ms Wilson**—They identify priority areas for action.

**Senator CHRIS EVANS**—Are those bilaterals intended to be the main driver of the family violence policy initiatives or are they broader, encompassing frameworks?

**Ms Wilson**—Each of them contains a number of priority areas for joint effort. For example, the Northern Territory agreement included improving outcomes for young Indigenous Territorians through early childhood interventions; safer communities; and building Indigenous wealth and economic development, improving service delivery and infrastructure. Queensland's agreement included effective health services; supporting families and communities; alcohol management; community based approaches to law and justice; early childhood; educational participation; and some specific work in the Cape York region and other areas.



**Senator CHRIS EVANS**—I will perhaps come at it another way. You refer to the Northern Territory one—obviously the first. Once that bilateral was signed, what did it mean in terms of effective action? What happened then?

**Ms Wilson**—The detailed implementation is really something for the Department of Families, Community Services and Indigenous Affairs. They are the ones who follow up on the specific elements that might become schedules to the agreement or the specific actions within each of the priority areas.

**Senator CHRIS EVANS**—Have there been any schedules to the agreement?

**Ms Wilson**—I would have to take that on notice. I believe that FaCSIA would be better able to answer that question.

**Senator CHRIS EVANS**—I will ask them. So it is envisaged that there were schedules that had more specific initiatives reflecting the broader framework? Is that fair?

**Ms Wilson**—As I understand it.

**Senator CHRIS EVANS**—Were there mechanisms for measuring outcomes?

**Ms Wilson**—There is a reporting back to COAG against the principles that we established in the National Framework for Government Service Delivery to Indigenous Australians. Indigenous affairs is a standing item on the COAG agenda, and progress with the agreements will be reported to COAG at each meeting.

**Mr Hoffman**—The Office of Indigenous Policy Coordination has lead Commonwealth responsibility for negotiating the bilateral agreements with the jurisdictions within the various states and territories.

**Senator CHRIS EVANS**—The OIPC does?

**Ms Wilson**—Within FaCSIA.

**Mr Hoffman**—Yes, the Office of Indigenous Policy Coordination does.

**Senator CHRIS EVANS**—When did they pick that up?

**Mr Hoffman**—In relation to those agreements between the Commonwealth and jurisdictions under the family violence prevention program, the Department of Family and Community Services—now the Department of Families, Community Services and Indigenous Affairs—entered into memoranda of understanding with jurisdictions. I understand that the first memorandum of understanding was entered into in March 2005 and there have been subsequent agreements entered into. They are slightly different from the broader bilateral agreements around service delivery.

**Ms Wilson**—I think you could say that they supplement them.

**Senator CHRIS EVANS**—What sort of thing are we talking about? Do you have an example?

**Mr Hoffman**—They are more to do with the specific projects, I believe. That is probably a question better directed to the Department of Families, Community Services and Indigenous Affairs.

**Senator CHRIS EVANS**—When did OIPC get responsibility for this?

**Mr Hoffman**—My understanding is that, in terms of negotiating the bilaterals for improved service delivery under the new arrangements, that commenced when the new arrangements commenced in July 2004.

**Ms Wilson**—OIPC negotiate the specific elements of the bilateral agreements, with PM&C making a contribution as a first minister's department.

**Senator CHRIS EVANS**—I will leave some of the funding questions I have, because you are going to give me the documents that will make it all clear to me—or will at least help make it clear to me. I am amazed that this money seems to come out of the original bucket of Family Violence Partnerships program money—from what we are saying here. Is it true that that was largely underspent in the first year?

**Ms Wilson**—I do not have that information, sorry. I think that is really a question for the FaCSIA portfolio.

**Senator CHRIS EVANS**—It seems to me that only \$300,000 was spent in the first year, but I am never sure that I have got the whole thing. Did some of these programs end up getting funded through Attorney-General's Department?

**Ms Wilson**—There was a separate set of initiatives in respect of Family Violence Prevention Legal Services funded through the Attorney-General's portfolio. That was a further \$22.7 million of Commonwealth effort over four years.

**Senator CHRIS EVANS**—There was some more money in this year's budget. Was that for the same program?

**Ms Wilson**—Yes. In this year's budget, through the single Indigenous budget submission, a further \$24 million has been committed over four years to the same services.

**Senator CHRIS EVANS**—Is that enhancing or basically maintaining?

**Ms Wilson**—As I understand it, it is funding services in an additional five areas of high need and expanding all services—those new ones and currently funded ones—to cover civil and family law matters related to family violence. But, again, the detail is probably best asked of the Attorney-General's portfolio.

**Senator CHRIS EVANS**—Where are we at with the COAG agreement and reporting back to COAG on the success and progress of these issues? Obviously, the whole administrative structure has become pretty mind-numbingly difficult to follow, as I think we have just demonstrated, due to changes in administrative arrangements. But COAG has survived those administrative changes and PM&C has survived those administrative changes, so as one voice of continuity in all this, Ms Wilson, can you tell me what has been happening in terms of COAG reporting back an assessment on the initiatives, reflecting the 2004 national framework on Indigenous violence?

**Ms Wilson**—As I mentioned, there is a report to every COAG on Indigenous affairs broadly as a standing item on the agenda. I do not have any particular information with me; I would have to take it on notice regarding the specifics of any reports against these measures in particular.

**Senator CHRIS EVANS**—Is it going well? Is it going badly? Are we all happy? Do we think it has failed?

**Ms Wilson**—They are really detailed questions for the portfolio that is implementing the measures.

**Senator CHRIS EVANS**—I know they are, but equally true is the fact that when I ask the department they will say, ‘That’s a whole-of-government response and you ought to talk to PM&C, because it’s about reporting to COAG, and they’re the lead agency on COAG.’ What I am asking is: in terms of the COAG process, which I understand PM&C still leads—and we are talking about the secretariat et cetera—what is the assessment by PM&C of the success or otherwise of these COAG initiatives under that National Framework on Indigenous Family Violence and Child Protection?

**Ms Wilson**—As I understand it—and, again, these are detailed questions for the portfolio that is implementing these projects—the projects are broadly on track, the funding is being expended and the extent to which that is being achieved would be the sort of thing that could be reported to COAG.

**Senator CHRIS EVANS**—‘Could be’?

**Ms Wilson**—As I mentioned, I am not aware of the specifics of any report to COAG against these measures. I would have to take that on notice.

**Senator CHRIS EVANS**—Does that imply that they are not necessarily reported at each meeting as to the monitoring of—

**Ms Wilson**—COAG’s senior officials agree what the agenda is for each meeting and what should be discussed under each agenda item.

**Senator CHRIS EVANS**—But you told me that there was a standing item.

**Ms Wilson**—There is a standing item on Indigenous affairs and the new arrangements in Indigenous service delivery, but the specific focus of those agenda items would be negotiated and agreed ahead of each meeting.

**Senator CHRIS EVANS**—Can you tell me on which occasions the question of Indigenous family violence and child protection has been on the COAG agenda since that June 2004 meeting?

**Ms Wilson**—I would have to take that on notice.

**Senator CHRIS EVANS**—I will ask you tomorrow morning, if you can answer it then.

**Ms Wilson**—If we can answer it by tomorrow, we will; otherwise we will have to take it on notice for answering after the hearing.

**Senator CHRIS EVANS**—Hopefully you will be able to tell us by tomorrow. It seems to me that if you were acting as the secretariat of COAG it is just a simple question of whether it was on or not. I am confused; sometimes I am confused because it is my fault, but it seems to me that the morphing of the question of the national framework and broader administrative arrangements have made tracking what is happening on that issue unclear. So I want to be clear what follow-up there has been at COAG on the agreed national framework. I would like

you to tell me whether any formal assessment on that framework or progress under that framework has occurred. Do you know the answer to that?

**Ms Wilson**—No, I do not. But the formal assessment or review of the programs and the agreements negotiated with each state and territory in respect of those individual projects would be something for the FaCS portfolio to take the lead role on and feed through to other forums like COAG.

**Senator CHRIS EVANS**—Yes, but in June 2004 all jurisdictions agreed that ‘preventing family violence and child abuse in Indigenous families is a priority for action that requires a national effort’.

**Ms Wilson**—Yes.

**Senator CHRIS EVANS**—Tonight you are unable to tell me whether there has been any reporting back to COAG on that or whether there has been any assessment on whether that has been effective in any way.

**Ms Wilson**—As I said, I will take that on notice to investigate whether there has been any reporting back to COAG.

**Senator CHRIS EVANS**—But you accept that PM&C are the people I should be asking?

**Ms Wilson**—In respect of the broad subject matter that is reported to COAG, yes. In respect of the particular outcomes of each of the projects, elements and those overall programs, that is a matter for the portfolio agency.

**Senator CHRIS EVANS**—I am happy with that answer; that is why I am asking you the broad question of what reporting and what assessment has been done by COAG. I do not know if I have asked here, but we have been trying to follow this through on the COAG trials, which seem to have been a bit short on assessment as well. I think that is about to start or has started. We are very keen to understand what reporting back to COAG and what assessments have been done in relation to this National Framework on Indigenous Family Violence and Child Protection. I will ask FaCS about the specifics. Returning to one of the earlier issues, which is the question of the secretary’s group, who do they receive progress reports from? Is it from each department? Do they get a report on COAG? What is the feedback to them on how the new administrative arrangements are going and the success or otherwise of those arrangements?

**Ms Wilson**—Overall, the secretary’s group reflects within itself as well as requesting formal reports for particular meetings on the progress of particular measures—for example those things that have been within the single Indigenous budget submission or other elements of the Indigenous affairs reform. So there is an overall assessment of the progress of reforms that the secretary’s group makes, and then there are individual reports from the portfolios and departments from time to time on specific elements.

**Senator CHRIS EVANS**—So they monitor the success or otherwise of the programs that have been introduced across or by departments. I have read some of Mr Shergold’s public statements about how this works, and it has been very interesting. I accept that he seems to have a personal commitment to making it work. I have also, though, read an ANU publication called *Views from the top of the ‘quiet revolution’: secretarial perspectives on the new*

*arrangements in Indigenous affairs* by Grey and Sanders, which no doubt you are aware of—it is a CAEPR publication.

**Ms Wilson**—Yes.

**Senator CHRIS EVANS**—They got what seemed to be unprecedented access to the views of secretaries and were able to interview them and make assessments. In this document and in other public places they refer to Mr Shergold referring to the CIU—which you told me earlier was the Cabinet Implementation Unit—and its role. He talked about the traffic light monitoring format, which identifies past cabinet decisions with an amber or red light if their implementation is in danger of running significantly behind schedule. If only they were running Defence—there would be red lights going off all over the place! The CAEPR report says that one of the issues that had received the red light—which is concern about whether the program is going off the rails—was a major Indigenous issue. Were they referring to the family violence prevention program? That seems to be the major budget initiative at the time.

**Dr Morauta**—I will ask Peter Hamburger, who has among his responsibilities the CIU, to answer.

**Mr Hamburger**—I have seen the report. The difficulty we have is that the traffic light reports go to cabinet. It is a quarterly report which gives an indication of progress on quite a wide range of government initiatives—currently over 60. We are constrained in what we can say as to what has gone to cabinet, but the way the system works is that if, for example, it was the Family Violence Partnership Program that was lagging in some way then we would expect that it would get an amber or red traffic light. That would draw the lag to the attention of cabinet, and there might well be follow-up action.

**Senator CHRIS EVANS**—I do not want to take you to what the cabinet submissions are. I understand the boundaries there; I am just trying to understand how it works. Let's say that Senator Minchin's sale of Telstra has been of concern to them—will the CIU initiate or flag that? Or are there watching briefs over issues that cabinet have said they want to keep an eye on?

**Mr Hamburger**—It is mostly the latter, but the unit might well suggest to the Prime Minister's office some items that should be under that monitoring system. Quite a few are actually assigned by cabinet as part of the cabinet decision.

**Senator CHRIS EVANS**—I presume I know the difference, but what do the amber lights and the red lights indicate?

**Mr Hamburger**—The amber light indicates that there are potential problems and the red light indicates that there is a significant hold-up—that the thing is significantly behind where it ought to be.

**Senator CHRIS EVANS**—I always thought an amber light meant hurry up and go through before it returns red.

**Mr Hamburger**—It may lead to a hurry-up.

**Senator CHRIS EVANS**—So it would be fair to say that a red light indicates fairly serious concern about the implementation?

**Mr Hamburger**—It would, yes.

**Senator CHRIS EVANS**—In terms of the process—I am not talking about a specific process—what happens? If CIU flags the red light to cabinet, does that then automatically come up on their agenda?

**Senator CHRIS EVANS**—The CIU's quarterly reports go first to the Prime Minister and then, normally, to cabinet very soon after. They are a package which lists all of the measures that are being monitored—as I said, there are perhaps 60 or more initiatives—and they will have a variety of lights on them. What they flag is, in fact, input from agencies. Agencies are asked about the state of progress. PM&C interacts with the agencies on the way that is presented, but a final agreed set of words is what goes to cabinet with a rating of green, amber or red.

**Senator CHRIS EVANS**—So you even do green, do you, if it is a project they have asked you to monitor but you think it is going okay?

**Mr Hamburger**—Yes. So, in effect, the whole 60 will go forward every three months.

**Senator CHRIS EVANS**—In broad terms then, in terms of how this works with the secretaries group now with Indigenous affairs policy and given that you do not have one department necessarily responsible for the whole mainstreaming thing, does that apply equally to Indigenous policy initiatives? How do you handle that in the sense that it is not quite the same as the mainstream, core responsibility type issue?

**Mr Hamburger**—For the purpose of the CIU, we report it by initiative. We will identify who the lead agency is for the initiative.

**Senator CHRIS EVANS**—Is it fair to say that there has been some concern about the family violence partnership program?

**Mr Hamburger**—I think that other officials have already mentioned that there was some delay in reaching agreements with the states. But the memoranda of understanding are now in place, I think, with every jurisdiction, or all but one. Projects are certainly being approved. Quite a large number of projects have been approved under those.

**Senator CHRIS EVANS**—I think Mr Hoffman tried to intervene earlier, but I did not pick up what he was saying. Are you telling me that effectively now the mechanism for implementing the family violence partnerships program—I am sorry, you have another title, but I keep using the one that I—

**Ms Wilson**—It is the Family Violence Prevention Program.

**Senator CHRIS EVANS**—It may just be a typo in my notes. Given that the specific bilaterals surrounding family violence were abandoned as a process in favour of the broader approach, you are now implementing that program by a series of memoranda of understanding. Is that right?

**Ms Wilson**—As I understand it, FaCSIA, which has responsibility for the program, has a series of MOUs in respect of the particular projects that will be funded in each state and territory and the relative contributions of each jurisdiction, whereas the bilateral agreements are a broad encompassing bilateral agreement with each state and territory. In almost all cases

that includes this sort of issue as one of the priority areas, but it has a range of other issues as well.

**Senator CHRIS EVANS**—Yes, but my problem is this: we have already identified that there are at least two programs, if not more, involved here. One is the family violence prevention program, run by FaCSIA, and the other—

**Ms Wilson**—Family Violence Prevention Legal Services.

**Senator CHRIS EVANS**—Yes, Family Violence Prevention Legal Services, run by A-G's. So there is not an overarching family violence bilateral, but you have at least two departments running two different programs. I suspect there will be others. Are we saying that there are memoranda of understanding between A-G's and each of the states and territories in relation to that program as well?

**Ms Wilson**—I do not know the administrative details of the Attorney-General's initiatives. I think you would have to direct that question to them.

**Senator CHRIS EVANS**—What I am trying to understand is this: to the best of my knowledge from the evidence today, you are responsible for the national framework.

**Ms Wilson**—COAG is responsible for the national framework.

**Senator CHRIS EVANS**—I am trying to work out how you are implementing that 2004 agreement. You tell me that FaCSIA is doing that particular program by that mechanism. You do not know how A-G's is doing theirs.

**Ms Wilson**—I suspect it is a tender process, but, as I said, A-G's will—

**Senator CHRIS EVANS**—I am happy to take your advice. I will ask A-G's. But I guess what that leads to is: what is the broader framework? Are the FaCSIA program and the A-G's program the only ones? Are they the two or are there others?

**Ms Wilson**—The broader framework has a set of principles in it. There is one on safety. Everyone has a right to be safe from family violence and abuse. There is one on partnerships, which is about families, communities, NGOs and different levels of government working together. There is one on support, which is about strong leadership from government and Indigenous community leaders. There is one on strong, resilient families. There is one on local solutions. There is one on addressing the cause, which goes to a range of underlying issues.

**Senator CHRIS EVANS**—I understand the principles. I have read them. They are all very worthy—there is no argument. What we are trying to work out is how we are actually giving effect to those broad aspirations and statements of fine principle. Are there any programs directed to those objectives other than the two we have been discussing?

**Ms Wilson**—One could certainly see programs that deal with substance abuse, for example, to be relevant to this area as well.

**Senator CHRIS EVANS**—Can you identify the programs for me?

**Ms Wilson**—I do not have the detail of all the substance abuse programs. They would largely be funded through the Department of Health and Ageing at the Commonwealth level.

Some additional funding was announced in this year's budget through the single Indigenous budget submission for addressing petrol sniffing.

**Senator CHRIS EVANS**—I am aware of the budget initiatives. As we are short of time, I do not want to go through them now. I am trying to get a sense of who knows where all that comes together. You said, 'Go ask the department,' but FaCSIA will not tell me about the health stuff and they will not tell me about A-G's.

**Ms Wilson**—The secretaries group monitors progress broadly of Indigenous affairs and Indigenous specific funding, as well as the extent to which mainstream programs address Indigenous people's needs.

**Senator CHRIS EVANS**—And you provide the secretariat to the secretaries group?

**Ms Wilson**—That is right.

**Senator CHRIS EVANS**—And you support the secretary. So that is why I am asking you. How does all that come together? How do I follow all that?

**Ms Wilson**—It comes together in regular reports through the secretaries group and also the secretaries group puts out an annual report.

**Senator CHRIS EVANS**—Mr Hamburger, you told me about FaCSIA's memorandums of understanding.

**Dr Morauta**—I am sorry, but I think that was Mr Hoffman.

**Senator CHRIS EVANS**—I think they both mentioned them. Mr Hamburger, you talked about monitoring them and being satisfied that memorandums of understanding were now in each of the jurisdictions. Is that right?

**Mr Hamburger**—I believe they are in at least every jurisdiction, except one. I cannot guarantee that my advice is completely up to date. The advice I have is that by the September quarter 2005 MOUs were in place with all jurisdictions, except the ACT. That is six months ago now.

**Senator CHRIS EVANS**—Mr Hoffman, have you any later or better information than that?

**Mr Hoffman**—I do not have any later information.

**Senator CHRIS EVANS**—So, basically, they are all in place, bar the ACT, providing for the implementation of the family violence prevention program.

**Mr Hamburger**—That is the FaCSIA program, yes.

**CHAIR**—We are still on general questions. Senator Evans, will we recommence tomorrow with general questions?

**Senator CHRIS EVANS**—Yes, I think so.

**CHAIR**—You cannot narrow it down any more?

**Senator CHRIS EVANS**—I am not sure what the other senators are doing.



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**Dr Morauta**—There was a question I wanted to ask. Are we able to provide any guidance on which of our outputs we might be looking at tomorrow? It is everything really at the moment, isn't it?

**CHAIR**—I think it is still all up for grabs.

**Senator CHRIS EVANS**—If the chair were to rule that we had done cross-portfolio and economic policy, I would not argue. My remaining issues are largely in the social policy area, and I know senators have flagged a couple of things in international and national security. I also want to ask questions about the APEC task force and a few things in output 4. I would have thought that cross-portfolio and output 1.1 were safe.

**Dr Morauta**—Thank you.

**CHAIR**—That is as far as we can help you.

**Dr Morauta**—Okay, that is fine.

**CHAIR**—Thank you.

**Committee adjourned at 10.59 pm**