

Chapter 2

Portfolio specific issues

2.1 This chapter provides an overview of some of the matters raised during the committee's hearings on the Additional Estimates 2019-20. The discussion follows the outcome and agency structure.

Agriculture, Water and the Environment portfolio

Department of Agriculture, Water and the Environment

2.2 The committee commenced its examination of the Agriculture, Water and the Environment portfolio on 2 March 2020 by asking general questions relating to environment outcomes of the Department of Agriculture, Water and the Environment. The new Secretary, Mr Andrew Metcalfe, provided the committee with a brief outline of the new configuration of the department and its activities following the recent bushfires:

My department has been front and centre in supporting government and the community in responding to those disasters. We're supporting a \$50 million initial wildlife and habitat recovery package and \$100 million in emergency bushfire support to help directly impacted farmers, fishers and foresters. The Threatened Species Commissioner, Dr Sally Box, has convened a panel of experts which has met several times to advise the Minister for the Environment on the immediate and longer term actions required for species protection.¹⁰

2.3 The committee also canvassed the following matters:

- the impact of the Machinery of Government changes that came into effect on 1 February 2020;
- the number of departmental staff seconded to outside organisations;
- the Commonwealth Government's (the government) independent review into the Sydney Harbour Federation Trust; and
- the proposal from the Cockatoo Island Foundation to pursue a 49-year lease in relation to Cockatoo Island in Sydney Harbour.¹¹

10 Mr Andrew Metcalfe, Secretary, Department of Agriculture, Water and the Environment, *Proof Committee Hansard*, 2 March 2020, p. 5.

11 *Proof Committee Hansard*, 2 March 2020, pp. 4–14.

Outcome 1: Conserve, protect and sustainably manage Australia's biodiversity, ecosystems, environment and heritage through research, information management, supporting natural resource management, establishing and managing Commonwealth protected areas, and reducing and regulating the use of pollutants and hazardous substances, and coordination of climate change adaptation strategy and climate change science activities

2.4 The committee called officers in relation to:

- Program 1.1: Sustainable Management of Natural Resources and the Environment;
- Program 1.2: Environmental Information and Research;
- Program 1.4: Conservation of Australia's Heritage and Environment;
- Program 1.5: Environmental Regulation; and
- Program 1.6: Management of Hazardous Wastes, Substances and Pollutants.

2.5 The committee raised the following matters:

- the department's ongoing investigation into the potential breach of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) in relation to land clearing of Natural Temperate Grassland of the South Eastern Highlands;
- the report by the Special Envoy for the Great Barrier Reef;
- the proposed tourism development at Lake Malbena in the Tasmanian Wilderness World Heritage Area and Venture Minerals' Riley Creek mine on Tasmania's west coast;
- the consultations undertaken in relation to the independent review of the EPBC Act;
- the operation of the government's Environment Restoration Fund and the Communities Environment Program;
- the proposed Browse to North West Shelf Project in Western Australia; and
- the impact of recent bushfires on threatened species and ecological communities, including the management of Regional Forest Agreements.¹²

Outcome 2: Advance Australia's strategic, scientific, environmental and economic interests in the Antarctic region by protecting, administering and researching the region

2.6 The committee called officers in relation to Program 2.1: Antarctica: Science, Policy and Presence. The committee discussed the delayed delivery of the replacement Antarctic icebreaker vessel. This included an update on the milestones and schedule

12 *Proof Committee Hansard*, 2 March 2020, pp. 48–88.

for the delivery of the vessel and future contingency shipping arrangements to resupply Australia's research stations for the 2020-21 summer season.¹³

Bureau of Meteorology

2.7 The committee called officers from the Bureau of Meteorology (BoM) and examined the following matters:

- historical warming and drying trends in Australia and their impact on future drought and fire conditions;
- community consultations in relation to the automation of the Townsville field station in Queensland;
- the findings of the *United in Science* report issued by the Science Advisory Group to UN Climate Action Summit 2019;
- the methodology used by the BoM to assemble its historical temperature datasets; and
- risk based scenarios for future high-impact weather events affecting the National Electricity Market.¹⁴

Director of National Parks

2.8 The committee welcomed Dr James Findlay, Director of National Parks. The committee discussed the implementation of recommendations contained in the Auditor-General report titled *Management of Commonwealth National Parks*, as well as the decision to temporarily close the Twin Falls gorge and Gunlom Falls tracks in the Kakadu National Park.¹⁵

Great Barrier Reef Marine Park Authority

2.9 The committee called officers from the Great Barrier Reef Marine Park Authority (GBRMPA). In his opening statement, Mr Joshua Thomas, General Manager and Chief Executive Officer, provided the committee with an update on the health of the marine park:

The authority has been closely monitoring conditions in the marine park this summer given the increased risk to the reef during this period and has observed coral bleaching. The coral bleaching this year aligns closely with those areas subjected to prolonged periods of higher than average sea temperatures. While there has been some cooling on parts of the reef over

13 *Proof Committee Hansard*, 2 March 2020, pp. 84–87.

14 *Proof Committee Hansard*, 2 March 2020, pp. 15–23.

15 *Proof Committee Hansard*, 2 March 2020, pp. 38–44.

the past week, local weather conditions over the next few weeks will play a key role in determining the extent of potential bleaching this year.¹⁶

2.10 Other matters examined by the committee included:

- GBRMPA's relationship with the Great Barrier Reef Foundation;
- responses to a potential third thermal bleaching event on the reef;
- the impact of marine plastic debris on the reef ecosystem;
- the consequences of climate change on the health and resilience of the reef;
- the long-term impacts on international and domestic tourism of recent economic and climate-related events; and
- a progress update on the Douglas Shoal environmental remediation project.¹⁷

Sydney Harbour Federation Trust

2.11 The committee called officers from the Sydney Harbour Federation Trust (the Harbour Trust) and examined the following matters:

- discussions between the department and the Harbour Trust in relation to the independent review into the Harbour Trust's governance and future financial arrangements;
- the estimated cost involved in implementing the Harbour Trust's Comprehensive Plan; and
- the Harbour Trust's interactions with the Cockatoo Island Foundation in relation to its proposal to pursue a 49-year lease in relation to Cockatoo Island.¹⁸

Threatened Species Scientific Committee

2.12 The committee called Emeritus Professor Helene Marsh, Chair, Threatened Species Scientific Committee (the TSSC). In her opening statement, Professor Marsh outlined the TSSC's development of a 10-point bushfire response plan for threatened ecological communities:

The plan outlines how the committee will work with our state and territory colleagues, experts and the wider community to enable the statutory response to the bushfires to be timely and robust. Our plan sets out four key objectives which align with those of the Wildlife and Threatened Species Bushfire Recovery Expert Panel, established by Minister Ley, and we have 10 actions to deliver an efficient and effective response. The objectives of

16 Mr Joshua Thomas, General Manager, Chief Executive Officer, Great Barrier Reef Marine Park Authority, *Proof Committee Hansard*, 2 March 2020, pp. 27–28.

17 *Proof Committee Hansard*, 2 March 2020, pp. 27–38.

18 *Proof Committee Hansard*, 2 March 2020, pp. 23–27.

our response plan are to prevent extinction and limit the decline of native species and ecosystems affected by the fires, to reduce the biodiversity impacts from future fires as much as possible, to learn from these fires and continually improve our processes and, in collaboration with the minister and the department, communicate our plan and our progress against it.¹⁹

2.13 The committee also discussed the following matters:

- the listing and conservation status of native species and ecological communities affected by the recent bushfires;
- the scope of the TSSC's 10-point bushfire response plan and the status of national recovery plans being prepared for the Leadbeater's possum and the greater glider; and
- future monitoring costs and timeframes associated with the listing process for the Australian Sea Lion.²⁰

Industry, Science, Energy and Resources portfolio

Department of Industry, Science, Energy and Resources

2.14 The committee commenced its examination of the Industry, Science, Energy and Resources portfolio on 2 March 2020 by asking general questions relating to emissions and energy outcomes of the Department of Industry, Science, Energy and Resources.

Outcome 2: Reduce Australia's greenhouse gas emissions, contribute to effective global action on climate change, and support technological innovation in clean and renewable energy, through developing and implementing a national response to climate change

2.15 The committee called officers in relation to:

- Program 2.1: Reducing Australia's greenhouse gas emissions;
- Program 2.2: Adapting to climate change; and
- Program 2.3: Renewable energy technology development.

2.16 The committee discussed the following matters:

- the latest national greenhouse gas inventory report and projections under the United Nations Framework Convention on Climate Change;
- the abatement of emissions from development of onshore shale gas in the Northern Territory;

19 Emeritus Professor Helene Marsh, Chairperson, Threatened Species Scientific Committee, *Proof Committee Hansard*, 2 March 2020, p. 44.

20 *Proof Committee Hansard*, 2 March 2020, pp. 44–48.

- comparison between Australia's emissions reductions and those achieved in Europe and the United Kingdom;
- economic modelling on the impacts of Australia's emissions reduction targets;
- the National Strategy for Electric Vehicles; and
- the reporting of emissions associated with the recent bushfire season.²¹

Outcome 3: Support the affordable, reliable, secure and competitive operation of energy markets for the long term benefit of the Australian community through improving Australia's energy supply, efficiency, quality, performance and productivity

2.17 The committee called officers in relation to Program 3.1: Energy and canvassed the following matters:

- the proposed grant to Shine Energy for a feasibility study into a coal-fired power station at Collinsville in north Queensland;
- short-listed projects under the government's Underwriting New Generation Investments program;
- the Liddell Taskforce's consideration of the impacts of the scheduled closure of the Liddell Power Station in 2023;
- scenario modelling in relation to the impact of major supply chain disruptions to Australia's liquid fuel supplies; and
- the impact of renewable energy projects on the strength and stability of the national electricity grid.²²

Australian Renewable Energy Agency

2.18 The committee called officers from the Australian Renewable Energy Agency (ARENA). In his opening statement, Mr Darren Miller, Chief Executive Officer, updated the committee on some of ARENA's key activities and project announcements, including:

...providing \$8 million towards the expansion of the world's biggest battery, the Hornsdale Power Reserve in South Australia, to make it 50 per cent bigger and to demonstrate that grid-scale batteries can deliver digital inertia, which is critically important for system security. We have also announced \$15 million in funding to support research that aims to address the end-of-life issues for solar PV panels, as well as increasing their efficiency and lowering their cost. We have provided funding to help create new financial products and a new world-first trading platform for renewable

21 *Proof Committee Hansard*, 2 March 2020, pp. 91–107.

22 *Proof Committee Hansard*, 2 March 2020, pp. 107–127.

energy, and \$24 million for Alinta Energy to develop its solar-gas hybrid project to power Fortescue Metals Group's mining hub in the Pilbara.²³

2.19 The committee also discussed ARENA's current funding envelope and its contribution to the development of the government's recently announced *Energy Technology Investment Roadmap*.²⁴

Clean Energy Finance Corporation

2.20 The committee called officers from the Clean Energy Finance Corporation (CEFC). Matters canvassed by the committee included the selection of the delivery partners for the South Australian Government's Home Battery Scheme and the Empowering Homes program launched by the New South Wales Government. The committee also discussed the CEFC future role in delivering investments under the government's *Energy Technology Investment Roadmap*.²⁵

Clean Energy Regulator

2.21 The committee called officers from the Clean Energy Regulator (CER). In his opening statement, Mr David Parker, Chair, addressed recent public commentary in relation to the level of investment in large-scale renewable projects:

The Clean Energy Regulator data that was released for the December quarter 2019 shows that the actual delivered level of investment in renewables remained strong. For 2019 as a whole, a record of 6.3 gigawatts of new renewable capacity was delivered. That's up 24 per cent on the previous year, 2018. We've seen very strong growth in household and commercial rooftop solar of around 40 per cent. We are seeing very strong growth in what you might call the industrial sector—solar panels on shopping centres and so forth. The utility scale, which has apparently collapsed, was up by 18 per cent to 3.9 gigawatts for that year.²⁶

2.22 Other matters discussed by the committee included existing policy around the disposal and recycling of solar PV panels, and the number of small and large-scale renewable energy certificates acquitted through the REC Registry.²⁷

Climate Change Authority

2.23 The committee called officers from the Climate Change Authority (CCA) and discussed the agency's current and future work plan. This included the CCA's

23 Mr Darren Miller, Chief Executive Officer, Australian Renewable Energy Agency, *Proof Committee Hansard*, 2 March 2020, p. 134.

24 *Proof Committee Hansard*, 2 March 2020, pp. 133–137.

25 *Proof Committee Hansard*, 2 March 2020, pp. 137–140.

26 Mr David Parker, Chair, Clean Energy Regulator, *Proof Committee Hansard*, 2 March 2020, p. 144.

27 *Proof Committee Hansard*, 2 March 2020, pp. 144–148.

finalisation of updated advice to the government regarding its 2016 report *Towards a climate policy toolkit: Special Review of Australia's climate goals and policies*.²⁸

Snowy Hydro Limited

2.24 The committee called officers from Snowy Hydro Limited (Snowy Hydro). In his opening statement, Mr Paul Broad, Managing Director and Chief Executive Officer of Snowy Hydro, informed the committee of the impact of the recent bushfires on the local community and Snowy Hydro's areas of operations. Mr Broad also updated the committee on the status of the Snowy 2.0 project.²⁹

2.25 Other matters canvassed by the committee included:

- opportunities for local business participation under the Australian Industry Participation plan;
- the potential transfer of pest fish species from Talbingo Reservoir to Tantangara Reservoir and other downstream catchments; and
- the construction and future operation of the Snowy 2.0 project.³⁰

Infrastructure, Transport, Regional Development and Communications portfolio

Department of Infrastructure, Transport, Regional Development and Communications

2.26 The committee commenced its examination of the Infrastructure, Transport, Regional Development and Communications portfolio on 3 March 2020 by calling officers from the Department of Infrastructure, Transport, Regional Development and Communications. The Secretary of the department, Mr Simon Atkinson, highlighted the efforts of portfolio agencies to restore communications services impacted by the bushfire emergency. Mr Atkinson also noted:

In early January [2020] around 100 base stations were offline due to fire activity. More than half of these base stations were brought back online within four days. As always, the ABC and other networks did excellent work in emergency broadcasts during the fires. The fires also impacted our cultural institutions. The Bundanon Trust was threatened by fires in January and a large part of the collection was relocated for protection. Some other collecting institutions were also closed on several days due to smoke and,

28 *Proof Committee Hansard*, 2 March 2020, pp. 141–143.

29 Mr Paul Broad, Managing Director and Chief Executive Officer, Snowy Hydro Limited, *Proof Committee Hansard*, 2 March 2020, p. 127.

30 *Proof Committee Hansard*, 2 March 2020, pp. 127–133.

like many tourist destinations, they've seen a significant decrease in visitor numbers this summer.³¹

2.27 Other matters discussed by the committee included:

- quotas for Australian and children's screen content on free-to-air television;
- the options paper into media regulation reform being prepared by the Australian Communications and Media Authority and Screen Australia;
- the awarding of the contract for the delivery of the National Relay Service (NRS);
- the closure of the Western Australia based community TV station WTV; and
- the Mobile Black Spot Program.³²

Outcome 5: Promote an innovative and competitive communications sector, through policy development, advice and program delivery, so all Australians can realise the full potential of digital technologies and communications services

2.28 Officers were called in relation to Program 5.1: Digital Technologies and Communications Services. Some of the matters canvassed included:

- the department's contract with the Australian Communications Exchange to deliver the NRS;
- the decision to no longer use CapTel handsets for the NRS;
- efforts to reduce consumer complaints and scam activity in the telecommunications sector;
- the government's funding of the Australian Broadcasting Corporation; and
- telecommunications infrastructure security and resilience.³³

Outcome 6: Participation in, and access to, Australia's arts and culture through developing and supporting cultural expression

2.29 The committee called officers in relation to Program 6.1: Arts and Cultural Development and canvassed the following matters:

- the impact of the Machinery of Government changes on the arts functions of the new department;
- the implementation of the Australian Music Industry Package;
- support for regional and remote arts organisations;

31 Mr Simon Atkinson, Secretary, Department of Infrastructure, Transport, Regional Development and Communications, *Proof Committee Hansard*, 3 March 2020, p. 4.

32 *Proof Committee Hansard*, 3 March 2020, pp. 4–16.

33 *Proof Committee Hansard*, 3 March 2020, pp. 27–50.

- responses to the exploitation of Indigenous artists in relation to the unethical art trading industry; and
- the Australian National Maritime Museum's *Encounters 2020* program, including the *Endeavour* replica's circumnavigation of Australia.³⁴

Australia Council for the Arts

2.30 The committee called officers from the Australia Council for the Arts (Australia Council) via video conference. The committee discussed the findings of the Australia Council's report *Domestic Arts Tourism: Connecting the country*, including the levels of investment in regional and remote areas of Australia. This included the potential impact of the bushfires and coronavirus and funding provided under the Contemporary Music Touring Program and the Playing Australia Regional Performing Arts Touring Fund.³⁵

Australian Broadcasting Corporation

2.31 The committee called officers from the Australian Broadcasting Corporation (ABC) and the following matters were canvassed:

- the impact of the freeze in annual funding indexation;
- the impact of the recent Australian bushfires on the ABC's emergency broadcasting services;
- the ABC's compliance with its editorial standards and recent editorial decisions, including the removal of an episode of the *Q&A* program from its digital platforms;
- the ABC's decision to enter a float in the Mardi Gras parade in Sydney;
- the ABC's review of its property portfolio as part its strategic review plan; and
- the number of ABC staff members based outside Australian capital cities.³⁶

Australian Communications and Media Authority

2.32 The committee called officers from the Australian Communications and Media Authority (ACMA) and discussed:

- the development of a voluntary code of practice around disinformation and news quality by digital platforms in response to the Digital Platforms Inquiry report;
- the compliance of commercial broadcasters in relation to children's content quotas on Australian television;

34 *Proof Committee Hansard*, 3 March 2020, pp. 87–96.

35 *Proof Committee Hansard*, 3 March 2020, pp. 105–109.

36 *Proof Committee Hansard*, 3 March 2020, pp. 57–75.

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- the joint options paper being prepared by the ACMA and Screen Australia into media regulation reform; and
 - grant funding under the Regional and Small Publishers Innovation Fund.³⁷

Australian Postal Corporation

2.33 The committee welcomed officers from the Australian Postal Corporation (Australia Post). In her opening statement, Ms Christine Holgate, Group Chief Executive Officer and Managing Director, provided an overview of changes to Australia Post's core businesses as reflected in the recent half-yearly revenue results. She also announced the release of research concerning the social and economic contribution by Australia Post to people living in rural and regional Australia and their sense of increasing dependence on Australia Post services. Finally, she acknowledged the efforts of Australia Post staff to help communities affected by the recent bushfire emergency.³⁸

2.34 Other matters raised by the committee included:

- Australia Post's consumer complaints handling procedures;
- mail delivery services in the Kimberley region of Western Australia;
- relations between Australia Post and Licensed Post Offices, including the costs of community service obligations and the availability of the Australia Post's workforce assistance program to licensees; and
- Australia Post's review of its strategy to operate as a sustainable and fit-for-purpose service.³⁹

Classification Board

2.35 The committee called Ms Margaret Anderson, Director of the Classification Board. The committee discussed the role of the Classification Board and its decisions in relation to the classification of Japanese anime and graphic novels. The committee also canvassed the Classification Board's submission to the current review of Australia's classification regulation.⁴⁰

National Library of Australia

2.36 The committee called officers from the National Library of Australia (NLA) and canvassed the whole-of-library restructure and its impact on the NLA's collecting policies and its staffing profile. The committee also discussed the NLA's current

37 *Proof Committee Hansard*, 3 March 2020, pp. 75–83.

38 *Proof Committee Hansard*, 3 March 2020, pp. 16–17.

39 *Proof Committee Hansard*, 3 March 2020, pp. 16–27.

40 *Proof Committee Hansard*, 3 March 2020, pp. 97–101.

independent review of NLA Publishing and its decision to reduce the number of commissioned titles published under the program.⁴¹

NBN Co Limited

2.37 The committee called officers from NBN Co Limited (NBN Co). In his opening statement, Mr Stephen Rue, Chief Executive Officer, updated the committee on the final stages of the rollout of the National Broadband Network (NBN):

NBN is on schedule to make 11.5 million premises ready to connect by 30 June 2020. That means that the infrastructure production machine we have built will have done its job. I want to be clear, though, that there will still be premises left to connect after June, and I don't just mean new developments, which of course will need to be connected on an ongoing basis. As we said in our last corporate plan, there are likely to be around 100,000 premises defined as complex installations, which includes properties that are difficult to access and some culturally significant areas and heritage sites where design approval, construction and connection depend on factors outside our control such as permission from traditional owners.⁴²

2.38 Other matters discussed by the committee included:

- the provision of business-grade satellite services to enterprise customers in regional areas;
- corporate plan targets in relation to annual revenue projections and the number of premises activated;
- take-up rates for 12 megabits per second plans;
- the current status of the NBN rollout and the company's response to the recent bushfire crisis;
- impact of 5G on the fixed broadband market and the NBN; and
- the current status of the Regional Connectivity Program.⁴³

Office of the eSafety Commissioner

2.39 The Chair welcomed officers from the Office of the eSafety Commissioner (OeSC). Matters discussed by the committee included:

- mechanisms used to address the rise of extremist material online and the operation of the Online Content Scheme;

41 *Proof Committee Hansard*, 3 March 2020, pp. 109–113.

42 Mr Stephen Rue, Chief Executive Officer, NBN Co Limited, *Proof Committee Hansard*, 3 March 2020, p. 113.

43 *Proof Committee Hansard*, 3 March 2020, pp. 113–129.

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- consultation in relation to the proposed Online Safety Act to improve Australia's online safety regulatory framework;
 - complaints in relation to predatory behaviour on online dating platforms; and
 - an update on the Online Safety Grants program.⁴⁴

Screen Australia

2.40 The committee called officers from Screen Australia and discussed the number of international screen productions currently filming in Australia, as well as Screen Australia's collaboration with the ACMA on the joint options paper looking into media regulation reform in Australia. The committee also discussed the levels of funding support for smaller filmmakers and productions.⁴⁵

Special Broadcasting Service Corporation

2.41 The committee called officers from the Special Broadcasting Service Corporation (the SBS) and canvassed the following issues;

- providing health and safety information about the coronavirus outbreak and the recent bushfire crisis to Australia's multicultural communities;
- the regulation of third-party interactions on online platforms hosting content from the SBS;
- the SBS's coverage and participation in community parades and events, including the Mardi Gras and Garma Festival;
- selection process for the appointment of the next Chair of the SBS board; and
- the removal of news articles from the SBS's website.⁴⁶

Senator the Hon David Fawcett Chair

44 *Proof Committee Hansard*, 3 March 2020, pp. 83–87.

45 *Proof Committee Hansard*, 3 March 2020, pp. 101–105.

46 *Proof Committee Hansard*, 3 March 2020, pp. 50–56.

