

Chapter 2

Hearings

2.1 This chapter lists the key topics discussed for each department and portfolio agency examined during the committee's hearings for Additional Budget Estimates 2019–20. Page numbers of the Proof Hansard for that day's hearing are indicated in brackets as a reference.¹

Parliamentary Departments—Monday 2 March 2020

Department of the Senate

2.2 Topics discussed for the Department of the Senate included:

- Privileges Committee 168th report—access to data and search warrant protocols (p. 3–5)
- Renegotiation of the Memorandum of Understanding between the Presiding Officers, the Department of Home Affairs and the Attorney-General's Department (pp. 3–5)
- Rollout of Microsoft Office 365 and privilege claims concerning the storage of data (pp. 5–6)
- Capital works updates (pp. 6-7)
- Recruitment (p. 7)
- Interaction with the Department of Parliamentary Services with respect to proposed provision of corporate services (p. 7)

Parliamentary Budget Office

2.3 Topics discussed for the Parliamentary Budget Office included:

- Acting arrangements for the Parliamentary Budget Officer position and recruitment costs (p. 8)
- Upcoming releases of research work (p. 9)

Department of Parliamentary Services

2.4 The President of the Senate, Senator the Hon. Scott Ryan, made an opening statement in relation to the completion of the physical security upgrade works program, the status of the electronic security upgrade program, cyberattacks and the air quality within Parliament House during the 2019–20 bushfire season.

¹ Page numbers may vary between the Proof and the Official Hansard transcripts when published.

- 2.5 Topics discussed for the Department of Parliamentary Services included:
- The Australian Public Service (APS) employee census² (pp. 10–14)
 - The number of Section 37 incentives to retire notices and redundancies issued by the department (pp. 14–15)
 - Internal antenna upgrade for mobile reception within Parliament House (p. 15)
 - Plans to introduce a digital system to record divisions in the Senate chamber (p. 15)
 - External review of the department's protective security maturity (p. 17)
 - Construction and location of the coffee hub in Parliament House (pp. 18–19)
 - Timeliness of research requests being provided by the Parliamentary Library (p. 19)

Prime Minister and Cabinet Portfolio—Monday 2 March 2020

Department of the Prime Minister and Cabinet

2.6 Ms Stephanie Foster, Deputy Secretary, Governance Group, made an opening statement updating the on changes to the department's executive staff.

2.7 Topics discussed for the Department of the Prime Minister and Cabinet included:

- Departmental procedures for managing the Prime Minister's correspondence (p. 24)
- Administration of the Community Sport Infrastructure Program:
 - The Gaetjen's report—potential breaches of the ministerial standards and collection of evidence (pp. 32–50)
 - Correspondence between the Prime Minister's Office, the department and the office of Senator the Hon. Bridget McKenzie, former Minister for Sport (pp. 39–43)
- Meetings of the Cabinet Office Policy Committee (pp. 54–59)
- 2019-20 budget (pp. 59–60)
- Prime Minister's Office expenses (p. 60)
- Prime Minister's Official Photographer (pp. 60–61)
- Special Envoy for Drought, the Hon. Barnaby Joyce MP (pp. 62–63)

2 The Australian Public Service employee census encompasses entities operating under the *Parliamentary Service Act 1999*.

-
- 2019–20 bushfire season:
 - Advice and briefings provided to the Prime Minister and the department (pp. 65–66)
 - Meetings of the National Security Committee (p. 64)
 - Funding for the National Aerial Firefighting Centre (p. 66)
 - Payments for volunteer firefighters (p. 72)
 - Prime Minister's leave in December 2019 and acting arrangements (pp. 72–74)
 - Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability:
 - Legislative amendments and process for amendments to letters patent (pp. 74–75)
 - Appointment and qualifications of the Chair and Commissioners (p. 77)
 - Office of the Australian Information Commissioner's report concerning freedom of information requests and the department's obligations under the *Freedom of Information Act 1982* (pp. 77–78)
 - Records relating to the telephone call between the Prime Minister and the President of the United States (p. 80)
 - COVID-19:
 - Briefings to the Prime Minister (p. 84)
 - Meetings of the National Security Committee (pp. 84–85)
 - Economic impacts (pp. 85–86)
 - Decision to place evacuees from Wuhan, China in quarantine centres on Christmas Island (pp. 86–87)
 - Travel bans (pp. 87–88)
 - Advice provided by the Chief Medical Officer to the Prime Minister and Cabinet (p. 89)
 - Announcements made by the Prime Minister and the Minister for Energy and Emissions, the Hon. Angus Taylor MP, regarding the progress of the Collinsville Solar Thermal Feasibility Study (pp. 91–92)
 - Delegates invited to a luncheon to honour His Excellency Mr Joko Widodo in February 2020 (pp. 93–94)
 - Prime Minister's engagement with decisions made by the Foreign Investment Review Board (p. 95)

National Bushfire Recovery Agency

2.8 Mr Andrew Colvin AP OAM, Coordinator, made an opening statement which outlined the agency's activities during its first eight weeks of operation.³

2.9 Topics discussed for the National Bushfire Recovery Agency included:

- Staffing arrangements and terms of reference (p. 97)
- Funding allocated to the following payments and grants:
 - Disaster Recovery Allowance (pp. 97–98)
 - Volunteer payments measure (p. 98)
 - Mental health support (p. 98)
 - Tourism funding (pp. 98–99)
 - Concessional loans (p. 100)
 - Primary producers grants (p. 100)
 - Small business grants (p. 101)
 - Back-to-school support (p. 122)
 - Support for charities (p. 123)
 - Support for the removal of debris (pp. 122–123)
- Assessment process for grant applications (pp. 101–102)
- Management of the total amount of funding allocated to the agency (p. 104–105)
- Consultation with local communities (p. 105)
- Support for wildlife and the environment (p. 105)
- Timeline of announcements (p. 106)
- Lives lost during the 2019–20 bushfire season (p. 107)
- Funding for the Duke and Duchess of Cambridge's visit to affected bushfire communities (p. 114)

Office of the Official Secretary to the Governor-General

2.10 Topics discussed for the Office of the Official Secretary to the Governor-General included:

- Consideration of nominations for the Order of Australia awards (p. 115–118)
- Consideration for the termination of awards under the Terminations and Cancellations Ordinance (pp. 118–119)
- Coat of Arms maintenance and the annual capital budget (pp. 120–121)

3 The National Bushfire Recovery Agency was established by the Prime Minister on 6 January 2020.

Department of the Prime Minister and Cabinet (Office for Women)

2.11 Topics discussed for the Office for Women included:

- Media releases distributed by the Minister (p. 124)
- Meetings between the Office for Women and the Minister for Women (p. 124)
- Minister for Women's visit to the Republic of Korea and Japan (pp. 125–126)
- International Women's Day (pp. 126–127)
- Support for victims of domestic violence and consultation regarding the 1800RESPECT service contract (p. 127)
- Independent evaluation of the *National Plan to Reduce Violence against Women and Their Children* (p. 128)
- Work undertaken to improve economic security for women (p. 129; 133)
- Agenda for the meeting of women's safety ministers and engagement with state governments to support victims of domestic violence (p. 129)
- Involvement with the Department of the Treasury's *Retirement Income Review* (pp. 132–133)

Workplace Gender Equality Agency

2.12 Ms Libby Lyons, Director, made an opening statement updating the committee on the agency's activities.

2.13 The Workplace Gender Equality Agency discussed:

- Data collection tools and research analysis undertaken by the agency relating to the gender pay gap, paid parental leave and domestic violence leave (p. 135–136)

National Drought and North Queensland Flood Response and Recovery Agency

2.14 The Hon. Shane Stone AC QC, Coordinator General, made an opening statement updating the committee on the agency's activities following the merger of the drought and flood portfolios.

2.15 Topics discussed for the National Drought and North Queensland Flood Response and Recovery Agency included:

- Additional funding and resourcing following the agency's expansion in December 2019 (p. 138)
- Travel and operational costs (p. 138)
- Funding and expenses associated with grants and direct payments (p. 139)
- Distribution of vouchers to affected communities (pp. 139–140)

Australian National Audit Office

2.16 Topics discussed for the Australian National Audit Office included:

- Responses to questions asked by the Senate Select Committee on Administration of Sports Grants concerning evidence collected from the Department of Health and Sport Australia for the *Auditor-General Report No. 23 of 2019–20: Award of Funding under the Community Sport Infrastructure Program* (pp. 140–146)
- Expected commencement of the *Procurement of strategic water entitlements* performance audit (pp. 147–149)
- Self-conducted longitudinal studies of defence-related audit findings (p. 147)
- Value for money assessments (pp. 148–149)

Australian Public Service Commission

2.17 Topics discussed for the Australian Public Service Commission included:

- Ensuring the integrity of APS staff in accordance with APS values and the Code of Conduct (pp. 149–150)
- Record keeping responsibilities of APS staff (p. 150)

Office of National Intelligence

2.18 Topics discussed for the Office of National Intelligence included:

- Impact of the United Kingdom's decision to allow Huawei to participate in the 5G network and its effect on its intelligence relationship with Australia (p. 151)
- Foreign interference (p. 151)
- Recruitment for the Deputy Director-General of Assessments role (p. 152)

Finance Portfolio—Tuesday 3 March 2020***ASC Pty Ltd***

2.19 Topics discussed for ASC Pty Ltd included:

- Staffing arrangements (pp. 4–13)
- Future arrangements for full-cycle docking and Collins class submarine maintenance and sustainment (pp. 8–9; 13)
- Overseas export projects—engagement with Sweden and Canada (p. 14)
- Upcoming implementation of initial phases for 'Life of Type Extension' of Collins-class submarines (pp. 16–17)

Australian Naval Infrastructure Pty Ltd

2.20 Mr David Knox, Chief Executive Officer, made an opening statement updating the committee on the progress of the Osborne South Development Project and construction on the Combat System Physical Integration Facility at the Osborne North facility.

-
- 2.21 Topics discussed for Australian Naval Infrastructure Pty Ltd included:
- Design agreements with the Naval Group and timeline for installation of specialised equipment at the submarine construction yard (p. 19)
 - Maximum capacity and tonnage for the shipyard currently under construction (p. 20)
 - Combat System Physical Integration Facility and Platform Land Based Test Facility expenditure (pp. 20–21)
 - Future arrangements for submarine yards (p. 22)

Future Fund Management Agency

2.22 Mr Cameron Price, Acting Chief Executive Officer, made an opening statement regarding the activities of the Future Fund Management Agency.

- 2.23 Topics discussed for the Future Fund Management Agency included:
- Expected impact of COVID-19 on the agency's investment funds (p. 23)
 - Exposure to the energy sector and capacity to quantify carbon risk (p. 24–27)
 - Companies exempted from participating in the agency's investments (pp. 27–28)
 - Recruitment to appoint a new Chief Executive Officer (pp. 28–29)
 - Appropriation for the Emergency Response Fund (p. 29)
 - Organisational restructure and staffing arrangements (pp. 30–31)
 - Public Sector Superannuation accumulation plan contributions (p. 31)

Department of Finance

- 2.24 Topics discussed for the Department of Finance included:
- Allocation of funds to the Community Sport Infrastructure Program during caretaker period (pp. 32–37)
 - Budget repair measures (pp. 37–38)
 - Impacts of COVID-19 and commodity prices on the budget, interest rates and government services and the department's representation at meetings of the National Security Committee (pp. 38–39; pp. 54–55)
 - Updates to the government's fiscal strategy in the Mid-Year Economic and Fiscal Outlook 2019–20, spending offset rule and forecasted budget surplus (pp. 39–42)
 - Future Fund earnings (pp. 43–44)
 - Timeline for monthly financial reports to be provided to the Minister for Finance and subsequent publication (p. 45)
 - Spending proposals considered by the Expenditure Review Committee (pp. 46–47)
 - Funding allocated to the National Bushfire Recovery Agency (pp. 47–52)

- Net debt commitment (pp. 53–54)
- External consultant and contractor costs (pp. 55–60)
- Recommendations of the *Auditor-General Report No. 7 2019-20 Government Advertising: June 2015 to April 2019* (pp. 61–62)
- Diversity planning and activities undertaken by the Reconciliation Action Plan Working Group (pp. 62–63)
- Implementation of the recommendations set out in the review of the *Public Governance, Performance and Accountability Act 2013* (pp. 63–64)
- Funding for grants and relevant regulations:
 - Grant programs administered by grant hubs (p. 64–69)
 - Requirements of the Commonwealth Grants Rules and Guidelines 2017 (pp. 64–65)
 - Discretionary and administered grant programs (p. 70)
- Transparency Portal users and features (pp. 70–71)
- Bargaining for the Commonwealth Members of Parliament Staff Enterprise Agreement 2020–23 (p. 74)
- Staffing arrangements in the Prime Minister's Office (p. 74)
- Ministerial and Parliamentary Services:
 - Performance targets to fulfil client requests (p. 75–77)
 - Process for contacting clients and outstanding requests (pp. 75–76)
- Parliamentary Expenses Management System:
 - Uptake (p. 77)
 - Access and protective security functions (p.77)
- COMCAR procurement (p. 79–82)
- Invoicing and the ATO implementation strategy (p. 85–86)
- Commonwealth procurement guidelines (pp. 86–88)
- Review of the *Land Acquisition Act 1989* (pp. 88–89)
- APS Modernization Fund and the Independent Review of the APS (pp. 90–94)
- Capital Works (pp. 94–97)

Independent Parliamentary Expenses Authority

2.25 Ms Annwyn Godwin, Chief Executive Officer, made an opening statement updating the committee on the operational activities of the Independent Parliamentary Expenses Authority (IPEA).

2.26 Topics discussed for IPEA included:

- Introduction of two-factor authentication for the Expense Management System (p. 78)
- Outstanding debt to the Commonwealth of Mr Clive Palmer (pp. 78–79)
- Use of special-purpose aircraft in accordance with the Parliamentary Business Resource Framework (pp. 82–84)

Australian Electoral Commission

2.27 Topics discussed for the Australian Electoral Commission included:

- Electoral expenditure by political campaigners (pp. 98–102)
- Campaign donations and disclosure investigations (pp. 103–106)
- Recruitment (p. 106)
- Legal obligations to registered charities and foreign political donations (pp. 109–111)
- Transparency Register upgrades (pp. 111–112)
- Possible redistribution of electoral seats in the House of Representatives (pp. 113–116)

Cross-portfolio Indigenous Matters—Friday 6 March 2020

Indigenous Land and Sea Corporation

2.28 Mr Leo Bator, Chief Executive Officer, made an opening statement regarding social and economic impact measurement tools developed by the National Centre for Indigenous Excellence, the state of the tourism industry and the establishment of a bushfire emergency response grant.

2.29 Topics discussed for the Indigenous Land and Sea Corporation included:

- Supporting traditional owners and promoting local Indigenous businesses in the fisheries industry (pp. 5–6)
- Divested assets, property purchases and land acquisition (pp. 6–7)

Australian Institute of Aboriginal & Torres Strait Islander Studies

2.30 Mr Michael Ramalli, Acting Chief Executive Officer, made an opening statement updating the committee on the institute's activities.

2.31 Topics discussed for the Australian Institute of Aboriginal & Torres Strait Islander Studies included:

- Project for the return of cultural heritage (pp. 9–10)

- Memorandum of understanding developed between the institute, the National Indigenous Australians Agency and the government for the National Resting Place Project (p. 10)
- Restoration, promotion and promulgation of Indigenous languages (p. 11)
- Functions of the Family History Unit (pp. 11–12)

Indigenous Business Australia

2.32 Mr Rajiv Viswanathan, Chief Executive Officer, made an opening statement updating the committee on the activities of Indigenous Business Australia.

2.33 Topics discussed for Indigenous Business Australia included:

- Cashless debit card management (p. 14)
- Housing strategy (p. 15)
- Support package for customer affected by the bushfires (pp. 15–16)
- Impacts of COVID-19 on the Indigenous tourism industry (pp. 16–17)
- Tracking mechanisms to continuously assess business investments and waiting periods for business finance support (pp. 17–18)

National Indigenous Australians Agency

2.34 Mr Ray Griggs AO CSC, Chief Executive Officer, made an opening statement outlining changes to the agency's organisational structure, which took effect from 1 December 2019, and updating the committee on the agency's engagement with bushfire effected communities.

2.35 Topics discussed for the National Indigenous Australians Agency included:

- The Indigenous Advancement Strategy:
 - Consideration for grant applications (pp. 19–22; 24–25)
 - Funding for administered programs (pp. 22–23; 26–40)
 - Custody Notification Service (pp. 40–41)
- Water security (pp. 41–42)
- Indigenous housing (pp. 49–50)
- Constitutional recognition of Indigenous peoples and an Indigenous voice in the Parliament (pp. 50–57)
- Funding to the National Family Violence Prevention Legal Services (pp. 58–60)

Cross-portfolio: Health Issues

2.36 Officials from the Department of Health joined officials from the National Indigenous Australians Agency to discuss Indigenous health issues, including:

- Impact of COVID-19 on Indigenous communities and support provided by the Department of Health (pp. 42–46)
- Suicide prevention and healthcare (p. 49)

Senator James Paterson

Chair