



COMMONWEALTH OF AUSTRALIA

Proof Committee Hansard

SENATE

ENVIRONMENT AND COMMUNICATIONS LEGISLATION
COMMITTEE

Estimates

(Public)

MONDAY, 25 MAY 2026

CANBERRA

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ENVIRONMENT AND COMMUNICATIONS LEGISLATION COMMITTEE

Monday, 25 May 2026

Members in attendance: Senators Ananda-Rajah, Bragg, Canavan, Ghosh, Henderson, McDonald, McLachlan, Barbara Pocock, David Pocock, Roberts, Dean Smith, Thorpe, Walker, Waters, Whish-Wilson and Whitten

CLIMATE CHANGE, ENERGY, THE ENVIRONMENT AND WATER PORTFOLIO**In Attendance**

Senator Watt, Minister for the Environment and Water

Department of Climate Change, Energy, the Environment and Water**Executive**

Mr Mike Kaiser, Secretary
Ms Kushla Munro, Deputy Secretary
Mr Shane Gaddes, Acting Deputy Secretary
Ms Maya Stuart-Fox, Acting Deputy Secretary
Mr Sean Sullivan, Deputy Secretary
Ms Luise McCulloch, Deputy Secretary
Mr Matthew Brine, Deputy Secretary

Corporate**Finance Division**

Ms Amanda Lee, Chief Financial Officer
Ms Rachel Harris, Branch Head, Financial Services Branch
Mr Kamaldeep Singh, Acting Branch Head, Financial Management Branch

Property and Infrastructure Branch

Mr Robert Hanlon, Head of Division
Mrs Jill Mand, Branch Head

Information and Communications Technology Division

Mr Dale Naughton, Chief Information Officer

Legal Division

Ms Kate Lalor, Chief Counsel

People Division

Mr Tim Spackman, Chief People Officer
Ms Melina Saunders, Branch Head, Workforce Strategy
Ms Steph Bourke, Branch Head, People Services
Mr Robert Scanlon, Acting Branch Head, People Advisory

Portfolio Strategy Division

Ms Michelle Croker, Head of Division
Ms Dana Sutton, Branch Head, Ministerial Liaison and Governance Branch
Ms Miranda Lello, Branch Head, Portfolio Strategy and Integration Branch
Ms Anita Agett, Branch Head, Communications and Media Branch
Mr Jason Ramsamy, Acting Branch Head, First Nations Branch
Ms Kelly Buchanan, Branch Head, National Security and International Coordination Branch

Outcome 1**International Climate and Energy Division**

Mr David Higgins, Head of Division

International Climate Negotiations Division

Dr Sally Box, Head of Division

Outcome 2**Biodiversity Division**

Dr Fiona Fraser, Acting Head of Division
Ms Kat Waterhouse, Acting Threatened Species Commissioner

Mr Glenn Block, Branch Head, Natural Heritage Trust Branch
Ms Jackie Raynor, Branch Head, Biodiversity Programs Branch
Dr Ilse Kiessling, Branch Head, Protected Species and Ecological Communities Branch
Mr Phil Alcorn, Senior Director, Biodiversity Reform Implementation Working Group

Circular Economy Division

Mr James Tregurtha, Head of Division
Mr Cameron Hutchison, Branch Head, Packaging Stewardship and Investment Branch
Ms Cathryn Geiger, Branch Head, Circular Economy Strategy Branch
Ms Rachel Burgess, Branch Head, Chemicals, Atmosphere and International Branch
Ms Anna-Liisa Lahtinen, Branch Head, Circular Economy Legislative Design Branch

Environment Information Australia

Ms Lisa Nitschke, Acting Head of Division
Mr Simon Gallant, Acting Branch Head, Environmental Economics, Science and Reporting Branch
Dr Katrina Phillips, Acting Branch Head, Environmental Data and Analysis Branch
Dr Jennie Fluin, Acting Branch Head, Environment Information Strategy and Policy

Environment Law Reform Taskforce

Ms Jennifer Kay, Acting Head of Division
Ms Kathleen Patroni, Acting Branch Head, Reform and Strategy Branch
Mr Blaine Wentworth, Acting Branch Head, Legislation and Policy Branch

Environmental Permitting and Compliance Division

Ms Dani Yannopoulos, Acting Head of Division
Mr Sam Hush, Branch Head, Wildlife Trade and Regulatory Capability Branch
Mr Danny McQuillen, Branch Head, Compliance and Enforcement Branch
Ms Kate Elliot, Branch Head, Waste, Environmental Permits and Advice Branch

Environment Policy, Regions and Markets Division

Ms Kate Lynch, Acting Head of Division
Dr Alison McMorrough, Branch Head, Nature Repair Market Delivery Branch
Mr Will Kimber, Branch Head, Nature Finance and Market Policy Branch
Ms Daniela Croce, Branch Head, Regional Planning and Landscapes Branch
Ms Katrina Purcell, Branch Head, Forests Taskforce
Ms Mahani Taylor, Branch Head, Environment Policy Branch

Environment Regulation Division

Mrs Paula Svarcas, Head of Division
Mr Declan O'Connor-Cox, Branch Head, EPBC Regulatory Support Branch
Ms Kylie Calhoun, Branch Head, Environment Assessments West, WA, SA and NT Branch
Mr Rod Dann, Acting Branch Head, Environment Assessments Queensland Branch
Ms Rachel Short, Branch Head, Environment Assessments Vic, Tas and Post-Approvals Branch
Ms Kate Gowland, Branch Head, Environment Assessments ACT, NSW

Heritage Division

Ms Michelle Dumazel, Head of Division
Dr Wayne Beswick, Branch Head, Heritage Policy and Programs Branch
Ms Carmen Dwyer, Branch Head, Heritage Regulation and Protection Branch

International Environment, Reef and Ocean Division

Ms Katrina Maguire, Head of Division
Mr John Foster, Branch Head, Great Barrier Reef Branch

Ms Belinda Jago, Branch Head, Ocean and Wildlife Branch

Ms Suzi Heaton, Branch Head, International Environment Branch

National EPA Establishment Taskforce

Mrs Bronwyn Ray, Acting Chief Operating Officer

Parks Australia Division

Mrs Tia Stevens, Branch Head, Strategy and Indigenous Protected Areas Branch

Office of the Supervising Scientist

Mr Keith Taylor, Supervising Scientist

Outcome 3

Australian Antarctic Division

Ms Emma Campbell, Head of Division

Professor Nerilie Abram, Chief Scientist, Science Branch

Outcome 4

Environmental Water and Aquatic Ecosystems

Dr Simon Banks, Head of Division and Commonwealth Environmental Water Holder

Mr Hilary Johnson, Branch Head, Environmental Water Holdings and Southern Basin Branch

Dr Marcus Finn, Branch Head, Environmental Water, Northern Basin and Water Science Branch

Ms Rebecca Curtis, Branch Head, Environmental Water Policy, Engagement and Wetlands Branch

Water Infrastructure and Investment Division

Mr Malcolm Southwell, Acting Head of Division

Mr Mark Darrough, Branch Head, National Water Grid Branch

Ms Le Trac, Acting Branch Head, GAB, LED and Upper Murrumbidgee

Ms Lou-Ellen Martin, Branch Head, Water Support and Water Efficiency Labelling and Standards Branch

Ms Christine MacRae, Acting Branch Head, Water Recovery Branch

Ms Fiona Yule, Branch Head, Murray Darling Basin Infrastructure Program Delivery Branch

Water Policy Division

Ms Edwina Johnson, Acting Head of Division

Ms Emma Solomon, Branch Head, Water Markets and Regulatory Policy Branch

Ms Angie McKenzie, Branch Head, National Water Policy, International and Engagement Branch

Mr Anthony Bennie, Branch Head, Murray-Darling Basin Strategy and Policy Branch

Ms Sheryl Hedges, Branch Head, First Nations Water Branch

Mr Phil Coates, Acting Branch Head, Murray-Darling Basin Economics, Evidence and Engagement Branch

Agencies and Statutory Authorities

Australian Institute of Marine Science

Professor Selina Stead, Chief Executive Officer

Ms Michelle Noack, Chief Financial Officer

Dr David Wachenfeld, Research Program Director

Bureau of Meteorology

Dr Stuart Minchin, Chief Executive Officer and Director of Meteorology

Dr Peter Stone, Chief Customer Service Officer and Group Executive, Business Solutions Group

Ms Nichole Brinsmead, Chief Information Officer and Group Executive, Data and Digital

Mr Mark Lyons, Chief Financial Officer

Ms Astrid Heward, Chief Operating Officer and Group Executive, Enterprise Services and Chief Operating Officer

Mr Michael Logan, General Manager, National Production Services

Mr Benjamin Haydon, General Manager, Strategy

Mr David Gooding, Manager, Climate

Bureau of Meteorology and Australian Climate Service

Ms Vicki Manson, Head of Australian Climate Service

Ms Tanya Schneider, General Manager, Delivery

Director of National Parks (Parks Australia)

Mr Ricky Archer, Director of National Parks

Mr Rob Hanlon, Chief Operating Officer

Dr Rebecca Pirzl, Branch Head, Science and Australian National Botanic Gardens Branch

Mr Shaun Barclay, Branch Head, Marine and Island Parks Branch

Mr Peter Donohue, Branch head, Booderee National Park and Uluru-Kata Tjuta National Park

Mrs Tia Stevens, Branch head, Strategy and Indigenous Protected Areas Branch

Mrs Jill Mand, Branch head, Property, Infrastructure and Security Branch

Mr Otto Menzel, Chief Financial Officer and Parks Corporate Services Branch

Great Barrier Reef Marine Park Authority

Mr Joshua Thomas, Chief Executive Officer

Mr Richard Quincey, General Manager, Marine Park Operations Branch

Ms Jameelie Fletchett, Chief Operating Officer

Mr Fred Nucifora, General Manager, Major Projects Branch

Ms Caroline Turnour, General Manager, Strategic Policy and Partnerships Branch

Dr Roger Beeden, Chief Scientist

Inspector-General of Water Compliance

The Hon. Mr Troy Grant, Inspector-General of Water Compliance

Mr Daniel Blacker, Deputy Inspector-General of Water Compliance

Mr Chris Brookes, Assistant Inspector-General, Oversight

Mr Ken Lonnie, Director, Inquiry

Murray-Darling Basin Authority

Mr Andrew McConville, Chief Executive

Ms Katrina Tonkin, Chief Operating Officer

Ms Jacqui Hickey, Executive Director, River Management

Mr Tim Goodes, Executive Director, Basin Plan

Dr Matthew Coleman, General Manager, Basin Science and Knowledge

Ms Jack Knowles, General Manager, Basin Science and Knowledge

Ms Kelly Casey, Acting Executive Director, Basin Science and Knowledge

Mr Joel Bailey, General Manager, Applied Science

Ms Megan Winter, General Manager, Basin Plan

Threatened Species Scientific Committee

Professor Iain Gordon, Chair

Sydney Harbour Federation Trust

Ms Janet Carding, Executive Director

Committee met at 09:00

CHAIR (Senator Ghosh): I declare open this hearing of the Environment and Communications Legislation Committee into the 2026-27 budget estimates. I begin by acknowledging the traditional custodians of the land on which we meet and pay our respects to elders past, present and emerging. The committee has fixed Friday 17 July 2026 as the date for the return of answers to questions taken on notice. The committee's proceedings today will begin with corporate matters and general questions of the Climate Change, Energy, the Environment and Water portfolio. Under standing order 26, the committee must take all evidence in public session, and that includes answers to questions on notice. I remind 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 a contempt. It is also a contempt to give false or misleading answers.

The Senate has 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 estimates are relevant questions for the purposes of estimates hearings. That is a broad test of relevance. 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 resolved also that an officer of a department of the Commonwealth shall not be asked to give opinions on matters of policy and shall be given reasonable opportunity to refer questions asked of the officer to superior officers or to a minister. This resolution does not preclude questions asking for explanations of policies or factual questions about when and how policies were adopted.

Witnesses are reminded of the Senate order specifying the process by which a claim of public interest immunity should be raised. I incorporate the public interest immunity statement into *Hansard*.

The extract read as follows—

Public interest immunity claims

That the Senate—

(a) notes that ministers and officers have continued to refuse to provide information to Senate committees without properly raising claims of public interest immunity as required by past resolutions of the Senate;

(b) reaffirms the principles of past resolutions of the Senate by this order, to provide ministers and officers with guidance as to the proper process for raising public interest immunity claims and to consolidate those past resolutions of the Senate;

(c) orders that the following operate as an order of continuing effect:

(1) If:

(a) a Senate committee, or a senator in the course of proceedings of a committee, requests information or a document from a Commonwealth department or agency; and

(b) an officer of the department or agency to whom the request is directed believes that it may not be in the public interest to disclose the information or document to the committee, the officer shall state to the committee the ground on which the officer believes that it may not be in the public interest to disclose the information or document to the committee, and specify the harm to the public interest that could result from the disclosure of the information or document.

(2) If, after receiving the officer's statement under paragraph (1), the committee or the senator requests the officer to refer the question of the disclosure of the information or document to a responsible minister, the officer shall refer that question to the minister.

(3) If a minister, on a reference by an officer under paragraph (2), concludes that it would not be in the public interest to disclose the information or document to the committee, the minister shall provide to the committee a statement of the ground for that conclusion, specifying the harm to the public interest that could result from the disclosure of the information or document.

(4) A minister, in a statement under paragraph (3), shall indicate whether the harm to the public interest that could result from the disclosure of the information or document to the committee could result only from the publication of the information or document by the committee, or could result, equally or in part, from the disclosure of the information or document to the committee as in camera evidence.

(5) If, after considering a statement by a minister provided under paragraph (3), the committee concludes that the statement does not sufficiently justify the withholding of the information or document from the committee, the committee shall report the matter to the Senate.

(6) A decision by a committee not to report a matter to the Senate under paragraph (5) does not prevent a senator from raising the matter in the Senate in accordance with other procedures of the Senate.

(7) A statement that information or a document is not published, or is confidential, or consists of advice to, or internal deliberations of, government, in the absence of specification of the harm to the public interest that could result from the disclosure of the information or document, is not a statement that meets the requirements of paragraph (1) or (4).

(8) If a minister concludes that a statement under paragraph (3) should more appropriately be made by the head of an agency, by reason of the independence of that agency from ministerial direction or control, the minister shall inform the committee of that conclusion and the reason for that conclusion, and shall refer the matter to the head of the agency, who shall then be required to provide a statement in accordance with paragraph (3).

(d) requires the Procedure Committee to review the operation of this order and report to the Senate by 20 August 2009.

(13 May 2009 J.1941)

(Extract, Senate Standing Orders)

CHAIR: Senators are aware that one of the roles of the committee chair is to ensure that proceedings are conducted in an orderly way. This is intended not to prevent rigorous questioning of witnesses but to help ensure that senators exercise their rights, privileges and responsibilities in a careful, civil and appropriate manner. I remind senators of their obligations under the Behaviour Code for Australian Parliamentarians to treat witnesses with dignity, courtesy, fairness and respect. As chair, I intend to uphold these standards.

These are public proceedings being videostreamed live via the parliament's website, and a *Hansard* transcript is being made. If there are no objections, the committee authorises media recording and photography of the committee's proceedings in accordance with Senate resolution 3. I remind the media that this permission can be revoked at any time, and the media must follow the directions of secretariat staff.

Department of Climate Change, Energy, the Environment and Water

[09:03]

CHAIR: I now welcome Senator the Hon. Murray Watt, Minister for the Environment and Water. Minister, do you wish to make an opening statement?

Senator Watt: Yes, please, Chair. It's nice to see you all. I look forward to an exciting and interesting day. Thank you, Chair, for the opportunity to provide an opening statement to the committee. It's now been nearly six months since the Albanese government passed our landmark and historic changes to Australia's environmental laws. The reforms to the Environment Protection and Biodiversity Conservation Act, better known as the EPBC Act, will better protect our environment while powering productivity through faster and clearer approvals, processes. Since then, we haven't wasted a day putting these laws to work. Parts of the laws have already begun, and we have begun extensive consultation on the remainder, including the national environmental standards that will drive the legislation on the ground. This budget will deliver faster approvals for housing, energy and critical minerals projects, with more than \$500 million in new funding to help implement these historic reforms to Australia's national environmental laws.

This budget locks in funding for the establishment of Australia's first ever National Environmental Protection Agency. The funding will ensure the National EPA can be a strong, independent regulator with a clear focus on ensuring better compliance and enforcement of our strengthened environmental laws. It will also ensure the National EPA can support national productivity through quicker, more streamlined approvals for projects important to our nation's future prosperity, like affordable housing, renewables and critical minerals. We have moved quickly to establish and fund the National EPA, and ensure its full benefits can be felt by business, the community and the environment, following the passage of our reforms in November.

The budget also includes funding to streamline environmental approvals, unlocking investment in areas of national priority, like housing, energy and critical minerals. The government will also provide funding to states and territories to encourage them to adopt and implement streamlined environmental assessment pathways that take advantage of the recent reforms. This will remove duplication, ensuring project proponents can benefit from quicker, more efficient environmental approvals while of course being subject to strong environmental safeguards. We want to ensure that we're building houses and energy projects that our country needs to prosper while protecting the environment. That's what sits behind those landmark reforms.

Today I'm pleased to announce that the Albanese government has smashed through our target to cut through the red tape and delays in environmental approvals that were holding up the construction of more homes for Australians. An outcome of the government's Economic Reform Roundtable in August last year, the housing strike team established within the Department of Climate Change, Energy, the Environment and Water was given the target of assessing 26,000 new homes by July this year. Since then, the government's housing strike team has not just met that target but hit it out of the park, and I congratulate all of the officers involved in that effort. As of today, the strike team will have approved 35,675 homes since that target of 26,000 was set back in August last year. This brings the total of new homes approved by the Albanese government to 78,000 homes since we came to government. All up, since August last year the strike team has given the green light to 21 metropolitan housing developments, supporting 19,906 homes, and 13 regional housing developments, supporting 15,769 homes. While doing this, we have of course ensured that the environmental impacts of these housing developments are assessed, avoided and minimised and imposed conditions where necessary. The assessments and approvals process is only going to get faster, simpler and more reliable from here with the rollout of our landmark national environmental laws.

This budget also supports the continuation of key environmental policies and programs, including for native species and ocean protection, as well as Australia's transition to a circular economy. Just to give you a quick flavour of the key initiatives in our budget this year beyond the \$500 million of funding for EPBC reform, we will

delivered \$110.8 million over the next two years to extend the Saving Native Species program and H5 bird flu preparedness efforts to safeguard as many of Australia's most vulnerable animals and plants and protect and recover our most biodiverse natural landscapes. The budget delivers \$91.8 million in new funding to protect and restore the World Heritage listed Great Barrier Reef. It delivers \$17 million to continue efforts to boost Australia's circular economy policy, program and legislative office, \$16.7 million to continue water reform activities in the Murray-Darling Basin and \$11.5 million to continue marine conservation and protection activities across our Australian marine parks and to progress national ocean actions. This includes tackling illegal activity in marine protected areas, involving First Nations groups and marine users in managing Australian marine parks, strengthening national collaboration and speeding up restoration work in the ocean. These initiatives are, of course, in addition to the substantial ongoing funding for a range of environmental initiatives, including the Australian Bushland Program, Antarctic research and environmental protection and the review of Australian marine parks.

This budget, in summary, is protecting our precious environment and powering productivity through faster environmental assessments and approvals, and I'm looking forward to answering your questions today.

CHAIR: Thank you, Minister. I also welcome Mr Mike Kaiser, the Secretary of the Department of Climate Change, Energy, the Environment and Water. Do you want to make an opening statement, Mr Kaiser?

Mr Kaiser: No, Senator.

CHAIR: In that case I will hand over to Senator Henderson.

Senator HENDERSON: Thank you. Good morning to you all. Minister, I want to start by asking about your knowledge as to the government's broken promises. There was a promise made before the election not to increase the capital gains tax and tax of trusts or to wind back negative gearing. When did you first become aware that your government was going to break those promises?

Senator Watt: In what way is that possibly related to the budget of this department?

Senator HENDERSON: There are many businesses across this country which operate in this sector, Minister. Are you not aware of small business operating in the energy and environment sector? It's very relevant.

Senator Watt: That is the most pathetic attempt to weave a non-relevant issue into an estimates committee that I think I've seen in 10 years in this parliament.

Senator HENDERSON: You can start by denigrating me, Minister, but you're here to answer questions.

Senator Watt: I'm here to answer questions about the budget and activities of this department.

Senator HENDERSON: Yes, and they were core announcements made in the budget. Could you please advise this committee of when you became aware that the government was going to break its promise?

Senator Watt: You will have ample opportunity to ask questions about the various tax measures introduced in this budget when the Treasury appears at estimates, which I think is next week.

Senator HENDERSON: Minister, did you argue against or support these decisions in cabinet?

Senator Watt: I refer to my earlier answer. It shows how bereft the opposition is of any policies or ideas about the environment, energy, climate change and water that your opening questions are completely irrelevant to the activities of this department. You have no idea.

Senator HENDERSON: It shows how bereft you and your government are that you are making these changes, which are destroying so many businesses. Please let me ask my questions. Minister, have you met with a single small business affected by these changes since the budget was announced?

Senator Watt: Again, that's not relevant. Well—

Senator HENDERSON: It is relevant.

Senator Watt: It's not relevant to this department's activities.

Senator HENDERSON: Of course it is, because many of these small businesses operate in energy, in environment and in water. I'm asking you if you've met with any small businesses affected by these changes.

Senator Watt: I refer you to my previous answer.

Senator HENDERSON: That's not an answer.

Senator Watt: It is, actually. It's a direct answer to a question.

Senator HENDERSON: That's pathetic. You said that there are only small numbers of people in the community affected by these changes. That's not the case. I again ask you. You are required to answer questions.

Have you met with a single small business affected by these changes, including businesses which operate in these portfolios?

Senator Watt: I refer you to my previous answer.

Senator HENDERSON: That's pathetic.

Senator Watt: Thank you. I'll take that as a compliment, coming from you.

Senator HENDERSON: Do you support the decision to break a promise the Prime Minister made to the Australian people, on his own count, on over 50 occasions?

Senator Watt: Again, that's not relevant to this estimates. Do you seriously have a single question about the activities of this department?

Senator HENDERSON: I can see that you're furiously texting on your phone seeking some help.

Senator Watt: I was actually replying to my mum, who wanted to know what estimates hearing was on today. She might enjoy this!

Senator HENDERSON: Minister, do you know when a promise from the Prime Minister is serious or not? This is a really serious issue. The Prime Minister made promises to the Australian people, which have been broken, including to many small businesses operating in your portfolio areas.

Senator Watt: When you have a question related to the budget and activities of this department, I'd be happy to answer it.

Senator HENDERSON: Is the Prime Minister's word still his bond?

Senator Watt: I refer you to my previous answers.

Senator HENDERSON: When should Australians trust you and your government in the future?

Senator Watt: I refer you to my previous answers.

Senator HENDERSON: Wow. How pathetic. Minister, what is the point of an election commitment made by the government when you break those promises to the Australian people?

Senator Watt: I refer you to my previous answers.

Senator HENDERSON: We've heard from every industry—accountants, miners, farmers, small businesses, tech start-ups—about the impact that this is going to have on investment, including in the areas covered by these portfolios. What are the impacts amongst the stakeholders in your portfolio of your broken promises, which will raise taxes, kill investment and see jobs and businesses go offshore?

Senator Watt: My recollection, Senator, is that there are two whole days of this estimates fortnight that are allocated to the Treasury and they would be very well placed to answer all of your questions. What we're here to do today is to answer questions about the activities and funding programs of this department. I'm astonished that 10 minutes have gone by and you haven't got a single one of those questions. It sounds like we're going to be finished by lunchtime today.

Senator HENDERSON: I'm astonished that you can't answer any of these questions.

Senator Watt: No, I'm choosing not to.

Senator HENDERSON: You're refusing to do so.

Senator Watt: I'm choosing not to because there's an entire committee that is devoted to the questions. Are you in the wrong room?

Senator HENDERSON: Gee, you're an arrogant—you don't have to be so denigrating, Minister.

CHAIR: Senators, it is very early, at the beginning of a long week, I have let this go for a little while, and I am not sure how constructive it is. This system works best if people ask questions and answer them. Let's stick to that format.

Senator HENDERSON: Thanks, Chair.

Senator Watt: A point of order, Chair: it would probably be helpful if you could provide some guidance to Senator Henderson as to whether these questions are in order, given that this is a committee hearing about the Department of Climate Change, Energy, the Environment and Water. Not one question yet has related to the activities of this department.

Senator HENDERSON: If I could just address the point of order, Chair. Minister, I'm asking questions about the budget which have a direct impact on these portfolio areas. There is no point of order—

Senator Watt: Well, that's your view.

Senator HENDERSON: and it's pathetic that you are refusing to answer these questions.

CHAIR: Senator Henderson, as I said a moment ago, perhaps we could reset the tone of this. I appreciate that there's a back and forward here, but my ruling on that, Minister, is that we have a broad test of relevance in this hearing. To the extent that there is an endeavour to coat hook it into the department's operations, which I have heard, I think it's still within bounds.

Senator Watt: If Senator Henderson chooses to use her time asking questions about another portfolio, that's entirely her decision.

Senator HENDERSON: Minister, I'm sorry, please don't denigrate the chair's ruling. The chair has just ruled that my question is in order.

Senator Watt: I think the chair is pretty comfortable—

Senator HENDERSON: Please stop interrupting me when I'm trying to ask questions. What are the impacts, amongst the stakeholders in your portfolio, of your broken promises, which will raise taxes, kill investment and see jobs and businesses go offshore?

Senator Watt: Again, that's not relevant to the activities of the department. What I can tell you, though, Senator, is that stakeholders, including the business community, are very happy with the faster decision-making assessments and approvals that are happening as a result of our EPBC reforms that your party voted against. That's relevant to this portfolio.

Senator HENDERSON: Minister, just to remind you in relation to that, the oil and gas sector is not happy, because, if you remember, we now have a system where approvals in oil and gas, in the middle of a fuel crisis, are not prioritised. They were your changes. So—

Senator Watt: That's not true.

Senator HENDERSON: That is true.

Senator Watt: I don't know how many oil and gas companies you've met with, but I've met with some quite recently, including with environmental groups, and they understand what our reforms actually deliver. I'm not surprised that the Liberal Party doesn't understand those reforms, because you weren't capable of working out who your negotiator was around the reforms.

Senator HENDERSON: People understand that you did a dirty deal, Minister. I'd really like you to answer the questions, and I'll continue—

Senator Watt: The last two minutes has been about our portfolio, so I'm happy to keep talking about our EPBC reforms and what they're delivering to business and the environment. I think that's a really good place to start.

Senator HENDERSON: Are you concerned about the backlash to the budget, which we have seen from literally thousands upon thousands of people across this country?

Senator Watt: Again, that's not relevant to this department's activities.

Senator HENDERSON: I'm talking about the budget, including the impact on stakeholders in your portfolio.

Senator Watt: Is there a particular initiative in this department's budget that you'd like me to address? That's what we're here to talk about today.

Senator HENDERSON: Minister, the chair has already ruled in relation to my questions. I'm asking about the impact of businesses operating in your portfolio areas, which have had a massive impact on them. Are you bothered by the backlash, Minister?

Senator Watt: I refer you to my previous answer.

Senator HENDERSON: Extraordinary. How much more time do I have, Chair?

CHAIR: Well, I was going to give you an initial block to just roll for a bit. If we can work through on that basis, I'll give you another 10 minutes, and then I'll rotate the call.

Senator HENDERSON: I just want to turn to the material published on the evening of budget night by the department. It seems there was a link to the budget but no specific material by the department. Is that correct?

Senator Watt: I'm not aware of that.

Senator HENDERSON: Mr Kaiser, can you address that question?

Mr Kaiser: Sorry, Senator; can you be more specific? I'm not aware of the circumstance you're describing.

Senator HENDERSON: I'm asking about the material published on budget night by the department. What budget night material did the department publish?

Mr Kaiser: All of the usual material, as far as I know.

Senator HENDERSON: Could you tell us what they were? I think there was a link to the budget but no specific materials.

Ms McCulloch: Senator, if I may, I'm not sure what link you're referring to. We put our own portfolio budget statement up. The actual budget papers themselves are published by Treasury and Finance.

Senator HENDERSON: No, what I'm asking is the materials published by your department.

Ms McCulloch: The portfolio budget statement is what would be published.

Senator HENDERSON: No other materials?

Ms McCulloch: Not that I'm aware of, unless there were media releases.

Senator HENDERSON: Minister, can I go back to the issue that I raised briefly before. Why and how did you decide to remove the fossil fuel actions and projects—I'm talking about coal and petroleum—from the fast-track approval pathway under the new EPBC Act?

Senator Watt: That's clearly not a corporate question, and we'll have many hours to discuss that when we get to the relevant outcome.

Senator HENDERSON: You've just addressed that question in corporate, and it is a corporate question.

Senator Watt: It's not a corporate question.

Senator HENDERSON: You've already addressed it.

Senator Watt: I was pointing you to an example of something that is relevant to this department as opposed to the dozen or 20 questions that you opened the day with.

Senator HENDERSON: You've already raised this in corporate section. It's now open to me to ask that question. Could you please address that question?

CHAIR: Senator, to the extent that the department is able to assist and the appropriate officials are able to provide colour to that question, I think it would be better asked in the substantive section. I do take the minister's point that it was raised in response to a question. I think it would be better if we did that in a different section. It is a matter that is substantive rather than corporate.

Senator HENDERSON: Alright, I will move on. Can I ask about the costs involved in the minister being the president of negotiations for COP31. Could you please detail the costs involved in that role?

Mr Kaiser: While my colleagues are getting ready to answer that question, I just thought I might point out that all of our portfolio budget materials are on our public-facing website.

Senator HENDERSON: I was actually asking about additional materials, but thank you for that.

Ms Munro: In relation to Australia's role as president of negotiations, it is a function that is held by Australia, not just the Minister for Climate Change and Energy. My colleague Dr Box is happy to take you through the budget measures.

Dr Box: As Ms Munro said, Australia's role in COP31 is a responsibility of the Australian government. The 2026-27 budget measure is \$147.8 million over three years from 2025-26. It's a measure entitled 'standing with our partners in the Pacific' and it is supporting Australia's relationships with the Pacific and other trade partners internationally to enhance security, resilience and economic opportunities through Australia's role in COP31 and to deliver the pre-COP and a leaders event in the Pacific.

Senator HENDERSON: Can I ask who selected the name 'the office of the presidency'. Was that the minister or the department?

Mr Kaiser: I did.

Senator HENDERSON: Did you seek any advice in relation to that name? Did you speak to the minister?

Mr Kaiser: I discussed it with my colleagues and that's the name we chose. I established the office, not the minister. The minister did not request this office. It's a sensible, pragmatic organisational response to the fact that we have responsibilities to deliver on behalf of the Australian government in the Pacific in terms of the pre-COP that we have to organise with our Pacific partners, the leaders forum in the Pacific and our relationship with Turkiye to manage. It was a sensible organisational response to pull together largely business-as-usual resources into a focused effort to deliver for the Australian people on our responsibilities.

Senator HENDERSON: The organisational chart for the department has changed a significant number of times since around mid last year due to Minister Bowen's COP31 presidency. How many staff are currently within the international climate negotiations line area?

Dr Box: In the office of the presidency there are currently 28 full-time-equivalent staff.

Senator HENDERSON: How many in the international climate negotiations area—is that the same?

Dr Box: The International Climate Negotiations Division, which I'm responsible for, has other branches: a negotiations branch, a Pacific partnerships branch and a stakeholders and collaboration branch. The office of the presidency actually reports to me, and it also reports to the head of the International Climate and Energy Division.

Senator HENDERSON: How many staff are in stakeholders and collaboration?

Dr Box: At 20 May 2026 there are 21.6 full-time-equivalent staff.

Senator HENDERSON: What about Pacific partnerships?

Dr Box: At the same date 19.9 full-time equivalent.

Senator HENDERSON: On what date was the office of the presidency created?

Dr Box: I believe that was 16 March 2026. That's when our new structure came into effect.

Senator HENDERSON: Earlier iterations of the organisational chart did not include this office, so why was it created?

Mr Kaiser: As I said, on behalf of the Australian people and the Australian government we have a very focused, specific task to undertake over about a 12-month period, and that is to deliver with our Pacific partners, in cooperation and collaboration with them, a pre-COP in the Pacific in the lead-up to COP31 in Turkiye and a leaders forum in the Pacific. We also have a relationship to manage with Turkiye in respect of the minister's responsibilities as president of negotiations. It seemed sensible to me, given that relatively short-term focused effort that we're delivering as a result of Australian government decisions, to organise our existing resources into an office that could work specifically on that. Importantly, the vast bulk of the resources in that office are existing business-as-usual resources because we are the climate change department and we have ongoing responsibilities in respect of these issues.

Senator HENDERSON: Does the office itself have a budget?

Mr Kaiser: The office itself does not have a specific budget. We're undertaking this specific task, but most of the people in the office are existing long-term public servants who would be working on these sorts of issues anyway. They just happen to have a very focused, specific set of deliverables for this 12-month period in the lead-up to COP31.

Senator HENDERSON: I want to ask about the travel of, firstly, departmental staff. Are staff in the office expected to undertake international travel?

Mr Kaiser: They always are. This is an internationally facing department. You can't be the climate change department for the Australian government without undertaking international travel. We would be doing our responsibilities to the Australian people and the Australian government a disservice if we did not meet and engage face-to-face with our Pacific partners, with Turkiye and with others in the world.

Senator HENDERSON: How many staff have undertaken travel since the minister was confirmed as president?

Mr Kaiser: Specifically in relation to COP 31?

Senator HENDERSON: That's right—and the office of the presidency.

Mr Kaiser: No-one has undertaken travel as a result of the office of the presidency.

Senator HENDERSON: I don't understand that, because Mr Bowen is travelling around the world as the president of negotiations. Are you saying that on all of those trips he's not supported with any staff?

Mr Kaiser: No, he is supported, but it's not as a consequence of us establishing the office. That's the only point I'm making.

Senator HENDERSON: But it's a consequence of him doing this role, isn't it?

Mr Kaiser: Yes.

Senator HENDERSON: Well, I think you're arguing semantics here, Mr Kaiser, I must say.

Mr Kaiser: I was just wanting to make sure that there were no—

Senator Watt: Our government doesn't make any apologies for participating in the international environment about action on climate change and energy issues. That's what a responsible government does, and it's a strong contrast to what we saw from the Morrison government, in particular, when we were left as an international pariah on these issues.

Senator HENDERSON: Can I go back to asking about the travel. How many staff have travelled to support the minister since he was confirmed as president, and what was the cost of that travel, please? Could that be broken down on a trip-by-trip basis.

Dr Box: I'd like to mention that the minister has only travelled once internationally since he's been confirmed as president of the negotiations, which was to the Copenhagen Climate Ministerial last week. So there is only one trip that the minister has undertaken since he was confirmed as president of negotiations.

Senator HENDERSON: How many staff travelled with the minister on that trip?

Dr Box: There were five staff who travelled with the minister on that trip.

Senator HENDERSON: What was the cost of that travel?

Dr Box: That travel only happened last week, so those costs haven't been acquitted yet.

Senator HENDERSON: That's fine, but I'm asking what the approved cost of that travel was.

Dr Box: I'll take that on notice.

CHAIR: Senator, I'm going to rotate the call and come back to you.

Senator HENDERSON: Yes. Can I just finish asking a couple of quick questions?

CHAIR: Sure.

Senator HENDERSON: In March 2026, four departmental staff travelled to Fiji for a pre-COP operational scoping visit. They stayed there for four days. Whereabouts did they stay? Are you able to give any details of that trip?

Mr Higgins: As you mentioned, four DCCEE staff travelled to Fiji to engage with the Fijian government in relation to early preparations for pre-COP. Your specific question was what, though?

Senator HENDERSON: Whereabouts did they stay?

Mr Higgins: I'll have to take that on notice. I travelled on that trip. We were in hotel accommodation in Suva for meetings with the Fijian government, and then we were in Nadi to engage with hotel venues along with colleagues from the Fijian government. I don't have the details in front of me, and I can't remember the names of the hotels, but I can provide that to you on notice, should you wish.

Senator HENDERSON: Could you perhaps come back to me on that.

Mr Higgins: Yes.

Senator HENDERSON: This morning, if you could, because, obviously, you were there. That would be really helpful, if we could understand that. Did you stay in any resort-type hotel accommodation?

Mr Higgins: No, we did not.

Senator HENDERSON: I might leave my questions there, and I'll come back to that.

Senator Watt: Chair, I might just remind Senator Henderson that when former prime minister Scott Morrison and Angus Taylor attended COP26 in Glasgow, they took a total of 13 political staffers, in addition to the two ministers, and no doubt there were public servants as well. It's pretty normal for ministers to be accompanied by officials when they undertake international travel.

CHAIR: Thank you, Minister. Senator Waters.

Senator WATERS: I have some surprise questions about nature and the environment. I assume we have the right people in the room.

Senator Watt: We're doing corporate. If they're corporate at this point—

Senator WATERS: I think they will be. Let's give it a shot. Biodiversity spend in the budget is projected to drop by 46 per cent in real terms by 2028-29 to just 0.04 per cent of the total budget. How does the shrinking allocation for nature in the forward estimates align with the government's nature positive commitments?

Senator Watt: I think that is more appropriately covered in the relevant outcome, when we'll have the relevant officials there. I've seen that figure quoted by some advocacy groups. I'd be interested to know, when we get to that discussion, how they've calculated that figure.

Senator WATERS: Which outcome are you directing me to ask in?

Senator Watt: Outcome 2, which I think is straight after this anyway.

Senator WATERS: Program 2.1 or 2.2?

Ms McCulloch: Both.

Senator Watt: Both, and it's straight after corporate, I think.

Senator WATERS: Right. I was going to ask about the fact that the sector's called for investment in nature and biodiversity, in particular, to be lifted to one per cent of the budget for a long time. Have you considered that request?

Senator Watt: Again, I suggest we come back to that in outcome 2.

Senator WATERS: Great. It's going to be a fun week! The budget also includes a \$67 million funding cut to the National Environmental Science Program. Am I allowed to ask that here or, again, shall I ask that somewhere else?

Senator Watt: Again, that would be an outcome 2 matter. When we're getting into individual programs, of course, that's exactly what we'll do in those outcomes, with the relevant staff.

Senator WATERS: Okay. The budget makes a number of references to expediting and coordinating approvals, reducing hurdles and fast-tracking projects. That's the sort of language that we heard in Queensland and the Northern Territory before they introduced coordinator-general roles that allowed the bypassing of environmental laws for particular projects. Is the department considering establishing a coordinator-general-type function?

Mr Kaiser: No.

Senator WATERS: Have you been asked to work up any possibilities, or have you been asked to do any work on that?

Mr Kaiser: No.

Senator WATERS: Is there an intention to consult on that in the future?

Senator Watt: There was some discussion about this as an option following the Economic Reform Roundtable the government held late last year. But any work that has occurred on that since has been led by the Treasury.

Senator WATERS: I see.

Senator Watt: So it's probably best to put those questions to the Treasury.

Senator WATERS: This department isn't having any input into that process?

Senator Watt: My office has certainly been asked about it. I'm not sure about officials. I think what Mr Kaiser's saying is that it's not work initiated by this department. I'll leave it for officials to speak to that.

Senator WATERS: It hasn't been initiated by you, but are you working on it at all?

Mr Kaiser: I think we've been consulted by the Treasury as part of their work.

Senator WATERS: What stage is consideration up to?

Mr Kaiser: I don't know.

Senator Watt: That's a Treasury question again.

Mr Kaiser: It's not our primary responsibility.

Senator WATERS: What facets were you consulted on?

Senator Watt: Again, I'm not really sure that we've got the officials here, in corporate, to address that. That would come up in the context of outcome 2 as well. Maybe, when we get to that, officials can provide you with some further detail.

Senator WATERS: Can I just check which officers have been involved in those discussions. I would have thought it would be at secretary level, but maybe not.

Mr Kaiser: We'll have to get back to you. I'm conscious that we were consulted in a process, because, of course, environmental permitting under the EPBC Act is—

Senator WATERS: It is, in fact, your jurisdiction, yes.

Mr Kaiser: It is our jurisdiction. But, if my recollection serves me correctly, the Treasury was considering this role in a much broader context—for example, the state owned investment vehicles that it seeks to coordinate the activities of Foreign Investment Review Board considerations and a whole range of whole-of-government

activities that a coordinator-general could be used to coordinate, of which we were only one aspect. I don't know where Treasury is up to in its considerations. I do know that this department was consulted at one point, but I'd have to get back to you with the detail of that.

Senator WATERS: Yes, thank you. I'm interested in the timing of that consultation and if there's any future consultation that you're expecting, the scope of what you've been asked to consider and what work you're doing on whatever you've been tasked with, if anything.

Mr Kaiser: I don't believe we're doing any work. Of course, on 1 July, we established the National EPA. The main focus of Treasury's inquiries were in respect of work that would now be done by the EPA. So I'm not anticipating any further contact from Treasury. I'm not saying it won't happen, but I'm not anticipating any further contact from Treasury on the topic.

Senator WATERS: I'm interested in the division of labour between the future EPA and a potential coordinator-general. Is that something I can ask about now?

Mr Kaiser: Well, it's all very theoretical, because there is no coordinator-general.

Senator WATERS: Well, it's all theoretical because none of it has happened yet, but we've seen in other jurisdictions a huge incursion into the jurisdiction of the environmental decision-makers. That's kind of the point. You override them. I don't want to see that replicated federally.

Senator Watt: To reinforce what Mr Kaiser is saying, the department's focus, and my focus, in this general space has been establishing a new EPA from 1 July. Whether it be in this outcome or later, certainly officials could talk to you about the thinking around the division of responsibilities between the department and the EPA. But, as Mr Kaiser has said, from our understanding there has been no decision made to have a Commonwealth coordinator-general. Therefore, it's a bit hard to talk about what responsibilities might be divided when that construct hasn't been put together. When we get to outcome 2, we'll make sure that there are some officials that are able to give you some more detail, but I think, in the end, most of those questions will need to go to Treasury.

Senator WATERS: I'm just interested in whether you, Minister, or senior departmental folk will push back on any incursion into the responsibility of the EPA by this potential coordinator-general.

Senator Watt: Look, I think it's fair to say that, in any discussions that I, my office or, presumably, the department have had we have made the point that one of the goals of the EPBC reforms was to simplify and speed up decision-making around project assessments and approvals. Of course, there's a very strong environmental objective around those reforms as well, but one of the objectives has been around decision-making. Ensuring that those reforms are implemented fully, including through the new EPA, has really been our focus and what we've been saying to the likes of Treasury.

Senator WATERS: You'll push back, then, on the EPA's role being cannibalised by a potential Commonwealth coordinator-general?

Senator Watt: What I would say is that our position, and my position, is that the reforms that we passed last year and are now implementing will achieve many of the objectives that a coordinator-general process might be looking for, in the sense that those reforms are, at least partly, about speeding up decision-making in addition to the environmental objectives that those reforms had.

Senator WATERS: So will you suggest that you don't support a coordinator-general's role?

Senator Watt: I'm not going to talk about private discussions I've had with ministers and their officers. I think you can see from what I've said that we've been focusing on the implementation of those reforms and, if you like, standing by them as the solution to speeding up decision-making and protecting the environment.

Senator WATERS: How many of those private conversations have you had? I understand you won't go into the contents of them, but you've just referred to them. How many of these conversations have happened?

Senator Watt: I'm not about to talk about or number private conversations. That makes them not private.

Senator WATERS: When was the last time this issue was raised?

Senator Watt: Nice try! I don't talk about private conversations with my colleagues; that's why they're private.

Senator WATERS: When was the last time the department was working on this particular proposal and any possible intersection between the EPA and a coordinator-general that Treasury is pushing?

Mr Kaiser: I don't think it's right to characterise the consultations that were conducted by Treasury that we participated in as us 'working on' the proposal. Our view was sought; that is my recollection. We can come back to you with details about when that was.

Senator WATERS: Was it just the once?

Mr Kaiser: I don't recall. We'll have to get back to you with details.

Senator WATERS: I look forward to finding out a bit more about that in outcome 2. I've got some questions about the National Adaptation Plan. Should I ask those here, or is that outcome 1.1 tomorrow?

Senator Watt: If you're talking about climate change adaptation, that might be more tomorrow.

Senator WATERS: Yes—funding for the plan versus resilience versus the Disaster Ready Fund. Is that now or 1.1?

Senator Watt: I'd say it's probably tomorrow. What we have here now is the corporate team for the department as a whole. There's a range of matters they can talk about that they administer. Obviously the rest of today is environment; tomorrow is climate change, including adaptation.

Senator WATERS: Alright. Well, I'll ask tomorrow, and if I'm told tomorrow that I should have asked today—

Senator Watt: You'll be very cranky.

Senator WATERS: I will take it up with you. Can I ask now about the climate case, the ICJ advisory opinion. The UN General Assembly last week confirmed that earlier ICJ advisory opinion that states—in this context that means Australia—have an obligation to avoid climate harms. Has the department undertaken any assessment of its exposure to legal risk, firstly, from action taken by Pacific countries claiming that Australia has failed to adequately address climate harms?

Mr Kaiser: Again, that might be a question best left till tomorrow when we've got officials here who can answer specific questions about that. We try not to have the entire department in the room at once when we're going over two days, so we ration them out according to the agenda.

Senator WATERS: Okay, so that's 1.1, is it?

Mr Kaiser: Yes.

Senator WATERS: That's just to make sure I'm asking them in the right place. I'm interested in whether you've done any assessment of your exposure to legal risk from investor-state dispute settlement claims relating to the rejection of fossil fuel projects or to potential future safeguard mechanism changes. Is that a tomorrow issue?

Mr Kaiser: Yes.

Senator WATERS: Alright, 1.1. again.

Ms McCulloch: First of all, it is a question for outcome 1—I think it's 1.1—but the court matter is still ongoing, so it's not something that we've done a lot of work on.

Senator WATERS: Sorry, which court matter are you referring to?

Ms McCulloch: The ICJ was only recent, so we would still be in our early days.

Senator WATERS: It was a good six months ago.

Mr Kaiser: The UN resolution on the matter was only recent.

Senator WATERS: The UN resolution confirming it was last week—

Ms McCulloch: Oh, the UN resolution.

Senator WATERS: but the actual ICJ case was several months ago.

Mr Kaiser: In any case, if I'm not mistaken, it's something that DFAT is taking the lead on. We're not primarily responsible.

Senator WATERS: Thank you.

Senator Watt: That's correct.

Senator WATERS: I'll try to raise it tomorrow and see how far we get. Similarly, the outcome of the current High Court case about the Mount Pleasant coalmine examining scope 3 emissions and liability for that—that's a tomorrow question also?

Mr Kaiser: No, that's today—in the next outcome.

Senator Watt: Probably in outcome 2.

Senator WATERS: It's in relation to the international liability for failing to take climate change seriously per ICJ and the UN General Assembly.

Senator Watt: Probably outcome 2 is the best place for anything related to individual projects.

Senator WATERS: This is more about whether you have got advice about the nation's exposure to liability as a result of cases like that.

Senator Watt: If there's someone at the table who can answer that, I'm happy for that to happen. Otherwise, there might be someone who appears in outcome 2 who can answer that.

Senator WATERS: Anyone at the table now then—no? Sorry, is that what you just said?

Senator Watt: I'm happy if someone is here who knows the answer, but otherwise outcome 2 would be—

Mr Kaiser: No, we're best to take it—

Ms McCulloch: Yes, in the relevant outcome.

Senator WATERS: Great. Then the last little section from me—although I am going to have quite a lot in the next outcome, Chair—is in relation to the use of AI, which has been flagged for use in EPBC assessments. Can you give me a bit more detail on how and when you're proposing to use AI in EPBC assessments.

Senator Watt: I think, again, we can give you a flavour of it here, but outcome 2 is where we could cover that in more detail because it's relevant to the assessment and approval process, which we're covering in outcome 2. But, in general terms, the department has been working on a pilot of how AI technology can be used to improve the quality and speed of environmental decision-making, including in relation to EPBC assessments and approvals. That's what I can say in general terms. There are literally officers whose job it is to work on that, and they can talk to you about that in outcome 2.

Senator WATERS: I will want to know a bit more detail there: Is there a governance framework? Have you done a risk analysis? Are there areas that you're ruling out use of AI on? Is all of that for later?

Senator Watt: It's helpful to know the kinds of things that you'll ask—

Senator WATERS: Yes, that's the flavour.

Senator Watt: because people can get prepared for that.

Senator WATERS: Great. That's me for now.

CHAIR: Senator Roberts.

Senator ROBERTS: Thank you for appearing again. Good morning, Minister.

Senator Watt: Good to see you, Senator Roberts.

Senator ROBERTS: You're looking chirpy.

Senator Watt: Always chirpy, just like yourself.

Senator ROBERTS: The Minister for Climate Change and Energy, Chris Bowen, is the president of negotiations for COP31—the Conference of the Parties—in Turkiye taking place in November this year. Has the department incurred any expense in respect of that role for travel, expense for extra staffing or expense in any other related purpose, and, if so, how much?

Mr Kaiser: Yes. We covered some of that ground in answer to questions from Senator Henderson just moments ago.

Senator ROBERTS: The specific amounts for staffing, travel and related weren't covered, though, were they?

Mr Kaiser: I think what we said was that a number of staff did travel with Minister Bowen, most recently, as part of his responsibilities but that those figures had not been reconciled yet because, I think, the staff literally arrived home on Saturday.

Senator ROBERTS: Does he have any additional staff as a result of his duties, not just travel?

Mr Kaiser: In terms of his ministerial staff?

Senator ROBERTS: In terms of his position as president of negotiations, does he have any additional staff in his—

Mr Kaiser: In his ministerial office?

Senator ROBERTS: Are the taxpayers paying for anything for the United Nations role?

Mr Kaiser: There was a specific budget measure which provided funding to the department to assist him with that role.

Senator ROBERTS: What is that amount?

Mr Kaiser: My colleagues will be able to help you with that.

Dr Box: I'll take that, Senator. The amount allocated for the budget measure 'Standing with our partners in the Pacific' in the 2026-27 budget was \$147.8 million over three years.

Senator ROBERTS: \$147 million over three years?

Dr Box: That's right.

Senator Watt: Just to be clear—because what that money is for shouldn't be misrepresented—it might be helpful to have Dr Box set out what that money is going to. It's not to create an office, for example.

Senator ROBERTS: I'm all ears.

Dr Box: The money is for a range of activities: the delivery of the pre-COP, the preparatory meeting in the Pacific, in Fiji, and with the leaders element in Tuvalu; things like sponsored travel for Pacific delegates; additional events in the Pacific; and to support a pavilion at COP31. It also includes some funding for the presidency youth champion and to support our Pacific climate envoys, and of course it also includes some funding for staff and travel.

Senator ROBERTS: Thank you. Was there an amount—I may have missed it—for the cost of attending COP31 itself?

Dr Box: For COP31? No.

Senator ROBERTS: So that is yet to be added?

Dr Box: That budget measure will support attendance at COP31, but the delegation for COP31 and associated costs hasn't yet been determined.

Senator ROBERTS: Why are the Australian taxpayers, Minister, paying to raise Minister Bowen's international profile? Where's the benefit to taxpayers? Where's the return on investment? What is the return?

Senator Watt: Well, you won't be surprised to hear me say that that funding is not about raising Minister Bowen's profile. It's about ensuring that Australia has a leading role in international negotiations regarding climate change and energy. I know you and I, Senator Roberts, have a pretty different view about whether climate change is real and what we should be doing about it, but the reality is that countries all around the world are negotiating and reaching agreements about this, and our government's view is that it's a very good idea and it's in Australia's national interests to be helping to lead those negotiations. We've got a view that you'd rather be involved in negotiations than have outcomes imposed on you by the rest of the world, and, through Minister Bowen, occupying that role gives Australia a front-row seat in those negotiations.

The other reason for us doing this is that it's an opportunity for greater partnership with our Pacific neighbours. I'm sure, Senator Roberts, one thing you and I could agree on is that the Pacific is a region where there are a lot of national security interests for the Australian people and there is an opportunity for Australia to work in partnership with the Pacific on an issue, being climate change, that they consider to be arguably the biggest challenge they're facing. That is a good thing for Australia, and dealing with those national security interests as well.

Senator ROBERTS: I think the better way to go about dealing with our neighbours, who are very important to us strategically, is to tell them the truth. That's much more important for me. You said 'costs imposed' or 'agreements imposed'. The UN cannot impose an agreement on us. The only way it can be imposed is if parliamentarians in this place legislate it.

Senator Watt: Well, again, you and I might disagree on this, Senator Roberts, but our government, and I personally, believe that it is useful to Australia and the Australian people to be part of international agreements about how we manage a range of challenges facing the world. There are some governments around the world that have withdrawn from those sorts of agreements—

Senator ROBERTS: The United States of America, for example.

Senator Watt: For example.

Senator ROBERTS: Keir Starmer calling it now the ending of climate catastrophes—

Senator Watt: I don't think the UK has withdrawn from those agreements, and we think it would be a negative for the Australian people if we were to withdraw from those agreements. I know One Nation's got a different view. You're entitled to your view, but we think it's better to be at the table, in this case in a leadership role, leading the world to negotiate outcomes that are in Australia's interests.

Senator ROBERTS: Minister, are you aware that 65 per cent of the voters in the recent Farrer by-election voted for a party that wants to end net zero?

Senator Watt: Are you adding the Liberal and National Party votes to your—

Senator ROBERTS: No. We're not.

Senator Watt: I didn't think you got 65 per cent.

Senator ROBERTS: No, we didn't. We got about 40 per cent.

Senator Watt: That's what I'm wondering—how you got from 40 to 65.

Senator ROBERTS: The other minor parties. Have a look.

Senator Watt: I recognise that there are different views about this in Australia. I think this government has been pretty clear, going into the last two elections, that we support action on climate change and that that is not only a good outcome for our environment but good for our economy and jobs as well. We've gone to the election with that policy. We've won the last two elections. We're now implementing that policy. But you're entitled to a different view.

Senator ROBERTS: I may have missed something here, Mr Kaiser or Dr Box, but COP30 in Brazil was extremely expensive at \$1.6 million in taxpayer money. What's the budget for the actual attendance at COP31?

Dr Box: We don't have a specific budget for attendance at COP31 yet, because we haven't determined how many people will go to COP31. The travel to COP31 will be taken from that \$147 million that I mentioned that's in the budget.

Senator ROBERTS: In COP30 you gave away \$395,612 in grants to bring along climate change activists and so-called stakeholders. Will you be doing that again in COP31? If yes, why? What is in it for the taxpayer? Mr Rudd took, as Prime Minister, to Copenhagen 114 people, including his hairdresser. Will that same graciousness be extended to Mr Bowen?

Dr Box: You're correct that we did have a grants program for COP30 that supported a range of organisations to attend COP30 in Belem in Brazil, including youth organisations, First Nations organisations and organisations from a range of sectors, including the agricultural sector. There is funding in the budget to support organisations to attend COP31 in Antalya in Turkiye, but the parameters of that haven't yet been decided.

Senator ROBERTS: Thank you. I appreciate your direct answers. This next question comes up frequently, so I assume you have the data on hand. What is your budget for international travel within the climate change and energy portfolios—that's wages, airfare and accommodation—in the 2026-27 financial year? Could you include a breakdown of how much over how many days for how many employees?

Ms Munro: These decisions, in terms of what the required travel is, are always taken on a case-by-case basis. A lot of the work that we do is done virtually, and it's really by exception that there will be that international travel, but it is necessary to build the relationships and to negotiate outcomes. That's the responsibility that the government has given us. We don't have the detail that you are asking for, given that we need to plan through what are going to be the priorities for this year, and, as I said, we make those decisions almost on a case-by-case basis.

Senator ROBERTS: Could you give me a broad idea of the categories of considerations that will go into that or could go into it.

Ms Munro: Go into travel?

Senator ROBERTS: Selecting travelling companions.

Ms Munro: Yes, we're happy to.

Dr Box: There are a range of factors that we consider. Value for money is obviously a very big consideration. Another is whether the intended meeting outcomes are of significant benefit for Australia's climate, energy, environment and water agenda. We also consider whether virtual or alternative representation options aren't suitable, and, of course, all approved travel requests include a contingency. We look at the intended meeting outcomes and whether virtual participation is available and, of course, value for money as an overarching consideration in coordination with the PGPA Act.

Senator ROBERTS: Value for money is a pretty subjective thing. It depends on the goals of your party going there. Coming back to the EPBC Act, your website page for the new national environmental standards under the EPBC Act does not appear to have been updated for some time. It still says that the circulation draft of the new standard would be made available in April, and it wasn't. When will the new standard be made available to senators?

Senator Watt: I'm not sure when that research was done, but, in the last month, we have begun a second round of consultation on two of those national environmental standards. In outcome 2, we'll be able to talk to you at length about that.

Senator ROBERTS: Thank you. As things stand, the EPBC Act is, in our opinion—we differ on this, no doubt—a disaster for economic growth in Australia. The Minerals Council of Australia said, and I quote: Average decision times for resources projects have increased by 60 per cent, from 2.3 years in 2019 to 3.8 years in 2025 ... What steps are you taking to increase your throughput?

Senator Watt: Again, we could have an extended conversation about this in outcome 2, but that was exactly one of the key reasons for the reforms that we passed in the parliament last year. I know you voted against them, but one of the key objectives of those reforms was to speed up decision-making on projects after that blowout of timeframes that you referred to, and we're confident that will happen.

Senator ROBERTS: I note that the budget—and you've answered a related question from Senator Waters—includes a measure for introducing AI. Will that help in data collection and analysis or will that be actually making decisions?

Senator Watt: Again, we can talk about this in more detail in outcome 2, but the primary purpose of that AI pilot and tool is essentially to help proponents in preparing their applications. There are people who know a lot more about it than me who will be available to talk to you about it in outcome 2.

Mr Kaiser: I'll just add to the minister's answer an important principle in the application of AI in the public sector generally, and including in this department, is that humans remain the decision-makers.

Senator ROBERTS: Minister, are you using ludicrously long delays in approvals for minerals projects to discourage application for minerals projects?

Senator Watt: No.

Senator ROBERTS: On a \$500 million project, the holding cost of the project across a 3.8-year development application cycle will cost the proponents \$25 million per year—almost \$100 million total across 3.8 years to four years. How is this not a financial penalty on applicants caused by a procedural failure in your department?

Senator Watt: Again, we can have an extended conversation about this in outcome 2, but a key objective behind the EPBC reforms was to speed up assessments and approvals of projects.

Senator ROBERTS: Let's get a benchmark going. How many applications for resource projects with a project cost in excess of \$50 million are you currently holding, and what is the average age of those projects?

Senator Watt: There will be officials available to answer those sorts of questions in outcome 2.

Senator ROBERTS: What is your expectation for reductions in this figure of 3.8 years? When will the EPBC laws stop getting in the way of economic growth and the breadwinner jobs that go with minerals projects?

Senator Watt: Again, we can talk about that in more detail in outcome 2.

Senator ROBERTS: Can we talk about mining being a driver of the economy, of standard of living, and the six-to-one jobs multiplier in coalmines?

Senator Watt: In my opening statement, Senator Roberts—and I realise you weren't here for that—I referred to the fact that, along with greater protections for the environment, one of the key objectives behind the EPBC reforms was to speed up decisions around housing, energy and critical minerals projects.

Senator ROBERTS: One of the things that's become clear with new Labor is that it appeals to activists to get more votes.

Senator Watt: That's your view.

Senator ROBERTS: Is the government aware, Minister, that obstructing resource projects stifles funds for social and welfare programs for caring for people?

Senator Watt: I would agree with the general proposition that economic development delivers economic wealth for the country that can be used for those sorts of social services.

Senator ROBERTS: And mining is a key to developing economic—

Senator Watt: It's a big industry. I recognise that.

Senator ROBERTS: Number one exporter.

Senator Watt: It's a big industry.

CHAIR: Senator Henderson.

Senator HENDERSON: Thank you very much, Chair. I just want to return to the questions I was asking about the trip to Fiji. This is the pre-COP operational scoping visit. I asked about where departmental officials stayed, and I was told Suva and also Nadi, I think, Mr Higgins.

Mr Higgins: Correct, Senator.

Senator HENDERSON: The FOI that's been released on this travel says that you stayed at Denarau, Fiji.

Mr Higgins: I beg your pardon?

Senator HENDERSON: The FOI released in relation to this trip says that you stayed at Denarau Island in Fiji. Is that correct?

Mr Higgins: As I said previously, we stayed in Suva for two nights and we stayed in Nadi for two nights. The specific hotel venues we stayed in were the Tanoa Plaza Hotel in Suva and the Tanoa International Hotel in Nadi.

Senator HENDERSON: This is the document that says that you were staying in Denarau Island in Fiji, which is a resort island. Is that not correct?

Mr Higgins: That is not correct. We stayed at the Tanoa International Hotel in Nadi. We certainly visited accommodation venues in Denarau, because the expectation of the Fijian government is that's where the pre-COP conference will be held. Much of the work that we did in Nadi was on Denarau Island visiting venues, but we did not stay on the island.

Senator HENDERSON: Why were you visiting those venues?

Mr Higgins: The reason for the trip was to work with the Fijian government about arrangements for the pre-COP conference which will be held later in the year. The likelihood is that the venues will be on Denarau Island, where the maximum conference capability in Fiji exists.

Senator HENDERSON: You didn't stay on Denarau Island, just to be clear, even though the document released under FOI says that your destination was Denarau?

Mr Higgins: Yes, because that's where our meetings were, but that's not where we stayed.

Senator HENDERSON: The approved spend for the trip was \$28,000. There was a significant amount incurred through fares. It looks like there's quite a discrepancy in the fares. Business class fares for you and Ms Perez were almost three times that of the two EL2 and EL1 officials that travelled to Fiji. Can you explain the difference? These were all business class fares, and you're obviously SES2 and SES1 level. Why were your fares so much more expensive?

Mr Higgins: I would have to take that on notice, Senator. Essentially we work through our travel provider to ensure that we get to where we need to get to in a timely way and in a cost-effective way. I actually recall flying at least one of those legs in economy. I don't have what you have in front of you at the moment, but I'm happy to take on notice to see if we can provide any further.

Senator HENDERSON: Can you provide details of the flights and also the accommodation. What were the actual accommodation costs?

Mr Higgins: Again I don't have that in front of me. I've provided you with the detail of the names of the hotels, but I can come back to you.

Senator HENDERSON: I would appreciate that. Have you settled on the pre-COP hotel location where the meetings will be?

Mr Higgins: We're still working with venue providers in Fiji, and we are working obviously with the government of Fiji as the host of the pre-COP. We haven't yet settled on hotel venues. The conference itself is most likely to be at the conference venue attached to the Sheraton hotel in Denarau, but again no arrangements have yet been made with venues.

Senator Watt: Again, it's not uncommon for officials to travel overseas for international projects the government is working on. I'm aware, for example, Mr Tehan, shadow minister for energy, visited the Maldives twice during 2021 as official travel. I'm sure we could go back and look at what officials accompanied him.

Senator HENDERSON: Thanks for that unhelpful addition. It's not relevant to my questions.

Senator Watt: You're trying to make an issue out of something.

Senator HENDERSON: No, there's a discrepancy with the documents released by the department. I'm asking about Mr Higgins' accommodation arrangements, and I'm pleased that he has confirmed those. I do appreciate that. I'm not making an issue of the travel, but I'm properly asking questions about the arrangements and the costs.

Senator Watt: I think everyone knows what's going on, Senator Henderson, but that's okay.

Senator HENDERSON: Alright, Mr Higgins, if it's possible to come back with that further information about the costs, that would be appreciated. Can I just go back to COP31. How many international engagements have staff within the office or within the department participated in or facilitated that Minister Bowen has attended?

Ms Munro: As Dr Box referred to earlier, there has in fact only been one international trip that Minister Bowen has undertaken since Australia assumed the role of president of the negotiations. That was to Denmark last week. As she detailed, there were five staff that travelled with Minister Bowen.

Senator HENDERSON: I did ask about the costs. They're not yet acquitted, but what was the approved spend for that trip?

Ms Munro: As Dr Box said, we'll have to just take that on notice and provide that to you.

Senator HENDERSON: Alright, could you come back to the table with that, because that would be a known figure. I appreciate it hasn't been acquitted, but I could understand the approved spend. Dr Box, in your area, which includes the office, how does your scope of responsibilities interact with the minister's office? Are ministerial submissions sent up in the normal way?

Dr Box: Yes, Senator.

Senator HENDERSON: Three previous budgets, including MYEFO and the portfolio additional estimates statements, have included new funding for COP31. What's the total quantum of funds that have been allocated for COP31 activities from the date the presidency was announced until today?

Dr Box: As I mentioned earlier, the 2026-27 budget measure titled 'standing with our partners in the Pacific' provides \$147.8 million over three years from 2025-26 that supports our relationships in the Pacific and our role in COP31, including the delivery of the pre-COP and the leaders event in the Pacific. The department's appropriation is \$116 million. The rest is for DFAT, so \$116 million of the \$147 million is for the department. It's also worth mentioning the cost of this measure was fully offset from a reprioritisation of funding from the strategic international partnerships stream and existing resources from the Foreign Affairs and Trade portfolio.

Senator HENDERSON: In the 2026-27 budget there's a measure entitled 'delivering on Australia's COP31 agenda' which contains a spend of \$50.4 million over two years from 2026-27.

Dr Box: Senator, that is within the \$147.8 million.

Senator HENDERSON: Does that measure include provision for APS staff to travel?

Dr Box: The \$147.8 million measure includes both administered funding and departmental funding, and some of the departmental funding supports staff.

Senator HENDERSON: What's the total cost then? You're saying that some staff costs are not included in that \$147 million.

Dr Box: No. What I'm saying is that the \$147.8 million includes funding for the department, and some of the funding for the department goes to staffing costs, but the staff in my division and in the International Climate and Energy Division are supported from baseline funding but also from these terminating measures.

Senator HENDERSON: What's the total additional cost of staff in relation to COP 31?

Dr Box: I don't have a cost specifically for staff, but staff are supported through the funding received in the budget.

Senator HENDERSON: Could you take that on notice and bring that back.

Dr Box: Certainly.

Senator HENDERSON: Ideally this morning.

Senator Watt: The officials will know better than me, but my understanding is that the \$147.8 million is not new money.

Senator HENDERSON: Dr Box did say that.

Senator Watt: Yes. I missed that bit.

Senator HENDERSON: Do you have any idea of the additional staff costs associated with COP 31 which are not included in the \$147.8 million?

Dr Box: I'd have to take that on notice.

Senator HENDERSON: Sorry—you did take that on notice. Do have a rough idea? That's what I was asking.

Dr Box: No.

Senator HENDERSON: Can we break down that \$50.4 million—what proportion of that is for pre-COP?

Dr Box: I can't break down the \$50.4 million. I can tell you, of the \$147.8 million, of which the \$50.4 is a part, how much is departmental and how much is administered.

Senator HENDERSON: Or how much is for pre-COP?

Dr Box: No, because how much is for pre-COP will depend on a range of factors, including the issues that Mr Higgins was talking about—the cost of hiring a venue et cetera—which are still being worked through at the moment.

Senator HENDERSON: But you must have some forecast. You can't just come up with a total figure over three years and not understand how much would be allocated to pre-COP.

Dr Box: There was certainly work done to build that budget, but I cannot give you an accurate number as to what pre-COP will cost at this point in time.

Senator HENDERSON: Can I ask for the details of those estimates on notice, please.

Dr Box: I'll take that on notice.

Senator HENDERSON: Thank you. How many COP31 virtual meetings has the Office of the Presidency facilitated?

Dr Box: Are you referring to virtual meetings of the minister or virtual meetings in total?

Senator HENDERSON: Both, please.

Dr Box: We would undertake virtual meetings almost every day of the week. That is part of what we do. We engage internationally with Turkiye, with the Pacific and with a range of our international partners. Those virtual engagements would be undertaken not just by the Office of the Presidency but by all staff across the International Climate Negotiations Division and the International Climate and Energy Division, because engaging internationally, on the phone or via Teams meetings, is a normal part of our business.

Senator HENDERSON: How many virtual meetings has the minister held?

Dr Box: I'll take that on notice.

Senator HENDERSON: You don't know?

Dr Box: In response to an FOI request, I think we calculated that between when he was determined as the president of the negotiations and whenever the FOI was released, which was sometime in April or May, there were more than 30 virtual engagements, but I don't have the precise number on me.

Senator HENDERSON: More than 30 remote meetings?

Dr Box: When you say 'remote meetings'—they are phone calls or Teams meetings that the minister would have with his international counterparts in relation to our engagement in international climate and energy.

Senator HENDERSON: Could we please have a list of those meetings and whether they were by phone or by videoconference.

Dr Box: Certainly.

Ms Munro: Can I also make one other point? The minister is responsible for climate change and energy matters, and a number of his meetings with international counterparts cover the full spectrum, particularly in relation to the fuel security issues. So I think we will have to consider the best way to represent that in our answer to you.

Senator HENDERSON: If you could therefore add, in that answer on notice, the purpose of the meeting as well, that would be appreciated, so we can differentiate that. Can I just go back to the pre-COP in Fiji. I understand that you're looking at venues but there's no determination or no decision as to whether it will be held at the Sheraton Fiji resort.

Mr Higgins: Correct.

Senator HENDERSON: That's the one you're looking at, though—the Sheraton Fiji Golf & Beach Resort?

Mr Higgins: Correct. There is a conference venue there. It's the largest in Fiji, and we judge it's most likely to be the one most suitable to accommodate an event of the size that we expect pre-COP to be. But the government of Fiji, as the host of pre-COP, will ultimately make these determinations. We are working with them through the various options, but the formal decision, and associated contracting, hasn't yet been made.

Senator HENDERSON: The formal decision hasn't been made, but that is likely to be the decision?

Mr Higgins: Yes, in terms of the conference venue—correct—because there aren't a great number of alternatives.

Ms Munro: If I can also make the—

Senator HENDERSON: What's would be the cost of hosting that pre-COP conference at Denarau Island?

Mr Higgins: As Dr Box said, we don't yet know. We haven't made the decisions with respect to where, and, consequently, the total quantum isn't yet known.

Senator HENDERSON: You tell me that you've gone to Denarau Island to discuss holding a conference there for pre-COP and no-one bothered to ask how much it would cost?

Mr Higgins: Of course we did, but the fine detail of what we would be putting on, in terms of the amount of time we need and the various spaces that we would need, is yet to be determined.

Senator HENDERSON: So I'm asking: what costs have you been given as to what that will cost in general terms?

Mr Higgins: We haven't been given specific costs that would enable me to accurately answer your questions.

Senator HENDERSON: I'm asking for a general estimate as to what the cost would be to hold pre-COP at the Sheraton on Denarau Island.

Mr Higgins: I'll have to take that on notice. I'm assuming your question goes to not just the physical meeting rooms but the other aspects that would make up the pre-COP; is that correct?

Senator HENDERSON: That's right, and could I also have a breakdown of the different types of costs. You don't have any of that information available?

Mr Higgins: Not to hand, no.

Senator HENDERSON: Could you perhaps bring it back as soon as possible to the table. These are pretty important questions I'm asking.

Mr Higgins: I appreciate that. As the secretary indicated, this session on the program pertains to corporate matters. Our expectation is that we would be dealing with questions that pertain to these matters in outcome 1 tomorrow, when we come back. That's part of why I don't have some of what you're seeking in front of me now.

Senator HENDERSON: But you were in Fiji. You were in these meetings, Mr Higgins.

Mr Higgins: Correct.

Senator HENDERSON: We're not talking about other officials. You were there.

Mr Higgins: Yes, and I realise that.

Senator HENDERSON: You asked the questions about how much it would cost, and I'm asking for you to provide, in general terms, an answer to this committee. Are we talking \$50,000? Are we talking \$100,000? Are we talking half a million? Please, can you give us a general indication as to what you received when you were there on the island having these meetings.

Mr Higgins: Yes, and I will come back to you on notice with those details. Just to be clear, the nature of our engagements with the venue providers certainly went to costs, but much of it was to determine what was suitable and what wouldn't be suitable, based on our expectations for the program of events. So, yes, cost is of course a consideration, but we were trying to determine what might be possible, given what is available there.

Senator HENDERSON: Mr Higgins, you were there. You asked those questions about cost. I'd really appreciate it if you could give the committee some general indication as to what those costs were—what it will cost to hold the pre-COP conference at the resort on Denarau Island.

Mr Higgins: Yes. I'll come back to you on notice on that.

Senator HENDERSON: But you were there at the meeting, so what do you recall in relation to the costs?

Mr Higgins: My recollection isn't the best way to answer this question, from my perspective. I will come back to you on notice.

Senator HENDERSON: Can you bring that back to us this morning?

Mr Higgins: I don't think I will be able to come back to you this morning, no.

Senator HENDERSON: Right. Do you remember what the conference hire costs were?

Mr Higgins: I don't, no.

Senator HENDERSON: Or the room costs?

Mr Higgins: What do you mean by room costs?

Senator HENDERSON: Well, if people were staying there at the venue.

Mr Higgins: We engaged with four different hotels in terms of accommodation. We also spoke to those hotels about the conference facilities and event spaces that they have available to them and then to the conference centre itself, which is a separate facility attached to the Sheraton. So there is a range of information that we were

provided that goes into the mix of considerations that we and the government of Fiji will enter into as we work through what's possible, what will work and what will ultimately be cost effective.

Senator HENDERSON: What's Australia's share of the cost of this conference?

Mr Higgins: We have indicated that we would support the Pacific in the delivery of the pre-COP. Our expectation is that we will bear a significant portion of the costs.

Senator HENDERSON: What is that proportion?

Mr Higgins: That's yet to be determined—again, because the government of Fiji is involved in the hosting of this event and we need to work that through with the government of Fiji.

Senator HENDERSON: Have they said what they might pay for? They might pay for some costs?

Mr Higgins: There'll be a range of in-kind costs in addition to bearing some financial costs. That's yet to be worked out. For example, transport is something that the government of Fiji may be able to provide through resources that it has at its disposal. That would be a cost that would not then occur if they were able to provide that. Those are elements that we are engaged with the government of Fiji in resolving.

Senator HENDERSON: Okay. I am going to push you on this, because you were in these meetings. There was a very substantial amount of money that was spent on you and other officials going to Fiji for the specific purpose of planning for this pre-COP conference. You were in those meetings. I'm asking you if you are aware in general terms of what those costs are, and you are required to answer my question, please.

Mr Kaiser: Mr Higgins has indicated that he will take your question on notice and will come back to you. I think that, through his testimony, you've heard that it's not a simple proposition. There's a negotiation to be held with venues. There's a negotiation to be held with the Pacific nations. It's not an easy question to answer without being able to take it away and give it some consideration. You're being unreasonable to Mr Higgins. Just because he attended meetings does not mean he is able to recall a single figure, which at this point in time would be an estimate, in circumstances where so much is still uncertain. You're being unreasonable, I'd suggest, and I'd hope that you could allow him to come back with a considered response.

Senator HENDERSON: I would ask you not to reflect on me. I'm entitled to ask these questions.

Mr Kaiser: Yes, of course you are.

Senator HENDERSON: I understand that he doesn't recall every specific figure. So then I ask Mr Higgins: could you recall in general terms if Australia—

Mr Kaiser: And he said that he will come back to you with a considered response, which is not unreasonable in the circumstances.

Senator HENDERSON: What I'm asking is what Mr Higgins recalls, because he was in the meetings and that was the purpose of the visit.

Mr Kaiser: Isn't it better for him to be able to give you a considered response rather than rely on recollection on the spot in complex circumstances?

Senator HENDERSON: If I could continue with my questions—I would like as much information now as possible. Mr Higgins, I understand that you don't have every specific detail before you, but I have asked if you could bring that back to the committee as soon as possible. What is the approved spend for the budget to hold this conference? Do you know that?

Mr Higgins: I do not.

Senator HENDERSON: So it's a blank cheque, is it?

Mr Higgins: No, it's most certainly not a blank cheque.

Senator HENDERSON: What is the approved spend, then? Has that been determined?

Mr Higgins: No, it hasn't yet been determined, because we haven't yet determined the costs of the event that we're seeking to put on with the government of Fiji and our Pacific partners.

Senator HENDERSON: Okay. I ask you to bring further information back in relation to this, because this is taxpayers' money we're talking about. If you're going over there to negotiate the costs of holding this pre-COP conference then Australian taxpayers certainly are entitled to know—I'll direct this to you, Mr Kaiser—what sort of money is being spent. This is budget estimates. We're interrogating the government's budgetary spend.

Mr Kaiser: Yes. Mr Higgins has an obligation to provide the committee with accurate information. All he is asking for is some time to collect his thoughts, probably refer to some documentation and come back to the committee.

Senator HENDERSON: Mr Kaiser, do you have an approved budget for this conference?

Mr Kaiser: As Mr Higgins has indicated, the budget is subject to negotiations with venues, further discussions with our Pacific partners—a range of factors which are not yet determined.

Senator HENDERSON: But there's no approved budget? I find it extraordinary that, if you're holding—

Mr Kaiser: Well, it's within our budget. It'll certainly be within our budget allocation.

Senator HENDERSON: If the Australian government is liable for the majority of costs, I'm pretty amazed that there is no upper limit that's been determined, given the conference is going to be held in November of this year.

Mr Kaiser: Well, the upper limit for our entire effort in relation to this is, as has been explained, in terms of the budget allocations.

Senator HENDERSON: And what's that budget allocation?

Mr Kaiser: It is the figure that Dr Box indicated to you.

Dr Box: It's the \$147.8 million in the budget, which includes administered funding and departmental funding.

Mr Kaiser: It certainly won't be more than that.

Senator HENDERSON: Oh, thank you. That is a great relief! So Australian taxpayers know—

Mr Kaiser: Our entire effort—

Senator HENDERSON: that there's not going to be more than \$147 million spent on this conference.

Mr Kaiser: No, that is not on the conference. That is our entire effort, including working with our Pacific partners, which has a range of implications for this nation, including national security relations with Turkiye—a whole range of matters—supporting our minister and making sure that we do a good job in the national interest in a range of forums. That's what that budget allocation is for.

Senator HENDERSON: As you are the secretary and these are really important questions, Mr Kaiser, I would ask that you come back to this committee as soon as possible with more details.

Mr Kaiser: That's what we've indicated we will do.

Senator Watt: They said they'd do that 10 minutes ago.

Senator HENDERSON: I said as soon as possible.

Senator Watt: They're entitled to come back with an accurate answer, and Mr Higgins has already said that may take a bit of time. We got to that point 10 minutes ago, and since then we've just been saying the same thing.

Senator HENDERSON: I'm asking, Minister, for this information to come back as soon as possible, because so far we've been told that there is a line item up of \$147 million with very little detail, and it's extraordinary to me that there's been no proper forecasting. We can't get a breakdown. This is a very substantial amount of money.

Senator Watt: That is exactly what the outcomes over the next two days are intended to deal with. This is not the area of the estimates where we get into line-by-line descriptions about particular budget outcomes. Outcome 1 tomorrow is where more detail will be able to be provided about that \$147 million, and Mr Higgins over 10 minutes ago said that he would come back to you with a with an accurate answer on the cost that you've asked about.

Senator HENDERSON: I'm pleased that you've now indicated that you're willing to do that and come back in the appropriate outcome, which is exactly the information and the answer that I was seeking. I just would like you to come back so that we can ask further questions about this during this estimates period.

Senator Watt: What I said—just so you don't misrepresent what I said—was that officials tomorrow will be able to take you through what that \$147 million line item is about. There is a separate question about possible costs of the conference. Mr Higgins has taken that on notice. I'm not going to commit him to a time frame for when he's going to provide that answer, but I'm sure he will do that as soon as he can.

Senator HENDERSON: Thanks, Minister. I'm conscious of time and want to move on to another issue.

Mr Kaiser: Before you do, I've conferred with Mr Higgins. Part of his reluctance is not just his recollection or his ability to recollect on the spot here, now, discussions which occurred some time ago. It's also because we're in a discussion and a negotiation with commercial entities over the cost of these venues. So there is a degree of reluctance to describe what the budgeted figure is, because, as soon as that becomes public knowledge, those venues will charge that amount. We can be certain of that. So part of the reason Mr Higgins wants to take your question away and give consideration to the kind of answer that we can provide is so that we can be accurate with

the committee but also, in the interest of value for money for taxpayers, not divulge our negotiating position with commercial entities.

Senator HENDERSON: Well, I was simply asking what the proposal was. I could go on the website and find out what the cost of hiring the conference venue is.

Mr Kaiser: But it's not—

Senator HENDERSON: Are you going to be extracting a better deal than the normal commercial deal?

Mr Kaiser: Yes, we expect we will be able to. Given the size and complexity of this and the requirements of it, there is a lot to negotiate through. We're not simply hiring a room.

Senator HENDERSON: Alright. As I said, I would really welcome more information on this. We could go on the website, or I could ring them. Perhaps I'll give them a call at lunchtime and ask the Hyatt what their costs are! But, in all seriousness, we're talking about a very substantial amount of taxpayers' money, and Australian taxpayers are entitled to know, so I'd be very, very grateful if you could come back with details in relation to this.

Mr Kaiser: Yes. A considered answer given our position in terms of negotiating with commercial entities. We will do that, Senator.

CHAIR: I'm conscious that we are coming up to the end—

Senator HENDERSON: I want to move on to—

CHAIR: There was a freedom-of-information reference that you made earlier. Do you have the number or the relevant document that we might identify it?

Senator HENDERSON: It's LEX 82912.

CHAIR: Thank you very much.

Senator HENDERSON: Can I move now to the appointment of Ms Harris as the independent reviewer of the Water Act. Could I address those questions with you, Mr Kaiser?

Senator Watt: There's an entire outcome to do with water. It's outcome 4. The officials involved in that review will be there then.

Senator HENDERSON: I appreciate that. I was actually wanting to establish whether we could ask these questions in corporate or—

Senator Watt: Outcome 4 would be the place to ask them.

Senator HENDERSON: In terms of more of a staffing management issue, Ms Harris is also working as the Fuel Supply Taskforce coordinator, so I want to understand, I guess, the differentiation of those two roles.

Senator Watt: That's a great question to ask in outcome 4, when we've got the relevant officials with us.

Senator HENDERSON: Okay, we will return to that in outcome 4. That's not a problem. Could Dr Box return to the table. I just want to ask about whether you've identified any wasteful spending at all within your area of responsibility.

Dr Box: No, Senator.

Senator HENDERSON: You haven't? Could I ask about general staffing growth in the department within your area and also more broadly, Mr Kaiser. I understand there have been some voluntary redundancies. There's been a voluntary redundancy program, and there's also been a hiring freeze.

Mr Kaiser: No, there's no hiring freeze. What we've done is we've tried to more carefully control our recruitment activity by escalating the levels within the department at which hiring can be approved. So deputy secretaries are expected to play a much more direct role in specific hiring decisions, and, in some cases, I take on that responsibility as well. We're simply trying to take a more cautious approach by elevating the approval levels within the department for hiring. That's not a hiring freeze. We are undertaking a voluntary redundancy program, but that program has not yet concluded.

Senator HENDERSON: Mr Kaiser, I'd like it if could you provide this, if you've got a copy. You sent an all-staff email on 1 April 2026, and it was also published on your intranet. It suggested that there was a freeze on recruitment.

Mr Kaiser: I can't recall the precise language. We've certainly been hiring since then, but, as I've said, on a more cautious and selective basis.

Senator HENDERSON: Could we get a copy of that email, please. Could that be provided to us?

Mr Kaiser: We'll get it.

Senator HENDERSON: I'm just a bit concerned about the response you gave me because my understanding is that on 1 April you sent an all-staff email indicating that a freeze on recruitment had been implemented or was being implemented, voluntary redundancies were announced and there was a freeze on international travel and interstate travel.

Mr Kaiser: I don't think I used that language, but I'd have to get the document in front of me.

Ms McCulloch: While we're searching for the document, my recollection is that we used the word 'pause' and then went on to say in what conditions we'd consider recruitment.

Senator HENDERSON: So there was a pause on recruitment announced on 1 April.

Ms McCulloch: That's right.

Senator HENDERSON: Since that time, how many additional staff have been hired as either ongoing, non-ongoing and/or contract staff?

Mr Kaiser: While my colleagues get that, can I read into the transcript the precise words I used in that. What I said was, 'The board has also decided very reluctantly to pause all new recruitment activity from today until further notice. Recruitment already advertised may continue; however, before any offers are made, written email approval must be sought from your deputy secretary.'

Senator HENDERSON: Mr Kaiser, when I asked that question earlier, you said that there was no freeze. I would—

Mr Kaiser: Well, there was no freeze.

Senator HENDERSON: Well, it's a pause. Is it? It's a pause.

Mr Kaiser: Yes. I think that there's a difference.

Senator HENDERSON: You say potato, I say potahto, but—

Mr Kaiser: You suggested that the email used the word 'freeze'.

Senator HENDERSON: No, I didn't. I said that the email indicated that there was a freeze on recruitment. So now we learn that there was a pause.

Senator Watt: Hang on, hang on. To be fair, you were asking Mr Kaiser to remember the content of an email that you didn't have the courtesy to present him with, so—

Senator HENDERSON: I don't have a copy of his email. That's why I've asked for it, Minister.

Senator Watt: Well, I think he's now got the email—

Senator HENDERSON: Alright. Thank you.

Senator Watt: And it doesn't say what you said it said.

Senator HENDERSON: Mr Kaiser, if we could have a copy of that email now that you have got that email, I'd be grateful.

Mr Kaiser: Sure.

Senator HENDERSON: Could you tell me about how many staff have been engaged since 1 April as either ongoing, non-ongoing or contract staff and where they are located?

Ms McCulloch: What I can tell you now—because I've got it in front of me, and I can then get more detail for you on notice—is that there have been 15 processes advertised externally since the new arrangements were implemented on 1 April. So we've run 15 processes. The outcome of that I'll just have to take on notice.

Senator HENDERSON: What do you mean by you've 'run 15 processes'?

Ms McCulloch: I mean 15 recruitment processes.

Senator HENDERSON: Is that for 15 separate positions?

Ms McCulloch: Processes—it may be for more than one position.

Senator HENDERSON: How many staff have you engaged since that recruitment pause, Mr Kaiser, do you know?

Mr Kaiser: That's a very specific question, which I'm sure we'll need to get back to you on.

Senator HENDERSON: Could you bring that back on notice. Could you describe this pause—or whatever the words that you used—in interstate and international travel?

Mr Kaiser: We'll get you a copy of this but, again, I'll just describe in detail what I've said. I said we need to be conscious now of what Australians are experiencing. Given fuel costs and availability, domestic travel should

be minimised in consultation with your deputy secretary. International travel is not prudent at the moment, particularly to places where Australian government has said 'do not travel' or 'reconsider your travel'. Now, that was back on 1 April. The situation in relation to fuel has stabilised considerably since then. We're still very watchful as the energy department, of course, of the fuel circumstance. But at that point in time, on 1 April, I did suggest that international travel was not prudent. But certainly since then, with the stabilisation of the fuel situation, the department has recommenced international travel where required, as you've heard from my colleagues in the climate change area.

Ms McCulloch: If I might just add to that, the position we took on international travel was also informed by the state of conflict in the world. At that stage we were assessing both affordability and work health and safety risk of travelling, which is why we said 'may not be prudent'.

Senator HENDERSON: How many people have expressed an interest in voluntary redundancy?

Ms McCulloch: The process is still running. But broadly, we've had around 230 express an interest.

Senator HENDERSON: Will there be a requirement for compulsory redundancies?

Mr Kaiser: No.

Senator HENDERSON: So you're convinced about that?

Mr Kaiser: Yes. It was made very clear that, for the circumstances for voluntary redundancy to exist, there has to be mutual agreement.

Senator HENDERSON: Can I just ask about the arrangements with the EPA?

Mr Kaiser: Sure.

Senator HENDERSON: Where is the EPA located?

Mr Kaiser: The EPA will be located at the John Gorton building. In state branches, in capital city offices, it will be co-located with DCCEEW.

Senator HENDERSON: What are the rental arrangements with the EPA? Are they paying rent to the department?

Ms McCulloch: I think the first point I should make is that the EPA doesn't exist yet. It comes into existence on 1 July. We're currently in the process of sorting out what shared service arrangements the department will provide to the EPA, including property, which would be on a cost recovery basis. So yes, there'll be a fee for the services that the department provides.

Senator HENDERSON: Is that under negotiation?

Ms McCulloch: That's right.

Senator HENDERSON: Are you looking at market rental and other arrangements?

Ms McCulloch: We have our John Gorton Building. A whole separate floor will be devoted to it. Once the EPA comes into existence, we will enter into a contractual arrangement as to the cost of that. Obviously we have thought through some of these things, but I don't have those sorts of details to hand. Roughly half of the EPA's staff will be outside of Canberra, spread throughout the offices located interstate.

CHAIR: We've hit our break time, so we're going to break now for 15 minutes.

Senator HENDERSON: I have some more questions.

CHAIR: In corporate?

Senator HENDERSON: I'm going to try and be as quick as possible.

CHAIR: Ultimately, I'm not going to force you to move on—but we can talk about it in the break.

Proceedings suspended from 10:46 to 11:02

CHAIR: We are resuming with the corporate part of the program, outcome 1. Senator Henderson.

Senator HENDERSON: I just want to turn to ARENA and its staff headcount, Mr Kaiser. It's surged 122 per cent, from 74 to 164, yet funding for the Battery Breakthrough Initiative, Solar Sunshot, and Hydrogen Headstart round 2 has been cut or capped to the tune of \$1.3 billion. How does a body need more than double the staff to administer what is obviously significantly less money?

Mr Kaiser: I'll start on an answer on the bit of that that does have some relevance to corporate and then hand to my colleagues. The staff at ARENA were departmental staff, and they've now been transferred to ARENA. So that increase that you see isn't actually an increase in staff; it's a reallocation from departmental staff to ARENA staff. My colleagues might be able to respond in more detail.

Senator HENDERSON: Even if it's a reallocation, why does ARENA need such a huge increase in staff?

Mr Kaiser: ARENA is on the agenda later in the session.

Senator HENDERSON: This is corporate. We're talking about staffing.

Mr Kaiser: No, you're asking me to justify ARENA's work, which I think is best left to ARENA.

Senator HENDERSON: It was a decision made to reallocate staff to ARENA.

Ms McCulloch: I can't recall the details, but there was legislation passed recently which allowed them to employ their own staff directly, whereas previously the department employed the staff on their behalf. So they were departmental staff. I think what you're referring to is their ability to employ staff directly. But you would be best placed to ask ARENA to get to the detail of that. That's my understanding. ARENA is a separate agency. It's not something that this department has accountability for. You'd be better able to get to the detail of it by asking ARENA the questions.

Senator HENDERSON: I appreciate that. So, Mr Kaiser, you're not able to provide any further information in relation to this increase of staff?

Mr Kaiser: It's not an increase in staff. That's the point we're making. They were departmental staff and they were transferred to ARENA. So there's no greater resourcing in general terms. ARENA may have more information on the exact numbers of staff movements, but the vast bulk of the allocation of staff that you're referring to in terms of a percentage increase was simply because of the reallocation of staff from DCCEEW to ARENA. They were already working there, but they're now counted as ARENA staff rather than DCCEEW staff.

Senator HENDERSON: We can interrogate that more when ARENA is before us.

Ms Munro: I can just supplement that. It was the transfer of departmental staff into ARENA, but there were also legislative changes to ARENA's act to give effect to that. That's because they couldn't employ people directly. There are only two positions under the original act, which was the CEO and the CFO. So it is both a transfer of departmental staff and the ability to employ people directly rather than as consultants or contractors. So the decision was made to provide actual ASL to ARENA to give effect to that purpose.

Ms McCulloch: That's right.

Senator HENDERSON: I'll move on to the CEFC growing its headcount by seven per cent. Does that have anything to do with being directed by the minister to absorb higher-than-normal financial risk at all?

Mr Kaiser: Again, I think that's—

Ms McCulloch: The CEFC is scheduled to appear tomorrow.

Senator HENDERSON: But I'm asking: does it relate to the minister's direction in relation to absorbing higher-than-normal financial risk.

Ms McCulloch: In relation to department's role in that, that's outcome 1, which is on tomorrow.

Senator HENDERSON: What about the CER? CER staffing has grown 18 per cent to a peak of 534 positions.

Ms McCulloch: Again, CER is a separate agency. They are scheduled to come on tomorrow. As it relates to the department, it's outcome 1.

Senator HENDERSON: So you can't give any insight into why—

Ms McCulloch: No. I don't track other agencies' ASL.

Senator HENDERSON: This is the Clean Energy Regulator, of course. Why have they grown by 18 per cent to a peak of 534 positions?

Ms McCulloch: They are separate agency.

Senator HENDERSON: I appreciate that, but can you give any insight?

Ms McCulloch: No.

Senator Watt: No, I think it's been clear for a little while now that the departmental officials can't.

Senator HENDERSON: Can you, Minister?

Senator Watt: No. You'll have the Clean Energy Regulator for 90 minutes tomorrow night. I'm sure they would love to answer your questions. This is the corporate division of the department. This is not the Clean Energy Regulator. This is not ARENA. This is not the CEFC. But they will all be appearing tomorrow.

Senator HENDERSON: What about the Australian Energy Regulator?

Senator Watt: This is also not the Australian Energy Regulator. While we're at it, it's not the Snowy Hydro, it's not the Climate Change Authority and it's not the Australian Energy Infrastructure Commissioner or the emission reduction—

Senator HENDERSON: I'd really appreciate you not being—

Senator Watt: If you want to take up time asking about agencies that aren't here—

Senator HENDERSON: I'm asking about the government department's role.

Senator Watt: The department—

CHAIR: Senators, we haven't had to do this yet. I'm really reluctant to interrupt, but let's try and get through this as a question and answer. To the extent that the department doesn't have that information, Senator Henderson, you're entitled to ask the question and they've given those answers. Let's get through it.

Senator HENDERSON: I just particularly want to ask about this. The budget papers show that the ACCC will only drop by 297. There was a transfer of staff across to the Energy Regulator, and yet the Energy Regulator has inflated its staff. Minister, you're the representing minister. I appreciate that. But in departmental briefings we were advised that there would be no net change in staffing positions. That was advice from the department in relation to the move from the ACCC to your department. Can you explain that difference and why there's been such a surge in staff numbers?

Ms McCulloch: For the AER?

Senator HENDERSON: That's right.

Ms McCulloch: AER is appearing tomorrow. What I can tell you now is that I think there were about 543 staff transferred into the portfolio, into the AER from the ACCC. The impact on the ACCC would clearly depend on a range of other factors, including what they may or may not have received in terms of measures in their own portfolio.

Senator HENDERSON: I'm specifically asking about the very clear representations that were made by the department and the government that there would be no net change when the AER moved out of the ACCC. That evidence was given in the Senate committee as well. Can you explain why there has now been this very significant additional cost incurred?

Ms McCulloch: I don't know that there has been, because I don't know. The AER is appearing tomorrow. The relevant officials who may know something about the AER will also be here tomorrow, in relation to outcome 1.

Senator HENDERSON: Yes, but I'm talking about the departmental advice that we received and the evidence that was given. The number of positions has gone up very substantially, from 297 staff to 534 positions. When this legislation went through, we were told there would be no increase in staff as a result of the changed arrangements.

Ms McCulloch: I can't comment, because the relevant officials are not here today. They will be here tomorrow.

Senator HENDERSON: We can come back to that, but these are matters that we will also be seeking to address with the department.

CHAIR: Senator Bragg.

Senator BRAGG: I just wanted to ask you about the total resourcing. I think the budget says that it has gone from \$30.6 billion in 26-27, which is almost \$8 billion less than \$38.5 in 25-26. Is that right?

Senator Watt: Which budget are you talking about there? The department's budget?

Senator BRAGG: We're talking about the total budget for the department.

Mr Kaiser: Can you repeat the figures?

Senator BRAGG: My understanding is that the portfolio budget statements say that the total resourcing has changed to \$30.6 billion in 26-27, which is almost \$8 billion less than \$38.5 billion in 25-26. Is that right?

Ms McCulloch: You're referring to total funding in relation to both departmental and admin funding?

Senator BRAGG: Yes.

Ms McCulloch: Included in that figure, which went from \$38.5 billion to \$30.6 billion, are drawdowns from the CEFC special account, modifications to the Cheaper Home Batteries program and the cessation of equity injections for Snowy Hydro.

Senator BRAGG: Is there also a saving from the planned termination of critical inputs to clean energy in a strict program? Is that what you're talking about? The batteries?

Ms McCulloch: No.

Senator BRAGG: What's all that about then? Budget paper 1, statement 6, page 236 says that expenditures are estimated to decrease over this period. Then it says that one of the proposed savings is the planned termination of the Critical Inputs to Clean Energy Industries program 26-27.

Ms McCulloch: I don't have that level of detail. The relevant officials who know that outcome will be here tomorrow.

Mr Kaiser: For example, of that roughly \$7.8 billion difference that you're identifying, \$4.3 billion of that is simply because we were effectively holding money for the CEFC in a special account, which has now been drawn down by the CEFC. So it's an accounting construct, where \$4.3 billion of that is because the CEFC drew down money that we were holding for them.

Senator BRAGG: Yes, I get that. That's helpful. That's the point of budget estimates—to work out why all these things have moved around. So that's a bit over half of it. What's the rest of it?

Mr Kaiser: For example, there were some changes made to the Cheaper Home Batteries Program at MYEFO, which were announced by the government. That accounts for a further \$2 billion. Then there are other measures as well.

Senator BRAGG: What are the other reductions?

Mr Kaiser: For example, there have been some changes to the flow of equity injections for Snowy Hydro, which account for approximately another billion dollars of it.

Senator WATERS: What was the number then?

Mr Kaiser: A billion dollars.

Senator WATERS: \$1 billion?

Mr Kaiser: Yes.

Ms McCulloch: There's a reduction of \$200 million for the department, roughly—in departmental.

Senator BRAGG: Is that a cut to the department?

Ms McCulloch: Yes.

Ms Lee: It's all changes in all types of appropriation sources between 2025-26 and 2026-27.

Ms McCulloch: The way to think about those numbers is that it's the global number for the portfolio as a whole, taking into account all the relevant movements of the agencies where the department interacts with those agencies, for example, where we hold their special accounts.

Senator BRAGG: Did you say there was a removal of \$1 billion of equity from Snowy Hydro? What did you say before?

Ms McCulloch: No.

Mr Kaiser: No, sorry.

Ms Lee: There was a payment for Snowy Hydro equity in 2025-26, and there isn't a payment in 2026-27.

Senator BRAGG: There's no payment?

Ms Lee: So that's why there's a difference.

Senator BRAGG: So that changes the big number.

Ms Lee: Yes.

Senator BRAGG: What are the other ones?

Mr Kaiser: They are drawdown to the CEFC special account of \$4.3 billion, approximately \$2 billion with respect to changes made and announced to the Cheaper Home Batteries Program and a reduction in departmental funding of \$200 million. Those figures are a very poor indication, in a sense—

Senator BRAGG: I can understand that.

Mr Kaiser: of total departmental resourcing, because they overly reflect the timing of various allocations of funds between us and some of the other portfolio entities like CEFC and Snowy Hydro.

Senator BRAGG: I understand all the big-ticket items there, but can you tell me more about the \$200 million cut to the department?

Ms Lee: Our departmental funding is different between 2025-26 and 2026-27 by \$188 million. Of that difference, \$88 million is because we're transferring funding to the new National Environment Protection Agency as part of the processes for setting that up. Funding is also transferring to ARENA; \$17 million of our departmental will be going to ARENA, again because the staff will no longer be engaged by us. Then there's the net impact of a range of terminating and new measures; it's ons and offs across a range of different measures.

Mr Kaiser: More than half of that \$188 million is again, in a sense, accounting. As my colleague said, because we will, from 1 July, create the National Environmental Protection Agency, \$88 million transfers from the department to the EPA. There's also been the transfer in respect of ARENA, given that they now hire staff directly rather than the department staffing ARENA. So more than half of that \$188 million is, in a sense, accounting.

Senator BRAGG: Are any of these people working on EPBC stuff?

Mr Kaiser: Yes. The National EPA, which gets created from 1 July, works on EPBC matters.

Senator BRAGG: That is more an enforcement agency than a decision-making one, isn't it?

Mr Kaiser: I wouldn't say that.

Senator BRAGG: It has both?

Mr Kaiser: Generally speaking, it consists of the responsibilities for compliance and for decision-making and assessments in respect of EPBC referrals.

Senator BRAGG: So it's judge and jury. That'll be interesting! So that's the main one—fine. You're going to have 700 people at the EPA. Is that right?

Mr Kaiser: I think it's of that order, give or take.

Senator BRAGG: How many of those people came over from the department?

Mr Kaiser: All of them.

Senator BRAGG: All of them?

Mr Kaiser: There are existing teams that do this work. They will transfer into the EPA, plus a proportion of our corporate staff will move across in order to support the EPA in its corporate functions.

Senator BRAGG: So 700 people go into a new bureaucracy, they make judgements and they enforce them, right? They do both.

Mr Kaiser: Yes. That's not unusual.

Senator Watt: And the model that was contained in the reforms retained the existing model for decision-making around individual projects, which is that the minister of the day has the power to approve any project but can delegate that power to—currently—officials in the department. That will become delegated to officials in the EPA, and well over 90 per cent of decisions are made that way.

Senator BRAGG: So most decisions are made by the department, not by the minister?

Senator Watt: Correct.

Senator BRAGG: Do you imagine that will change?

Senator Watt: Not dramatically.

Senator BRAGG: So this new bureaucracy will be making most of the judgements and then enforcing them?

Senator Watt: Their role will be to enforce the law and enforce conditions of those decisions. As Mr Kaiser said, that is not an unusual model across government.

Senator BRAGG: So it is 700 people. What's the budget for the new agency?

Ms Lee: The budget for the new agency is set out in the portfolio budget statements. They have their own portfolio budget statements. The total resourcing for them for that agency next year is \$207 million.

Senator BRAGG: Are they coming today?

Senator Watt: Well, they don't exist.

Ms Lee: They don't exist yet.

Senator BRAGG: So who's working there now—no-one?

Senator Watt: Well, there is no national EPA. It starts on 1 July. But many of the functions that will be performed by the EPA are currently performed by various divisions of the department, who will be appearing over the course of the day.

Senator BRAGG: Where is the EPA going to be?

Senator Watt: We covered this earlier.

Senator BRAGG: Where will it be?

Ms McCulloch: It's co-locating with the department in Canberra and in our state offices.

Senator BRAGG: So 700 people—\$200 million a year. Is that right?

Ms Lee: It is 207, yes.

Ms McCulloch: In 2026-27, yes.

Senator Watt: That would have been otherwise spent by the department.

Senator BRAGG: Did you already cover how much this new thing is going to cost?

Senator Watt: Well, I think we just did.

Senator BRAGG: What's the cost difference? How much more does it cost to have all the paperwork and all the business cards changed to this new thing—paper clips, whatever? Have you already been asked that?

Senator Watt: I think the EPA will use the same paper clips as the department. I don't think they're looking at a different brand.

Senator BRAGG: I'm just trying to work out whether these things have already been traversed.

Senator Watt: No, the issue of the paper clips of the EPA has not yet been traversed. You're the first to introduce that.

Senator BRAGG: Because I think most people would think, 'Well, why do you need a whole new bureaucracy when you've already got a perfectly good one?'

Senator Watt: Well, with the greatest of respect to the department officials, you would be the first member of the Liberal Party to say that the current system is perfectly good.

Senator BRAGG: Well, you're not asking me questions, are you? Maybe you are?

Senator Watt: No. I miss those days!

Senator BRAGG: Well, there's still time.

Senator Watt: It was the one part about opposition that was good.

Senator BRAGG: Well, there's still time for that. But I guess the question is: how will you justify setting up a whole new agency, which sounds like a lot of money, a lot of people moving around, new business cards, new stickers, new pieces of paper—paper clips.

Senator Watt: Why don't I give you a general answer. There are officials—the people who are working in those divisions—who can go into more detail, when we get to outcome 2, about what will change. But we did believe as a government that there was benefit in having a more independent regulator of environmental activity at the bottom.

Senator BRAGG: But you can still override it—yes?

Senator Watt: When it comes to individual project decisions, yes, but not when it comes to compliance and enforcement. One decision we made in those reforms was that the EPA will be totally independent of ministerial intervention when it comes to compliance and enforcement, and I think that's a good thing—not to mention that we have gone to two elections in a row committing to establish a national EPA. The reasons we did that were as I've just described. We like to fulfil our commitments.

Senator BRAGG: So 350 people work in the department now on these issues, do they? How many people work on these issues now in the department?

Mr Gaddes: If we look at the line area division as it was at the end of March, of the two line area divisions which will move from the department to the EPA, the environment regulation division had 384 FTE at the end of March. The environmental permitting and compliance division had 220 FTE at the end of March, so there are 604 in total. Then there are 52 who will transfer from the centre of the department to provide corporate functions. That leaves an increase in the ASL of 42 between that and the ASL allocated in the budget. And that 42 is to implement the new functions under the environmental law reforms. You'll recall a new act will be in place. We're slowly rolling it out, and officials can come to the table in outcome 2 and talk you through the elements of that reform. That will require additional staff. We'll have to run the old system while the projects are going through the old system. We'll have to run a new system from either September or December, whenever the new laws come into force, so we will need additional staff to run the new system alongside the old system.

Senator BRAGG: So you have 42 new people coming in?

Mr Gaddes: It will be up to 42. Where those resources are allocated will be a decision for the CEO.

Senator BRAGG: How many people will work on the fast track? Do you call it a fast track? Or do you call it something else?

Mr Gaddes: Well, it's an unknowable thing, because—

Senator BRAGG: How could it be unknowable? Isn't this the main point of the reform—to fast-track things?

Mr Gaddes: Just let me explain. Those new laws come into force later this year. If they're not proclaimed earlier, they come into force on 1 December. Whether or not people are eligible for the streamlined assessment pathway depends on the quality of the applications that they put forward .

Senator Watt: As we've mentioned, the environmental regulation division, which currently does the assessments and approvals of projects, moves across to the EPA. In broad terms, the number of people doing that work will be similar to what exists in the environmental regulation division at the moment.

Senator BRAGG: How many is that?

Senator Watt: I think we heard it—

Mr Gaddes: The figure I gave you was 384.

Senator BRAGG: Where do the extra 42 people go? Do they go there or do they go everywhere?

Mr Gaddes: As I said earlier, it's up to the CEO to allocate the resources across the new agency depending on where the priorities are.

Senator BRAGG: How many people have applied to be CEO? You've already traversed this, I imagine.

Senator Watt: We haven't been over the recruitment. I don't know whether we have that number. I don't know whether we would normally disclose it. I am happy for others to if they want to. What I can say about the recruitment activity for the CEO is that it's extremely well advanced.

Senator BRAGG: What's the salary for this job?

Mr Gaddes: I think the advertisement had the figure of roughly \$500,000.

Ms McCulloch: It has been determined by tribunal.

Senator Watt: Which is commensurate with other regulatory roles in government that have a similar budget, similar number of staff and that kind of thing.

Senator BRAGG: So you don't know how many people have applied for it?

Senator Watt: I don't personally. I'm not sure whether any of the officials has that detail.

Mr Kaiser: No, and I'm not entirely certain it would be appropriate to disclose it.

Senator BRAGG: Why not?

Mr Kaiser: Well, as I said, I'm not sure.

Senator BRAGG: Who cares how many people have applied? Surely it should just be known?

Mr Kaiser: Well, as I said, I don't know. We can take that on notice and give you a considered answer.

Senator BRAGG: When will you make the appointment?

Mr Kaiser: As the minister indicated, the process is well advanced, but we're not yet at a stage where we're able to announce the appointment.

Senator BRAGG: Is this a ministerial appointment? Do you make the appointment, Minister?

Senator Watt: I think technically it'll be done by executive council on the recommendation of cabinet. But what I can say is that we are tracking well to have that person starting on 1 July when it's established.

Senator HENDERSON: Tracking well?

Senator BRAGG: Hang on, hang on. Surely, you would have a strong view on the appointment, as the minister?

Senator Watt: I do.

Senator BRAGG: So, will you make the appointment?

Senator Watt: My recollection—correct me if I'm wrong—is there's a panel, who make recommendations and provide guidance to me. I then make a recommendation to the Prime Minister. The cabinet then makes the decision, because it's a significant appointment, which then goes to executive council.

Senator BRAGG: Have you asked for a shortlist?

Senator Watt: I was provided with a shortlist. I don't know whether I asked for one. It's followed the usual—

Senator BRAGG: That's such a tricky answer—either you've asked for one or you've been given one.

Senator Watt: I've been given one. That's what I said. Mr Kaiser might be able to take you through the recruitment process, but there was an advertisement, applications were received. Mr Kaiser, feel free to continue about the steps.

Mr Kaiser: There was a panel appointed. We shortlisted from amongst the applicants. We interviewed that shortlist. From that shortlist, we made recommendations to the minister. Then the minister takes it through the cabinet process and ultimately to executive council.

Senator BRAGG: How many people were on the shortlist?

Mr Kaiser: I don't recall.

Senator BRAGG: Three or five?

Mr Kaiser: It was of the order of five, give or take.

Senator BRAGG: Do you recall?

Mr Kaiser: Not precisely. It was about five.

Senator BRAGG: You looked at five people's CVs?

Mr Kaiser: We interviewed about five people.

Senator BRAGG: Did you look at five people's CVs, Minister?

Senator Watt: I'm only hesitating because I don't know the level of detail we would normally provide about a recruitment process—recognising the privacy of individuals involved—but my recollection is that the panel essentially recommended three people as suitable. I've considered that advice.

Senator BRAGG: That's before the cabinet now; is it?

Senator Watt: We don't discuss cabinet matters; do we? It has to go to cabinet before it goes to executive council.

Senator BRAGG: It's 25 May; the appointment starts on 1 July. I imagine you'd be pretty close.

Senator Watt: You might remember that my very first answer was that we were well advanced.

Senator BRAGG: We don't know how many people applied. We know you've seen a shortlist of three to five people and that is close to or before cabinet. When you give this person their riding instructions, will you give them a statement of expectations or something like that?

Senator Watt: Yes. There will be a statement of expectations provided to the EPA.

Senator BRAGG: Will this fast-track stuff be in there?

Senator Watt: I would expect—I'm trying to remember whether we've actually done some work on that already.

Mr Gaddes: Not yet—we have yet to draft the brief to the minister with the statement of expectations, so he has not yet seen it.

Senator Watt: It would be reasonable to assume that the objectives of the EPBC reforms will be reflected in that statement, and they include speeding up decision-making, assessments and approvals, and stronger protections for the environment.

Senator BRAGG: In terms of this fast-track business that went through parliament last year, did you get any advice on the decision to exclude oil and gas projects?

Senator Watt: We're getting firmly into outcome 2 matters now, so I'd suggest we can do that when we get to outcome 2. I've been happy to answer the corporate and recruitment questions, but we're getting into policy content now.

Senator BRAGG: Alright. My next question is around this issue of the funding for the development of bilateral agreements. I imagine this is in relation to the proposed agreements with the states.

Senator Watt: Again, that's more an outcome 2 question, which is next.

Senator BRAGG: I have one more corporate thing to ask about. This is a bit of a detail one, but there's a contract notice, CN4233310. I believe it's a contract for graphic design. Can one of the officials dig that up?

Ms McCulloch: We'll have to take that on notice. We'll take that reference and find the answer. I have a sneaking suspicion it will be relevant to outcome 2, but I don't know that for a fact.

Senator BRAGG: We can come back to it in outcome 2. We won't let you off the hook! We will ask you about it then.

Ms McCulloch: Could you give us the reference again so we can source it?

Senator BRAGG: CN4233310.

CHAIR: Thank you very much, Senator Bragg. In that case we will now move off outcome 1. Thank you very much to the officials involved in answering those questions.

[11:34]

CHAIR: I call officers from the department relating to outcome 2—conserve, protect and sustainably manage our natural resources; protect and conserve our natural and cultural heritage; reduce and regulate the use of pollutants and hazardous substances; and take a leadership role on these issues internationally—and program 2.1: conserve, protect, sustainably manage and restore Australia's natural environment. We have the officials in the room. We're now moving to outcome 2.1. Senator Waters.

Senator WATERS: Hello to all the new folks who've joined us. I want to start off by asking about the standards. Can I have a timeframe, please, for the completion of all of the national environmental standards?

Ms Kay: Hi, Senator. We're aiming on finalising four key standards by midyear. As the minister said earlier today, two of them are currently out for public consultation. Those are the Matters of National Environmental Significance and environmental offsets. We are expecting two further standards, on community engagement and data and information, to be released for their public statutory consultation in the coming weeks.

Senator WATERS: Just for precision, when are you hoping to have all four done?

Ms Kay: We've said by midyear, Senator, so we're expecting at some point in July, we're hoping.

Senator WATERS: The environment sector has strongly criticised the draft Matters of National Environmental Significance standards for inserting a new section 7 that effectively provides that compliance with process based principles will be enough to demonstrate environmental outcomes have been met. This is obviously completely inconsistent with the outcomes based approach that the reforms were apparently meant to achieve. How is the department satisfied that this weaker approach will actually lead to better environmental outcomes?

Senator Watt: Can I just start. We of course reject the claim that's being made that what is being proposed contradicts the outcomes based approach. In fact we believe that what we've put forward as a standard reflects an outcomes based approach. But I'm happy for the officials to talk you through in more detail.

Mr Gaddes: Before we pass to Ms Kay, I think it's also clear that the act provided for the principles to work towards the outcomes. That was in the bill, and that was what was passed by the parliament. That backs up the minister's statement about that. This is operating in the way that the bill and then the act is intended to work. But I'll pass to Ms Kay for more detail.

Senator WATERS: How does compliance with process equate with outcomes? Please walk me through how that makes sense.

Ms Kay: I think the MNES standards are a really important part of the broader reforms. As we might have spoken about previously, there are a number of things baked into the legislation already that improve environmental protections. Those include the unacceptable impacts test, the net gain requirement and the mitigation hierarchy. The MNES standards exist in concert with what's in the legislation as well as the other parts of the reforms, including protection statements, the restoration contributions et cetera. In terms of how it all works together to shift the dial for nature, they set legally enforceable requirements which include objectives, outcomes and principles aligned with Australia's international and constitutional obligations. There's also a non-regression principle that's built into the standards and into the legislation, which means once they've been made they can't be weakened or altered in a way that weakens environmental protections. But there's also providing for a nationally consistent framework for decision-making across the EPBC Act while allowing for flexibility for different contexts and different protected matters. One of the things we've had to consider in the balancing of the standards themselves is the need not just to apply across different decision-making frameworks—that includes not just individual project approvals but also bilateral agreements by regional planning, our regional forest agreement accreditation—but also the range of protected matters that there are. We've needed to consider that when we're making the standards. But it also does things like embed the mitigation hierarchy into decision-making. It provides greater clarity about important considerations for the decision-maker, and there's an increased

transparency and early accountability on proponents to apply the standard and its key principles in a way that achieves the standards' outcomes.

Senator WATERS: Thanks for all that context, but I'm specifically interested in the new section 7, which wasn't in the initial draft and is now in the revised draft. I'd like a policy explanation of how you think that will work, because all of the sector are saying this isn't going to work. It's not about outcomes; it's about following a process. I'm keen for your response to that—or the minister's.

Ms Kay: One of the changes that came from the standards that were released earlier, at the end of 2025, is a number of changes that came through the legislation, including a change to the test, from a 'not inconsistent with' to a 'consistent with' test. One of the things we had to consider when we were updating the standards, including the vast array of feedback we took on board from the first public consultation, was how to make sure these standards are workable across, as I said, not just the range of protected matters but all the different decision-making pathways. It's about having a standard that is able to be applied by decision-makers and by proponents where they are able to demonstrate consistency with the standard through the process, so that was the intention behind inserting the new section 7.

Senator WATERS: But that still doesn't answer the question of why section 7 deems compliance with a process tantamount to achieving an outcome.

Ms Kay: It's compliance with the principles set out in the standard, so it's about how we make sure proponents are able to demonstrate consistency with the standard. They do that through demonstrating consistency with the principles, and the principles then roll up into the outcomes and objectives so it is part of the decision-making.

Senator WATERS: But why do they roll up? Why aren't you looking at outcomes rather than just 'Have they followed the process that these principles state?'

Ms Kay: As I said, we needed to make sure the standards are workable and able to be applied, and the way we did that was through having that consistency with the principles is consistency with the outcomes.

Senator WATERS: The objective of the reform was to improve environmental outcomes as well as speed up certain things. How is making standards weaker so you can apply them in a multiplicity of circumstances going to improve outcomes?

Senator Watt: We're not making them weaker. That is a claim being made by some environmental organisations, but we are not making them weaker, for the reasons that you've just heard.

Senator WATERS: The exposure draft versus the current draft is weaker.

Senator Watt: We don't believe that represents a weakening of the standards. I know some environment groups are making that argument, but we don't agree with that position.

Senator WATERS: Can you explain why? I heard what Ms Kay said, but it still doesn't make sense to me.

Senator Watt: All I can do is repeat what Ms Kay said, which is that these standards provide a level of detail and strength that never existed before under the law. They are designed to ensure the environment is protected, and they are designed to ensure decision-makers and proponents have a better understanding of what is required when an assessment is being done. You would be aware, having worked in this area of the law, that it is completely opaque at the moment, the system of what sits behind decisions that are made. One of the benefits of these standards is that it puts in writing the factors that are going to be taken into account during decision-making. As Ms Kay said, what we have done with the most recent version of the standard is set out principles that need to be reflected by a proponent. Those principles are designed to deliver the outcomes we're seeking. That's why we don't accept the criticism that we've walked away from outcomes. And, in doing so, we're trying to make these standards much more workable and understandable for those who interact with the act, being decision-makers, proponents, environmental groups and the community at large.

Senator WATERS: It sounds to me as though you're trying to post facto create standards that will permit things to be approved that might otherwise not have been approved, so you're trying to weaken the standard so that you don't have to worry about outcomes.

Senator Watt: That's not the intention.

Mr Gaddes: I'll just clarify. I referred earlier to the bill which passed the parliament. Under section 514YD:
(4)A national environmental standard:

- (a) must prescribe one or more outcomes or objectives; and
- (b) may prescribe any of the following:
 - (i) parameters within, or principles by which, an outcome or objective is to be achieved;

(ii) processes or actions to be followed or taken in achieving an outcome or objective.

The approach we've taken is entirely consistent with the bill that passed the Senate.

Senator WATERS: I would argue that section 7 might be consistent with the second part of what you read out, which was the optional inclusion, but the mandatory one was an outcome. And you're now saying that, if you follow these principles—

Mr Gaddes: Which they do contain. They contain an outcome.

Senator WATERS: Hang on. Please don't interrupt me. You're now claiming that compliance with the principles will equate to compliance with an outcome. That's the fundamental point that the environment groups are baffled about—and, frankly, anyone that's given it more than five seconds of thought is baffled about. I still don't understand how you're saying those two are the same.

Mr Gaddes: It's a process based piece of legislation. People go through. We do an assessment. We apply conditions, and the conditions are meant to meet outcomes the same way the standards go through and provide principles by which we try to achieve outcomes. I can't see how you don't follow that.

Senator WATERS: So they'll follow a wonderful process and trash nature, and that would be fine under your standards.

Mr Gaddes: I don't agree with that.

Senator Watt: No. That would be the claim made by the Greens political party, but, of course, that is not the position of the government.

Senator WATERS: So why are you putting section 7 in there? Why was it included in this second draft and not the first draft?

Senator Watt: That's been explained, but I'm happy to go back over that again.

Senator WATERS: I didn't really follow the specific explanation of that.

Senator Watt: Okay. Let's go over that again.

Ms Kay: One of the changes through the legislation was the change to the test on how the standards must be considered. A change from the original draft legislation included a 'not inconsistent with', and there was a change to 'consistent with'—

Senator WATERS: Which was meant to make it stronger, not weaker.

Ms Kay: When thinking through how we would update that in the new draft of the standards, including, as I said, taking on board a number of other pieces of feedback that we got through the consultation process, it was thinking through how the standards could then be applied, taking into account the intention of the change in the test. One of the things we need to do is make sure that the standards are actually workable for assessment officers, decision-makers and proponents.

Senator WATERS: What about for nature?

Ms Kay: The environmental outcomes are spelled out in the standard itself, as well as the other parts of the legislation, which have protections for nature built in. Embedding the mitigation hierarchy is a really important part of the standard, so making sure that proponents have avoided, mitigated, restored where appropriate before they get to offsetting is one of the key environmental protections that's built into the standard itself. That, plus the unacceptable impacts test, the net gain requirements et cetera et cetera are part of the environmental protections that the standard is part of.

Senator WATERS: Minister, does it concern you that the feedback from environment groups, whose stake in this is to try to protect nature, is that this is a weakening? Are you actually open to their feedback on these draft standards? Will you be considering strengthening them?

Senator Watt: For starters, it is true that there are some environment groups, but not all, who have concerns about this draft standard. I don't think we should say that every single environment group does. Second of all, the purpose of consultation is to listen to what people have to say. I have personally met with the CEOs of four of Australia's largest environment organisations to hear their concerns. The department has done so on a regular basis, as well as my office. Of course, they are not the only voices that we're listening to in this discussion. But we are certainly listening to what they've got to say, and their feedback will be taken into account, as will anyone else's.

Senator WATERS: Will you actually make any changes to the draft?

Senator Watt: That remains to be seen. The consultation process hasn't finished yet.

CHAIR: Senator Waters, I want to share the call. Do you have more questions? We can come back to you.

Senator WATERS: I have—actually—quite a lot of real questions.

CHAIR: Not a problem.

Senator WATERS: Please do come back to me.

Senator Watt: I suspect we'll be in outcome 2 for a while, so that's all fine.

CHAIR: Senator Walker.

Senator WALKER: I've got some questions regarding the housing strike team. My first question is to the minister. Minister, I can see from the media this morning that you have made significant progress with the number of homes approved by this government. Can you provide an update to the committee on the work?

Senator Watt: Sure. I know that building new homes is a great passion of yours and of many other people in our community. We've got some very pleasing figures that have come through on the progress we've made with housing assessments and approvals. You might recall that, during the government's economic reform roundtable held in August last year, we made a commitment to fast track assessment, approval and decisions around housing. There were about 26,000 homes waiting for assessment and consideration. Back in August last year, we committed to make a decision and clear those 26,000 by July this year. I'm very pleased to say that two months in advance, sitting here now in May, not only have we met that target but we've absolutely smashed it. The strike team that was formed within the department to focus on this has approved 35,675 homes—almost 50 per cent more than the original target. As I said in the media this morning, I'll take the opportunity again here to congratulate those officers who have done such a fantastic job assessing these projects properly, ensuring that environmental standards were met and ensuring that the projects avoided or minimised environmental impacts. Now they're approved. That will go a long way to building the homes that Australia desperately needs.

Senator WALKER: To the department: can you provide a state-by-state breakdown of the work that's been done by the housing strike team?

Ms Gowland: We haven't actually got a state-by-state breakdown. We've got a breakdown across regional and urban environments—no, sorry; we do have a state-by-state breakdown. Twenty-one are in metropolitan areas—that's 19,906 homes—and 13 are in regional areas; that's 15,769 homes. There were 1,023 homes in Victoria, 3,369 homes in WA, 14,026 homes in New South Wales and 17,257 homes in Queensland.

Senator WALKER: Awesome. Last estimates, in February, I asked some questions about the work of the housing strike team. In response to my questions, departmental officials provided evidence that there was a period under the coalition government in which there were no projects approved on time because of the coalition's failure to provide adequate funding. It was unclear at the last estimates whether there were any housing projects impacted by that. Can you tell me whether there were any housing projects impacted during that period?

Mr Gaddes: I don't know that we have those historic figures at hand. We might have to take that one on notice.

Senator WALKER: The department has previously given evidence that there were 92 housing projects awaiting assessment when the Labor government was elected in May 2022. It stands to reason that, if the department had been given more resources to undertake this important work, there would have been fewer housing projects awaiting approval in May 2022.

Mrs Svarcas: Sorry—I don't quite understand the question.

Senator WALKER: If the department had had more funding, would it have been that there were fewer housing projects awaiting approval as of May 2022?

Mr Gaddes: Maybe we could come at that in the general, rather than the specific, sense. If there were more assessment officers available to assess projects and our statutory timeframes were being met, then we would be moving through faster than in a period where we had fewer resources and our statutory timeframes weren't being met. So maybe that's the best way to answer that one.

CHAIR: Senator Bragg.

Senator BRAGG: That's good. If you're going to do your dorothies, do them properly! How many have you got now that are ensnared in your regulatory quagmire—about 100,000?

Senator Watt: This is from the bloke who voted against the EPBC reforms!

Senator BRAGG: Well, you're making it worse, not better.

Senator Watt: We just announced today that we've approved over 35,000 homes ahead of schedule.

Senator BRAGG: How many have you got in there?

Senator Watt: I'm happy for the department to give you the answer.

Senator BRAGG: You don't know?

Senator Watt: I don't try and do the department's work for them.

Senator BRAGG: It's about 100,000.

Senator Watt: Where did you get that figure from?

Senator BRAGG: The department.

Senator Watt: Where?

Senator BRAGG: At a prior hearing.

Senator Watt: If you know that, then why do you need to ask?

Senator BRAGG: I just want to see how many there are today.

Ms Gowland: We actually currently have 79,885 homes.

Senator BRAGG: So 79,000—the last time it was 100,000; now it's 79,000. So that was a good question!

Senator Watt: You're welcome.

Senator BRAGG: But you didn't want me to ask that question.

Senator Watt: I love your question!

Senator BRAGG: That's very defensive! So it's 79,000. If we go back to the Economic Reform Roundtable—with reform in inverted commas or bunny ears, as some people like to call them—you wanted to clear out 26,000. You say you've done that.

Senator Watt: More than done that.

Senator BRAGG: But there's still 80,000 in there?

Mr Kaiser: It's probably worth pointing out that this is a pipeline. So, if you're comparing figures over time, it's hardly going to be an 'apples with apples' comparison because more comes into the pipeline and some leave the pipeline. So to take a figure of homes that are in the pipeline at one point in time and compare it to homes at another point in time and say that that's the amount that has been processed is just incorrect.

Senator BRAGG: Hang on. We had this Economic Reform Roundtable, and you said you wanted to get rid of 26,000. Now you've got 80,000; isn't that more?

Mr Kaiser: Yes, it may be because more have come into the pipeline, not because we've processed fewer.

Senator BRAGG: How many have been received since the Economic Reform Roundtable?

Mr Gaddes: We can take you through the pipeline—the ins and the outs. If you debate it—

Senator BRAGG: Let's go through it in detail because this is a very hazy area.

Mr Kaiser: It's also—while my colleagues—

Senator BRAGG: I just want to get some hard numbers because I think people just expect there to be clear numbers and accountability rather than all this fudging and smoke and mirrors.

Mr Kaiser: Yes, we're happy—

Senator BRAGG: So the question is: how many houses were ensnared in your regulatory quagmire at the economic roundtable last year with Dr Chalmers?

Mr Kaiser: Well, while my colleagues get those figures, I might also point out that our ability to process these applications and referrals depends a lot on the quality of the work that's done by the proponent in terms of the application that they make.

Senator BRAGG: I don't care; I just want the numbers.

Mr Kaiser: Yes, you just want numbers, but I'm just saying that it's not an accurate reflection of the department's performance.

Senator BRAGG: People are over the spin. They just want numbers.

Senator Watt: You don't need to insult public servants by referring to their answers as spin.

Senator BRAGG: I'm not insulting. I don't need to hear all that; I just want to know the numbers.

Senator Watt: I know you're in a bit of a bad mood, but—

Senator BRAGG: I'm in a good mood actually!

Senator Watt: We all saw that interview yesterday.

Senator BRAGG: At least I'm honest.

CHAIR: Senators!

Senator Watt: You are.

Senator BRAGG: That's good. It's good to be honest. I highly recommend it. You should try it.

Senator Watt: Yes. I have been. There have been 35,500 homes cleared since the roundtable.

Senator BRAGG: How many—

Senator Watt: I'm sure the officials are getting those figures for you.

Senator BRAGG: Yes. We're getting a bit off track here.

CHAIR: Yes.

Ms Gowland: I can tell you that we have currently eight awaiting approval decisions—very close to the end. That's 1,530 houses; that's eight projects. There are 846 homes that are awaiting a referral decision. That will take 20 business days. That's the statutory timeframe for a referral decision. We have a high rate of meeting statutory timeframes at the moment, so it's a good estimate to assume that we'll make that. Under assessment with the proponent at the moment, which means that the proponent is actually undertaking their environmental impact assessment, there are 48,989 homes. Under assessment with the department, which is generally the department looking at an assessment to make a decision to direct a proponent to publish and which is towards the end of the process, there are 28,520 homes.

Senator BRAGG: In total, you said there were 80,000.

Ms Gowland: It's actually 79,885.

Senator BRAGG: These are very dumb questions because I'm not a very smart person.

Senator HENDERSON: Senator Bragg! Come on.

Senator BRAGG: It's probably true; it's fair enough. The first question is: how many were in the system as at the economic roundtable?

Ms Gowland: 93,753.

Senator BRAGG: And now there are 80,000?

Ms Gowland: 79,885.

Senator BRAGG: So you've improved it by 14,000.

Senator Watt: Net.

Ms Gowland: That's net, yes. That's a dynamic system. There are projects coming in. We've actually had 27 new referrals, which is 26,936 houses, since that time.

Senator BRAGG: How many did you have at the time of the roundtable?

Mr Gaddes: I might help and step you through it, Senator. At August, which was the date that you were interested in, there were 93,753 houses in the system—

Senator BRAGG: And now we're down to 79,000.

Mr Gaddes: If you let me finish, Senator—since that time there have been 26,936 new houses referred into the system. You heard from the minister before that 35,675 have been moved out of the system.

Senator BRAGG: Thanks for that. That's good. So, Minister, you're saying you've cleared out 26,000 of them. That's your—

Senator Watt: No. The target we set ourselves in August was 26,000. We achieved 35,500.

Senator BRAGG: But you've still got 80,000 in there?

Senator Watt: Yes, because about 27,000 new ones have come in since then, and they were not the entirety of the applications that were in. As the officials have said to you, of the 79,000 applications that are currently in the system, nearly 50,000 of them are currently with the proponent, with them doing the work that's required.

Senator BRAGG: Sure, but you've gone from 93,000 to 79,000, so you've improved things by 14,000, not 26,000.

Senator Watt: Well, that's if you want to ignore the 27,000 that have come in since. I don't know how we could have cleared them.

Senator BRAGG: It's not a massive improvement, though, is it, really?

Senator Watt: You're so negative.

Senator BRAGG: You were saying you were bragging about this in the media today, weren't you?

Senator Watt: I think I don't think I used the word 'bragging', I'm not sure why Senator Bragg would use the word 'bragging'!

Senator BRAGG: That's a good word, though; you should use that word. I won't charge you a royalty if you use it! I think the dorothy dixer indicated that you'd done some media today.

Senator Watt: I did.

Senator BRAGG: Where did you do that?

Senator Watt: In the Mural Hall. It was at 8 am. It was a cracker.

Senator BRAGG: Was there much coverage?

Senator Watt: I don't know. I share the facts, and then it's up to the media to decide what they report.

Senator BRAGG: We'll look into that one for you.

Senator Watt: Go for it. Do you want me to take that on notice—whether it was a good press conference?

Senator BRAGG: We're down to 80,000. Overall, the 80,000 homes inside this bureaucracy are still a lot of houses, aren't they?

Senator Watt: Well, 48,000 of those homes under consideration are currently with the proponent, to undertake the studies and provide the information they need to provide. I'm not having a go at them. That's an important part of the process.

Senator BRAGG: It's good not to have a go at the private economy. Whatever's left of it, we want to try and retain, don't we?

Senator Watt: Yes, I support a mixed economy.

Senator BRAGG: Do you? I thought you supported a communist economy?

Senator Watt: That's what you and your media allies are saying.

Senator BRAGG: Well, it's true.

Senator Watt: You and your media allies say it's true.

Senator BRAGG: You're getting closer and closer to communism every year you're in government.

CHAIR: Senators, as edifying as this all is—

Senator BRAGG: He laughed.

Senator Watt: You just keep chasing One Nation, and we'll focus on—

CHAIR: Senators—questions and answers.

Senator BRAGG: I'll just ask some really simple questions. How long does it take to get a house approved through your quagmire?

Senator Watt: Of course, I reject the assertion that it's a quagmire.

Senator BRAGG: It is. It takes years.

Senator Watt: It's a system that was originally legislated by the Howard government and that we have reformed. We expect the process to become faster and simpler as a result of the reforms that we passed and that you voted against.

Senator BRAGG: How long will it take?

Senator Watt: Every application is going to be different. Some will get through faster than others, but—

Senator BRAGG: What's the average?

Senator Watt: Hang on. One of the new pathways that we created in the reforms that you voted against was a new streamlined pathway which guarantees—Mr Gaddes might explain the detail and the timeframes.

Mr Gaddes: In the new streamlined assessment pathway, what we're trying to design here is a set of systems which can allow proponents to have certainty predictably upfront.

Senator BRAGG: How long—what's the average?

Mr Gaddes: The average for the streamlined pathway, or the average—

Senator BRAGG: How long will it take to get a house approved through this system? I call it a quagmire; you call it something fantastic.

Mr Gaddes: Under the new reform system, which will start later this year, in the streamline assessment pathway, proponents who can have all the information that the department requires upfront—our analysis before the reforms was that roughly 50 per cent of projects that would go through the act could have that—will be able to go through the system in 50 days. So it's 50 days if proponents can meet their obligations upfront. We're going to roll out a whole heap of new regulatory guidance material to help proponents. The standards will provide clarity around what's needed for decision-making. It's 50 days from beginning to end.

Senator BRAGG: Fifty days would be good. What do you think is the average now?

Ms Gowland: As at 11 May, under the current government, the average time has been 165 weeks.

Senator BRAGG: 165 weeks!

Senator Watt: I'm currently getting the figures on what they were like under the coalition government. You might want to pull up stumps now.

Senator BRAGG: No-one's interested in all your politics.

Senator Watt: It's not politics. It's facts. Do you not want facts?

Senator BRAGG: I love facts. I'm into facts. I'm asking how long.

Senator Watt: We'll come back to you with facts.

Senator BRAGG: They just said 165 weeks to get a house approved under your system, and now you're going to get it to 50 days.

Senator Watt: Here are a few facts for you—

Senator BRAGG: The problem is you have more houses in there than you thought.

Senator Watt: In May 2022, the mess we inherited from the coalition government—at one point in the coalition's term of government, just six per cent of approvals were made on time. That was in financial year 2018-19. By contrast and after significant investment from this government, in the year to date, the department has made 93 per cent of decisions in accordance with statutory timeframes. It was six per cent under the coalition; 93 per cent under this government.

Senator BRAGG: How many days? You don't have that on your phone?

Senator Watt: No, I don't actually. I'll see what I can find for you.

Senator BRAGG: Just ask your staff. The official just said 165 weeks.

Senator Watt: And we've made no secret of the fact that we think that the timeframes for decisions, assessments and approvals are far too long. That's why we passed reforms to the laws last year, which you voted against, including this new streamlined pathway that guarantees proponents a faster approval and decision if they provide the information that's required. I don't know why you voted against that, but you did.

Senator BRAGG: That's fine. I just want the facts. You think you can get to 50 days?

Senator Watt: No, I haven't committed that to every project. That pathway is—

Senator BRAGG: The official just said 50 days.

Senator Watt: Yes, for those proponents who supply all of the information that's required upfront. What I can say to you is that one thing I've learnt in this portfolio is that, when my office receives a complaint from a proponent about how long our department is taking to make a decision, very often we find that that proponent has not supplied the survey data and other data that's required. We will do our part. I think everyone's pretty clear on the fact that I'm determined to make this department work as quickly as possible, but there's also an obligation on proponents as well.

Senator BRAGG: We want you to be the best you can be, right? Are you saying that, if everyone gives their paperwork in the right form, that you can give them 50-day approvals?

Senator Watt: That's essentially what sits behind that, yes.

Senator BRAGG: That's good.

Senator Watt: Because it's an incentive to those—

Senator BRAGG: That would be—

Senator Watt: I should say that, just as there are proponents who drag the chain, there are proponents who do the right thing, get their surveys done in advance, come to us with the information that they need and have worked out their offsets. They are the applications that are much quicker to approve. In the time that I've been the minister, there have been some projects—and I'm thinking of a couple of solar farms—that have been approved

within a matter of two or three weeks because they're on cleared land with minimal environmental impacts and the people have done their work. That's how people can get a faster timeframe, as well as us focusing our resources and, of course, the reforms that we've passed that you voted against.

Senator BRAGG: That's good. We love solar.

Senator Watt: Some of you do.

Senator BRAGG: I do. I think it's good.

Senator Watt: I know you do. You're a bit lonely on that front.

Senator BRAGG: I'm not lonely. Everyone thinks it's good.

Senator WHISH-WILSON: [inaudible] solar.

Senator BRAGG: It's good.

Senator WHISH-WILSON: Yes.

Senator BRAGG: It's great technology.

Senator Watt: He likes the batteries in his own home.

CHAIR: Before we get too far off track, Senator Bragg, you've got a couple of minutes left in this block.

Senator BRAGG: In summary, effectively, the evidence that's been given today is that there are 80,000 houses ensnarled in this thing. You think you can go from 3.2 years to 50 days if people give all the right pieces of paper. How many people will be working on these housing approvals?

Senator Watt: We can get you the figures, if we have them, about how many people are involved in the housing strike team that we've had that have cleared that backlog of 35,500, but, as we've said before, the overall number of people who will be working on this kind of work in the EPA is roughly the same as the number of people who have been working on that kind of work in the department. I think the figure was in—

Senator BRAGG: There are no cuts to that?

Senator Watt: Not that I'm aware of.

Senator BRAGG: Going to this issue about the advice that you received in relation to the oil and gas, can you give us what advice you were given? We tried to probe this at the hearing—you probably don't know this, and I don't want to embarrass you—but we were told that only you could give us the information.

Senator Watt: Is it the productivity inquiry that you're talking about?

Senator BRAGG: Yes.

Senator Watt: You probably haven't seen this—because you've been in here—but my understanding is that an answer was provided this morning to a question on notice that you asked there. I haven't seen that answer, but I'm told that it says the department did provide advice about the exclusion of fossil fuel projects and that it was feasible to implement.

Senator BRAGG: That's it?

Senator Watt: Yes, that's what I've been provided with.

Ms Kay: I can probably add to that. I think the answer also goes to the fact that the fossil fuel projects will benefit from broader parts of the reforms as well. While they are not part of the streamlined pathway, there are a number of other improvements in the reform process that fossil fuel projects will benefit from.

Senator BRAGG: Effectively, the executive says, 'We think that we need to make this arrangement,' for whatever reason, and then you give technical advice on it.

Ms Kay: We advised on the feasibility of the legislative amendment.

Senator BRAGG: You said it was okay.

Mr Kaiser: I think the senator's evidence was that our advice was that it was implementable.

CHAIR: Senator Bragg, I'm going to move the call, but we'll come back to you in the round. Senator Whitten?

Senator WHITTEN: I want to talk about some threatened species, koalas in particular, and, specifically, the Clarke Creek Wind Farm. I'm pretty confident it's been spoken about here before. Just in case anybody's not aware, there's going to be a removal of up to 1,513 hectares of endangered koala habitat—I note that koalas have moved into 'endangered' now, with some other species—and 17.83 hectares of habitat for the endangered greater glider. Is the department aware of this specific wind farm and this specific information?

Mr O'Connor-Cox: I believe that the Clarke Creek Wind Farm is an existing approval from some years back. Is that the wind farm you're referring to?

Senator WHITTEN: Yes. But, in particular, koalas have now moved from endangered to threatened in the new EPBC Act. Is that correct?

Mr O'Connor-Cox: That's correct.

Senator WHITTEN: Are you aware—because I'm sure it's been spoken about here before—of euthanising koalas that may have been injured or harmed in the clearing of all that bushland?

Mr O'Connor-Cox: During the assessment and approval process for any project, there are requirements around how clearing of habitat is to occur and there are steps that the proponent must put in place to ensure that any protected species that are there are safely dealt with. Those include trained fauna spotters pausing on clearance and allowing time for any protected species that might be there to move on. There is no requirement to euthanise koalas. That's not part of the process that they undertake. I think you might be referring to some plans—

Senator WHITTEN: It's part of their management plan.

Mr O'Connor-Cox: I think you're referring to a part where a koala, for instance, is inadvertently injured in the course of the clearance or where the approval holder comes across a threatened species that is injured—whether it was injured as part of the undertaking of the approval or not—and there are requirements around the normal care for that animal. If an animal is beyond that type of help and the right thing to do is to—

Senator WHITTEN: Sorry—did you just say 'that type of help'?

Mr O'Connor-Cox: Yes—assisting the animal, giving it veterinary assistance, moving it on. It would only be where the animal is critically injured and suffering where an approval holder would euthanise an animal.

Senator WHITTEN: I would argue the only acceptable number of koalas being injured or clubbed to death is zero.

Senator Watt: Would you hold that position if we were talking about a coal mine or a gas project, or is it only renewables?

Senator WHITTEN: Yes. I don't think koalas should be killed. I don't think it's acceptable that we have a level greater than zero. I'm not saying you can't knock down a tree, but I'm saying that the number of koalas we're going to kill is zero, and I think most Australians would argue for that point.

Senator Watt: The difficulty with that is that that would mean a very large number of housing projects, energy projects—whether it be fossil fuel or renewable—and minerals projects would not occur, if we were required to have zero deaths. I don't want to make light of this. We do take these environmental obligations seriously, and that's why we require proponents of projects to avoid or minimise their environmental impacts and, if they're going to still have some, that they've got to offset them. But if you say that zero koalas or zero of certain other species can be killed, then that would mean no housing projects, no energy projects, no minerals projects.

Senator WHITTEN: Is there a consequence for killing one?

Senator Watt: Certainly, if there is a breach of conditions or breach of the law, then there would be.

Senator WHITTEN: They're allowed to accidentally kill one, and then if they haven't quite killed it, they can club it to death. Is there a consequence for that? Do they have to report that?

Mr O'Connor-Cox: Our approvals don't say, 'You are allowed to kill koalas,' or, 'You are allowed to kill a certain number.' They set out procedures to avoid harm to koalas. If they come across a koala that appears injured, whether it's an inadvertent action by the approval holder or not, there are processes in place to take care of that koala. There are state laws that also govern the taking care of the koalas—

Senator WHITTEN: Sorry—I just got stuck on your language, 'Take care of that koala.'

Mr O'Connor-Cox: I don't mean 'take care of that koala' in the sense that you're suggesting.

Senator WHITTEN: I'm hoping that's not how you're using it!

Mr O'Connor-Cox: Take care of its welfare.

Senator WHITTEN: How many have been killed or injured to date on that project?

Mr O'Connor-Cox: I don't have that information in front of me, sorry; I'd have to take that on notice.

Senator WHITTEN: Do you know if it's zero?

Mr O'Connor-Cox: I don't know whether there have been any koalas injured or killed as a result of that approval. I'd have to take that on notice.

Senator Watt: That project was approved back in 2018 by the former government as well. It's obviously been constructed since then, but the approval and the conditions were made in 2018.

Senator WHITTEN: I'm just interested in the koalas.

Senator Watt: I can tell!

Mr Gaddes: You spoke about the compliance outcomes. We've spoken about what happens when proponents behave in good faith. Accidents happen, and that can be explained. Perhaps we can describe to you what would happen to a proponent who goes out and deliberately breaches their conditions and has harmed koalas. Ms Yannopoulos might be able to take you through that.

Ms Yannopoulos: With any compliance matter, we look at two factors really. One is the harm, and the second part to it is the behaviour. Where there is genuine intent to create that harm—that's where we would come down with the full force of the law. Obviously, we don't want to see any harm in the environment, but, if there is, then we're looking for how we restore that—whether we'd be looking for an offset or retribution afterwards. Going after a penalty is not always the right outcome. That might deal with some of the behavioural elements, but what we're looking for are those offsets in the environment as well.

Senator WHITTEN: How does the department satisfy itself that they've done everything they possibly can to make sure there are no koalas there? I've been in business, I've seen some shoddy operators, and it comes down to money in the end sometimes. You know, wander through the bush—'no koalas here'. There's no consequence, unless you can tell me otherwise.

Senator HENDERSON: Senator Faruqi doesn't care about them!

Mr Gaddes: There's normally an audit process, which I'm going to take you through, to assure ourselves that proponents are acting in a consistent way with their conditions.

Ms Yannopoulos: We do have an audit program where we audit a whole range of conditions and check in with those proponents that they are delivering those elements. There are a lot of proponents that are required to report to us on a regular basis in terms of their management plan, so we are looking at that.

Senator WHITTEN: But you don't actually check their work? Nobody from the department will go for a wander through the bush and make sure they've done what they said they were going to do?

Ms Yannopoulos: Yes, we do site visits. Depending on the level of the audit, we do a whole range of desktop activities, and then we go out and do site visits, as well.

Senator WHITTEN: Do you accept that allowing the clearing of land and potentially killing koalas is a failure?

Senator Watt: What we try to do through these laws is put in place a set of laws that protect the environment—whether it be koalas, certain plants, whatever the species might be—while also providing a process for important economic projects to proceed, and that is a balancing act. We could have a system that says, 'Absolutely no development that has any environmental impact can occur,' or we could have a system that says, 'Do what you like; any environmental impact is fine.' What we try to do—and this was one of the central principles behind the reforms that we passed last year—is have a balanced package that does provide stronger protections for the environment but speeds up the process for making decisions.

What I can say is that the officers in our department, when they're assessing projects, have a very keen eye for what environmental impacts a project is going to have. One of the things we achieved in the reforms was the strengthening of the requirement on proponents—first of all, they've got to avoid an environmental impact; second of all, they've got to mitigate it or minimise it. If they're still going to have environmental impacts, then they've got to find environmental offsets. Again, one of the things we did in the reforms was require that those offsets deliver a net gain for the environment. We don't live in a perfect world. We don't live in a world where all projects go ahead regardless or no projects go ahead. What we try to do is come up with a system that preserves our most important and threatened environmental species, especially, while finding ways to build the housing, the energy projects and the mining projects that we need as a country. But it's not easy.

Senator WHITTEN: I totally agree; there has to be a balance. I just think most Australians would struggle with killing koalas. However, I'm glad you brought up offsets.

Senator Watt: I understand the One Nation party is not a big fan of renewable projects. I get that. But the very same questions may well be asked by our friends over there in the other corner of the room about coalmining projects. There are coalmining projects and gas projects—

Senator WHISH-WILSON: And native forest logging.

Senator Watt: that see some impacts to koalas. I don't know how you feel about that.

Senator WHITTEN: I also feel sad about the koalas there.

Senator Watt: What we try to do is put in place a system that doesn't favour one sector or another but looks at what the environmental impacts are going to be.

CHAIR: Senator Whitten, I was going to rotate the call in about a minute. Do you want to start your new topic, appreciating that I'm going to interrupt you shortly, or would you like to wait until—

Senator WHITTEN: We'll come back to offsets. I just thought it was a good segue.

CHAIR: I appreciate that. I just don't want to cut you off midstream. Senator Waters.

Senator WATERS: Sticking with standards, I'll ask now about the First Nations consultation standard. To put it in context, there's a reference on page 23 of Budget Paper No. 1 that says:

This Budget invests in legislative reforms that reduce regulatory duplication and clarify community consultation requirements necessary for offshore resources projects, providing more certainty for investment and better consultation outcomes for local communities, including First Nations communities. This will speed up assessment timeframes, reduce regulatory compliance costs and provide greater legal certainty for titleholders and regulators.

Can I first check—is that referring to the EPBC reforms that have already been passed, or is there some new EPBC reform that you're cooking up?

Mr Gaddes: That sounded like a reference to the DISR legislation, the Offshore Petroleum and Greenhouse Gas Storage Act. Is that the case?

Senator WATERS: I don't know; it's your budget paper—that's why I'm asking the question.

Senator Watt: It'd be helpful if you could point us to the page so we can check.

Senator WATERS: Page 23.

Senator Watt: Of the portfolio budget statement?

Senator WATERS: Of Budget Paper No. 1.

Mr Gaddes: While somebody finds that specific reference, Mr Wentworth might be able to come to the table and talk you through the NOPSEMA accreditation process that we're going through. I think that's what it would be relevant to.

Senator WATERS: Yes. Before you give me the general overview, I've got some specific questions about that. The Federal Court previously found that NOPSEMA's consultation with First Nations communities was inadequate. The reforms created a separate approval pathway for NOPSEMA projects where the minister can decide on a case-by-case basis whether a project will follow that pathway. I'd like to be assured by the minister that you won't use that pathway until the First Nations standard has been completed.

Senator Watt: To be honest, I haven't turned my mind to the timing of when we would make use of that change. If we are talking about the same thing—the change that was made to the intersection between the EPBC Act and NOPSEMA processes—others can explain this more eloquently than me, but that was really about trying to avoid a situation where you had duplicated processes in considering the assessment and approval of a project and to simplify that in one process under the EPBC Act.

Senator WATERS: I understand that.

Senator Watt: I don't think I'm in a position to give you the commitment that you're asking for, partly because we have not made that decision yet. More generally on the First Nations engagement standard, that is something that we have also had underway. I advised a range of stakeholders, including environment groups, earlier this year that we were not going to be able to finalise the First Nations engagement standard as quickly as we had initially hoped. As you'd be aware, there's a separate piece of work underway around reform to Australia's cultural heritage laws, and many of the same issues arise in those processes. We want to make sure that whatever standard is developed for the EPBC lines up with the work that we're doing on cultural heritage reform as well. That's the reason why that standard has been delayed.

Senator WATERS: One of your officers said earlier that it would still be completed by the July deadline, though.

Senator Watt: Not the First Nations engagement standard. No, the—

Senator WATERS: Your officer specifically mentioned it at that point.

Senator Watt: I think they mentioned community engagement or community consultation. That is a separate standard to the First Nations engagement standard.

Senator WATERS: What is the timeframe for the First Nations engagement standard, then?

Senator Watt: I can't really commit to a particular timeframe because it's dependent on the progress with the cultural heritage reforms, but certainly we would like to get it done as soon as we can.

Senator WATERS: Regarding the NOPSEMA pathway that you can, on a case-by-case basis, say that a project can go down, I would have thought that, under the reforms that passed, you would have to accredit that NOPSEMA pathway as compliant with the First Nations engagement standard before you could send anyone down that pathway. Can you confirm that's correct?

Senator Watt: I might get our technical experts to give you a precise answer on that.

Ms Kay: The NOPSEMA pathway—and I'll get my colleague to talk in more detail about it—is essentially similar to an accreditation, so we would need to accredit that they are not inconsistent with the standards.

Senator WATERS: The standards would have to be made in order to have something accredited against them—yes?

Ms Kay: It would be accredited against any standards that were made at the time. But I would say that at the moment we don't have the power to accredit NOPSEMA and that that is part of the tranche 2 regulations that we are consulting on at the moment. The ability for the minister to accredit NOPSEMA is not yet live, so we're in a bit of an interesting temporal state.

Senator WATERS: That does sound a bit like limbo. You've got a pathway that you're allowed to use, but it has to be accredited but you haven't yet given yourself the power to accredit but you won't rule out using the pathway—

Ms Kay: I'll get my colleague to talk in more detail about the current state and what we are doing through the reforms.

Senator WATERS: If you could do that in the 60 seconds we've got before the break, that'd be great.

Ms Kay: We'll do our best.

Mr Wentworth: Currently, actions covered by the NOPSEMA OPGGS regulations are undertaken under a strategic assessment. That's an existing arrangement where those proposals don't need additional EPBC Act approvals.

Senator WATERS: Yes, I understand that.

Mr Wentworth: With the reforms put forward, there is an option to make a declaration which is akin to an accreditation, where the minister can make the declaration that those regulations meet the requirements of the act, include any standards, include that there's no unacceptable impacts et cetera. It'll move from using that strategic assessment through to using the declaration and therefore will only need the one regulatory oversight, rather than—

Senator WATERS: Thank you. That's nice and clear, but how can you accredit a process if you haven't finished the First Nations engagement strategy?

Mr Wentworth: The national environmental standards—

Senator WATERS: Will you go back and reaccredit it once that standard is finalised?

Mr Wentworth: Yes. The declaration can be updated to take into account any new standards that are made, so that can be a new assessment against the standards. And with our accredited partners, whether it's NOPSEMA or through any bilateral agreements with states and territories, if new standards are made, we would work with them in order to bring them up to the required standard.

Senator WATERS: It just baffles me that you can accredit a process when you haven't got all of the standards done to accredit that process against. I'm pretty sure First Nations communities will feel rightly deprioritised if you're going to accredit this pathway and potentially use it, when you haven't even finished the engagement strategy and when this has been a sore point already.

Mr Wentworth: The national environmental standards is an ongoing component of the act. There can always be future and new standards made going forward. The system is designed to take into account any new standards that can be made from time to time, so it takes into account the need to consider what standards are made when that accreditation is made, but there can always be the situation where a future standard is made beyond that and we'll need to update.

Senator WATERS: Yes, but you shouldn't accredit a process until you've finished your First Nations engagement standard. Minister, what does that say to First Nations communities right around the country that are concerned about, in particular, offshore resources projects—

Senator Watt: What it says—

Senator WATERS: that you don't care whether they're going to be engaged with because you're going to accredit the pathway before you've even done the standard.

Senator Watt: That's what the Greens political party would say.

Senator WATERS: No, I want your answer. I'm worried. I thought you'd say everything will be fine and you haven't said that, so please explain.

Senator Watt: I'm trying to. We are moving as quickly as we possibly can on a combination of measures: cultural heritage reform, drafting and finalising standards, implementing the EPBC Act reforms. We are moving as fast as we can, but the two issues are tied, and we can't finalise the First Nations engagement standard for EPBC purposes without having progressed cultural heritage reform. But I can assure you that people are working extremely hard on that as well.

Senator WATERS: Will you rule out using that NOPSEMA pathway before that standard has been finished?

Senator Watt: I'd like to take a bit more advice on how that would work before I can give you an answer, but I'm happy to come back after the lunch break if you'd like me to.

Senator WATERS: Yes, please.

Proceedings suspended from 12:32 to 13:24

CHAIR: We'll start with Senator Waters. We're on outcome 2.1.

Senator WATERS: I've got some questions about bilaterals—unless, Minister, you had a follow-up to that last line of questioning on the First Nations engagement standards?

Senator Watt: This is the issue regarding NOPSEMA consultation with First Nations. What we thought might be helpful is to give you a quick rundown on the work that has been happening with NOPSEMA around First Nations engagement on projects, which I guess addresses the core of your question.

Senator WATERS: After the court found they were inadequate.

Senator Watt: Yes. I think there are a couple of people from the department who can—

Senator WATERS: Have they fixed them yet? That's all I really want to know.

Senator Watt: What was that?

Senator WATERS: Sorry to be so—I'm feeling the time poverty, unfortunately, so if you could be nice and succinct, that would be wonderful.

Ms Dumazel: Yes, we've been working closely with NOPSEMA and making sure that the work that they're doing will be easily able to be dovetailed into the work we've been doing on the standard and making sure that proponents engaging with First Nations people early in the piece and in a genuine way is the foundation principle. We're working quite closely with them and ensuring that the two processes are aligned as much as possible.

Senator WATERS: Even though the timeframes aren't aligned?

Ms Dumazel: What's important is making sure that First Nations people are engaged early in the process in a genuine way, and we are both working very closely together to make sure that the principles are the same, and that work continues.

Senator WATERS: Are you saying that you are hoping that NOPSEMA will increase their own standard for consultation to an equivalent amount that the subsequent First Nations engagement standard under the EPBC Act would then set, ergo you can then accredit it? Is that what you're meaning to tell me?

Ms Dumazel: What I said was that we're making sure that the principles are the same because what we don't want is proponents or First Nations people to have to enter into different types of discussions around requirements. We're wanting to make sure that the principles are the same, so we're working very closely together to ensure that the work that they're doing now and the way that the standard will be when it's finalised are in step.

Senator WATERS: If you could give me a bit more detail on notice about how in step and timeframes, that'd be great.

Ms Dumazel: I can do that.

Senator WATERS: Thank you. I might move on to some general questions about bilats. The budget's got \$45 million to progress bilateral agreements with states and territories. Can I have an update, please, on where the accreditation discussions are up to with states and territories.

Ms Kay: I'll start, and I might get my colleague to come to the table as well. We're working actively with jurisdictions on progressing bilateral agreement discussions. We are having constant conversations with states and territories about kicking off the process for a bilateral agreement negotiation.

Senator WATERS: I'm going to need a bit more detail than that, I'm afraid.

Senator Watt: While Ms Kay comes back to you with more detail, at a political level, you've probably seen that I've been engaged with a number of states at ministerial level, including premier level in some cases, around our desire to enter bilateral agreements with the states and territories quickly—obviously, subject to environmental safeguards, and I'm happy to talk to you about that as well. We've had a very positive response from almost every state and territory, with the exception of Queensland, who have—as you probably know, Senator Waters, being a Queenslander—decided to establish a Queensland Productivity Commission inquiry into the EPBC reforms. They have said that they are not interested in negotiating a bilateral agreement with us until after that inquiry concludes, which is a disappointing response and a surprising response. What that means is that it will slow down both our ability to deliver the environmental protections and also the faster approvals that sit behind those bilats. The officials are much more deeply engaged in the discussions themselves.

Senator WATERS: Thank you. Perhaps we can take it state by state.

Mrs Svarcas: As Ms Kay said, we are in conversations with all jurisdictions at the moment. I might just make a point that we do have existing bilateral agreements with a range—

Senator WATERS: Yes, I know.

Mrs Svarcas: on the existing bilateral agreements.

Senator WATERS: Well, I know you've got assessments bilats with some, and they will presumably move to approvals bilats. That's the update I'm after.

Senator Watt: I'm happy for Mrs Svarcas to take you through the detail. For those states where we already have a bilateral assessments agreement, most of which aren't functioning particularly well, it's more a matter of updating and revising those bilateral assessments agreements to implement the reforms, and then there's a separate question about bilateral approval agreements. I don't think we've got any of them in place at the moment.

Senator WATERS: No, there are none at the minute, but the new reforms permit it once you've done the assessment bilat for 12 months.

Senator Watt: Why I was jumping in is that there is work happening on bilateral assessment agreements as well as approval agreements.

Senator WATERS: You're updating all of the existing assessment bilats to meets the standards which haven't yet been drafted. Is that right?

Mr Gaddes: Maybe I can help you with that. As the minister stepped out, most of the states and territories, like you, are keen to see all the standards, so we've started conversations with the states and territories about the accreditation process, which includes a benchmarking of their legislation, policies and programs against the updated EPBC Act and the standards. At this stage we're in preliminary conversations with the states and territories about the timeframes within which they would like to enter a new assessment bilateral. They are commenting and engaged with Ms Kay and her team when we're drafting the standards as well, so they're providing feedback on the standards to make sure they're workable in an assessment bilateral sense. There is a conversation with states and territories as well as with stakeholders as a part of that process to make sure they're workable from an accreditation perspective.

Senator WATERS: Why would you let the states and territories co-design the standards? They're your federal standards. Their laws then have to meet your standards.

Mr Gaddes: We consult with states and territories regularly when we have new policies or programs at the Commonwealth level to make sure they're workable at a state level as well. I don't think it would be unusual for us to engage with states and territories in this space.

Senator WATERS: The whole point of accrediting is so that they meet your standard, because at the moment generally their standards are lower. Why are you letting them lower the standards in the first place?

Mr Gaddes: We're not saying we're lowering the standards; we're engaging and consulting with the states and territories about the standards. I didn't say 'lower'.

Senator WATERS: Has anyone asked for them to be higher?

Mr Gaddes: We don't judge it in terms of higher or lower. But when we engage with the community or when we engage with companies or states and territories it's generally to improve the quality of our regulation, so we're engaging from that perspective.

Senator WATERS: But you're writing your own laws that they then have to meet in order to get accreditation, so don't undersell yourself.

Senator Watt: The process of benchmarking Mr Gaddes was talking about is that our officials will be benchmarking state and territory processes and standards against ours. It's not about reducing ours. They've got to meet our standards. But I would imagine a number of states and territories will put in submissions in the consultation process around the standards as well.

Senator WATERS: I think that's what Mr Gaddes was alluding to.

Senator Watt: Everyone is entitled to make a submission.

Senator WATERS: But you don't have to listen to them. You can set a nice high standard that protects nature if you wish, and I would invite you to do so.

Senator Watt: As you heard me say before, we'll listen to all who put in a submission—whether they be states, territories, environment groups or industry groups—and then we'll come to a decision.

Mr Gaddes: Just to round that one out, it's a formal consultation process, so the minister needs to have a summary of that consultation before he makes the final standards.

Senator WATERS: At that point you will then reassess the existing assessment bilaterals to see whether they meet the new standards?

Mr Gaddes: No. We need to have two sets of assessment bilaterals in place. The projects that were referred before the implementation date of the reform, somewhere between September and December, will go through the old assessment bilateral process. They won't be updated. There will be a new assessment bilateral for the projects which are referred under the reformed act. They will go under a new assessment bilateral. There needs to be a functioning assessment bilateral in place before we can enter an approvals bilateral.

Senator WATERS: I understand that, and there's got to be a 12-month window between those two things. But my question is: are you going to finish the standards first before you accredit that second instalment of assessment bilats? Presumably you'd have to, or you'd have nothing to accredit them against.

Mr Gaddes: Our conversation with the states is that they want us to start working on the mechanics of an assessment bilateral. They have generally indicated that they're not willing to enter the assessment bilateral until the standards are finalised.

Senator WATERS: I'll take that as a yes.

Senator Watt: Various amendments that were passed last year commence at different points in time, and we have sequenced the commencement of the provisions around bilats to be after when we are likely to finish the standards. The states have obviously got some insight into where the standards are likely to go from the drafts, but the whole point is to sequence these things.

Senator WATERS: That makes sense. That's nice and clear.

CHAIR: Senator Waters, I'm going to have to move you on.

Senator WATERS: Really? We've only just started. Please come back to me. I've got lots more questions.

CHAIR: Do you want to ask one more, or were you about to start something new?

Senator WATERS: I'd love to keep going.

CHAIR: It would be one more question.

Senator WATERS: Perhaps when we come back I can get a state-by-state update, which was my original question.

CHAIR: Senator Ananda-Rajah.

Senator ANANDA-RAJAH: Minister, I have a question for you. There's been a significant injection of funding in the budget to implement changes to the EPBC Act. Can you outline how these budget measures fit within the government's broader agenda for EPBC Act reform, please?

Senator Watt: Given this budget was a fiscally constrained one, shall we say, I'm very pleased with the funding injection we received both for EPBC reform implementation and more generally in a range of environmental programs. When it comes to the EPBC reforms, as I've mentioned before, these are very important reforms when it comes to protecting the environment. They are also very important reforms for achieving a range

of other national priorities, such as delivering more homes, delivering the energy projects we need and delivering the critical minerals projects needed for those supply chains. There are a range of different budget measures, ranging from the funding for bilateral agreements we've just been talking about to funding for regional bioregional plans which will be developed and so on. As a combination they are all about achieving those dual objectives of environmental protection and faster decision-making processes.

Senator ANANDA-RAJAH: Can the department outline the EPBC reform related measures that received funding in the budget, including the total funding allocated across the forwards?

Ms Kay: As the minister said, there are a number of components. There are two key groups of measures. The first is around implementing the environmental reforms. That is funding to establish the National Environmental Protection Agency, approved cost recovery arrangements for environmental regulatory activities, implementing reforms to regional forestry agreements, improving offsets for proponents in the environment—that's the establishment of the restoration contributions holder—and accelerating offset supply through the nature repair market.

There is also, as the minister said, another set of measures under the accelerating approvals, which has two components to it. This is modernising environmental information and user experience, which is really around funding for Environment Information Australia and the AI pilot that we talked about earlier in the hearing, and then faster environmental approvals with states and territories. That's around funding for bilateral agreements, funding for DCCEEW and the National EPA to work with states and territories to develop new bioregional plans and strategic assessments and incentive payments to the states and territories to work with the Commonwealth on bioregional plans and strategic assessments. I'll take on notice your question. I don't think I have the total figure across the forwards in front of me, but I'm sure we can come back to you through the course of the hearing with a total dollar figure.

Senator ANANDA-RAJAH: Can you also explain how this funding and this package of measures you've outlined will assist in speeding up approvals for projects the minister outlined, particularly under the EPBC Act?

Ms Kay: I'll focus particularly on the accelerating approvals components. As we said, this is around working with states and territories on a range of landscape-scale approaches. This is improvements to bilateral agreements but also particularly strategic assessments for key areas and key industries like housing and improved bioregional planning. This gives a number of different components or avenues for states and territories to work with us, depending on the need or the particular industries in that region. Different parts of that will accelerate approvals. But essentially it's about making sure proponents only have to get one layer of approval, either from the Commonwealth or a state and territory—that they're not navigating multiple different systems.

Then I'll talk a little bit about modernising ICT, modernising environmental information. This is about an improved service for proponents in the public through better systems, clearer guidance and better environmental data. It includes money to modernise our current ICT systems and deliver an AI enabled pilot to improve access to information on environmental regulation, which is saving proponents time before they make an application. Essentially it's about—my colleagues can probably talk in more detail—using AI to gather up all the various bits of information proponents need.

One of the other things we talk about a lot internal to the reforms is around pruning the thicket. There are currently a couple hundred different bits of guidance on our website that proponents have to navigate, so we are going through and making sure it's all fit for purpose, making sure it's aligned with the reforms and also making it easier for proponents to navigate. Then there's also funding to strengthen Environment Information Australia to continue building better quality environmental data for proponents and the regulator.

It's really just about making the system easier to navigate and making our guidance really clear for proponents. As we've talked about previously, a lot of the time spent is in the back and forth between proponents and the regulator, so everything we can do to cut that down is a time saving for us and for the industry.

Senator ANANDA-RAJAH: Do you think you'll be using in-house AI capability, or will you be outsourcing it?

Ms Kay: I might need one of my colleagues to come to the table.

Mr Gaddes: I can probably answer that one. We would need to develop the capability, and we would have to go to the market in some degree to get that capability and buy that capability in so that we can build it ourselves. It's not something that we have a strong internal capability for now, so we would need to find a partner to develop that capability.

Senator ANANDA-RAJAH: Are you looking to buy Australian?

Mr Gaddes: There are a range of procurement requirements that we would need to meet, and I'm sure Australian companies will be a part of that.

Senator ANANDA-RAJAH: Yes, I hope so. How will the department ensure that efforts to speed up approvals maintain strong environmental standards and compliance outcomes?

Ms Kay: I think that the development of the national environmental standards is a really important part of that, along with the changes through the legislation that we've talked about previously. One of the things that we've spoken about is making it really clear for proponents what's required for them upfront, and that's where a lot of the better environmental data goes. Through the establishment of the National EPA, that independent compliance and enforcement model is a really important part of the framework around the National EPA. Having those powers vested directly in the CEO of the National EPA is important in the independence of the compliance outcomes.

Senator ANANDA-RAJAH: Will the EPA draw in citizen scientists as well—or citizen capability? The EPA is one watchdog, but there are 27 million other watchdogs out there.

Mr Gaddes: We have quite a mature and maturing set of regulators in the department. We receive a lot of information from ENGOs and from concerned citizens about the way that companies or individuals behave in regard to the environment. We always take that seriously. That feeds into our intelligence database. We use that for investigations and things like that. I wouldn't necessarily call it citizen science—that might be a different part of the department that works with that. But we certainly engage deeply with the community, and, when they raise concerns about impacts to the environment, those are taken seriously.

Senator ANANDA-RAJAH: So, going forward, civic groups will be able to direct those inquiries to the EPA once it's established—correct?

Mr Gaddes: Yes.

Senator ANANDA-RAJAH: Okay. Are there any particular sectors or project types where you'd expect greatest improvement in approval efficiency?

Mr Gaddes: I'll refer to the investments we've already made in renewables and housing. There has been significant investment by this government in the amount of renewables science that we have. Mr O'Connor-Cox can come forward and talk about the RERI project, where we're doing a lot of research to gather information about various approval pathways for renewables. You would have heard earlier about the amount of investment and the success that we've had in the housing sector as well, but the RERI project is one that I wouldn't mind unpacking a little bit more.

Mr O'Connor-Cox: Through the Renewables Environmental Research Initiative, the government has funded so far, either in payments or commitments through contracts with payments to be finalised, around \$44.4 million worth of research across 48 projects. That funding also supports a range of internal capabilities in order to deliver the research. The project information with regard to the RERI, if I can use that acronym, is published and available on the department's website, and we're in the process right now of publishing a lot of draft documents for comment. That will address known data gaps as well as providing a suite of guidance documents so that, in particular, renewables proponents have a better idea of how to navigate our regulatory system. It more clearly sets out our information requirements through those guidance documents. We have published some documents in final already. There's a range that are out there for public consultation now, and that will continue over the next couple of months. The aim is to finalise all of those documents throughout the second half of this year.

Mr Gaddes: Just to round that one out—you've heard from Ms Kay and from Mr O'Connor-Cox. One of the challenges we've had in the past and one that we hear when we go and talk to proponents under the act—even the NGOs—is around not having certainty or predictability about what the assessment is going to require at the start. As you've heard, a lot of the investment at the moment is about how you get proponents the right information in the right format upfront to help them inform a really good-quality referral document, which then speeds up the decision-making process and results in better outcomes, both for the proponent and for the environment. The AI project is another one of those—lots of investment upfront about greater predictability and certainty. The changes to the act should then streamline the pathway through. We're really working hard with proponents upfront to get their referrals into better shape.

CHAIR: Senator Bragg.

Senator BRAGG: It's good to be back with you. It's like being on TV or something, isn't it?

Senator Watt interjecting—

Senator BRAGG: So where we got to was that the advice was that it was feasible.

Senator Watt: This is on the fossil fuels matter?

Senator BRAGG: It was feasible; that was the advice you received.

Senator Watt: Yes.

Senator BRAGG: What sort of analysis was done by the department? Or did they just say, 'Yes, you can do this'?

Senator Watt: While the department gets ready to answer that, can I just take a couple of minutes—I promise not to be too long—to clarify what has happened under the reforms? There is some misinformation being pushed out there, and I'm sure you wouldn't want to do that, Senator Bragg.

Senator BRAGG: I'm sure.

Senator Watt: As a result of the EPBC reforms, we expect that all projects, whatever their kind, will see faster decision-making because of the changes we've made around assessments and approvals—whatever the project. We have also, particularly through enabling better bilateral agreements, opened the door to major time savings when it comes to project assessments and approvals because that removes the duplication that currently exists between federal and state processes.

The opportunity for projects to be assessed and approved under bilateral agreements doesn't discriminate between the type of project—whether it be a fossil fuel project, a renewable energy project, a housing project or whatever it might be. It is correct that there are three options that are available under the reforms that are not available to fossil fuel projects. One is what's known as the new streamlined pathway. That was the process we talked about before, where proponents who provide their information get a 50-day approval. Frankly, I think it's unlikely that a fossil fuel project, given their complexity, would qualify for that anyway, but it is true that that has been excluded.

The other area that has attracted a lot of commentary is that a number of coalition figures—I'm not sure if it includes you—have claimed that our reforms ruled out fossil fuel projects from national interest exemptions. That is factually incorrect. The national interest exemption was an existing option under the old EPBC Act that allowed the minister of the day to grant an exemption for a particular project from needing to go through EPBC processes at all if it was deemed to be in the national interest. That option has been very rarely used; when it has been used, it has generally been in a natural disaster situation.

There has been no change to the national interest exemptions in the sense of the types of projects they can be used for. What is true is that we created a new option, under the reforms, of a national interest approval—not an exemption, an approval. That is not available to fossil fuel projects under the reforms. But it's worth remembering that a national interest approval, again, is only available to a minister if they decide a project is in the national interest and should be approved after an assessment has been undertaken. Essentially, if that assessment was that the project shouldn't go ahead, it allows the minister to still approve that project if they consider it's in the national interest. But the important point there is that a national interest approval only occurs after a full assessment under the EPBC Act, which, as you know, can sometimes take quite a long period of time.

The bulk of the time taken in a project getting to approval stage is actually in the assessment, so the claims being made that the law and the reforms exclude fossil fuel projects from the national interest exemption are incorrect and demonstrate how little those people have actually looked at the law. What is true is that those projects have been excluded from national interest approvals. As I say, even to get one of those you've still got to go through a full EPBC assessment.

Senator BRAGG: Why is there arbitrage then? Can other projects get into the national interest approval?

Senator Watt: Yes.

Senator BRAGG: Why is there arbitrage?

Senator Watt: As in, why is there a difference between those projects and fossil fuel projects?

Senator BRAGG: Yes.

Senator Watt: That was the decision that we reached in passing the reforms, in particular when we were unable to even work out who the negotiator for the coalition was, let alone understand what the coalition's position on those laws were.

Senator BRAGG: But you're sitting here as a minister. I'm asking you questions. Why are you making all these political points? I'm just trying to get to the bottom of it.

Senator Watt: I'm giving you the background for why we reached the agreement we did. I still don't know who the negotiator for the coalition was on those reforms, because you guys were too busy knifing your leader.

Senator BRAGG: This might be fun for your Labor YouTube channel or something, but we want answers for the people here. We're trying to do the people's work.

Senator Watt: I've explained factually what we did as opposed to the claims being made by coalition figures.

Senator BRAGG: Why is there arbitrage between a renewables project and a gas project?

Senator Watt: As I said, that was what we agreed to in order to pass the reforms.

Senator BRAGG: With the Greens.

Senator Watt: Yes, with the Greens, who were the only party who were able to come to a decision about what was required in order to pass those reforms, because the coalition couldn't work out who the negotiator was, let alone what they wanted in the reforms.

Senator BRAGG: You keep on talking about the coalition, but this is your legislation. You did this deal. You put arbitrage into the law, which now preferences certain types of investment.

Senator Watt: As I've explained to you, I don't see it as a major problem for gas projects, for example. There are still opportunities for gas projects to have faster decision-making and faster approvals, in particular through the bilateral agreements we hope to reach with state and territory governments.

Senator BRAGG: Just explain to me the academic rationale for the distinction. I get the politics of it—you had to do a deal—but is there any scientific or other judgement you used to justify your arbitrage which says a certain type of project can access the national interest approval but another project can't? One project might be dirtier than the other, for example.

Senator Watt: I've explained why we made the decision we made—

Senator BRAGG: You said it's the coalition's fault.

Senator Watt: and that was because we wanted to pass these reforms as quickly as possible because of the benefits they would provide to the environment and to industry in general.

Senator BRAGG: Was your starting point that there would be arbitrage or was that part of the negotiation?

Senator Watt: That was an amendment that was made through the negotiations.

Senator BRAGG: It wasn't your starting point?

Senator Watt: It wasn't in the original bill. That's a statement of fact.

Senator BRAGG: Do you think it would be better not to have this arbitrage?

Senator Watt: I've already said why I don't think the changes we made are the end of the world from the gas industry's perspective in the way some people are claiming. It would help if the coalition actually understood what this law was.

Senator BRAGG: I'm trying to ask you questions about it.

Senator Watt: What I've said is that your colleagues—I'm not sure if you have—have been running around—

Senator BRAGG: You think we're all stupid, do you?

Senator Watt: Those are your words, not mine. I know what you think of some of your colleagues.

Senator BRAGG: Unlike you, I like all my colleagues. I'm very collegiate.

Senator Watt: Some of your colleagues have been running around claiming we excluded fossil fuel projects from the national interest exemption. That is untrue, and if they cared to look at that legislation they would see it's untrue. I've explained that we've excluded them from the national interest approvals. I don't see that as a massive problem for anyone, because those national interest approvals only occur after a full assessment, and it's clear from the legislation, if people care to look at it, that they're mostly about disaster-type situations. I've explained that the streamlined pathway option, which is excluded for fossil fuel projects, is unlikely to have ever been used for fossil fuel projects.

The other thing I do want to say is that at the request of the gas industry we retained a pathway known as the assessment on preliminary documentation, which originally was going to be removed. If you look at the first version of the bill, that was going to be removed. At the request of the gas industry we retained that, so my point generally is that there are processes in place for all projects to be fast-tracked, whatever they are, in particular through bilateral agreements. That's why it would be good if the state that is resisting signing one of those would come to its senses and work with us on it.

Senator BRAGG: What was the request that came to you that made you change the legislation?

Senator Watt: In any negotiation there are things asked of you, and in the negotiations I had with the various different coalition members who purported to be the negotiator there were always different requests being made. Similarly, the Greens came forward with requests. We agreed to some of them. We didn't agree to all of them.

Senator BRAGG: What was the request?

Senator Watt: I think they made pretty clear that they didn't want to see new options opened up for the fast-tracking of fossil fuel projects. We were willing to accept that. We were not willing to accept every change that the Greens party requested. In fact we requested the Greens party accept additional amendments that had been put forward to us by the business community. That's how we got to where we got to, while the coalition sat on the sideline knifing their leader.

Senator BRAGG: You must spend a lot of time thinking about the coalition. I'm just trying to ask you why you made amendments.

Senator Watt: I invested a very large amount of time negotiating with and speaking with various representatives of the coalition to see whether it was possible to reach an agreement with the coalition. The business community spent even more time than I did trying to get the coalition to come to its senses. You were incapable of doing so. That left one pathway open, and we took it, and now we've got reforms that have been welcomed by the business community as well as environment groups.

Senator BRAGG: Chair, the minister has spent a lot of my block making very lengthy political speeches. I just note that for the record.

Senator Watt: I understand you weren't part of those negotiations. It's important you understand the history.

Senator BRAGG: I haven't been able to ask many questions yet, Chair.

CHAIR: I accept there were some lengthy answers in that block, Senator Bragg. I gave you a little bit longer than I gave some of your colleagues as a result of that. I appreciate the point you're making. We will be back around soon. Senator Whitten.

Senator WHITTEN: I want to pick up where we left off with offsets if that's okay. Would you agree with the statement that paying an offset is not the same thing as replacing destroyed habitat, particularly where endangered species are involved?

Senator Watt: Sorry, was that to me or to the department?

Senator WHITTEN: Whoever wants it—I don't know.

Mr Gaddes: It sounds to me like you're asking for an opinion on policy, which bureaucrats are not able to provide. Could you reframe the question a different way, please?

Senator WHITTEN: I'll come back to it. How much offset money has been collected in relation to renewable energy transmission and associated infrastructure projects assessed under the EPBC Act, and how much of that has produced verified habitat gains for the exact species impacted?

Mr Gaddes: The department doesn't collect funding, so we wouldn't have that number. Proponents are required to bring forward propositions about how they're going to offset their impacts. Under the old policy, it was to no net loss. We wouldn't have a dollar value for that number, so I couldn't give you that answer.

Senator WHITTEN: No net loss is the key issue I'm trying to get to here.

Mr Gaddes: Yes.

Senator WHITTEN: That was my first question. Do you agree that paying an offset is not the same as replacing destroyed habitat, especially for endangered species?

Mr Kaiser: I think you're referring to the restoration contribution holder, which is an aspect of the EPBC reforms that were passed recently which allows a proponent to pay a contribution instead of arranging their own offset. The restoration contribution holder then has the obligation to go out into the community and work with partners to achieve the same offset as the original proponent would have been required to achieve. That reform is not yet in place. It has not yet been switched on during the course of the reform process, which is why we've collected no funds to this point. But the restoration contribution holder, having received those funds, is expected to acquit them in the same way as the proponent would have had to, in terms of arranging an offset.

Senator WHITTEN: Are you saying they have the obligation to remake the habitat exactly the same as it was?

Mr Kaiser: In accordance with the requirements of the act, yes.

Ms Kay: There is a provision in the environmental offset standard that offsets are like for like. Essentially, if you are delivering an offset, it has to be of a similar or better kind of environment than the significant impact.

Senator WHITTEN: Given these ecosystems can take decades, centuries or longer to establish themselves, how could they possibly re-establish that just by planting some more trees or whatever else?

Mr Gaddes: There's a set of criteria for each protected matter—sometimes right down to the species—about how the restoration activities need to occur. There are a range of documents we have which set out for the decision-makers what they would need to do to restore or offset the habitat that was destroyed as part of the action. In some cases, that could be placing a covenant or securing a similar amount of land of the same value and making sure it can't be impacted. In other cases, it could be replanting trees. But it's not a simple statement across the board. It needs to be tailored for each of the protected matters.

Senator WHITTEN: But neither of those things replace what was there. If you're saying you're using some forest that's already there as a replacement or you're planting some trees, neither of those things replace what was there.

Mr Gaddes: As the minister walked through earlier, if we want to destroy no habitat, it means no economic development. The way that the offset system works—

Senator WHITTEN: I think you're putting words into my mouth by saying I don't want any development, which is not what I'm saying. I'm trying to reconcile how the department reconciles paying money to destroy something and not really getting anything back for it. How do you reconcile that?

Mr Gaddes: I wouldn't characterise it that way. The restoration activities are tailored to the protected matter, so it could very well be that you are planting two or three times the number of trees that were destroyed. Under the new legislation, there needs to be a net gain, a demonstrable gain.

Senator WHITTEN: The koalas sit in the trees, and you're planting a tree—it doesn't make sense to anybody looking at that. You've destroyed that habitat, and you're giving them back a tree or three trees. It doesn't matter.

Senator Watt: It comes back to the point I was making. I know you're very focused on renewables, but the same issue arises in relation to mining. If a mine is being developed or a wind farm or solar farm is being developed, sometimes there is going to be an environmental impact. What we require the proponent to do is, first of all, avoid that impact—for example, by moving the site or something like that. Second of all, they've got to minimise the impact, and only then, if there are still going to be impacts, are they required to find environmental offsets. As a result of our EPBC reforms, that's going to have to deliver a net gain for the environment.

Senator WHITTEN: Yes. I'm having trouble figuring out the net gain.

Senator Watt: That's a whole other discussion, and we're going through that consultation process at the moment, which you're welcome to participate in. But, in essence, it gets to what Mr Gaddes was saying—that, as a really simple example, it might be that a proponent is required to protect or restore more habitat than they're clearing.

Senator WHITTEN: Like I said, it still doesn't make sense to me. You're protecting something that's already there and you're replanting something that isn't there and won't be there for potentially centuries.

Senator Watt: We can always choose as a society that we don't want wind farms, solar farms, mines or housing development; that choice is available to us. But I think most Australians recognise that some form of economic activity like that is required and that what we need to do is minimise the environmental impacts.

Mr Gaddes: To your point about the delay, though, we have a series of calculators that proponents can go in and use, and, where there's a delay between the impact and those trees growing, that is calculated as part of the offset. The calculators and the policies recognise that you can't go and recreate a block of land for a koala, so that would need to be a much larger area of planting for future benefit than what you've destroyed. There's a series of quite complex calculations. I can get one of the assessment delegates to come out and explain it to you—because they're much smarter than I am—but that may take a lot of time. But we can do that if you like.

Senator WHITTEN: No, I don't want to see the algorithm.

Senator Watt: I should also say that these questions all stemmed from assertions you were making about the Clarke Creek Wind Farm. I understand the proponent has issued a statement that disputes many of the things you've said. That's for them to explain—just for the record.

Senator WHITTEN: Do you collect any species-by-species data showing evidence that the species that are impacted are taken care of by the offset payment?

Mr Gaddes: As we said, we aren't yet accepting payments, and we won't be doing that until at least December.

Senator WHITTEN: When you will be accepting payment, will you be doing species-by-species analysis to show that they're not—

Mr Gaddes: There will be annual reporting obligations on the restoration contribution holder on the amount of impact that was agreed to or approved under the EPBC Act by the minister or delegates and the amount of payment that went into the restoration contribution holder as an offset. The outcomes of those restoration activities, whether they be more land in the conservation estate or restoration activities which grow more trees or improve habitat, will be reported in the annual report of the restoration contribution holder.

CHAIR: Senator Waters.

Senator WATERS: In reference to the \$28 million in the budget to develop landscape-scale approval pathways to allow existing forestry operations under RFAs to continue under the reformed environmental laws, I understand there's a departmental taskforce talking with New South Wales and Tassie about the transition to EPBC oversight by 1 July 2027. Can you tell me about the approach that that taskforce has settled on?

Ms Lynch: I'm happy to start this, and I may also refer to my colleague who can provide further detail. In short, you are referring to the fact that, under the recent environmental law reforms, the current exemption under the EPBC Act for forestry activities that are occurring in areas where there are regional forest agreements ceases effective from 1 July. From that date, the intent is that forestry activities will be subject to the same environmental requirements as all other industries. To facilitate the process, given that it is a relatively short timeframe, the department is working very closely at the moment with the three states that currently operate under those RFA arrangements—New South Wales, Tasmania and WA—to explore different pathway options.

We're investigating the suitability of those landscape-scale approvals you mentioned. Potentially, those are the bilateral agreement process, the strategic assessment pathway or bioregional plans to consider the overall impact of forestry activities on matters of national environmental significance. We've held regular meetings with each of the jurisdictions involved since late last year when the reforms passed, and we are currently working through with them to determine which appropriate pathway each jurisdiction wants to engage in. Engagement with the states and with industry representatives has also been undertaken, by both the Minister for the Environment and Water and the Minister for Agriculture, Fisheries and Forestry, nationally. On the budget, you also referred to the \$28 million, and I might ask my colleague Ms Purcell to set out how we anticipate that funding will help to support this process with each of the jurisdictions.

Senator WATERS: Thank you, that was actually very helpful. I have some follow up questions.

Ms Purcell: As you identified, \$28 million has been set aside over the next two financial years to support the three RFA states transition their systems to a new regulatory arrangement and to support industry to undergo that transition in those states. For New South Wales, Tasmania and Western Australia, \$22½ million will be available for them to assess their systems, to adapt them where that's required and to engage with industry to ensure that they're prepared for when the sunset date occurs in the middle of next year.

Senator WATERS: Thanks. Just coming back to the three options of a bilateral, a strategic assessment or a bioregional plan, do you have a preferred pathway, or will you negotiate that with the states?

Ms Lynch: I think that's essentially a decision that is being determined in consultation with each of the each of the affected jurisdictions. We do know that, to date, Tasmania has signalled its intention to pursue a bilateral agreement pathway, and we are still awaiting a steer on the preferred formal process from the other two states at this point in time.

Senator WATERS: Forgive me while I think this through as we're talking about it. Does that mean you'll need the national standards in place? It'll be accredited as a normal assessment bilaterally. Is that right?

Ms Lynch: If the pathway selected is an approval bilateral process, ultimately, as I think Mr Wentworth mentioned in this hearing earlier, that will then require that, at the time that the accreditation is undertaken, the state system is consistent with the national environmental law requirements, including any environmental standards that are in place. But it will also require that, as any new future environmental standards might be made, those are taken into account effectively. There's an undertaking made at the time that the accreditation is done.

Senator WATERS: Are there any of those standards that you're going to require to be in place before any state system is accredited? I know you've stressed that you can add more standards and re-accredit later, but are there any where you're going to say, 'You just can't get accreditation until: (a) the standard is done; and (b) you can show that you're going to meet it.'

Ms Lynch: There's no different way that we are treating that at the moment, for this forestry process, than we will generally across the accreditation pathways.

Senator WATERS: What's the answer for the general one, then?

Ms Lynch: Just that, as soon as they are made, they will be incorporated into all of those accreditation processes. I think the minister has publicly committed to a series of the national environmental standards being made. You've heard earlier evidence today about the likely timeframes for some of those. Given where we're at with this transition for forestry, we would anticipate that that there will be some of the national environmental standards in place before we're at a position to transition away from the RFAs on 1 July next year.

Senator WATERS: Thank you, the timelines match up, I get it. Is an interim strategic assessment one of the options being discussed?

Ms Lynch: It's certainly possible to consider a strategic assessment as a landscape-scale approval pathway. As I mentioned earlier, we are working with those three states at the moment to consider all of the options and what might best suit the circumstances. That could include, for example, pursuing a strategic assessment approval pathway and then, at a later time, moving to a bilateral approval process.

Senator WATERS: Can I please get a guarantee, Minister, that you won't grant a national interest exemption to cover native forest operations during the transition period—unfortunately, like what happened for Alcoa?

Senator Watt: Well, I'm not going to give a guarantee about anything, but we have given absolutely no consideration whatsoever to granting a national interest exemption for those activities. That's why our officials are working so hard to try to reach the relevant agreements and approvals and assessments that would be required. I'm also very happy to explain the facts of the decision around Alcoa as well, if you'd like me to, but that's up to you.

Senator WATERS: Given that time is ticking, I might take that on notice if you can indulge me. Thank you. Or rather ask you to take that on notice for my benefit.

Senator Watt: Sure.

Senator WATERS: Coming back to the \$28 million, is that funding for staff to ensure that they can undertake assessments, compliance monitoring and enforcement functions so that you can make sure forestry operations will meet new and upcoming federal environmental standards?

Ms Purcell: It includes 6½ ASL department staff this coming financial year to enable them to do the assessment to progress the approval and to ensure that those monitoring and compliance arrangements are in place going forward.

Senator WATERS: There's the \$105.9 million in the budget to modernise environmental information, data and digital systems. Will the National Forest Monitoring System be included in that?

Ms Stuart-Fox: I think you're referring to the NAFI. Is that what you're referring to?

Senator WATERS: The National Forest Monitoring System is what I have here. Is that not what it's called?

Ms Stuart-Fox: I'm not sure what that's referring to. There is an early detection system that Environment Information Australia is working on that monitors land clearing—that is there to support land-clearing compliance. But I think that is potentially different from what you're referring to. I'll ask my colleague Lisa Nitschke to come to the table.

Senator WATERS: It's not my area of expertise, I confess, but hopefully it's yours so we can work it out.

Senator Watt: I'm sure someone will be able to help.

Ms Nitschke: You were asking about detecting land clearing. Is that right?

Senator WATERS: No, I'm asking about native forest logging. There's some kind of forest monitoring system that currently exists. I'm wondering whether the new money to look at environmental information and data and digital systems to speed up approvals will roll in that forest monitoring existing system.

Ms Nitschke: The short answer to your question is no.

Senator WATERS: Thank you for your assistance.

Ms Nitschke: Sorry.

Senator WATERS: I'm not sure how much I've got left in my block, but I do have a series of quick land-clearing questions.

CHAIR: One minute.

Senator WATERS: Great. I'll make a start. On the land-clearing changes in the reforms, what work has the department done to engage with farmers around those changes? Is there a timeframe for when the Matters of National Environmental Significance significant impact guidelines will be updated to reflect that change?

Mr O'Connor-Cox: I think you're referring to the recent changes to the lawful continuation of use exemptions.

Senator WATERS: In reef catchments, yes.

Mr O'Connor-Cox: I'm from the part of the department that works with landholders to make sure that they understand their obligations under the EPBC Act. There's never been a complete exemption from land clearing as it relates to impacts on our protected matters. But, yes, there is an exemption for lawful continuation of use, which had a couple of adjustments to it, so we've been working closely with landholders in the affected jurisdictions. As well as the existing guidance and information that's been built up on our website on how to comply with your EPBC Act obligations over the 25 years of the act's existence, we've created a dedicated webpage to help landholders comply. That includes assistance with how to undertake self-assessments, and template assistance with various mapping tools, and some case studies for where activities might be lower risk or higher risk. It provides landholders with information about when they should be referring and when they should be considering meeting with us for pre-referral meetings.

We have a 1800 number where landholders can call us and we can take them through those types of concerns and provide them with assistance in locating the information that they need to understand their obligations and to refer if they need to. Those provisions commenced in December, so we are actively working with landholders and peak bodies to provide a suite of guidance to assist them.

Senator WATERS: Does that include updating the existing admin guidelines on significance so they know what to look for?

Mr O'Connor-Cox: It doesn't include the specific update of our significant impact guidelines. We've got a suite of those types of guidelines. The significant impact test hasn't changed; what has changed is that there have been some slight amendments to how the exemption provisions work in the lawful continuation of use exemptions.

Senator WATERS: So an update of the administrative guidelines on significance isn't necessary until such time as the standards come into place, is that right?

Mr O'Connor-Cox: That's how I would characterise it. In addition to the existing guidance that we have there, we have some more targeted guidance and other programs to help landholders understand their obligations.

Senator WATERS: Have you had any additional staff capacity added for monitoring of compliance with the new rules?

Ms Yannopoulos: Not immediately, but the compliance team has been upscaling since 2022, and in 2025 we started a dedicated compliance illegal-land-clearing team.

Senator WATERS: Will any of the \$250 million that was announced go to land-clearing compliance, including mapping, monitoring and enforcement?

Mr Gaddes: That is the same ops as moving from the department to the EPA. That covers the wages for the staff who are already there. Earlier, you might recall, I walked through the fact that there are an additional 42 staff available that could also supplement that, pending the decisions of the CEO and what the priority is of the EPA.

Senator WATERS: Which is a nice segue to my final question: will the statement of expectations to the new EPA explicitly state that land-clearing compliance is a priority?

Mr Gaddes: We haven't landed that yet; that's probably a matter for the minister and whether he would like us to include that in the statement of expectations. We are still working out what we think the minister should include.

Senator Watt: I answered a similar question earlier about what would go in the statement of expectations. It's still being drafted and still being considered, but it would be reasonable to expect something in that statement of expectations around the need for strong compliance and enforcement, and it would be likely that it would reference land clearing, but all of that work is still happening. I think I'm on the record as saying we expect the agricultural land clearing to be a strong focus for the compliance section of the EPA once it gets up and running. I think I've said that before.

Senator WATERS: Could you take on notice a bit more detail of how you've been working closely with those farming communities, in addition to what you told me? Thank you.

CHAIR: Senator Ananda-Rajah.

Senator ANANDA-RAJAH: I have some questions regarding the oil reserve in Western Queensland.

Senator Watt: This is the Taroom Trough?

Senator ANANDA-RAJAH: Correct. What engagement has occurred between the department and the Queensland government regarding the Taroom Trough?

Mr Kaiser: I might start off, and others can add should it be necessary. Following comments made in the media by the Queensland Premier about the Taroom Trough, I checked with our assessment teams as to whether or not we were assessing any referral from any of the companies involved in the Taroom Trough. We are not. There has been no matter referred to us.

I then contacted the country chair of Shell, who hosted the visit by the Premier where public comments were made. The country chair of Shell is Cecile Wake, and I contacted her and asked her for more details and a briefing on the company's activities in the Taroom Trough. Subsequently, that briefing occurred a couple of weeks ago, and in that briefing Shell confirmed that they aren't ready yet to refer the project to the department or to the EPA under the EPBC Act. They're certainly not planning to in any timeframe that would make any appreciable difference to the current fuel circumstances that the country faces.

While we wait for that referral, we've engaged very directly with the Queensland government—and with the Queensland Coordinator-General in particular; I met with him a couple of weeks ago, as well—just to understand their activities around approvals for the Taroom Trough once a referral is made, once an application is made. We're cooperating very closely with the Queensland Coordinator-General to assist in those matters, should a referral be made.

Senator ANANDA-RAJAH: It sounds like you've been pretty proactive and you've met with key stakeholders. To clarify, you've not received a formal referral?

Mr Kaiser: No, we've received no referral.

Senator ANANDA-RAJAH: What kind of information would you need—if you could just sketch it out—in order to expedite a project like this? It sounds like we're very, very far away from that point, but if you could just outline what kind of information you would need, that would be helpful.

Mr Kaiser: Our jurisdiction is enlivened by any impacts on matters of national environmental significance. We would expect that any company wanting to undertake activities that have an impact on matters of national environmental significance would refer their proposition to us and, after 1 July, to the EPA for assessment.

Senator ANANDA-RAJAH: After your discussions with Shell, did you get a sense of how large this project would be, its footprint, the number of wells or the depth of any of those wells?

Mr Kaiser: They did provide some of that information. I'm reluctant to talk about it too openly. I'm sure that there's commercial sensitivity involved in some of their plans, and I thank Shell for being very open with us about their proposals. It was really clear from that briefing that this is primarily a gas project, and, while there will be oil produced, it's really as a by-product. I'm not suggesting that that's not at commercial levels of oil production, but characterising this as an oil extraction project is, I think, somewhat of an exaggeration based on what Shell told us. It's primarily a gas project with oil as a by-product.

Senator ANANDA-RAJAH: Interesting. That's not how it's been reported at all. So there are, in fact, larger amounts of gas than there are oil.

Mr Kaiser: Yes. That was the clear impression I gained from the briefing we received.

Senator ANANDA-RAJAH: That's useful to clarify, thank you. Are you aware of what impacts there may be on any nationally protected matters in this project with regard to that site?

Mr Kaiser: I answered that earlier. Until there's a referral, it's really difficult for us to make any comment on that.

Senator ANANDA-RAJAH: Turning to Redland, could you please advise what stage the environmental assessment and approval process is up to for the proposed Redland Olympic venue site and whether the project is currently sitting with the proponent or with the department.

Mr Dann: That project you're talking about is the Olympic project in Redland. That one is currently under consideration for a referral. We haven't yet made a referral decision for that, but the referral decision is due on 1 June.

CHAIR: Senator Bragg.

Senator BRAGG: I think we were talking about your decision to acquiesce to the requests of other senators in the drafting of this legislation on the national interest approvals. That's where we're up to. In what form was it transmitted to you that this was a request?

Senator Watt: My recollection is that it was put to us in one of the many, many meetings that I had with representatives of the Greens party.

Senator BRAGG: So you didn't get a letter?

Senator Watt: I don't remember getting a letter. I'm happy to take that on notice. In a similar vein, I received various—I wouldn't say that they were requests—thoughts and feelings from a range of coalition figures as well.

Senator BRAGG: You're very focused on this. I can see it's a sore point.

Senator Watt: No, I just think it's important to know. I think you're trying to make something of this.

Senator BRAGG: I'm just trying to get to the bottom of how this happened. At the end of the day, whatever you think of the merits of what happened in the past, we have arbitrage in the law now because you have decided that certain types of projects can qualify for national interest approval when they have not met the departmental process and others can't. Some can and some can't. I'm just trying to work out how it happened.

Senator Watt: From what I can see, the Liberal Party itself doesn't know where it stands on these issues, because, of course, while Mr Taylor is out there talking about 'drill, baby, drill', we've got Mr Tony Pasin, the member for Barker, on ABC Radio saying that he doesn't support gas development, at least when it comes to his own electorate. So I don't really know where the Liberal Party stands on these issues.

Senator BRAGG: I'm going to start timing these ministerial speeches on my Apple Watch. Every time you do one, I'll time it and work out how much time I actually get to ask questions and how much time you waste on your political speeches.

Senator Watt: I don't think it's a waste to point out that in the context of your—

Senator BRAGG: The timer needs to be turned on.

Senator Watt: Flick the timer on.

Senator BRAGG: It's on.

Senator Watt: I don't think it's a waste of time, when you're asking questions about our position as a government on fossil fuel projects, to point out that as recently as last week the federal Liberal Party had different views on the issue.

Senator BRAGG: That was 16 seconds.

Senator Watt: I think that's pretty efficient. I can give you the long version.

Senator BRAGG: So you don't know whether you received the letter or not.

Senator Watt: I've taken that on notice. I don't recall having received the letter, but I'll take it on notice.

Senator BRAGG: Okay. The gist of it was that they didn't want to have fossil fuels in the national interest approvals.

Senator Watt: Correct.

Senator BRAGG: Was there anything else that they asked for?

Senator Watt: I've already said that there were a number of different things the Greens party asked for that we didn't agree to. There were a number of things that we asked the Greens party to accept as amendments based on representations we'd received from the business community.

Senator BRAGG: What is going to be the impact of this arbitrage now, do you think?

Senator Watt: Well, in practical terms, I don't think it will make an enormous difference, because—

Senator BRAGG: Why did you do it then—just to get their votes?

Senator Watt: We were keen to pass reforms that several years of coalition government had been unable to pass.

Senator BRAGG: If it has no impact, what's the point of it then?

Senator Watt: It mattered to the Greens party, and that's a matter for—

Senator BRAGG: But there's no actual effect, so you just duped them?

Senator Watt: I wouldn't put it that way. That was something they indicated was important to them. There were things that were important to us. We reached a compromise. We didn't get everything we wanted, and they

didn't get everything they wanted, but the nation now has reforms that will speed up assessments and approvals and deliver stronger environmental protections, and that's a good outcome.

Senator BRAGG: It's just a big shell. You haven't even made the regulations. You've got none of the bilateral deals. It's just a big shell.

Senator Watt: My friend, your government failed to do anything about this for 10 years. We are well on the way to having standards and all of the other reforms in place.

Senator BRAGG: The proof will be in the eating.

Senator Watt: I've got all the statements from stakeholders—'Property industry hails deal to pass environmental law reform as win for business and environment' and 'HIA welcomes \$45 million budget commitment to drive EPBC reforms'. It feels to me the only person who's unhappy about these reforms is the party that couldn't work out who their negotiator was.

Senator BRAGG: I just don't think you've made any progress yet. You can read out your fluffy press releases, but you've made no progress yet.

Senator Watt: You're saying stakeholder press releases are fluffy, are they? I'm sure the Property Council and the HIA would be very keen to know about that.

Senator BRAGG: You can tell them I said that. I've said many things to them before in person, so it's okay. They can read the *Hansard* if they want.

Senator Watt: I know your narrative is that nothing has changed.

Senator BRAGG: You haven't made any progress.

Senator Watt: With the greatest of respect, Senator, your party failed to reform these laws for 10 years.

Senator BRAGG: Why do you keep on talking about that? I wasn't even part of that.

Senator Watt: Your party failed to reform these laws for 10 years. You were part of an opposition that couldn't work out what it wanted with these reforms. We've passed them. And, in the next few months, we've got standards underway and regional plans happening—things that you were unable to do for 10 years. I reckon that's not bad.

Senator BRAGG: Effectively, though, this national interest approval, you think, will have virtually no effect.

Senator Watt: I think in practical terms that's correct, because the national interest approval is an exceptional circumstance. If you have a look at the legislation—I don't know if you've bothered—it'll tell you the kind of circumstances in which it would be used. As I said earlier, it only happens after a full assessment is undertaken, and that's where the majority of time is taken anyway.

Senator BRAGG: How long does it take to get a new energy project up in Australia?

Senator Watt: Too long.

Senator BRAGG: But how long?

Senator Watt: It depends on the project, but it takes too long, and that's one of the reasons that we reformed the laws.

Senator BRAGG: Haven't you got any averages in mind?

Senator Watt: The department might have some averages, but, whatever the number is, it's too long. I know you might be a lone voice on this, Senator, but you know in the Liberal Party that we need more renewables projects faster, we need more housing faster, we need more critical minerals projects faster and we need stronger protections for the environment. That's what these reforms will deliver. As we've said today, we've already sped up housing approvals, even under the existing laws, let alone what—

Senator BRAGG: You've got 80,000 houses up in that boondoggle of a place.

Senator Watt: I know you don't have any respect for the Public Service, but I do.

Senator BRAGG: Of course I do, but it's a lot of houses.

Senator Watt: We can go back to the discussion we were having earlier that nearly 30,000 of them have come online since we made the commitment.

Senator BRAGG: You've gone from 92,000 to 80,000; that's the true number.

Senator Watt: Look, I know it's your job to try to argue that what we've done is no good, but the sad thing for you is that your party is completely hopeless on these issues.

Senator BRAGG: You spend so much time answering your questions by referring to the Liberal Party that I feel sorry for you.

Senator Watt: I think it's important that the Australian people know—

Senator BRAGG: You're in government; you could be doing good stuff.

Senator Watt: I was going to say the position of the alternative government is important, but we don't really know if you're the alternative government anymore. I think it's important to know the reasons that we got to the reforms that we did and the policy choices on offer.

Senator BRAGG: How long will it take to get an energy project up under the new system?

Senator Watt: Again, it would depend on the individual project, but we expect the process to be quicker.

Senator BRAGG: How many energy projects are currently held up in the system?

Mrs Svarcas: We have 156 renewable energy projects in the system at the moment—

Senator BRAGG: I meant energy overall.

Mrs Svarcas: We have 156 renewable projects; 59 coal, gas and oil projects; and 49 critical minerals projects.

Senator BRAGG: But aren't they all energy projects, apart from critical minerals—just different forms of energy?

Mrs Svarcas: We track them separately, which is why I've got these numbers separated for you.

Senator BRAGG: So you've got 150 renewables projects—

Mrs Svarcas: A hundred and fifty-six.

Senator BRAGG: Fifty-nine fossil fuels projects and some critical minerals.

Mrs Svarcas: That's right.

Senator BRAGG: How many critical minerals?

Mrs Svarcas: Forty-nine.

Senator BRAGG: How far back do they go? What's the oldest one you're sitting on?

Mrs Svarcas: I don't have the age of them, but I do have the average approval time.

Senator BRAGG: What's the average?

Mrs Svarcas: For renewables, the average approval time is 131 weeks. If you include NCAs—other projects that have been given the green light—it's 52 weeks.

Senator BRAGG: Fifty-two weeks for fossil fuels?

Mrs Svarcas: No. For fossil fuels—coal, gas and oil—average approval timeframes across 30 projects is 163 weeks.

Senator BRAGG: What are you hoping to get it down to?

Mrs Svarcas: I think, as the minister pointed out, we don't have a target to get it down to. It will depend on the material that's provided by proponents. But the things that we are working on—

Senator BRAGG: How do you measure success, then?

Mrs Svarcas: We do have a standardised approval time. I can tell you that, for renewables, this year to 11 May 91 per cent of those projects have been approved on time. For fossil fuels, 92 per cent of those projects have been approved on time.

Senator Watt: And you might remember me saying it used to be six per cent under the coalition.

Senator BRAGG: I'm not interested in the coalition; I'm interested in you doing your job.

Senator Watt: Well, I reckon that's not a bad outcome. Do you think six to 92 is good?

Senator BRAGG: This is a hugely complicated thing you've created for yourself here. You've given yourself godlike powers, where effectively—

Senator Watt: I know this is your narrative. I read your transcripts.

Senator BRAGG: You've got to do all these bilateral deals and then you have to make these regulations. It's going to take forever. How long will it take?

Senator Watt: In the wake of 10 years of coalition inaction, we have passed reform.

Senator BRAGG: Yes, bag the coalition.

Senator Watt: We have passed an act. We're doing a second round of consultation on two standards. We've got two other standards very close to being put out for consultation. We've commenced negotiations on bilateral agreements with most states. We've got regional planned pilots underway. I think, compared to 10 years of sitting on your hands doing nothing, that's not bad. But there's more to be done.

Senator BRAGG: When will the first bilaterals be done?

Senator Watt: We would like to reach at least some this calendar year. In fact, you might have seen that I was in Perth a few weeks ago and signed an MOU with the WA premier which committed us to reach a bilateral assessments agreement this calendar year.

Senator BRAGG: How many do you think you'll get done this year?

Senator Watt: We haven't committed to a particular number.

Senator BRAGG: Why not? You wouldn't run a business like that. You'd have clear targets.

Senator Watt: Senator Bragg, with the greatest of respect, you seem to have expectations of our government, which has made demonstrable progress in this space, that you were never prepared to apply to your own side of politics.

Senator BRAGG: I'm tough on my colleagues—they think I'm tough—and I'm fair.

Senator Watt: Ask any stakeholder—environment, business, whoever—if they think we're making good progress, and the answer is a resounding yes.

Senator BRAGG: I think you're an excellent politician—

Senator Watt: Thank you.

Senator BRAGG: and I think you're very good at media releases and talking, but I want action.

Senator Watt: Our passion is passing reforms that—

Senator BRAGG: Yes, but passing laws isn't fixing stuff.

Senator Watt: Action is passing reforms that the parliament had been unable to pass for 25 years. Action is doing a second round of consultation on the national environmental standards that Graeme Samuel recommended in his review to your long-forgotten former leader Sussan Ley when he recommended them five or six years ago.

Senator BRAGG: No, she's not long forgotten.

Senator Watt: Action is beginning consultation on regional plans, which we've started today. It's 12 months since the election, and that's what we've achieved so far.

Senator BRAGG: Okay. But you're not setting yourself a target for any bilaterals in this calendar year.

Senator Watt: We haven't committed to it.

Senator BRAGG: You're saying it'd be nice to do, but, if it doesn't happen, who cares?

Senator Watt: No, we're not that lackadaisical about it. I've been in ministers' offices, premiers' offices, in the media and at the Environment Ministers' Meeting saying that we want to reach these agreements as quickly as possible, including this year. We've got good negotiations happening with every state, pretty much, except Queensland, who want to construct some rubbish Productivity Commission inquiry to delay the process.

Senator BRAGG: What's wrong with Queensland? That's a good state. You're from there.

Senator Watt: I am.

Senator BRAGG: Why are you being so mean to the Queenslanders? That's very un-Queenslanderish.

Senator Watt: It would be nice if the Queensland government showed the same level of enthusiasm towards reaching bilateral agreements that pretty much every other state and territory is showing. We've got WA committing to doing one this year. We've got Queensland inventing a Productivity Commission inquiry to delay signing an agreement for, probably, a couple of years. You might want to have a chat to your mates up north.

Senator BRAGG: You're from there. You probably have more purchase than me.

Senator Watt: Would they listen more to you than me? I'm not really sure.

Senator BRAGG: You're clever. You'll hopefully get all of these done by July next year. Is that right?

Senator Watt: We haven't committed to a timeframe for reaching them, to my knowledge. We have committed to reaching a bilateral assessment agreement with WA this calendar year. I have made clear to a number of ministers in other states that I'd, similarly, like to reach at least bilateral assessments agreements this year as well.

Senator BRAGG: What happens if you don't get them done?

Senator Watt: There are some states where we have existing bilateral agreements. They're not as effective as what will be possible under the new reforms. If we don't get them done then that will slow down the assessment and approval of projects, which is why Queensland need to come to their senses and get on with it.

Senator BRAGG: Will you make the regulations whether you have the bilaterals done or not?

Senator Watt: As in the standards?

Senator BRAGG: Yes.

Senator Watt: Yes, the standards will be created independently of bilateral agreements, but the bilateral agreements require the standards to be made.

Senator BRAGG: Do you need to consult these states on the contents of the standards?

Senator Watt: I just said before that we're doing that. We've got a consultation process open right now that anyone, including states and territories, can contribute to, and there have been discussions happening with states and territories.

Senator BRAGG: The natural extension of that is that, ultimately, you could have standards which the states won't agree with, and, therefore, they won't have a bilateral agreement with you.

Senator Watt: I guess that's theoretically possible, but we're confident we can reach those agreements.

Senator BRAGG: So you could end up with it, but there's no guarantee—is there?—that you get agreement through the states.

Senator Watt: I know you want the whole thing to fall over so you can score a political point, but we're actually trying to get something done here.

Senator BRAGG: I'm just trying to work out how it's going to work. It's complicated and confusing.

Senator Watt: No, it's not, actually.

Senator BRAGG: You must be highly intelligent.

Senator Watt: No, I've just bothered to read the legislation, and I invite you to do the same thing.

Senator BRAGG: I've read it. I'm trying to work out what's going to happen if you can't get the deals done.

Senator Watt: That would be an impediment to speeding up assessments and approvals. It's not the only way we can do so. We've funded the development of regional plans, which we are undertaking with a number of states and territories. There are options around strategic assessments for projects. There are a variety of pathways under the reforms that allow for faster decision-making and stronger environmental protections, and we're going to take every single one of those pathways.

Senator BRAGG: When do you think the regs will be made?

Senator Watt: Well, we said earlier that the intention is to have as many as possible of those four initial standards up and running by midyear given the EPA starts on 1 July this year. We're aiming for around that time to have those four done, but, in particular, most effort has gone into the two that are currently out for consultation for the second time.

CHAIR: Senator Waters.

Senator WATERS: Can I hearken back to some questions I tried to ask earlier this morning? I was directed to ask them here. They are about nature funding. Biodiversity spend is projected to drop by 46 per cent in real terms by 2028-29 to just 0.04 per cent of the total budget. How does shrinking the allocation for nature in the forward estimates align with the government's Nature Positive Plan commitments?

Senator Watt: We don't accept that claim that some environment groups are making. In fact, this budget increased expenditure on the environment by \$1.3 billion to reach \$9.9 billion over four years.

Senator WATERS: So the 46 per cent drop in real terms by 2028-29 you dispute?

Senator Watt: I do, and I don't know how they calculated that figure.

Senator WATERS: So how much do you contend that it is?

Senator Watt: Well, we have increased expenditure on the environment by \$1.3 billion.

Senator WATERS: Is that in real terms?

Senator Watt: Over four years, I think that would amount to a real increase in funding, yes. I haven't worked out the percentages, but I'm sure it would.

Senator WATERS: The sector has long called for investment to be lifted to one per cent of the federal budget to fund the work needed to end extinctions and restore habitats. Have you considered that request?

Senator Watt: Yes. Every stakeholder has a different ask. I've considered that request just as I've considered any number of requests from other stakeholders.

Senator WATERS: And are you intending to increase funding for nature in future?

Senator Watt: As I said, we've increased funding for the environment, including nature, by \$1.3 billion in this budget.

Senator WATERS: What proportion of an increase is that?

Senator Watt: I'm happy if someone wants to answer, but I'm doing some calculations in my head. If we've increased it by \$1.3 billion to take it to 9.9, that's probably about a quarter? I'm taking \$1.3 billion off 9.9.

Senator WATERS: Perhaps on notice, can you provide me the breakdown of what you say is the extra 1.3?

Senator Watt: Sure.

Senator WATERS: Thank you. I understand there's a \$67 million cut to the National Environmental Science Program. Is that correct?

Senator Watt: All departments and all ministers in the run-up to this budget were asked to identify funds that sat in particular programs and that were not committed yet. The funding that you're talking about falls into that category. So it was uncommitted funds.

Senator WATERS: So it was in a program, but you say it was also not committed? I don't understand that.

Senator Watt: Correct. I'm happy if the officials want to elaborate, but that's my understanding.

Ms Stuart-Fox: The National Environmental Science Program has been running for quite a long period of time so we're now in the second phase of the National Environmental Science Program. The government's now committed \$110 million for the next phase of the National Environmental Science Program. That runs from 2027-28. There had been additional funding committed in those out years, and that's where the saving is from, so the saving is not from the current program. The government's committed 110 for the next phase of the National Environmental Science Program, and that compares to \$149 million under the current phase of the program.

Senator WATERS: Could you indulge me and step through those numbers on notice for me, please. I'd benefit from that. It does look like a cut of almost 40 per cent to a program that I understand funds partnerships between scientists and traditional owners. Is any of that new money going to be allocated to ensure First Nations research will continue?

Ms Stuart-Fox: The design of the next phase of the National Environmental Science Program is still to be determined. I'll ask my colleague Lisa Nitschke to step you through the timelines for the design of the next phase of the program.

Senator WATERS: Be very quick because I really just want to know if any of it is going to go to First Nations research.

Ms Nitschke: The short answer is that we are still working through the design phase for the program. We would like to see the guidelines scheduled for delivery later this year.

Senator WATERS: I go back to the discussion we had earlier today about Treasury's push to establish a coordinator-general that they'd then put on your radar and that you had some input into. I was interested in the details of precisely the nature of that input and the timing of it, as we talked about earlier. Have you got that detail? What was the last time that you met to discuss these issues? What work have you actually done? When are you next meeting about this? That's all of the detail I'd like, please.

Mr Gaddes: We can probably talk to you based on the recollections that we've had. For any more detail, we would have to go back and take it on notice. Is that okay?

Senator WATERS: I thought that's what you were doing in the five hours since I first started posing this.

Mr Gaddes: I've been sitting here with you for most of those five hours.

Senator WATERS: Aren't you lucky!

Senator Watt: I'm sure the officials can tell you what they know.

Mr Gaddes: We've had a range of conversations with Treasury about the concept of a coordinator-general. My conversations with them were in the context of the productivity roundtable and while we were developing reforms to the EPBC Act. We were not asked to draft anything which would give a coordinator-general any powers under the EPBC Act. That was about the limit of the conversations we had. It was essentially that the

minister retains the powers for approval and all those sorts of things. As you saw, they went through the Senate. We've had conversations about what scope a coordinator-general could have in the Commonwealth context, but that's in the context of what I would call the Treasury single-front-door concept. It's not really in the context of the EPBC Act; it's in the broad. We're having conversations with people about how a coordinator-general at the Commonwealth level would work. We've not been asked to come forward with any work, any options, any frameworks that would give effect to a coordinator-general.

Senator WATERS: Thank you. Are you aware of whether they themselves are doing that work? They don't really need to amend your act. They can just amend their own act and bypass—

Mr Gaddes: We would be consulted—and I'm sure the minister would be consulted—if somebody were seeking to amend the legislation that we administer, and I'm not aware of any such drafting that's underway.

Senator WATERS: Yes, but that's the point. It wouldn't be of your legislation; it would be of Treasury legislation. Minister, can you confirm whether or not there are any legislative changes being progressed?

Senator Watt: Not that I'm aware of. I think the point Mr Gaddes is making is that, if there were any suggestion that a new coordinator-general would take powers that currently sit in this department, that would need to involve amendments to the EPBC Act, and that has not been raised with us.

Senator WATERS: Has the discussion been had in the context of what the National EPA might do versus what a coordinator-general might do?

Senator Watt: I'm happy for Mr Gaddes and others to add to this. From my perspective, the discussion has been more about whether there would be benefit to the nation in creating a coordinator-general. To my knowledge, it hasn't got down to what its role would be vis-a-vis an EPA.

Senator WATERS: Is there some talk of a project amount threshold like there is in Queensland, for example?

Senator Watt: Not that I'm aware of. Again, it's probably more of a Treasury question.

Senator WATERS: When was the last time that these issues were raised by Treasury with the department or you, Minister?

Ms Kay: I think I last met with them about it in March this year.

Senator WATERS: Did anyone have any more recent meetings or conversations?

Mr Gaddes: I sit on an IDC with Treasury which talks about the single front door. I think the last time I met with that IDC was last week. I don't recall whether the coordinator-general concept came up. It was more in the context of them seeking advice on where we're up to with the EPBC reforms, because the overall desire there was to get faster projects up—in particular those ones which are in the single front door, which sits in Treasury.

Senator WATERS: Yes. Given the Treasurer's also from Queensland and Queensland is the jurisdiction that isn't accepting the kind invitation for an assessment, bilateral update or an approval bilateral, is there talk of a coordinator-general that might only apply, say, in one or a handful of states?

Mr Gaddes: As I've said, I didn't talk to them last week about a coordinator-general. The last time we spoke about a coordinator-general was in March.

Ms Kay: And it was still at the very conceptual stage.

Senator WATERS: Thank you. I'm very interested in that and I may well ask again in future. I have a quick one on funding for the EPA. It's listed across the forwards as 'not for publication'. Why is that?

Mr Gaddes: I think you'll find there's a footnote at the bottom of that part of the budget papers which says it's subject to negotiations with the states and territories for bilateral agreements, and we don't want to impair our ability to negotiate with the states and territories.

Senator WATERS: So you're anticipating that perhaps the EPA's workload would reduce if the bilaterals all progress as you hope?

Mr Gaddes: To some degree.

Senator WATERS: But the EPA would still retain critical oversight despite those bilaterals.

Mr Gaddes: Exactly.

Senator WATERS: So do you need to reduce funding for the EPA, or should you in fact keep it well funded?

Mr Gaddes: That's a bit of a hypothetical. It depends on how much of the work would go to the states and territories. The Commonwealth would retain an assurance role, and, of course, if the minister wanted to call in any projects, then we would still need the capacity to assess those. So it's a bit of a hypothetical depending on

how many assessment or approval bilaterals we end up with with the states and territories and what the workload looks like after that.

Senator WATERS: Just on AI, we talked earlier about the proposal to use it more in EPBC assessments. Can I have a bit more detail about whether you've got a governance framework for such use, whether you've done a risk analysis of using it and whether there are any aspects of EPBC assessments that you won't use AI for.

Mr O'Connor-Cox: Yes, there is a governance structure that we're currently using for the AI project that I can talk you through. There have been risk assessments that have been conducted on the project. With regard to the status of the project, we've completed a number of phases for that, firstly, developing use cases for where AI might be of assistance to proponents who are trying to navigate our information requirements and guidance documents to make referrals under the EPBC Act. I understand that those use cases have been included in the use-case register, which is a requirement of whole-of-government programs for AI projects. It was assessed as a low risk. I am aware of some of the risks that have been identified in association with the project, and I should say upfront that the AI will not be used to make decisions. There will always be human oversight and human decisions. This is just to help proponents bring to us the right information as part of their referral processes.

Senator WATERS: So it's just for proponents. The department won't use it in any of its own assessment of the proponents' documents?

Mr O'Connor-Cox: That's correct. It's to take proponents through the referral process and guide them through that complex process to make that run more smoothly. Yes, certainly the assessment and approval process will still be conducted by people within the National EPA with regard to the risks as well as the usual risks that are identified with procurement projects around probity and legal risk around that procurement process. We've had one procurement, and we've received funding for further development of the pilot as part of the next phase. The other chief risk that's been identified is a legal risk around providing information to proponents that then might influence their decision-making. That's another risk that we're seeking to mitigate through our consultation with our legal advisers within the department as well.

Senator WATERS: Because you don't want them to decide that they needn't refer, which is currently a risk anyway. If you can give me a bit more detail on notice, that would be great. There's a Santos proposal. They've recently applied to the Northern Territory government for 12 fracking wells in the Beetaloo Basin, which is significantly larger than any of their current operations. The project has a risk of impacting on critical groundwater supplies and endangered species' habitat. Is the department aware of Santos's proposal?

Ms Calhoun: Yes, we're aware of Santos' proposal. We currently have no active referrals for that project.

Senator WATERS: Will you call that in for assessment?

Ms Calhoun: We've got nothing at this stage to indicate that there's a need to call that in. But we have an understanding that when they move to production they would be referring that project.

Senator WATERS: I'm sorry, I can't hear you over the bells. Could you say that last bit again, please?

Ms Calhoun: No, we're not at this stage looking to call that in for the exploration and appraisal activity. We don't believe there are significant impacts on MNES, but we have the understanding that when they move to full production we would be expecting a referral for that action.

Senator WATERS: We don't have time for a lengthy discussion about the fact that the aquifer doesn't distinguish between exploration and production, and that the risks of groundwater contamination are there whether it's exploration or production. Have you still got that water advisory board—what are they called?—the independent scientific committee? Have you consulted them about this?

Ms Calhoun: Yes, we have.

Senator WATERS: Is their view your view?

Ms Calhoun: Yes. On 17 December 2024, they looked at the impacts of exploration and appraisal activities in the Beetaloo basin. They noted that, with the scale and the initial exploration, it's probably less likely to have a significant impact on water resources. But when activities lead to further production and exploration and appraisal it will intensify impacts, and that's the point in time we would look to get a referral from these companies.

Senator WATERS: These are the same NT laws that you're considering accrediting in an agreement with the NT government. Are you feeling like they need to do some significant increases and improvements before they could get accreditation?

Senator Watt: All states and territories would need to be able to demonstrate they meet our standards in order to for us to be entering a bilateral agreement with them.

Senator WATERS: Those same standards that you're co-designing with them—

Senator Watt: Well, we're co-designing them with—

Senator WATERS: according to what Mr Gaddes said before.

Senator Watt: By that argument, you'd say that we're co-designing them with the environment groups or co-designing them with industry.

Senator WATERS: I'd love that. I would not complain if you were.

Senator Canavan interjecting—

Senator WATERS: I wish.

Senator Watt: Well, apparently not; you weren't here earlier. If you want to say we're co-designing them, what we're doing is consulting states and territories, environment groups and industry groups, and we will then reach a decision.

Senator WATERS: Lastly from me—I've just got perhaps one final one, Chair, and then I'm actually done in this section.

CHAIR: Fantastic.

Senator WATERS: About clearing at Lee Point, the EPBC approval for the project is conditional on securing offsets for threatened species. Have you got any offset plans in place yet for the Gouldian finch or the black-footed tree-rat?

Ms Short: The black-footed tree-rat offset plan has been approved, which allows some small clearing to install a sewer line on the development. The Gouldian finch strategy and offset plan has not yet been approved.

Senator WATERS: Is it the case—well, it is the case that they're not meant to start clearing without the offset plans being finalised, but they've previously gotten away with illegal clearing and a tiny fine. What deterrent is there for them to wait to get the offset plans approved before they do further clearing?

Ms Short: Under the conditions of approval, they need to await the approval of those plans before they can continue clearing.

Senator WATERS: Is there a monitoring and compliance plan in place to make sure that they don't commence until the offset plans are finalised?

Ms Short: That's not something that we'd be undertaking—compliance investigation—but I can look to the compliance team.

Mr Gaddes: We might get the compliance officials to come to the table, if you don't mind.

Senator WATERS: Given that they've breached conditions before, what are you doing to make sure they don't do it again?

Ms Yannopoulos: We act on all allegations. I'm going to defer to my colleague here to see whether we've got any active investigations in that regard.

Mr Gaddes: We're just checking with officials. That might take some time.

Ms Yannopoulos: We might have to take that one on notice.

Senator WATERS: I'm just interested in making sure that they in fact don't just start clearing again while you're still finalising the offset plan.

Mr Gaddes: Just to be clear, Senator, are you concerned that there has been clearing that you've had reported to you?

Senator WATERS: There has been illegal clearing. I'm not aware whether—

Mr Gaddes: Previously or now?

Senator WATERS: I beg your pardon?

Mr Gaddes: Was it a previous allegation or a—

Senator WATERS: They've received an \$18,000 fine. I am not clear whether it's Northern Territory or local council or federal law. But I'm aware that they have performed illegal clearing, hence they have form, and I want to be assured by you that you won't let them get away with that while you're finalising your part of the process.

Mr Gaddes: Have you had an allegation of more recent clearing, after the fine? Is that what you were trying to ask us? Or are you asking us whether or not we're—

Senator WATERS: No, I have a suspicion that they'll do it again, and I want you to assure me that you've got things in place so that they can't.

Mr Gaddes: I can't give you an assurance that people won't do the wrong thing. They will do that if they want to do that. But I can assure you that, after this conversation, we will look at that project.

Senator WATERS: Great. Thank you.

CHAIR: Senator Bragg.

Senator BRAGG: I want to ask a couple of questions for Senator Canavan, if that's alright, Chair.

CHAIR: Yes, of course.

Senator BRAGG: I wanted to clarify that, effectively, there's no KPI set for these reforms. Is that right?

Senator Watt: My recollection, which officials can help me out with, is that, once the EPA is established, there will be KPIs for it.

Senator BRAGG: So there are no KPIs for the reforms. The reforms are due to start next year, right?

Senator Watt: Some of them have started this year. They've already started.

Senator BRAGG: But the bilaterals and the regulations haven't been made.

Senator Watt: Correct.

Senator BRAGG: So the bulk of it starts next year, right?

Senator Watt: No, no. All of the amendments that we passed last year will commence—on 1 December?

Ms Kay: On or before 1 December.

Senator Watt: Yes. They will commence on 1 December, if they're not proclaimed beforehand—and some have already been proclaimed.

Senator BRAGG: In a technical sense. But, in an operational sense, isn't the point of these reforms to remove duplication, amongst other things? The whole point of accrediting with the states is to have one approval?

Senator Watt: Yes, that is one aspect of the reforms.

Senator BRAGG: That happens next year, right?

Senator Watt: Most likely, depending on when we finalise the bilaterals. But there are other reforms that have started. We're consulting already on regional plans. I know your focus has mainly been on the bilaterals, but there are a range of other reforms that are starting sooner than that.

Senator BRAGG: What about the offset calculator? Where's that up to?

Ms Kay: It's in development at the moment.

Senator BRAGG: Who's doing it?

Ms Kay: We're doing it in house, in the department.

Senator BRAGG: When will it be finished?

Ms Kay: I'll have to take that on notice. I don't think we have an exact completion date—but before the reforms commence.

Senator BRAGG: Does that need any regulatory basis, or is that just something you can have on your website?

Ms Kay: There are two calculators that are being developed. There's the offset calculator for proponents if they're delivering an offset themselves. That's the calculator that my colleague Mr Gaddes referred to earlier. Then there is a second calculator that's being developed for the Restoration Contributions Holder. That's where proponents are paying into a fund to deliver an offset. So there are charging arrangements that are regulatory that are attached to that. Some of those were passed with the legislation itself; the framework to develop the charging requirements went through with the passage of the bills last year. And then, like with any Australian government charging arrangement, we'd be consulting on the methodology and the calculator, and that would be finalised in regulations.

Senator BRAGG: Do you think it will be one tree for one tree?

Ms Kay: It's a lot more complicated than that.

Senator BRAGG: Why does it have to be so complicated? This is my question for this whole area.

Ms Kay: It depends on the nature of—

Senator BRAGG: It's almost as if people revel in making it more complex that it needs to be.

Senator Watt: No, quite the contrary. Again, I refer you to the numerous comments from stakeholders saying that they think this new system will be better. The current offset system is not as simplistic as one tree for one tree, and so I doubt the new system would be that simplistic either.

Senator BRAGG: Let's just say someone smarter than me wants to build some houses.

Senator Watt: It's hard to imagine, but I'll try.

Senator BRAGG: Well, there are many people that are much more intelligent and better looking and all sorts of things, I'm sure.

Senator HENDERSON: It's all relative.

Senator BRAGG: Let's just say Joe Bloggs comes along. He wants to build some houses. There are 50 trees there.

Senator DAVID POCOCK: What kinds of trees?

Senator BRAGG: They're old eucalyptus trees.

Senator Watt: That's actually an important question, because it depends on whether the proposed activity is likely to have a significant impact on a nationally protected matter. Some trees can be cleared to your heart's content; some can't.

Senator BRAGG: Let's just say it's a gum tree. It's the sort of tree that is all over Australia—

Senator Watt: Some species.

Senator BRAGG: and it's actually been taken all over the world. You see gum trees in other countries, like Greece and Israel. I'm not sure where you've been—probably some fancy—

Senator Watt: I haven't travelled to either of those countries.

Senator BRAGG: Well, I'm sure you've been to lots of fancy places on your ministerial jet.

Senator Watt: Unfortunately, not.

Senator BRAGG: Anyway, Joe Bloggs wants to build some houses. There are 50 gum trees. Does he have to plant 50 new gum trees somewhere else to build the houses? These are the sorts of practical, simple questions people want to get answers to.

Senator Watt: Sure. I'll hand over to the officials to give you a hypothetical—well, it is a hypothetical, and there are dangers in talking in hypotheticals.

Senator BRAGG: There are 50 trees—

Senator Watt: I'm an accommodating kind of person, and we'll do our best to answer.

Ms Kay: Senator, it's not just—if we're talking about—

Senator BRAGG: Fifty gum trees.

Ms Kay: fifty gum trees—

Senator BRAGG: Yes.

Ms Kay: it will depend: are those 50 gum trees breeding habitat for a protected matter? Are they habitat for a migratory species?

Senator BRAGG: They're just old gum trees. There's nothing in them.

Ms Kay: But I'm saying: those things—

Senator BRAGG: They're rusted up.

Ms Kay: If there's no significant impact on a matter of national environmental significance—

Senator BRAGG: No. They're regular.

Ms Kay: Pardon—I couldn't hear—

Senator BRAGG: There's not been even a bird flying past in the last couple of months.

Ms Kay: I might take it back to first principles. The calculation is on the nature of the impact. If there's no impact, there's no offset required.

Senator Watt: This is an important point. If, as you say, Joe Bloggs's housing development is proposed for an area where the trees they would need to remove are not a nationally protected matter, because they're not an endangered kind of tree and they're not habitat for a threatened species—

Senator BRAGG: They can just do it?

Senator Watt: then they don't even need a Commonwealth assessment or approval.

Senator BRAGG: But what if there is a protected bird that flew past there recently, or maybe in the last few decades, that was sighted by someone, and it has been alleged that this old, rusty gum tree has a special bird near it?

Senator Watt: Well, that's potentially—

Senator DEAN SMITH: Carnaby's black-cockatoos.

Senator Watt: Yes. If it's black cockatoos in WA, it's a big issue. If an activity is likely to have a significant impact on a threatened species, whether it be a bird, a tree, a whatever—

Senator CANAVAN: Water.

Senator Watt: Yes, that's another example of a nationally protected matter—then it would require an EPBC assessment and approval. In really short terms, the proponent would be required to avoid impacting that threatened species, potentially by chopping down trees in some areas and not in others. They would need to minimise the impact. If there were still going to be residual impacts, that's when they would need to find offsets and that's where the system works out what the appropriate offset is.

Senator BRAGG: Let's say it's a protected matter, but they get the approval to take down the old gum trees with the special lizard on them, or whatever it is. Do they have to plant 50 new trees?

Senator Watt: Well, every case is going to be different. It's not simply, 'Cut down 50 trees, plant 50 trees.'

Senator BRAGG: Why?

Senator Watt: Because—

Senator BRAGG: Because you want to make it more complicated?

Senator Watt: No, because to restore—I don't know how to explain this to you—

Senator BRAGG: Exactly! That's the problem!

Senator Watt: No. I don't know how to explain it to you because you don't understand the concept of protecting the environment.

Senator HENDERSON: No, you can't explain it—

Senator CANAVAN: You're the minister administering the law. Explain it to us!

Senator BRAGG: You think everyone's stupid.

Senator Watt: No. I don't know how to explain it—

CHAIR: Senators, come to order.

Senator BRAGG: I'm not stupid.

CHAIR: No. That's all of you. We will do this by question and answer with one questioner to the minister. Let's continue in that way. Senator Bragg.

Senator BRAGG: The question is: if I take down 50 trees, do I have to plant 50 new trees?

Senator Watt: I'll let the department give you an answer.

Senator HENDERSON: What—you can't even answer it now?

Senator Watt: No, no. It's really hard to communicate—

Senator HENDERSON: Yes, I know—you can't.

Senator Watt: to people who don't believe in or care about the environment—

Senator BRAGG: I do care about the environment.

Senator Watt: about the concept of protecting the environment.

Senator HENDERSON: You're just trying to—

Senator Watt: I'm trying to explain in terms you might understand.

Senator HENDERSON: You're grappling now.

CHAIR: Senator Henderson.

Senator Watt: If you chop down 50 trees here, that may have a bigger environmental impact than chopping down 50 trees there. It's these things called ecosystems—I don't know if you've come across them.

Senator BRAGG: You don't have to be so paternalistic. I'm not a child.

Senator Watt: Well, mate, do you want to have a look at how you've been questioning our people today? The—

Senator BRAGG: It's a simple question.

Senator Watt: ecosystem in one area is different to the ecosystem in another area. These are the issues that are taken into account. And this is the same system that your government presided over and failed to reform.

Senator BRAGG: Can I ask the official then, Minister? If I cut down 50 trees, do I have to build 50 new trees?

Senator Watt: What are you going to build them out of?

Senator BRAGG: Plant 50 new trees.

Mr Gaddes: We will walk you through the standards that we're consulting on and the requirements that will be in place. Then I might get Mr Wentworth to talk you through whether or not it needs to be 50 new trees or whether it could be a conservation covenant on a number of trees that already exist—or there are options to plant new trees or to improve the habitat somewhere else. There are a range of options that proponents may choose to acquit their obligations.

Senator Watt: As the shadow minister, we'd be very happy to arrange a briefing for you on how the EPBC Act works.

Senator BRAGG: I'll be issued with crayons and textas so I can—

Senator Watt: No, I don't think it would require that. It might just require you turning up with an open mind.

Mr Gaddes: We've done it once; we're happy to do it again.

Senator BRAGG: I think Senator Canavan had some questions.

CHAIR: Senator Canavan.

Senator CANAVAN: Say I'm a landowner in Queensland and I own category X land. Can I continue to clear regrowth?

Mr Gaddes: The answer to that—while the officials come to the table—depends on how mature the regrowth is on the property and then whether or not the clearing of that regrowth is likely to have a significant impact on a nationally protected matter.

Senator CANAVAN: A farmer now, after the law changed last year, has to assess whether regrowth on category X is a matter of or affects—significantly impacts—a matter of national environmental significance. Is that correct?

Mr Gaddes: The first threshold for the farmer is to go back in his mind and figure out whether or not he's cleared it for the last 15 years. If to his knowledge he hasn't cleared it in the last 15 years—this side of 15 years old—he's past the first threshold. The act then applies to the clearing of that stand.

Senator CANAVAN: So if he has cleared it in the last 10 years, he can continue to clear it?

Mr Gaddes: As long as he has been continuously clearing it, yes.

Senator CANAVAN: In that event, if he's cleared it 10 years ago, he doesn't have to assess whether it significantly impacts a matter of national environmental significance?

Mr Gaddes: That's correct. It's only when it's 15 years or over.

Senator CANAVAN: If it's 15 years or more, he has to go back now and do that. How does he assess that? How does he assess, in the event he's at more than 15 years, that his clearing doesn't have a significant impact on a matter of national environmental significance?

Mr Kaiser: The same way any other proponent assesses it.

Senator CANAVAN: What does it involve? Does he have to get a consultant to assess these issues?

Mr Kaiser: He or she can contact the department and we can assist.

Senator CANAVAN: Have any farmers since December last year contacted you?

Senator Watt: Yes.

Mr Kaiser: We've had a lot of discussion with—

Senator CANAVAN: How many farmers have contacted your department?

Mr Gaddes: It's 248 phone calls plus 11 emails.

Senator Watt: And there's been a number of—like, over a dozen—meetings and consultation sessions between the department, NFF, AgForce and individual landholders.

Senator CANAVAN: Yes. There's a lot of concern out there.

Mr Kaiser: And there have been forums throughout regional Queensland.

Senator CANAVAN: What have you told those 248 people? What do they have to do to assess the impact?

Mr O'Connor-Cox: I've got some information that groups the types of topics that were raised and discussed. Basically, while the EPBC Act has been in operation for over a quarter of a century—and there's a range of guidance and information documents on our website—we have provided some extra information for landholders as a result of the change.

Senator CANAVAN: Maybe in summary—I've only been given 15 minutes—but what do they have to do? Do they have to go to a consultant?

Mr O'Connor-Cox: It depends on the circumstances. A number of those phone calls have resolved with the landholder not needing to hire a consultant and not needing to refer—

Senator CANAVAN: How many of those 248 have you given that advice?

Mr O'Connor-Cox: What I can say is that we've had 248 phone calls, 11 emails and a number of other interactions. But, in Queensland, I'm aware of only a few pre-referral meetings. I can check that for you, but I think it's around six. This is the precursor to them actually needing to refer. I think we're expecting two or three referrals out of that.

Senator CANAVAN: Of those two or three, how much land are we talking about as being cleared? Can you take that on notice.

Mr O'Connor-Cox: I'll have to take that on notice. We may or may not have it.

Senator CANAVAN: For the other—if you've only got six—242, have they got the green light? Is there any risk that down the track they could still face action, or have you given them a tick to say, 'Go ahead; you're protected'?

Mr O'Connor-Cox: There's no sort of formal tick mechanism through the phone calls. That's just information about where to find information to satisfy themselves that they will if they need to—

Senator CANAVAN: So those farmers still potentially face the risk of legal action down the track if they've made a mistake.

Mr O'Connor-Cox: Yes. If they have had a significant impact on a matter of national environmental significance and they're not exempt, then they are at risk.

Senator CANAVAN: They're treated like criminals just for farming.

Senator Watt: Well, no—

Senator CANAVAN: Or suspected criminals. No, that's the attitude of this government. You just said that, yes, they could potentially face legal action for growing food.

Senator Watt: I know you're currently in your post-mining farming phase, but what has happened here is that farmers and the agriculture sector are being asked to follow the same rules as every other sector has to follow—housing development, mining, renewables et cetera.

Senator CANAVAN: Let's be very clear that you've changed the law. The law previously had continuing use as an exemption.

Senator Watt: Yes, we changed the law.

Senator CANAVAN: You changed it, and you've put a significant risk on farmers, as was just confirmed by your own officials. What if you have got category X land within 50 metres of a watercourse in the Great Barrier Reef catchment area?

Mr O'Connor-Cox: The continuous use exemption for lawful actions has been adjusted both for where clearing has not occurred in the last 15 years and for where that clearing is within 50 metres of a watercourse, a wetland or a drainage line in the Great Barrier Reef catchment area. That exemption doesn't apply, so there's not an automatic exemption from the act.

Senator CANAVAN: So even if they cleared it two years ago, they've still got to go back and assess it.

Mr O'Connor-Cox: If they want to clear it again and it's within 50 metres, then it's not exempt.

Senator CANAVAN: How many of those 248 are related to areas in the Great Barrier Reef catchment area?

Mr O'Connor-Cox: I don't have that information.

Senator CANAVAN: Could you take that on notice?

Mr O'Connor-Cox: Sure.

Senator CANAVAN: Have you got a map of what areas are within 50 metres of a watercourse?

Mr O'Connor-Cox: We do. That's part of the definition of that provision.

Senator CANAVAN: Is that publicly available?

Mr O'Connor-Cox: That's publicly available. And we provide mapping tools and—

Senator CANAVAN: What percentage of the Great Barrier Reef catchment area is within 50 metres of a watercourse?

Mr O'Connor-Cox: I don't have that information.

Senator CANAVAN: No-one's calculated that? Maybe you could take that on notice. In some areas, an issue that farmers have raised with me is that, in these coastal areas, water runs everywhere, basically. Is the map that's been distributed a legally enforceable map? If I'm outside 50 metres according to that map, does that give me protection in court?

Mr O'Connor-Cox: The definitions that are used in the legislation actually cite the map that we have for that.

Senator CANAVAN: So the map is in the law.

Mr O'Connor-Cox: That's right.

Senator CANAVAN: So there's no uncertainty there. Are you producing additional guidance at all, or is that all that they're getting at the moment on this change in law?

Mr O'Connor-Cox: As well as the suite developed over 25 years for every other sector, the case studies, the self-assessment template and other tools that we have provided already, and the 1800 number, there's also a specific guide for farmers. We're working with a number of Queensland ag sector peak bodies and we're developing that are using their experience. And there are a number of producers that are working with us on that as well so that we can make sure we're being as clear as possible so that those people understand their obligations and we can be as helpful as possible.

Senator CANAVAN: Did the government conduct a regulatory impact statement of these changes and how much it would cost primary producers to assess these new risks?

Mr Gaddes: No, these were not subject to a RIS process because they were the subject of a parliamentary negotiation process.

Senator CANAVAN: But hang on—so you don't even know how much this would cost primary producers? There'll be a cost.

Senator Watt: We didn't do a RIS.

Senator CANAVAN: You didn't even calculate how much it would cost farmers before changing the law?

Senator Watt: I'm not aware of that work having been done.

Senator CANAVAN: Are you doing a post-implementation review of the law changes? Isn't that a requirement?

Senator Watt: My recollection is that the whole EPBC Act will be reviewed again in five years. It used to be every 10 years, but we changed that to every five years.

Senator CANAVAN: Have you asked PM&C about the PIR obligations? Usually, if you don't do a RIS, you have to do a post-implementation review—don't you?—on a regulatory change. This is a major regulatory change for farmers.

Ms Kay: We've had some conversations with the Office of Impact Analysis. I can take the exact details of those on notice. We do have to do an updated assessment to account for the development of the national environmental standards, but, in terms of—

Senator CANAVAN: I'm just wanting to know. It doesn't sound like there are any plans at the moment to, after having shot first and potentially asking questions later—there's not even a plan to ask those questions later. There's no plan to have a post-implementation review for these specific changes on the continuing-use exemption?

Ms Kay: Not at this stage.

Senator CANAVAN: It beggars belief, given the concern that's been raised with me and I'm sure has been in the forums to you. It seems like you just don't want to see it. The government wants to turn a blind eye to these problems rather than confront them.

Senator Watt: You can characterise it however you choose.

Senator CANAVAN: Why wouldn't you just do an assessment like you're required to do under the government's rules around regulatory changes? Since the law changes last December, has the minister or the department met with the ACF, the WWF and Greenpeace to discuss the impact of these changes?

Senator Watt: I can answer for myself. Since the changes were made, I've met with a range of stakeholders, including AgForce and the National Farmers' Federation. I know the ACF has raised this issue with me as well. I don't recall it being raised by other environmental groups, but—

Senator CANAVAN: Maybe on notice, could the department give me details of any meetings officials have had with those three organisations since December last year.

Mr Gaddes: We'll take it on notice. We meet with those stakeholders regularly in the context of other parts of the reforms, so we need to go back and check—

Senator CANAVAN: I'd like the dates and how many meetings.

Senator Watt: Would you like to know about the consultations with agricultural groups as well?

Senator CANAVAN: I'm aware of those because I talk to farmers. ACF don't normally talk to me. I'm happy to meet with them. Has ACF, WWF, Greenpeace or any other environmental organisation passed on specific clearing practices for the department to investigate since December last year?

Ms Yannopoulos: Yes, we regularly get allegations from ENGOS.

Senator CANAVAN: So that has happened in the last six months or so?

Ms Yannopoulos: Yes.

Senator CANAVAN: How many allegations have been provided by those groups in that timeframe?

Ms Yannopoulos: I just need to have a look at that. I don't know the exact—I don't think I have it based on who provides the allegations.

Senator CANAVAN: How many allegations have you had in the last seven months generally?

Ms Yannopoulos: Allegations of land clearing 2025 to 1 May—there have been 227 allegations received.

Senator CANAVAN: When was that since?

Ms Yannopoulos: For financial year 25-26 to 1 May.

Senator CANAVAN: On notice, if you get me the figures since December last year as well, that would be great.

CHAIR: Senator Canavan, I'll have to move on.

Senator CANAVAN: I've got another line of questioning. Can I just have one more question on this line, and then I've got another line of questioning. Is the department itself engaged in particular compliance action around this regulatory change? Are you taking any specific action, or have you devoted more resources to compliance to assess?

Ms Yannopoulos: As I mentioned earlier, we have a dedicated illegal-land-clearing team, so we are investigating a number of matters at this point in time. We're working in partnership with the environmental regulation division around the education side of things to make sure that people understand their obligations in compliance as well.

Senator CANAVAN: How many illegal-land-clearing allegations are you investigating at the moment?

Ms Yannopoulos: We've got 107 open matters at the moment.

Senator CANAVAN: How many of those have started since December last year? You can take it on notice.

Ms Yannopoulos: I can probably take that on notice, or I can pull it up in a minute.

Senator CANAVAN: Okay. Thank you, Chair. I've just another line of questioning if you get a chance.

CHAIR: Sure. Senator Pocock.

Senator DAVID POCKOCK: Thank you for your time today. Minister, does the government still maintain its commitment to no new extinctions?

Senator Watt: Yes.

Senator DAVID POCOCK: I'm looking at a report from the Biodiversity Council, and they looked at the budget and said that spending on on-the-ground conservation is still 0.06 per cent. It would need to be at one per cent to deliver on your commitment. I'm just wondering how you will deliver on no new extinctions if we're spending 0.06 per cent and need to be spending one per cent?

Senator Watt: I'm not sure if you were here when Senator Waters was asking questions about this as well. We don't accept the argument that we've cut funding for biodiversity. You've heard me talk about the extra money—I think it was \$1.1 billion or \$1.2 billion—invested in this budget for the environment. This is not the only portfolio where stakeholders would like us to spend more on their thing. I respect the fact that there are—

Senator DAVID POCOCK: I get the competing priorities. I'm just interested: why make a commitment to no new extinctions? A body of scientists, the most eminent ecologists and environmental scientists in the country, says: 'Great, well done; we love that commitment, and most Australians want to see more spending on nature. If you're going to commit to that, you need to spend one per cent.' Why are we spending 0.6 per cent? I accept that if you throw water and all these other things in it's a big number. Water is expensive. But, in terms of on-the-ground conservation, how are you going to deliver if experts say that you can't do it spending that amount of money?

Senator Watt: I respect the view that that organisation has put forward; I don't agree with it. The way we intend to deliver on that commitment is through a range of existing and new programs. There was obviously an extension of funds in the budget for the Saving Native Species program. The Australian Bushland Program will go towards that. The EPBC reforms will go a long way to avoiding species extinction. It's not only a matter of spending; it's also about regulation. You would be aware of the work that we're doing around the review of marine parks as it relates to species extinction in the oceans. So there are a range of different activities, some spending, some regulatory, which we're undertaking to ensure we meet that target.

Senator DAVID POCOCK: Looking on budget night, in lockup, I had to go out and call the department to confirm that I wasn't missing anything in terms of our nature spending, because it seemed so small. I appreciate all the work that the department is doing on this. Why weren't those sorts of projects just funded over the forwards? Why was there just a one- or two-year extension for a lot of the big projects in this space?

Senator Watt: Again, right across government we've said this is a tight budget and we've had to make a lot of savings. There are some programs in this department that we had to cut entirely, just as there were programs in other departments that were cut entirely. I fought very hard to retain spending in some of those programs, and in some I was successful and in some I wasn't. It was important, I felt, to ensure that programs like Saving Native Species continued. Again, there are a range of other programs, some of which had started already, some of which were new. The NHT funding is also investment in nature. There are a range of different programs that we undertake. The budget tends to highlight the new funding rather than ongoing funding, but if you put them together there's a substantial investment there towards nature, along with historic reforms to our environmental laws that will help as well.

Senator DAVID POCOCK: Which projects did you cut entirely? You said you cut some projects entirely from this department.

Senator Watt: Off the top of my head I can't remember, but I'm happy to come back to you on notice. Nothing, I think, in the nature space.

Ms Stuart-Fox: No nature programs.

Senator DAVID POCOCK: No cuts?

Ms Stuart-Fox: No.

Senator DAVID POCOCK: Maybe just on notice, then. I'm interested to ask some questions about the Local Environmental Projects Program. Does the website identify all grant recipients and projects under the program?

Ms Raynor: The website is currently being updated as contracts are being struck through the Business Grants Hub with the projects that have been selected. So at this stage it wouldn't represent all of the up to 40 projects that we expect to be engaged through this program, but it does reflect a point-in-time representation of the projects as they come online.

Senator DAVID POCOCK: When will that be updated by?

Ms Raynor: The deadline for all grants to be entered into is 30 June this year. At this stage, I can give you an up-to-date picture as to where we're at.

Senator DAVID POCOCK: I appreciate that, but I'm more keen to dig into the process. What process was followed to identify these projects?

Ms Raynor: These projects are a combination of projects that are designed to improve biodiversity conservation outcomes, projects that are improving heritage outcomes, and some that are targeted at community resilience. These projects came out of election commitments through the 2025 election process. They were projects identified through the government's process by both the Commonwealth and local members.

Senator DAVID POCOCK: So these are election commitments, not a merit based—

Ms Raynor: Yes, exactly.

Senator Watt: I would argue they have merit.

Senator DAVID POCOCK: No doubt.

Senator Watt: But there was not an open application process.

Senator DAVID POCOCK: So what happens now? Say the Labor Party—the government—makes an election commitment to a project, they apply, and it doesn't stack up. Has that happened yet? What happens to that money?

Ms Raynor: What actually happens is there is a total of up to \$83.9 million that was allocated for these commitments. Prior to the projects coming online, there are value-for-money assessments that are conducted. There are different processes for these projects. Up to 35 projects were invited to apply for grant funding. In that case, this department will work through the Business Grants Hub to invite those proponents to apply for that funding under a grant opportunity. That's the process that closes on 30 June 2026. We have had a very successful uptake of those projects. At this point in time, basically, most of those proponents have come forward. What actually happens is that they are invited to apply against grant opportunity guidelines which have been developed with the Business Grants Hub, and then it is a process of assessing the merits of those project proposals to make sure they meet value for money.

There are three projects that have been separately contracted with the Tasmanian government under a federation funding agreement there. They are for heritage projects. They were some of the early adopters there. Then we have projects that are underway through different allocations. One of them is with the Sydney Harbour Federation Trust, where there's a direct payment made for that project.

Senator DAVID POCOCK: Looking through them and listening, I really don't have a problem. The projects seem good. It just seems, on principle, Minister, we've got \$99.6 million to extend Saving Native Species, so just under \$50 mil a year for our flagship funding mechanism, and then we have 83.9 million bucks in what seem like good projects but are fairly untargeted—it doesn't seem like there's a lot of strategy behind them—election commitments. You've just said how tight the budget is in this space. There's more on election commitments than our yearly spend on Saving Native Species. How do we explain this to Australians?

Senator Watt: Many of those election commitments, as I recall, were one-off payments. They're not necessarily ongoing. They were put forward by a range of members as representing strong environmental gains in their electorates. So we think that they're worth funding, just as we think that the Saving Native Species program is worth funding.

Senator DAVID POCOCK: And they all went to Labor electorates?

Ms Raynor: I would say no, they didn't, but I can come back to you on notice there. Can I build on my answer by saying that even though these projects do come under a different program name, the Local Environmental Projects Program, they actually build on the successes of a number of different programs. They do build on Saving Native Species—there are a number of projects that go to targeting particular species—and also the Urban Rivers and Catchments Program. So there are projects there that do look at supporting native species.

Senator DAVID POCOCK: Did the department put them forward to say these projects would build on these things, or does it just happen that they build on existing work?

Ms Raynor: It does happen that they do build on existing policy platforms for those programs.

Senator DAVID POCOCK: For a country that is a megadiverse country—an appalling track record. They're great commitments. I really welcome your government's commitments on them, but we have to find a way for Treasury to fund nature in this country. I find it so sad that every estimates we come here and we're talking \$50 mil a year.

Senator Watt: Well, that's one program—

Senator DAVID POCOCK: Yes—which is doing a lot.

Senator Watt: in a much larger budget. I understand that there are some groups who've focused on that funding, but, of course, as I've said, there's the Australian Bushland Program, the NHT funding and the work that

the agriculture department is funding when it comes to pests and weeds as well. There's a lot happening across government. I understand why people might focus on one program. It's one of a number of measures, and, again, the regulatory changes will make a difference as well.

Senator DAVID POCOCK: It's basically the one everyone is told to go to for funding, but I appreciate you are trying to get more funding. I think this is a broader issue around culture and what we value.

I'm keen to ask about something I've asked about in previous estimates—I'm not sure which one it was, maybe the last couple. In mid-October last year there was a reported sighting of a koala in the northern woodland here in the ACT. I managed to spend a few hours on the weekend looking, and I saw it. I took some photos. This is on ACT Suburban Land Agency land, and there's an extension of a suburb being developed. I think 88 houses were planned exactly where this koala was. I'm interested in what the process is. The koala is an endangered species, and my understanding is that the project proponent would have some sort of obligation to report that, given it was found when they were marking out the demolition. I checked the EPBC portal, and it looks like there has been no referral yet. What does the law say? What is the timeframe for referral?

Senator Watt: We'll see if we can find the right person.

Mr Gaddes: The reason we're asking people to come to the table is one koala may not be of significant impact. We'll just get the right people to the table for your question.

Ms Gowland: I think you might be talking about Jacka, and that's the Belconnen strategic assessment.

Senator DAVID POCOCK: Probably.

Ms Gowland: I don't actually have any notes on that right here—

Senator DAVID POCOCK: That's great, I love that! Let's go note-free.

Ms Gowland: There is a strategic assessment in that space where Jacka was sighted—was it a couple of years ago now?

Senator DAVID POCOCK: No, it was in October last year.

Ms Gowland: We've been working with the ACT government, and that strategic assessment proponent is the ACT government's, and they've taken responsibility to do some work around whether there may be other koalas and whether the population—if there is one—is a viable one, so that we understand better what the impacts of the development might be. It's a matter for the ACT government as a proponent of that strategic assessment.

Senator DAVID POCOCK: What are they doing? We know that if there's a koala there, it's very likely that there's some sort of population through there. I've spoken to a bunch of ecologists who say, 'Yes, there probably is.' Do we just say to the ACT government, 'Deal with it'? I'm trying to understand what has happened.

Ms Gowland: The ACT government will work to understand what we might need to do to protect a koala population, if it's there, through that development. They're very committed to protecting that koala population if there is one there.

Senator DAVID POCOCK: Is there one?

Ms Gowland: I'm not sure. I don't know, but I know the ACT government are pursuing that line of investigation.

Senator DAVID POCOCK: This is my question: we're now in May and this was in October. Is this the process, that the proponent just does stuff? Do they have to do surveys and at some point come back to you, or could they continue to clear?

Ms Gowland: I understand that the area is not being cleared at present, but I'll have to take that on notice.

Senator DAVID POCOCK: But could they, under the current laws?

Ms Gowland: It depends on the conditions of the strategic assessment, and I'll have to take that on notice, but from what I understand from our conversations with the ACT government, that's not what's happening at the moment.

Senator DAVID POCOCK: Do you know what is happening?

Ms Gowland: They are coming back to us with what the potential impacts might be in that space. As you would be aware, not many koalas have been seen in that area—in fact, I think Jacka has been the only one—so it's quite a detailed methodology that they need to apply to understand whether there might be more koalas and, indeed, how many there might be.

Senator DAVID POCOCK: I spoke to someone who said they had some dogs in doing sniffing and scout surveys—do you know the results from that?

Ms Gowland: I don't have any results.

Senator DAVID POCOCK: I'm trying to understand how the Commonwealth holds people to account if there's a sighting of an endangered species and it's left up to the proponent. They haven't continued clearing, but could they have? Could they then just say, 'Oh well, we cleared.'

Mr Gaddes: I might be able to answer that. Ms Gowland did say that she is going without notes, so there are probably a range of people in the department that have better and more contemporary knowledge about this issue than Ms Gowland does.

Senator DAVID POCOCK: I'm more talking about the process. I'm sure someone knows the timelines and the process for what should happen.

Mr Gaddes: But the process is different based on which approval pathway you go through. Ms Gowland was trying to tell you that this is a strategic assessment, so we accredit a state process. They follow the state process, which is set out under the plan, policy or program that the minister has agreed to. Where Ms Gowland is not able to help you is that she's not familiar with the actual plan, policy or program. It's not before her. So we can't take you through exactly what the process is that people need to follow, because they're not standard sets of conditions or plans, policy or programs. We'll take that one on notice. We'll come back to you on what has happened and what we would expect to happen from here. But, at the moment, I don't think Ms Gowland is able to offer any more than she already has.

Senator DAVID POCOCK: Under this approval process, are there requirements on states and territories to actually have regular surveys? I know that here in the ACT we're in this situation where I think they do decadal small mammal surveys, and so you actually have no idea. It's like, 'Oh, the dunnarts dropped out some time in the nineties—we think.'

Mr Gaddes: It depends on the individual plan, policy or program, because they're not always about koalas. Sometimes they're about grasslands. They're about different things.

Senator DAVID POCOCK: You've got to be surveying stuff.

Mr Gaddes: They'll be bespoke.

Senator DAVID POCOCK: What's the requirement on actually collecting that data, given you're handing over an approval?

Mr Kaiser: We've said we'll come back with a considered answer on notice. But, as a general principle, it's not unusual in a development proposition, where there's a referral, for the proponent—in this case, it sounds like it's the ACT government—to do contemporary survey work so that they can share that with us. We can then make an assessment of the impacts and the consequences of the proposition. As a general principle, that's the way it works. It's the proponent's obligation to gather that data, and it needs to be contemporary data so that we can assess that and make some determination in respect of their referral.

Senator DAVID POCOCK: Thank you, but I'm interested in what the requirements are on states and territories, in terms of having enough data to actually make a good assessment.

Mr Gaddes: This is where we have to go back and check the actual plan, policy or program that we've accredited under section 10 of the act. They put the proposition to the department or to the minister at that stage. We go through and assess how they're going to go through and manage these kinds of issues. Then they're accredited over time. The state goes off and does that—they're the proponent in this case—and they report to us periodically about how they've been doing it. We don't have that information before us now. Proponents provide that to us, we accredit it and the minister makes the accreditation.

Senator DAVID POCOCK: I understand that. But, in the handing over of the process, are there requirements as to the kinds of ecological surveys that states and territories should be starting to do, given we just see so little resourcing in this space?

Mr Gaddes: Do you want to answer that one, Kate?

Ms Gowland: To get the approval in the first place, they did an extensive impact assessment which included surveys for a range of different species. As you know, koalas are not one of those species that's been common in the area. But it is quite possible that the program or the plan for this strategic assessment had written into it that they would continue to do survey work as they progress development. And there might have been conditions around contingency. But I don't have that in front of me, so I would have to confirm that.

CHAIR: Senator Pocock, you may have to end it there for now.

Senator DAVID POCOCK: Sure.

Proceedings suspended from 15:48 to 16:05

CHAIR: I'm going to Senator Whish-Wilson on outcome 2.1.

Senator WHISH-WILSON: I have a couple of quick questions on marine parks. For the review of the 2018 Australian marine park management plans, I wanted to get an update on how we're sitting with the timeframes. Firstly, there was the Director of National Parks commissioned independent evaluation of the 2018 management plans that was going to be done by September 2025. Has that been completed?

Mr Sullivan: The more detailed evidence could come with the Director of National Parks, who's been called, who's handling this matter, but I can do my best. In terms of the review processes—as I understand it, you're after a timetable?

Senator WHISH-WILSON: I've got a couple of timeframes here from the document on the website of Australian Marine Parks. It just has timeframes with steps 1 to 10 starting in September 2025 through to mid-2026, where it talks about stakeholder engagements on the independent evaluation and review parameters and publishing independent evaluations by mid-2026 and first public consultation on proposals to develop new management plans by mid-2026.

Mr Sullivan: The indicative timeline for the review. The preliminary consultations are on track to be finished by mid-2026. The independent evaluations are on track to be completed by 2026. We then go into two statutory consultation processes. One of those will commence post the completion of those consultation processes and evaluations. Then there'll be a statutory public consultation on the draft management plans, and that will commence around mid-2027. The final indicative timelines for plans to be finalised and approved by the minister is late 2027.

Senator WHISH-WILSON: That kind of goes to my next question. Just looking at the budget papers, page 50 of Budget Paper No. 2 has appropriations for marine park review under 'Oceans Leadership Package—Australian Marine Parks and marine parks management'. The numbers show there's \$8.3 million there for Director of National Parks for 2026-27, \$3.2 million for DCCEEW and total payments of \$11.5 million, but there's obviously nothing in the forward estimates. My question was about when the budgeting will occur for the implementation of this process.

Mr Sullivan: You're right in terms of the budget announcements in BP 2. That is ongoing. It's funding for management activities as well as a grants program for the Our Marine Parks grants, and then \$1.2 million to strengthen national oceans governance. With respect to funding for the review process, that funding has already been provided and has funding over the forward estimates.

Senator WHISH-WILSON: Thank you. My question was about the implementation of this process. When would that occur? Presumably the review will suggest some changes.

Mr Sullivan: We already have funding for that, Minister. Obviously, as we come to the conclusion of the draft management plans, if there is any change to zoning et cetera, that potentially has impacts with respect to structural adjustment, which is what we're doing with the south-east plan at the moment. That's a matter for government over the forward estimates. But we do have funding to take us through the timeline that I talked about before, and that was in the previous budget, not in this budget.

Senator WHISH-WILSON: I might put some more detailed questions around that on notice. I have a couple of follow-up questions around marine parks and federal funding agreements to the states and territories. In December 2022, Senator McCarthy announced \$2.8 million federal funding for marine parks in the waters off the Northern Territory. I'm not sure whether you want to take this on notice or whether you have the numbers now. Are you able to provide a breakdown of what programs and activities that funding has delivered?

Mr Sullivan: I will have to take that on notice. I know that we're coming to the conclusion of that. It concludes at the end of this financial year, but I'm happy to give you a breakdown, on notice, of how that money's been spent.

Senator WHISH-WILSON: Thank you. I understand \$2.27 million was also allocated in the federation funding agreement schedule. Are you able to outline the breakdown of that as well, on notice?

Mr Sullivan: I'll take it on notice.

Senator WHISH-WILSON: Thank you. This question might be for the minister. At the 2022 election, Labor committed to provide \$4 million to states and territories—like the NT—to address existing capacity shortcomings in managing state marine parks. Are you able to tell us whether the announcement by Senator McCarthy for the NT and the federation funding agreement schedule equate to your election commitment, or are you able to provide information on whether there was extra stuff on top?

Senator Watt: I'll need to get some help on that one.

Mr Sullivan: And I'll need to get some help as well, so I'll take it on notice.

Senator Watt: I don't know the answer to that question—

Senator WHISH-WILSON: You don't know the answer to that?

Senator Watt: but we'll come back to you.

Senator WHISH-WILSON: Great. I'll skip to a couple of other quick things, starting with the H5N1 bird flu. Mr Sullivan, I don't know if we'll get to the Antarctic Division tonight; I hope we do. Normally we struggle getting to them, but I think my question fits under this outcome, too. It was confirmed that the gentoo penguins were the first birds on Australian Antarctic Territory to contract H5N1. Are you able to provide an update on monitoring outcomes related to that?

Mr Sullivan: In terms of the—

Senator WHISH-WILSON: What's the latest data showing in relation to the spread of bird flu in Australia? Has anything changed?

Dr Fraser: The positive findings of bird flu on Heard and McDonald Islands don't change the risk status for Australia, which has been high-risk for quite some time.

Senator WHISH-WILSON: So it was as expected?

Dr Fraser: It was expected to find signs of bird flu. That was then confirmed with the Australian Centre for Disease Control when those samples were returned. Given the spread of bird flu down through South America and then through Antarctica and sub-Antarctic regions, that was not unexpected at all.

Senator WHISH-WILSON: Have there been any other developments that we need to be aware of?

Dr Fraser: No.

Senator WHISH-WILSON: My last set of questions relate to a subject I've been raising for many, many years, and I'm not quite sure exactly who to direct them to. It's long-spined sea urchins. Minister, are you—

Senator Watt: I was sitting here predicting that's what it would be!

Senator WHISH-WILSON: It's one of the things I've been raising for many, many years. I understand, or you may be aware, that a long-spined sea urchin, *Centrostephanus*, was found off the west coast of Tasmania. Has the department investigated that discovery?

Senator Watt: I remember actually signing off a reply to you about this only on Friday, which you may not have seen yet. But why don't I get the officials to respond.

Senator WHISH-WILSON: I have got a copy of that here.

Senator Watt: Ah, there you go.

Senator WHISH-WILSON: It is different to my question. I was asking why you weren't spending more money on dealing with the problem, but we can get to that.

Ms Jago: We are aware of the long-spined sea urchin occurrence on the west coast of Tasmania and have engaged with the Tasmanian government about next steps. In a meeting just recently they referred to the fact that they're doing some surveys.

Senator WHISH-WILSON: Could you elaborate on your engagement with them?

Ms Jago: I have a regular discussion with various parts of the Tasmanian government. It was through one of those regular engagements that we talked about long-spined sea urchins.

Senator WHISH-WILSON: They're not formally listed, or they weren't listed under the previous law, as a key threatening presence for the giant-kelp forests. What's the particular framework or context that you raised this in?

Ms Jago: From a couple of different angles. We work closely with another part of the Tasmanian government around the giant kelp. But in this particular case I was speaking with the fisheries area and we were talking about the various uses for long-spined sea urchin and their recent wildlife trade export approval for that fishery. That's where they're able to then harvest the long-spined sea urchin, process it and then send it overseas.

Senator WHISH-WILSON: Okay. Is the department involved at all with the urchin taskforce? Or is that just FRDC officials?

Ms Jago: We're not on the taskforce; we weren't part of the taskforce. But we've been to the workshops, including with yourself at one of them—I think it was in 2024. So we've been to two workshops, but we're not part of the regular taskforce. But FRDC do represent on that taskforce.

Senator WHISH-WILSON: Okay. This is perhaps for you, Minister: are you aware of the similarities between long-spined sea urchins and, for example, crown-of-thorns starfish in the Great Barrier Reef?

Senator Watt: In a very general sense I am, but I'm not going to pretend I'm an expert on every species in the country.

Senator WHISH-WILSON: What do you think the similarities are between these two things?

Senator Watt: They are both potentially destructive species in the ocean. I know the crown-of-thorns starfish are endemic rather than invasive, and so are the urchins I'm advised. I'm not going to try to test my luck too much by giving you much more of a description. That's why we have experts in our department.

Senator WHISH-WILSON: What do you think are the similarities, Ms Maguire?

Ms Maguire: They are both native species and they are both posing serious ecological threats. In the case of crown-of-thorns starfish, there is no alternative use for them. In the case of sea urchins, as you are well aware, they are good for human consumption, and so the primary response to addressing that issue is the growth of a commercial fishery. As my colleague Ms Jago said, we have provided export approval and are considering another export approval for that fishery. The Fisheries Research and Development Corporation have said they are talking with industry about what else can be done to enable the growth in that as a fishery as the most effective way to control long-spined sea urchin. In addition to that, the government has provided funding, as you are aware, to restore giant kelp and remove sea urchins in the waters of Tasmania.

Senator WHISH-WILSON: Yes; in the areas around those rehabilitation sites. This is not a trick question: politically, what's the difference between a crown-of-thorns starfish and a long-spined sea urchin? You can have a go at this too, if you like, Minister.

Ms Maguire: I don't know, politically. I don't think I can answer that.

Senator Watt: To pre-empt where you might be leading, why do we fund crown-of-thorns starfish removal on the Great Barrier Reef and not sea urchin?

Senator WHISH-WILSON: Yes; to the tune of hundreds of millions of dollars over time.

Senator Watt: From where I sit, the Great Barrier Reef is a World Heritage listed site. Obviously, there are particular obligations towards that. As Ms Maguire has said, there is a commercial opportunity around sea urchins that doesn't exist around crown-of-thorns starfish, so I think there are some differences. But I accept the point that the urchins are a really difficult pest in waters off western Tasmania, and the approach that has been particularly followed is to develop that commercial fishery.

Senator WHISH-WILSON: Okay. You may also be aware that CSIRO, who did a lot of the work around that crown-of-thorns management plan that has been successful, have done the same study on long-spined sea urchins and said that it would apply equally to the management of these ecosystem interventions. Are you confident the states are going to fund the required research, starting with the monitoring, the data collection, the application of those measurement plans? Who's going to pay for it if the Commonwealth doesn't lead on this?

Ms Maguire: There is certainly an expectation that the states will have responsibility for most of these areas within three nautical miles. There was a recent announcement, as you would be aware, from—

Senator WHISH-WILSON: The Victorian government.

Ms Maguire: New South Wales—but also the NSW government—supporting the potential for Aboriginal business. Certainly, in the states—through the workshops my colleague mentioned and through the Centro Task Force and through the Australian Fisheries Management Forum—there is a lot of consideration and attention being given by the state fisheries agencies.

Senator WHISH-WILSON: Are you confident that those states will adopt similar approaches, given they've had, in some cases, quite radically different approaches to this pest in the past? Isn't a harmonised national approach necessary for a pest of this nature?

Ms Maguire: That's the benefit of the states talking together at the Australian Fisheries Management Forum about how they're managing and trying to ensure some consistency across the different jurisdictions.

Senator WHISH-WILSON: Minister, will you be ruling out any federal funding to assist the taskforce in the plan that was given to the Senate—in fact, to this committee—by well over 150 stakeholders around the country on how to manage the role the Commonwealth could play in actually getting on top of this?

Senator Watt: I'm not going to rule in or out funding decisions that may be made in the future. We've obviously answered on the approach that we're taking for the moment.

CHAIR: Senator Roberts.

Senator ROBERTS: Minister, we started talking about the national environmental standards under the EPBC.

Senator Watt: Yes.

Senator ROBERTS: I said that there hadn't been—you asked me to come back and ask all the same questions, so that's what we will do.

Senator Watt: Yes—the questions you attempted to ask in corporate.

Senator ROBERTS: Correct.

Senator Watt: Sure. We're ready.

Senator ROBERTS: I'm sure you are! Your website on the new environmental standards under the EPBC does not appear to have been updated for some time. It still says a circulation draft of the new standard would be made available in April. When will the new standard be made available to senators?

Senator Watt: I must admit I haven't checked that website lately, Senator Roberts. I might get someone to do that for me. But, roughly three weeks ago, we commenced a second round of consultation. Ms Kay will give you the details.

Ms Kay: We've only got two national environmental standards open for consultation on our 'Have your say' website. The matters of national environmental significance standard was released on 30 April, and our consultation closes on 29 May. The offsets standard was released on 8 May, and consultation for that closes on 9 June.

Senator ROBERTS: Minister, as things stand, the EPBC Act is, in my opinion, a disaster for economic growth in Australia. The Minerals Council of Australia quoted an increase in average decision times for resource projects of 60 per cent—from 2.3 years in 2019 to 3.8 years in 2025. What steps are you taking to increase your throughput—faster processing?

Senator Watt: As I mentioned in an earlier section—I don't think you were here, Senator Roberts—that is one of the key reasons behind the reforms that we passed the parliament last year. It was to speed up the assessment and approval timeframes for projects in Australia, whether they be housing, energy or resources. The other objective, of course, was to strengthen environmental protections. We want to fix that.

Senator ROBERTS: So, your main steps are revising the EPBC.

Senator Watt: Yes. We've done a lot of work internally to speed up the processes. You may have seen that today I announced some really dramatic improvements around housing approvals. We've done what we can under the existing law, but, with those reforms that we passed last year, we expect to deliver big improvements around timeframes for decisions.

Senator ROBERTS: The budgeting—we discussed this slightly before—includes a measure for introducing AI to the department. Will that help in data collection and analysis, or will that be making actual decisions? I think Mr Kaiser said it won't be making decisions, but perhaps you could explain.

Senator Watt: Yes. There was a little discussion about this before, Senator Roberts, when you weren't here, but why don't we quickly go back over that again.

Mr Gaddes: I might have a go at that. The EPBC Act has a range of threatened species and ecological communities and other nationally protected matters that proponents are required to gather a whole lot of information about. There's a range in our conservation planning documents—and they're quite complex—that proponents need to work through in creating a referral. The AI trial is designed to help people populate their referral documentation. If you have a certain action in a certain area, you put that into the AI tool. It then tells you the sorts of things that you should consider as part of your assessment. Proponents go and do that. It helps them speed up their assessment-documentation-gathering process. We get all the information up front, and they go through the system much faster.

Senator ROBERTS: Basically, the applicant can provide details and you can tell him or her, based on what their project is, what they need to apply.

Mr Gaddes: Well, the AI tool does it. It helps them at the front end gather all the information so that we don't have to stop the clock and ask them to go and gather things through their assessment process.

Senator ROBERTS: Minister, is the increased complexity of the EPBC Act a way of increasing delays for projects?

Senator Watt: No, and I would argue that we're reducing the complexity in this act. Not only would I argue that but a range of stakeholders from the business community have also acknowledged that the changes will improve processes as well.

Senator ROBERTS: On a \$500 million project—we started discussing this—the whole thing cost the project, across a 3.8 year development application cycle, \$25 million a year and almost \$100 million total over the four years. How is this not a financial penalty on applicants caused by procedural failure in your department?

Senator Watt: I think, when you asked that question earlier, Senator Roberts, I made the point that, again, that one of the objectives of these reforms is to reduce the timeframes for decisions around projects.

Senator ROBERTS: Is there a review on the EPBC Act's effectiveness in two or three years?

Senator Watt: In five years. It used to be every 10 years; we changed it to every five.

Senator ROBERTS: How many applications for resource projects with a project cost in excess of \$50 million are you currently holding, and what is the average age of those projects?

Senator Watt: We'll get the relevant officials to answer.

Mrs Svarcas: We don't capture the value of the project. I can't tell you how many there are over a certain value in the system. There is a field in the system, but it's not mandatory, and it's not verified. You wanted to know many resources projects we had in the system?

Senator ROBERTS: Yes, and what the average age of the projects is.

Mrs Svarcas: We also don't have the average age of the projects here today, but I can take that on notice.

Senator ROBERTS: Minister, how can you tell whether or not it's improving?

Senator Watt: What I'm saying is that one of the objectives of the reforms is to improve the timeframes. Those reforms are only just starting to roll out.

Senator ROBERTS: If you don't measure the timeframes, how can you determine whether or not it's improving?

Senator Watt: Ms Svarcas can answer that.

Mrs Svarcas: What we do report is how long it takes us to go through the approval. For resources projects—coal, gas and oil—I can tell you that in 2024-25, 67 per cent of the project went through the EPBC system on time, within the timeframes. In 2025-26, through to 11 May, that has improved to 92 per cent. We have seen a substantial increase in the performance stats.

Senator ROBERTS: Percentages are essentially averages, and can hide a lot. Can you tell us the actual details of the projects' age?

Mr Gaddes: I think that what Ms Svarcas is trying to say that we collect that information, but we don't have it in that format before us right now. If you have some questions, we can take them on notice.

Senator ROBERTS: Okay. What is your expectation for reductions in the figure of average age in the projects in 2.8 years, and will the EPBC laws stop getting in the way of economic growth, Minister, and the breadwinner jobs that go with mineral projects? Mining drives the economy, mining drives exports, mining drives the standard of living.

Senator Watt: All I can do is repeat what I've been saying. That's one of the reasons that we passed those reforms. I have to point out that the One Nation party did not support those reforms.

Senator ROBERTS: Because of the complexities that we think will make it worse.

Senator Watt: There are many industry groups that don't agree with you.

Senator ROBERTS: And there are many who do agree with us.

Senator Watt: I've got the press release from the Property Council and from the Housing Industry Association. I can dig out comments from mining groups.

Senator ROBERTS: The Minerals Council?

Senator Watt: I can come back to you with those, if you'd like.

Senator ROBERTS: Is your government aware it's spent a lot of money—it's still spending a lot of money—which is inflationary and hurts people as well. They need to pay for welfare, and they need to pay for the caring economy. It comes largely from the mining industry.

Senator Watt: I think I acknowledged earlier that the mining industry is an important economic industry in this country. It's not the only one, but it's an important one.

Senator ROBERTS: Many people would be hoping those words come true.

Senator Watt: It's already a big exporter. It's a major employer et cetera. One of the objectives of these reforms is to make quicker decisions around mining projects—brace yourself—solar and windfarm projects, housing development and critical minerals, as well as to strengthen environmental protections.

Senator ROBERTS: There's another aspect we can talk about.

Senator Watt: I think your colleague had a go at that earlier.

Senator ROBERTS: There will be a review in five years?

Senator Watt: Yes, a review in five years.

Senator ROBERTS: Thank you.

CHAIR: Senator McDonald.

Senator McDONALD: I have a few questions on feral pig programs.

Senator Watt: We haven't had that one today!

Senator McDONALD: No. I understand that it's been overlooked, so I'm delighted to fill that gap. Minister or department, I understand that there are around 26 million feral pigs in Australia. They're doing enormous damage both to the banana industry and to native species. I'd like an update on what the program is and how much you're spending.

Senator Watt: As you would be aware, some of that activity is funded by this department and some by the agriculture department. We can certainly talk to you about the environment department's role in that.

Ms Stuart-Fox: I'll ask our Threatened Species Commissioner to run you through our programs.

Dr Fraser: As the minister said, the national coordinated feral pig work is largely led out of the department of agriculture. I can talk to some of the feral pig work that's done in the environment department, which is largely based around individual projects that are protecting threatened species and threatened ecological communities from damage caused by pigs. They're projects under programs such as the Natural Heritage Trust and the Saving Native Species program and others.

Senator McDONALD: What role does the department of the environment have in input into the coordinated role?

Dr Fraser: I think the National Feral Pig Management Coordinator—again, you would need to go to the department of agriculture for details on this—is a funded position. It's supported by CISS, the Centre for Invasive Species Solutions, and the funding, in full or at least in part, comes from the department of agriculture, but it may be in part industry funded as well.

Senator McDONALD: It is. That's my understanding.

Dr Fraser: I don't have that information.

Senator McDONALD: One of my frustrations with the way we work as a parliament is the siloed approach that we take. I'm keen to understand how much the environment department is spending this year on those feral pig programs through, as I think you said, the National Heritage Trust—

Dr Fraser: The examples were the Saving Native Species program and the Natural Heritage Trust. But, on the comment on a 'siloed approach', we work very closely with the department of agriculture on priority invasive species, and they include feral pigs. We are involved in discussions around funding for national coordination. We're involved in decisions around state and territory engagement on those programs through governance committees, under the national biosecurity apparatus such as the Environment and Invasives Committee, where there are representatives from our department and from Agriculture but also from state and territory environment and agriculture departments all around the country. So there's quite a bit of coordination on these issues, especially for important national priorities such as feral pigs.

Senator McDONALD: So the money?

Dr Fraser: Our focus is on protecting matters of national environmental significance—threatened species and suchlike. We focus on funding spent to protect particular matters. We don't do a tally on how much money is spent on pigs. We don't have a program for pigs, as such, but I can give examples of projects where we're looking to protect threatened species from pigs. We're also not able to provide that information on notice. What we could tell you on notice is that we have, for example, 20 projects that are, amongst other activities, managing feral pigs which are impacting environmental matters.

Senator McDONALD: This might be why we've got 26 million feral pigs. I think, Minister, the point I'm trying to get to is that this is a matter of national significance, with the spread of disease and the impact on native species. This is the nature of government; I'm not having a go. But how is it that we know pigs do more damage than most other invasive species, the numbers are exploding and yet from the environment department I can't really get a number or details of coordinated programs? Do you think on notice—I know you've just said that on notice you wouldn't be able to give me that information—Minister, that this is something that you could follow up and see if you could get a brief on? Perhaps I could come and see you and talk about it. But, more importantly, at future estimates can we really have a go at this?

Senator Watt: I'm happy to look at what information we can provide. I remember, only in the last month, I signed off a couple of press releases about funding that we're providing for activities that include eradicating feral pigs, so there absolutely is work happening. Obviously, the environment department come at it more from the perspective of damage that pigs are doing to the natural environment, whether that be to turtle eggs or various other species. The agriculture department is coming at it from the impact on agriculture. But, as Dr Fraser said, there is a joined-up effort across different departments to make sure that funding is going where it needs to.

Senator McDONALD: We know that you need to kill 75 per cent of the herd to stand still. I'm not getting a sense that we've really got a handle on that or on the fact that we've got so many feral pigs. In the wet tropics, it is out of control. Would you mind taking that on notice? Minister, if I could, I ask that I get a briefing from the department—

Senator Watt: Sure.

Senator McDONALD: to see how else we can push. I'm not feeling wildly confident that this is a priority, despite it having such an enormous impact.

Senator Watt: I absolutely acknowledge how big an issue it is. Unfortunately, feral pigs is only one of the serious invasive species challenges we have around the country. I suggest we do that briefing and involve the agriculture department as well so you're hearing it from everyone.

Senator McDONALD: That would be great. I would appreciate that. In the same line, buffel grass is a matter of real concern and nervousness for northern Australian pastoralists, in particular. I want to understand what leadership role the federal government is taking on this. Can you give me an update on where you're up to there, please.

Dr Fraser: Certainly. Again, this is a shared responsibility between our agency and the department of agriculture when it comes to the Australian government. Buffel grass is a destructive weed which radically alters and degrades landscapes, alters fire regimes and—

Senator McDONALD: It was introduced by the Australian government, encouraged by the pastoralists to spread and is now a significant part of the ecosystem in northern Australia. Keep going.

Dr Fraser: I just explain that because buffel grass has now been nominated as a key threatening process under the Biodiversity and Conservation Act for these reasons, and that process—

Senator McDONALD: Sorry, can you clarify that—a key threatening process?

Dr Fraser: Under the EPBC Act, there's a process whereby threats to matters of national environmental significance can be nominated as key threatening processes. Buffel grass has been nominated as a key threatening process to threaten species and other MNES under the EPBC Act. That assessment is being undertaken at the moment by the Threatened Species Scientific Committee, with support from the department.

In parallel with that, buffel grass is being considered by a process, which is led by the agriculture department—we work in partnership with them on that and with all other governments around the country—to assess buffel grass under what's called the NEWP program, the National Established Weed Priorities program. Part of that assessment also considers whether those weeds should be considered weeds of national significance. That's a process which is under way at the moment.

Senator McDONALD: The agricultural department, at the last estimates, assured me that there was no work being done on buffel grass, but this is quite a different response.

Dr Fraser: I would be surprised. It's very much on the public record that this process is under way, and many stakeholders, as well as all levels of government, have been involved in that new process.

Senator McDONALD: My understanding is that not all states are supportive of that process—of the inclusion of buffel grass on that list. The Northern Territory, Queensland and I believe Western Australia have now joined that. How does this work if you've got the vast majority of the states' landmass not supporting it?

Dr Fraser: That process is still under way. I wouldn't hazard to comment where different states and territories are going to land on their positions. What I would note is that—

Senator McDONALD: I think they've been very public in landing their positions. I'm sorry, I've interrupted you, though. Keep going.

Dr Fraser: I would say that is a process that's still being worked through, as part of the committee that's overseeing that. I would note that two of those jurisdictions have buffel grass recognised as a weed already. The Northern Territory did so quite recently, and in South Australia it's been recognised as a weed for probably about a decade.

Senator McDONALD: South Australia wasn't one of the three I named.

Dr Fraser: No. I'm just mentioning it by way of the variety in how these weeds are managed and regulated around the country.

Senator McDONALD: Is there any money being spent on a biological eradication for buffel grass?

Dr Fraser: I'm not aware that there's a biocontrol agent for buffel grass at the moment.

Senator McDONALD: I'm sorry—you're just confirming that, are you?

Ms Waterhouse: That's correct.

Senator McDONALD: I've just received a report of a dingo relocation program. How across dingoes in Queensland are you as a federal department?

Dr Fraser: Dingoes are not an MNES. They're not a threatened species under the EPBC Act. We do recognise that dingoes are an important keystone species in the environment and are important culturally. I'm not aware of the translocation program or project that you're talking about.

Senator McDONALD: No? Okay.

CHAIR: I'm looking to the coalition now. Senator Canavan?

Senator CANAVAN: I have another line of questioning, if that's alright.

CHAIR: Yes.

Senator CANAVAN: Just to pick up on the buffel grass—does this mean buffel grass is now a weed of national significance according to the federal government?

Dr Fraser: No. As I was saying, buffel grass, along with several other species—and again, I suggest you talk to the department of agriculture for the details on this in a couple of days time—are being considered under the national established weeds priorities initiative. 'Weeds of national significance' is one of the categories under that initiative. That process is underway; those discussions are still happening.

Senator CANAVAN: It has not concluded.

Dr Fraser: No.

Senator McDONALD: How long does that process take? Because this has been considered for—

Senator CANAVAN: As long as Queensland stays out, my understanding is that it doesn't happen!

Dr Fraser: I'm not sure how—

Senator McDONALD: It's been a couple of years.

Senator CANAVAN: They're not going to agree!

Dr Fraser: The consideration of weeds of national significance can be quite contentious, and it will take quite some time. I think Agriculture can provide an answer on the likely timing but, I would think, maybe towards the end of this year.

Senator CANAVAN: I had some questions about the streamlined assessment pathway. If these were asked earlier, just let me know; I obviously haven't been here all day. Have any projects been assessed, or are any being assessed, under the streamlined assessment pathway to date?

Mr Gaddes: The streamlined assessment pathway doesn't come into force under the act until, at the latest, 1 December 2026. It could be proclaimed earlier, but it is in the last tranche of reforms to start.

Senator CANAVAN: I'm reading from your website. It says:
Some reforms commenced on **20 February 2026**.

Mr Gaddes: Yes. We're doing the reforms in three tranches. The first set of reforms are the no-regrets administrative changes to the act—that people don't need to change their behaviour. The second set of tranches

are those things which allow accreditations and those sorts of things. And then the third tranche, which is the final tranche, is those legal tests which change the way that the act is administered on individuals. They're tranching that way so that it allows proponents enough time to change their behaviour. So, when we put out the standards in mid-year, it will allow at least another three or four months for proponents to inform their referral documentation before the new legal tests switch on.

Senator CANAVAN: Has anyone approached you to be assessed under this pathway once it comes into effect?

Mr Gaddes: The pathway is determined by a decision-maker under the act. If a person or a company submits a referral that meets the requirements, it will then go through the streamlined pathway based on a decision at that time.

Senator CANAVAN: Who's the decision-maker?

Mr Gaddes: In this stage, it's the minister or a delegate in the EPA, at that point.

Senator CANAVAN: Okay, but, at the moment, he can't streamline anything?

Mr Gaddes: That provision hasn't commenced.

Senator Watt: Even under the existing EPBC Act, there were pathways to allow for the streamlining of processes. This is a new pathway in the new reforms.

Senator CANAVAN: Yes, that's what I'm asking about. So, no particular project has put their hand up yet and said, 'I'd like to be first cab off the rank'?

Mr Gaddes: I think there's plenty of interest when we talk to stakeholders about the streamlined assessment pathway.

Senator CANAVAN: You don't have a database or list of those?

Mr Gaddes: We wouldn't have that until they refer the project, and the project would need to be referred after that part of the act has been proclaimed.

Senator CANAVAN: Okay. Can someone who wants to build an oil refinery access the streamlined assessment pathway?

Mr Gaddes: No.

Senator CANAVAN: Why not? It's pretty important.

Mr Gaddes: The streamlined assessment pathway is not able to be used by fossil fuel projects.

Senator CANAVAN: Even though we risk running out of fuel at the moment, which would devastate our economy and society, under the government's plans that can't be streamlined.

Senator Watt: We did spend a fair bit of time talking about this with Senator Bragg before. It is true that that particular pathway is not available for fossil fuel projects, but what I was saying earlier was that there are a range of other pathways available to fossil fuel projects, under the reforms, that can simplify and speed up processes. The best example I can give you is a bilateral agreement with a state, where the state takes over the responsibility for doing the assessment and, over time, the approval, rather than a duplicated process with us.

Senator CANAVAN: Are there any discussions with the Queensland government to, say, do a bilateral agreement on the Taroom Trough?

Senator Watt: I am so glad you asked!

Senator CANAVAN: Right—go for it.

Senator Watt: We have privately and publicly called on the Queensland government to enter a bilateral agreement with us. You're familiar with the debate that's been going on with the Queensland government about the Taroom Trough?

Senator CANAVAN: Not really. I don't follow your media.

Senator Watt: I suspect you probably know a fair bit about what's been going on.

Senator CANAVAN: I know about it. I'd like to see it happen.

Senator Watt: I have, in writing to the Premier of Queensland, pointed out that we have an existing bilateral agreement with the Queensland government that could be used to assess that or any other project. As a result of the reforms, we'll be able to reach a new and improved bilateral agreement with any state and territory government. The reason the Queensland government has not begun the assessment of that project is that, as you

know, the proponents are still in an exploratory stage. They don't yet know the details that would be required to do an assessment.

But I've pointed out to the Queensland government that they can do it now if they want to, and I've been calling on them to enter a new bilateral agreement with us in the way that the Western Australian government has been very keen to do. But, of course, the Queensland government have chosen to set up a Productivity Commission inquiry and say that they will not enter a bilateral until that's over.

Senator CANAVAN: I believe the Premier has also asked that you reverse the changes that excluded fossil fuel projects from the national interest exemption.

Senator Watt: He has—

Senator CANAVAN: Can I just finish my question, Minister? The Premier has asked for you to reconsider the changes made last year which excluded fossil fuel projects from the national interest exemption. Have you responded to the Premier of Queensland on that request?

Senator Watt: I have responded by pointing out to the Queensland Premier and the world at large that we haven't changed the process for national interest exemptions.

Senator CANAVAN: Yes, you have.

Senator Watt: No, we haven't.

Senator CANAVAN: You've excluded—they're now excluded.

Senator Watt: No, we haven't. You really need to look at the legislation.

Senator CANAVAN: We moved an amendment only a few weeks ago which would have removed that exclusion.

Senator Watt: You're not getting your terminology right. There was no change made. I know these laws.

Senator CANAVAN: I do too, Minister. I do too.

Senator Watt: I invite you to point me to the section that says we exclude fossil fuel projects from national interest exemptions.

Senator CANAVAN: Yes, I will do that.

Senator Watt: What you will find is that we've excluded them from national interest approvals—

Senator CANAVAN: Yes, that's right.

Senator Watt: which is a different concept.

Senator CANAVAN: Alright. Now we're being—

Senator Watt: They're actually quite different concepts.

Senator CANAVAN: Now you want to resort to semantics.

Senator Watt: No, they're actually important distinctions.

Senator CANAVAN: Alright. There's a provision in the act that allows you, as the minister, to approve a project in the national interest. Is that right or wrong?

Senator Watt: There is an existing process under the existing law—I went over this at length with Senator Bragg before, so I'm going to give you the short version. The existing EPBC Act allows a minister of the day to grant a national interest exemption for a project. What that means is that that project is completely exempt from the EPBC Act—from assessments, from approvals, from anything. If you look at that section of the act, it's pretty clear that it's intended for disaster- and emergency-type situations. There has been no change, in the reforms, to that. The change that was made to the national interest exemptions was about conditions that can be attached to those decisions. But, theoretically, a fossil fuel project could have a national interest exemption granted for it now and in the future. So the Queensland government is wrong to continue arguing that we can't.

The second bit is about national interest approvals. That is a new concept that was introduced in the reforms and allowed for a minister to approve a project, not exempt a project, if that project was deemed to be in the national interest. But as I was explaining to Senator Bragg earlier, the project still has to go through a full EPBC assessment before a decision can be made to grant a national interest approval.

Senator CANAVAN: But under that provision, fossil-fuel projects are excluded.

Senator Watt: Correct.

Senator CANAVAN: Why? Why is an oil refinery not excluded?

Senator Watt: We've gone over this at length. That was the result of the negotiations we had to pass the legislation. I've explained the Liberal and National parties completely vacated the field in those negotiations.

Senator CANAVAN: Well, we've moved an amendment. We're willing to reverse. You've done the deal now; You can reverse the deal, now that we know that our fuel security—

Senator Watt: Now that you've knifed your leaders and you're ready to talk about something important to the country, that's your problem.

Senator CANAVAN: That's your deal, not ours. You've just admitted you did a deal that weakened our fuel security at a critical time.

Senator Watt: No, we didn't. What we've pointed out—

Senator CANAVAN: You have now excluded oil refineries from fuel storage projects at a critical time for the nation.

Senator Watt: No, as I pointed out to Senator Bragg, fossil fuel projects can still be fast-tracked and the processes sped up through a variety of pathways, bilateral agreements—that the Queensland government doesn't want to enter—

Senator CANAVAN: You did a dirty deal with the Greens.

Senator Watt: Senator Canavan, you weren't here earlier when I also made the point that we included in the EPBC reforms, at the request of the gas sector, retaining a pathway that exists now, which is called assessment by preliminary documentation. If the Queensland government wants to assess the Taroom Trough now, they're entitled to. They can't because they don't know what the project is.

Senator CANAVAN: The facts are you've excluded fossil-fuel projects from this particular process, which was meant to fast-track things. We are now running out of oil and you're running a war against oil production. That's a simple fact.

Senator Watt: Can you tell me how many gas wells are in the Taroom Trough project?

CHAIR: Minister, senators—

Senator Watt: What would you like us to assess?

CHAIR: hold on. Minister, I'm just going to take back the call for a moment here. I think this has been a little bit of a back and forth, which has been fine, but we are running a long way behind. Senator Canavan if you finish your question, I was going to give the call to Senator Bragg. Senator Bragg, I implore you to be as efficient as you can be, because we'll then move on to outcome 2.2. Thank you very much.

Senator Watt: Chair, would we be able to get an update at that point about agencies scheduled for later given we're so far behind?

CHAIR: Yes, we will.

Senator BRAGG: Thanks for being here. I just wanted to ask you about an invasive species. Who am I talking to?

Ms Waterhouse: Me. I am the threatened species commissioner.

Senator BRAGG: I know that Senator MacDonald asked about some of the pigs and stuff before, but did you rebrand the Saving Native Species Fund as Protecting Australia's Native Species?

Ms Waterhouse: No. The program name stays the same, the Saving Native Species Program. You're referring to the name of the measure in the budget papers.

Senator BRAGG: Have you given this an additional \$110 million?

Ms Waterhouse: The government has provided an additional \$110 million for the program over two years.

Dr Fraser: The \$110 million is for the Saving Native Species Program and for the H5 bird flu extension combined.

Senator BRAGG: How many programs does that cover?

Senator Watt: It's probably fair to say there are dozens of individual programs that are funded from that bucket.

Senator BRAGG: What's happening with the fire ants funding?

Senator Watt: That's a separate program that I think is funded by the agriculture department.

Dr Fraser: The fire ants program is a national biosecurity arrangement, and it's funded jointly by Agriculture and other Queensland—

Senator BRAGG: Are you doing anything on that?

Dr Fraser: I beg your pardon?

Senator BRAGG: Are they not part of the invasive species?

Dr Fraser: No, it's an entirely separate—

Senator BRAGG: But it is an invasive species, isn't it?

Dr Fraser: It's an invasive species, but it's managed under a separate management agreement. The Australian government is putting, I think, over \$260 million into that—our Agriculture colleagues can correct that—as part of an eradication program for south-east Queensland, and that's jointly with the Queensland government.

Senator Watt: Yes, that was funded a couple of years ago and there's ongoing funding under that program, but it's funded through the agriculture department.

Senator BRAGG: Is there a long-term commitment in place for fire ants?

Senator Watt: Well, yes. There's an ongoing commitment from the federal government, and the agriculture department would be best placed to answer that because they're funding it.

Senator BRAGG: You don't know until when?

Dr Fraser: It's in National Fire Ant Eradication Program and it's 2023 to 2027. The Australian government commitment is \$296 million, which I think is 50 per cent—so double that.

Senator BRAGG: So what about the Supporting Communities Manage Pest Animals and Weeds Program?

Dr Fraser: That's a DAFF-managed program.

Senator BRAGG: A what?

Dr Fraser: It's managed by the department of agriculture.

Senator BRAGG: It's not you?

Dr Fraser: No, it's not us.

Senator BRAGG: What about the rabbit coordinator? Is that you?

Dr Fraser: Again, that's managed and funded by the department of agriculture.

Senator BRAGG: This is going faster than I thought.

CHAIR: I'm delighted.

Senator Watt: I can't wait to see you do Agriculture estimates. That would be a sight to behold.

Senator BRAGG: Do you want to come?

Senator Watt: Mate, I did that for more than two years. I've earned my—

CHAIR: Let's stay focused, senators.

Senator BRAGG: Yes, alright. Well, let's see how you go. What are the main invasive species that you're focusing on?

Dr Fraser: As I said earlier, our focus is very much on protecting matters of national environmental significance—threatened species, threatened ecological communities, World Heritage areas—and that involves a focus on a number of invasive species where they've been most impactful of our threatened species.

Senator BRAGG: So you're doing the World Heritage areas?

Dr Fraser: No, we don't just do World Heritage areas. We have over 2,000 threatened species around the country. We're focusing on protecting them and supporting their recovery. Often, for a large number of those species, that work involves tackling invasive species and that can be more than one invasive species. It is usually also combined with tackling other threats, such as fire regimes, loss of habitat, the need for translocations et cetera.

Senator BRAGG: Do you do deer eradication?

Dr Fraser: We do deer control for a number of projects around the country where they're impacting threatened species.

Senator BRAGG: And what's the funding horizon on deer eradication?

Dr Fraser: There's no national eradication program for deer. There's a national action plan for deer. Again, that's led by the department of agriculture, but we work with them on a number of those issues. States such as South Australia have an eradication plan for deer. Western Australia has an eradication and management plan for

different areas. It depends on the jurisdiction. For some jurisdictions, deer, as you would be aware, are still managed as a game or protected species and there's no state-wide eradication program.

Senator BRAGG: What about yellow crazy ant control?

Dr Fraser: Yellow crazy ant control is something that the department has a focus on. In particular, the minister just made an announcement for funding on yellow crazy ants for our World Heritage Area wet tropics under the new Saving Native Species Program of \$6 million over two years. For areas such as Christmas Island, which has large number of endemic threatened species impacted by yellow crazy ants, we also have an eradication program under way there.

Senator BRAGG: How long is that going for?

Dr Fraser: The Christmas Island program—I'll just have to look that up. Over the last couple of years, Parks Australia have been provided with an additional \$3.7 million to focus on yellow crazy ants. This work is still ongoing, and I expect we will be talking closely with our Parks Australia colleagues about furthering it.

Senator BRAGG: When does that funding end?

Dr Fraser: Yellow crazy ant work has been undertaken on Christmas Island for many years. Most recently, under the first phase of the Saving Native Species program, there was an additional \$3.7 million put into not only yellow crazy ants but also feral cats and some other invasive species.

Senator BRAGG: Is that the envelope for all of those things—for feral cats as well?

Dr Fraser: Yes.

Senator BRAGG: Is that for feral cats on Kangaroo Island or for feral cats somewhere else?

Dr Fraser: Back to Christmas Island, there was \$3.7 million put into Christmas Island under the first phase of—

Senator BRAGG: That was for the ants—yes?

Dr Fraser: No, that was ants and cats.

Senator BRAGG: And cats?

Dr Fraser: And wolf snakes.

Senator BRAGG: What?

Dr Fraser: Wolf snakes are an invasive species there. When it comes to feral cats, there are over 70 projects around the country which have been working towards the management or eradication of feral cats in some island locations.

Senator BRAGG: Who's leading that?

Dr Fraser: Those projects are funded out of the Saving Native Species program under the Natural Heritage Trust. Some of them were also funded, and some of them are continuing to be funded, under DAFF's pest and weeds initiative.

Senator BRAGG: I don't want to take too much of the committee's time. On notice, can you provide a breakdown of funding for each of these programs?

Dr Fraser: We can provide information on all the feral cat funded projects.

Senator BRAGG: And the ants.

Dr Fraser: And yellow crazy ants.

Senator BRAGG: And the worms—whatever you said they were. What was the other one?

Dr Fraser: The wolf snake. I don't need to take that on notice; there's one wolf snake project, and it's happening on Christmas Island.

Senator BRAGG: Do you do the National Wild Dog Action Plan?

Dr Fraser: No, we don't.

Senator BRAGG: What about the weeds—no, that's Agriculture. And the national rabbit coordinator?

Dr Fraser: That's funded by Agriculture.

Senator BRAGG: Not you?

Dr Fraser: No.

Senator BRAGG: You're off the hook. Thank you.

CHAIR: On that note, we'll move past outcome 2.1 and on to outcome 2.2. I'm able at this point in time to indicate that we're releasing the Director of National Parks as well as the Threatened Species Scientific Committee. I thank my colleagues for their assistance in that respect.

[17:01]

CHAIR: We've got the relevant people at the table for outcome 2.2. I will hand the call over to Senator Thorpe.

Senator THORPE: As an endangered species myself in this country, I know very well what invasive species are doing to my people and my country. I am a rusty old gum tree because we are connected to them. We are the water. We are the totems that you all speak about. My first question is: how many senior Aboriginal staff members do you have in this department? I'm struggling to find mob in this room, and you're talking about our land, our water, our country.

Senator Watt: Questions about staffing of the department probably were dealt with in the corporate section this morning.

Senator THORPE: Of course!

Senator Watt: Well, that is where we deal with those issues. But if there's anyone who's able to answer that, they're entitled to do so.

Mr Gaddes: We could answer it for the division, for the people that we have here. We can't answer it for the department.

Senator THORPE: Anything would help.

Ms Dumazel: We have 89 staff within the heritage division, and we have 11 First-Nations-identifying staff, which is approximately 11 per cent of our total FTE. Those staff are across a range of functions that we have.

Senator THORPE: Do they ever get to sit at this level and make decisions like you people do?

Senator Watt: The Director of National Parks, who had been asked to travel here from where he lives in Darwin, and who has just been released by this committee because we're so far behind—it is Ricky Archer. I'm sure you know Ricky.

Senator THORPE: We've got National Parks? We've got one?

Senator Watt: He's the first ever First Nations person to head our national parks division, which I think is good.

Senator THORPE: Wow, that's exciting.

Senator Watt: Yes—and I'd like to see more like that.

Senator THORPE: I'll get on with my questions. In this budget the government provided \$2.2 million in 2026-27 to continue supporting the protection of Australia's cultural and First Nations heritage sites by empowering local communities and First Nations people to assess and identify priorities for the protection of heritage—which we've done for thousands of generations, until the colonisers arrived. Who's getting the money?

Senator Watt: Sorry, that was two point—

Senator THORPE: Two point two million dollars in your budget.

Ms Dumazel: We had \$2.2 million. The item was in terms of investing in Australia's Indigenous culture and also World Heritage. It's to support existing nomination processes that we've got in place, which are the Flinders Ranges and the Broken Hill Trades Hall, which is part of a transnational project. Some of the funding is specifically for Indigenous engagement in World Heritage.

Senator THORPE: Engagement?

Ms Dumazel: Yes.

Senator THORPE: I love that word. Is that consent? Is engagement consent, or is it just engagement?

Ms Dumazel: In relation to the World Heritage properties, there's a requirement to seek FPIC ahead of nomination processes. For example, for the Flinders Ranges one, the South Australian government worked quite closely with the Adnyamathanha people, and they continue to do so as we're progressing through the nomination.

Senator THORPE: So those two are getting \$2.2 million—is that right?

Ms Dumazel: Yes. The \$2.2 million is continuing investment in Australia's Indigenous culture and World Heritage. It's to support a number of processes that we've got underway, primarily in relation to Flinders Ranges

and also the Broken Hill Trades Hall, which is a component of a serial listing where we're part of a listing with other countries that are nominating trades halls around the world.

Senator THORPE: How do those decisions get made?

Ms Dumazel: For World Heritage?

Senator THORPE: For all of it.

Ms Dumazel: For World Heritage listing?

Senator THORPE: For cultural heritage, in terms of Australia's cultural and First Nations heritage sites.

Ms Dumazel: It depends. There are different processes for World Heritage and national heritage.

Senator THORPE: I don't really care about World Heritage, because we see the Murujuga people that are being completely disrespected and are still fighting for their country, and the minister goes there and does selfies. He goes to the UN or wherever it was and does his selfies, and the people are still no better off. So I don't care about World—

Senator Watt: Well, that—

Senator THORPE: I'm using you as an example.

Senator Watt: Senator Thorpe, as you would—

Senator THORPE: Speak to the Murujuga people on the ground fighting to protect that land.

Senator Watt: As you would know, the Murujuga Aboriginal Corporation, which is the elected body representing the Murujuga people, has supported the World Heritage bid.

Senator THORPE: Manufactured consent.

Senator Watt: There are some traditional owners in the Murujuga community who don't agree with that, but the elected body, elected by Murujuga people, has supported it.

Senator THORPE: No, corporatised Blacks signing off on country—

Senator Watt: Well, you can insult them if you want to.

Senator THORPE: And you know it, because you won't work with the grassroots who are fighting to protect it.

Senator Watt: You can insult those leaders.

Senator THORPE: You just insulted them by saying 'other Indigenous groups'.

Senator Watt: You can insult the elected body.

Senator THORPE: They're the people putting their bodies on the line.

Senator Watt: I understand that not everyone in that community supports that World Heritage listing, but the body that was elected by traditional owners—

Senator THORPE: Corporate Blacks are killing us, and you know it.

Senator Watt: has supported that World Heritage listing, and it led it.

Senator THORPE: So where is the First Nations standard that youse have been talking about for years? Where's that? What's going on with that, and who is giving you advice?

Senator Watt: We spoke about this a bit earlier in the context of the EPBC Act. There's a standard being developed around First Nations engagement for the EPBC Act, where that work has been occurring, and there has also been work occurring as part of the broader cultural heritage reform process to develop a standard to apply to the ATSIHP Act, the Aboriginal and Torres Strait Islander Heritage Protection Act.

Senator THORPE: On the ground, we're hearing that there are two people attending those meetings—

Senator Watt: Well, that's not true.

Senator THORPE: and that people have left because there is no FPIC.

Senator Watt: That's not—

Senator THORPE: So who are the people advising you, and how long is it going to take?

Senator Watt: Well, I know from my personal experience. It wasn't that long ago that I addressed a much larger meeting than two people, of individuals and organisations involved in this cultural heritage reform process.

Senator THORPE: That's not FPIC. Addressing a meeting is not FPIC, mate.

Senator Watt: We have been developing a model of reform of Australia's cultural heritage legislation with the First Nations Heritage Protection Alliance, which is composed of dozens of organisations.

Senator THORPE: When will the standards be released so that the rest of us, who aren't at the table and haven't given FPIC for any of the destruction that you agree to, are going to see it?

Senator Watt: We haven't committed to a timeframe around that, but we are working on it as hard as we possibly can.

Senator THORPE: So you've got two First Nations standards for two different pieces of work. Is that right?

Senator Watt: Yes, but we are obviously trying to bring them together as much as we can. What I was saying earlier, when we were talking about the EPBC Act, is that that's the reason the development of that standard for the EPBC Act has been held up. It's because what goes in that standard depends on the work that we're doing around cultural heritage reform, and that work is still happening.

Senator THORPE: It sounds very convenient. How is the standard different to the First Nations engagement standard in relation to national environmental reform which has also been developed in consultation—not FPIC, just consultation and meetings?

Senator Watt: That's the point I was just making. Work has been occurring to develop a First Nations engagement standard for the EPBC Act. There is a separate piece of work as part of the broader cultural heritage reform to develop a First Nations engagement standard for cultural heritage. We are trying to bring those two pieces of work together as much as we can so that we don't have contradictory standards.

Senator THORPE: You hear from everyone else who wants to build new coal fired power stations. You can, with the stroke of a pen, just override FPIC and override our rights, which are overridden daily in this country. How many sites will be destroyed while we're waiting for these standards which everyone will probably ignore in the end anyway? We're just a footnote, at the end of the day, in this country—let's face it. So how many more approvals and destruction of my country are going to take place while we wait for the First Nations engagement standard and all of the nice things that take a long time and kick the can down the road while we keep dying?

Ms Dumazel: We're also responsible for the administration of the Aboriginal and Torres Strait Islander Heritage Protection Act. So we have done a lot over the last couple of years to really work with applicants as they're coming through and supporting them through the process. For example, as applications come in, we work quite closely with applicants to support them and have discussions with proponents and also with states and territories. We know what's really important is, as early as possible, for proponents to engage with First Nations communities on projects, because, once they've started the process of putting through their plans, it can be too late. So we're really working to make sure that discussions are happening earlier. So our team—

Senator THORPE: Lovely. Great. Amazing. Minister, what's happening with the Djab Wurrung trees? Are you going to save million-year-old birthing trees or are you going to let that road widen to destroy them like your predecessors have?

Senator Watt: Ms Dumazel can provide more specific information on that.

Ms Dumazel: Senator, as you would be aware, we had been waiting for the Victorian government to provide a cultural heritage management plan. We've now received that. We received that in January. We're now in the process of being ready to engage with the applicant and to finalise the process for the section 12 application we've got on foot. My understanding from the team is that the revised cultural heritage management plan will avoid harming the significant trees. We're now in the process of engaging with the applicant and finalising that procedural fairness process.

Senator THORPE: What about the trees that have been destroyed, like the directions tree, which was ancient? Where's the compensation for that? It's already been destroyed through this project to save six minutes on the highway—six minutes.

Ms Dumazel: What I can assure you of is in relation to the cultural heritage management plan for the remaining trees. We've got that information, and we're looking to finalise that process. Ms Dwyer, I'm not sure if you have any further information.

Ms Dwyer: No. That's exactly right.

Senator THORPE: And what about the million dollars that was given for the trees that were chopped down by a dodgy provider—who's got them on his property in a container and got a million dollars for chopping them down. Is he going to be followed up?

Ms Dumazel: I ran you through the process that we've got on the remaining applications. The role that we have now is to finalise that, based on the information that we've got from the cultural heritage management plan.

Senator THORPE: So it doesn't take in the loss that we've gone through—a hundred trees for a million bucks?

Ms Dwyer: The Commonwealth legislation is backstop legislation. It deals with applications to protect from harm. The primary protection of cultural heritage sits at the state and territory level. I'm not aware of the trees that you're referring to that have been locked up, but I'm happy to follow up with our Victorian counterparts to find out what the rest of the story is.

Senator THORPE: Well, the feds were contacted way back then, and that's when the protection was sought. It's been going on for years and years, and matriarchs are dying, waiting. The blood of our babies and our women is in that soil. So do we have to wait for more matriarchs of Djab Wurrung to die, or are we saying that this is going to be sorted sooner rather than later—because it has been quite a number of years. In fact, I wasn't even a politician when I started that protest. So how long do we have to wait for that to be protected?

Ms Dwyer: It has absolutely been going on for some time. The Aboriginal and Torres Strait Islander Heritage Protection Act requires the minister to consider two things: significance and threat. Fundamentally, for us the hold-up has been that the threat was being altered by the cultural heritage management plan. So, instead of requiring the community to reapply for an application, we were waiting for that cultural heritage management plan to come forward so that we could understand whether the threat persists or has been ameliorated through that process. As Ms Dumazel said, that cultural heritage management plan has now come in, and we need to continue now to consult with the local community and the applicant to confirm whether they see that that threat has been ameliorated through that process or whether there is a residual threat that we need to consider.

Senator THORPE: Is your advisory body—whatever that is that Jamie Lowe's on; what's that called?

Senator Watt: First Nations heritage alliance.

Senator THORPE: Yes, that thing. Do they have a say on that application?

Ms Dwyer: No.

Senator THORPE: Do they get to see it?

Senator Watt: No. Their role has been to co-design, with the department, reforms to the act. It's not about individual applications.

Senator THORPE: Okay. So they never get to give advice on that?

Ms Dumazel: The First Nations Heritage Protection Alliance?

Senator THORPE: Yes.

Ms Dumazel: They do not provide advice on existing cases. As the minister outlined, we've been working with them in terms of the reform process. Certainly, in relation to that application, and in any application that we have, those interested parties would be consulted as well as the applicant. If there are other groups in the area, they would be consulted as well, as part of that process.

Senator Watt: Under the existing legislation, for, if you like, a permanent declaration to prevent damage to cultural heritage, the minister of the day has to engage an independent reporter whose job it is to provide advice to the minister about whether there is cultural significance and a threat to that culturally significant matter. It may be that that independent reporter consults a very broad range of people, but there's no role for the alliance when it comes to individual applications.

Senator THORPE: Is the independent reporter an Aboriginal person?

Senator Watt: In some cases they are and in some cases they're not, but there are certain qualifications required for that person.

Ms Dumazel: We recently went through a process to make sure that the requirements and the skills for section 10 reporters are clearly outlined. We've recently undergone an expression-of-interest process to identify new section 10 reporters, and we made sure that it was broadcast widely. As the minister outlined, it may be a First Nations person or not, but the skill set requirement is that it has to include understanding and working with Indigenous communities.

Senator THORPE: Yes, that old chestnut. Thank you very much.

CHAIR: Senator Bragg.

Senator BRAGG: I think there was some discussion this morning of the all-staff email about redundancies.

Senator Watt: In corporate, yes.

Senator BRAGG: Are you able to table that?

Senator Watt: I thought we did, but if we haven't we can.

Senator BRAGG: Can we get that?

Mr Kaiser: I just have to find it. Once I've found it, I'm happy to table it.

Senator BRAGG: Thanks. That's all I have.

CHAIR: Senator Waters.

Senator WATERS: I have some questions about Barrambin—or Victoria Park, as it's known in my hometown of Meanjin/Brisbane—in relation to the section 10 application under the Aboriginal and Torres Strait Islander Heritage Protection Act. Applications for emergency protection under that act were denied earlier this year, but I understand that the section 10 application is ongoing and that you've appointed an independent facilitator to work with the relevant First Nations groups. As I'm sure you're aware, right now there are First Nations elders and allies camped on the site to try to prevent construction commencing on the areas that are subject to that section 10 application. I'm interested, please, in whether the independent facilitator has provided you with reports of consultation with First Nations elders and, if so, what they've found.

Ms Dumazel: We do have a number of applications related to Barrambin. Yes, there was a recent decision that the minister made, in relation to a section 9 emergency application, not to make a declaration. There was a facilitation process, and that process has concluded.

Senator WATERS: Sorry—was that for the section 9 or for the current section 10, which is the one I'm interested in?

Ms Dumazel: Following the section 9, the minister asked the department to bring on board a facilitator to support the parties. That facilitation process helped both parties to better understand the cultural heritage across all of the Olympic sites. Because we have a number of section 9 and section 10 applications, we're now at a stage where a section 10 reporter has been appointed.

Senator Watt: That was that independent person I was just talking about. For the emergency declarations that are sought under section 9 of the act, because they're an emergency application, the minister doesn't engage a reporter to provide advice. For a section 10—or permanent—declaration, the minister is required to engage an independent reporter, and that has occurred.

Ms Dumazel: We've got three section 10 applications on foot for Barrambin. That section 10 reporter is undertaking a public consultation process at the moment, and that's due to cease at the end of the month. Once that happens, the reporter provides his report to the minister via the department. We'll undertake further procedural fairness rounds and then we will support the minister on a decision-making process. To be clear—a section 10 reporter is on board and is undertaking public consultation, and that process is due to be completed by the end of the month.

Senator WATERS: I presume that they've consulted with First Nations elders on site.

Ms Dwyer: The section 10 reporter gazettes a notice, in the government *Gazette* and in local newspapers, calling for any or all interested parties to come forward. That's in addition to the applicants, many of which are traditional owners in the area.

Senator WATERS: Can you say that last bit again. Have they just put some notice in the newspaper, or have they actually gone and met with the locals on site?

Ms Dwyer: It's a combination of both. They have met with locals on site and they have called for interested parties to come forward with information.

Senator WATERS: Have they gone to the current camps at Barrambin?

Ms Dwyer: I couldn't say specifically where the reporter met with the applicants, but it was in Queensland.

Senator WATERS: And they've met with all of the applicants pertaining to all three of the section 10s?

Ms Dwyer: I'd like to take that on notice. I'm confident that they've met with two; I'm just not sure if the third has already occurred—if they've found a mutually convenient time.

Senator WATERS: Alright. Thanks for taking that on notice. I was going to ask about the status of the section 10s, but I think you've run me through the process. You've said by the end of the month you'll provide a report. Minister, will there be a decision before? I understand the Queensland government is due to send in the bulldozers on 1 June. It's not that long away.

Senator Watt: That's what the deputy premier has said publicly. I think it is likely that we will have decisions on the section 9 applications, or the emergency applications, before then. I don't think it's likely we will have decisions on the section 10, or permanent, applications. As you've heard from the officials, the consultation

process being run by the independent reporter doesn't end until the end of this month, so I don't think we're likely to have a decision on the section 10s, but we are working towards having decisions on the emergency applications before 1 June.

Senator WATERS: Have you told the Queensland government not to start work until you've made the section 10 determination?

Senator Watt: No.

Senator WATERS: Will you?

Senator Watt: No. My role here is to decide the applications on their merits.

Senator WATERS: There won't be much left if they go in and bulldoze, though.

Senator Watt: These projects are long-running projects. What we're focused on is determining the emergency applications, because by their nature they relate to works that are imminent. So that's our focus at the moment.

Senator WATERS: Forgive my lack of a complete background here. I thought one of the section 9s had already been rejected, but are there others still on foot?

Senator Watt: Yes.

Senator WATERS: Two others, did you say?

Ms Dwyer: I can help you there. There are eight applications in total.

Senator WATERS: Eight section 9s?

Ms Dwyer: No. There are eight applications in total, and I'll run you through the detail. There are two section 18 applications. They were both withdrawn at different stages, last year and this year. There are then three section 9s. One section 9 has been determined—

Senator WATERS: Rejected, yes.

Ms Dwyer: two section 9s remain under consideration and three section 10 applications, as you've heard, remain in the process.

Senator WATERS: Just to refresh me, you think the two section 9s will be decided before the 1 June deadline?

Senator Watt: That's what we're aiming to do.

Senator WATERS: So Queensland laws override cultural heritage protections for Olympic infrastructure. Is that lack of state protection being factored in to your section 10 considerations?

Ms Dwyer: One of the legal requirements of the section 10 application is that the minister must consider the adequacy of the state and territory legislation. As part of the consultation, the minister must also consult with the state or territory government and seek their views on the adequacy of that legislation.

Senator WATERS: I'm sure they'll say it's great—spoiler alert!

Ms Dwyer: It has to be considered, and it has to be considered at two different stages of that assessment.

Ms Dumazel: That's one of the reasons for what I was saying before. The reporter is due to finalise the public consultation process at the end of May, and then, as well as the procedural fairness, we will be looking in terms of the two tests—significance and threat—and in terms of the adequacy of the state laws.

Senator WATERS: Has the department had any involvement with the development of the reconciliation action plan for the Olympics?

Ms Dwyer: Not that I'm aware of.

Senator WATERS: It seems like a pretty meaningless plan if a stadium is being proposed on a culturally significant site and bulldozing is going to proceed before the determination of the permanent possible cultural heritage protection. It sounds like you're not even involved in that process anyway, so the system is working as it's designed to not protect nature or cultural heritage.

Mr Gaddes: To the bulldozing term, we are in conversations with the state government, and there is still an opportunity for the state government to engage with First Nations people around the design of the stadium. We're encouraging that to occur. The thing that will occur on 1 June is not a complete bulldozing of the site. We understand that there are modest small test pits being dug to inform some geotechnical design, so there is still an opportunity for the First Nations people and the state government to engage and come to a mutually agreeable decision.

Senator WATERS: I think the state government would like to see them all in prison, to be perfectly honest. I suspect they won't come to a resolution. Hate to break it to you.

Senator Watt: We have been encouraging the state government, including the games delivery authority, to discuss these matters with the applicants.

Ms Dwyer: I think it's important to recall that this legislation is designed as backstop legislation. The primary responsibility for the care and protection of First Nations culture does sit at the state and territory level, though it is important that those processes run through and are managed, because they happen at the earliest possible stage.

Senator WATERS: Sure, but the Olympics overrides all of that, so we need that backstop to work as a backstop, because, otherwise, cultural heritage will be lost.

Ms Dwyer: And it's in play now.

Senator WATERS: Thanks very much.

CHAIR: This is outcome 2.2. Senator Pocock.

Senator BARBARA POCOCK: I have a series of questions in relation to South Australian issues, starting with Festival Tower Two, which we've previously discussed, Minister. In February of this year, a 54-metre crane was erected to begin construction of Walker Corporation's 160-metre, 38-storey building a mere nine metres from the back door of the birthplace of democracy on a space specifically intended for civic use, despite evidence from me to you over successive estimates about the impact on our parklands, on our city layout and on parliament houses old and new. For over 100 years, South Australians have been resolute in their commitment to defend the parklands, and thousands of them were on the steps of our Parliament House last Friday night, asking for protection of our heritage, which we've seen the state government really behave with real contempt in relation to. So we've called on you, as the minister, with a very simple request—to call in the project and allow important heritage protection processes to be undertaken in this case. Given your responsibility under the EPBC Act for the protection of national heritage and subsequent serious distortion in our national heritage places, how do you explain your failure to call in this project for review?

Senator Watt: I can just refer you to the evidence that I've provided previously. Nothing has changed since we talked about this at previous estimates hearings. I respect the fact that you oppose the development. I respect the fact that there are other South Australians who oppose the development. I respect the fact that there are other South Australians who support the development. My job is to consider whether the development impacts on the heritage values of this particular site. The department has not recommended that I exercise that call-in power. We've talked previously about the heritage values of the South Australian parliamentary precinct and that they don't include the parliament's setting, views or sightlines. In my view, the proposed development does not significantly impact on the heritage values of that precinct. I recognise you don't agree with that. I recognise others don't agree with that. I recognise there are others who agree with me on that. But that is the decision that I've reached.

Senator BARBARA POCOCK: Just to the question of sightlines, this is a massive building. I was there the other night. It's going to be a monster building which will overshadow the parliament. It clearly changes the sightline anywhere you are along the River Torrens looking to the parliament. It will be obscured. You won't see the parliament from all a range of civic spots along the river. How do you arrive at your decision that this doesn't interrupt the sightline, which is part of the historic heritage of the parklands?

Senator Watt: I'll hand over to the officials, who can give you some more detail, but I think you've slightly misinterpreted what I said. What I said is that the buildings—as in the parliament precincts, setting, views and sightlines—are not part of the heritage listing. Therefore, if there were to be an impact on those issues—if there were—then they are not matters that I can consider, because they're not part of the heritage values.

Senator BARBARA POCOCK: So what would have caused you to call this in? What exactly would have changed your mind on this?

Senator Watt: I'll hand to the department.

Ms Dumazel: It might be useful if I run through it. So when we're going through an assessment of a potential national heritage site, there are certain criteria that get considered. For this particular site we're looking at the South Australian old and new parliament houses. They were jointly added to the National Heritage List for their monumental role in shaping Australia's democratic foundations and pioneering universal suffrage under criterion A. This is the most important part. It's criterion A, which is that the place has outstanding heritage values to the nation because of the place's importance in the course or pattern of Australia's natural or cultural history, not the aesthetics. So there is no impact on the listed national heritage values.

Senator BARBARA POCOCK: So you don't think that putting a massive overshadowing building within a few metres of parliament, labelled 'Deloitte' on one side and with a big bank on the other, makes any impact on our recognition of this as a very significant site celebrating democracy in Australia? You don't think, Minister, that that makes any impact on the institution that it's right next to?

Senator Watt: I well understand that you oppose this development and would like me to stop it. I well understand that there are other South Australians who support this development. What I'm saying to you is that all I can consider is matters under the law and the matters that are the heritage values of this property. I'm being reminded that in late April the Chair of the Independent Australian Heritage Council wrote to me to confirm that the council's been briefed on this development and is not intending to seek further information or take further action at this time, for the same reasons.

Senator BARBARA POCOCK: Well, I see that you are in complete agreement with the Premier, and there are thousands of South Australians who are out in the street regularly, very concerned about this.

There is a petition with 50,000 signatures now on it in relation to another attack on our parklands: Possum Park. You will be familiar with the redevelopment of the North Adelaide Golf Course, which, despite a huge community backlash, resulted in the destruction in recent days of 585 mature trees—mature trees that are homes to really significant species of our native wildlife. It's well known that numerous vulnerable and threatened species forage or inhabit those parklands, including koalas, which are listed as endangered in South Australia. The parklands are also home to the grey-headed flying fox, a species listed as vulnerable. Our Adelaide parklands provide essential habitat, especially within mature eucalyptus and fig trees. As I said, many South Australians—50,000 now—have signed a petition in strong support of the protection of Possum Park. The destruction of those trees has already occurred, of course. It's extremely upsetting visually if you now look at the golf course to see the incredible disturbance of a very sizeable part of the parklands. Considering the inaction of the Malinasukas government and as the minister responsible, you will you call for an EPBC compliance investigation into a possible breach of national law?

Senator Watt: Decisions around compliance activities are made independently of me—rightly so—by representatives of the department, and I'm sure they can talk to you about that. I did not decide to call in this project. As you say, those trees have now been removed, so there is nothing to call in, but I did not call in that project. Again, I understand that there are South Australians who oppose that redevelopment. I understand that there are South Australians who support that redevelopment. What I do is apply the law, and, under federal environmental law, a project is only required to be assessed or approved by the federal government if it's likely to have a significant impact on nationally protected environmental matters. Our department made the South Australian government aware of those obligations. Their decision was that it would not significantly impact on nationally protected matters, and I've seen no evidence to the contrary.

Senator BARBARA POCOCK: So you're saying you have no authority to enforce a compliance investigation? Will the officers in your department do so if you say you can't?

Senator Watt: I'm happy for any officers who know about that to answer the question.

Mr Gaddes: I think we would need to have a prima facie offence to start an investigation. In this case, what we're saying is that we don't think there is an offence to investigate.

Senator BARBARA POCOCK: It's pretty hard to argue that when you look at the site. It is a site of complete destruction where there are significant species at risk. South Australians are really worried about this. Minister, in your letter to Senator Hanson-Young dated 18 May, you said you were assured that the South Australian government is aware of its obligations. If that is the case, it seems they may have knowingly ignored them. Your letter refers to a meeting in July 2025 between your department and the Department of the Premier and Cabinet of South Australia. Following this meeting, did the state department provide any assurance to the department that listed threatened species would not be impacted by this work?

Senator Watt: I'd have to get the officials to answer that one.

Ms Calhoun: We did not receive a referral from the Premier's department. We talked to them about what was on site and what were matters of national environmental significance. We didn't get any assurances, as you would say, but that's not unusual in these processes where they do the self assessment and determine that they're not having an impact on matters of national environmental significance.

Senator BARBARA POCOCK: So you did not receive any written assurances in relation to this?

Ms Calhoun: I would have to take that on notice, because it's from July 2025. I'll check in with my team and see.

Senator BARBARA POCOCK: Thank you. Could you take that on notice and give me a copy of that assurance, please, if it exists. Why was the meeting held with the state department of the premier and cabinet, not the state of environment and water department?

Ms Calhoun: They were the people who reached out to us to discuss the nature of that project and were leading on that project.

Senator BARBARA POCOCK: Were Department for Environment and Water consulted at any stage given their expertise in relation to the key species and the real concerns that are held about this area?

Ms Calhoun: I'll take that on notice as well. We meet with the South Australian Department for Environment and Water regularly, but whether we discussed the specifics of this project I'll need to take on notice.

Senator BARBARA POCOCK: Thank you. I want to go to another project: the Botanic Loop. I want to probe the consistency of your department and your approach, Minister. I'm aware that near the botanic park—part of the parklands, of course—there is a proposed project called the Botanic Loop boardwalk. It affects just 11 trees and it was referred as EPBC 2024-09987 and found to be a controlled action 18 months ago. You're nodding, official. Sorry, but I can't see your name. I understand it's undergoing full federal assessment due to its impacts on grey-headed flying fox vulnerable habitat. The tourism venture that's proposed did the right thing. They referred themselves; however, despite the strong evidence that the North Adelaide Golf Course, a much-larger-scale project of more hectares of significant development should also have been referred to you to determine if it's a controlled action, the Malinauskas government didn't do that. Why was this really very small but important project found to be a controlled action while the North Adelaide Golf Course and the Festival Tower Two have not been referred or called in to you? I point out that the footprint of this project, from what I can see of their application, is four hectares, whereas the golf course is 94 hectares or an amount of around that. The government's taken control of 96 hectares. It's a project four per cent of the size, with 11 trees, compared to the massive impact on our precious parklands in this very large project for which there has not been action from your department. How do you reconcile those two things?

Ms Calhoun: That project that you're referring to was determined to be a controlled action, as you said, for an assessment by preliminary documentation in 2024 due to likely, significant impacts on the grey-headed flying fox. My recollection of the project is that it goes under the direct nesting sites of the foxes.

Senator BARBARA POCOCK: Sorry, I missed your wording there.

Ms Calhoun: The track itself goes under the nesting sites of the grey-headed flying foxes. The initial discussions with the proponent were that they should consider referring it so that we could determine whether there was an impact and how they were going to manage that impact, given that it's an elevated boardwalk that's going through the nesting area. I would need to take any further detail on notice, because I don't have much more on that project in front of me at the moment.

Senator BARBARA POCOCK: The Adelaide Park Lands is a loop around the city. It's internationally famous, and it's connected. There are species that are clearly moving through. If you've ever been there, then you will be familiar. There are no walls. There are no massive tracks that interrupt the space. I find it incredibly puzzling that you would have such strong intervention, such strong oversight, of a four-hectare project—relative to a 96-hectare project where animals are clearly moving.

Senator Watt: It's not about the size of the project; it's about whether the proposed activity is likely to significantly impact on a nationally protected matter. That could be a very small project, or it could be a large project.

Senator BARBARA POCOCK: It's very puzzling to me and to many of us that this process is in train for four hectares—11 trees—and not in relation to the golf course.

Mr Gaddes: We'll come back to you on notice for that one, but it could very well be that that's a very dense site that's used by grey-headed flying foxes when they're breeding and when they're having their babies. If that's the case, the impact is quite acute. That may not be the case for the golf course.

Senator BARBARA POCOCK: We see a project proponent who wants to come and talk to the department about the protection of a species and the possibility of damage with the department engaging fully on this front, whereas we see no assertive engagement in relation to a project that is many times larger in size.

I want to go further to a new project that Adelaide City Council have today expressed their deep concern and shock in relation to, and that is MotoGP. What we've talked about isn't the end of what we have seen in terms of attacks on our parklands. This is a new project. It's an extension of a project that the Malinauskas government is introducing. It's going to operate for at least six years. It, once again, is a project that goes over a very large

area—90 hectares. It overlaps with really significant nature issues that are of real concern. The new circuit for this motorbike race will measure approximately over four kilometres, nearly a kilometre longer than the current circuit.

It's going to be built infrastructure with significant new brick-and-mortar—sheds, grandstands. Construction is to begin this spring. The Premier has publicly admitted that about 45 trees will be destroyed. Immediately next to this proposed track, there's a very significant wetland area. There are also First Nations burns in this area that are very culturally significant. I was there on the weekend. There's native birdlife. There are aquatic species. We've spent a great deal of money creating this—federal, state and local government—in recent years. There is no possible hope that the wildlife in this area won't be impacted by the three days, minimum, of this very large event. It will have increased pollution fumes and noise louder than V8 Supercars, which is an event that's already there.

The previous examples I've talked about ask you to clearly deal with what I see as very reckless behaviour by the Malinauskas government, and yet we have this new project that's even larger. My question for you, Minister, is: will you get on the front foot on this very significant expansion of a project on top of the other projects? Adelaide City Council has said we should be paying attention to the cumulative impact of these issues on our precious parklands. Will you require that a referral be made by the South Australian government to ensure that our national heritage places and vulnerable species are protected?

Senator Watt: I don't intervene in a project simply because certain people don't like the project. The decisions we make are based on the law and whether a particular project is likely to have a significant impact on nationally protected matters. That is the only thing we take into account.

As you've seen, there have been instances where we—'we' being the department—have determined that a project is a controlled action because it may have that impact. There are other cases where the department decides there is not likely to be a significant impact. I am sure that, at the appropriate time, a decision will be made about whether that project that you're talking about is likely to have a significant impact on nationally protected matters.

Senator BARBARA POCOCK: Let me take you to a document that's on the public record very recently, and which forms a required consultation in relation to MotoGP and rehearses some of the impacts on nature and species in the area.

Senator Watt: Sorry, who's that document issued by?

Senator BARBARA POCOCK: The document is a form of consultation to the Adelaide Park Lands Authority. They have a legal responsibility to manage this area and protect its species and cultural significance. This is laying out some of the issues that this body will be considering in the coming week. It's very topical.

The parklands include, according to this document, 'one of the most significant biodiversity areas within the Adelaide Park Lands, containing remnant woodland ecosystems that once covered most of the Adelaide Plains. Its key biodiversity areas include native grasslands, wetlands, butterfly habitat, environmentally sensitive conservation zones that provide important ecological connectivity for native plants and wildlife within an increasingly urbanised city'. It goes on to talk about endangered ecosystem grey box woodlands, native grasslands, 11 plant species of conservation significance and so on. It talks about a threatened ecosystem and says that this is an extension into Victoria Park of this project. It's a Victoria Park remnant vegetation management plan which will be impacted, and the minister for environment and conservation and the parties consider the vegetation at the site to be within the definition of an endangered ecosystem listed under the EPBC Act.

Given the significance of this and the recommendation here to make a self-referral, will you be watching this closely to make sure that we don't see further damage and accumulative damage to our parklands?

Senator Watt: I'll let the department talk to you about our usual processes.

Mr Gaddes: We will have a look at that one for you and watch it closely. Similar to the other ones, though, we'll form a view about whether or not there's going to be a significant impact. Our response will be in accordance with whether or not there will or won't be a significant impact.

Senator BARBARA POCOCK: What notice or other correspondence has the minister or the department received in relation to this project and the MotoGP? It's been in the public record now for some time. South Australians are agitated about it. There are other places where this event could be held. It is the first time since 1981 that a significant—these motorbikes travel at enormous speed. It's a dangerous track. It's now going to be right in the middle of a city and it's going to impinge on endangered species and a really delicate ecosystem. What correspondence have you had about this matter already?

Ms Calhoun: We have written to them about their obligations—on 18 March 2026.

Senator BARBARA POCOCK: What have you heard about the implications of the tree loss and building construction? Have you been informed about what's planned here? There are very clear, detailed plans available.

Ms Calhoun: I'll need to take that on notice because I don't have that in front of me.

Senator BARBARA POCOCK: I look forward to your answers—so do many South Australians.

Mr Gaddes: Chair, we just have a quick correction of the record, if you don't mind.

CHAIR: Yes, sure.

Ms Dumazel: Earlier, we were talking about the Djab Wurrung section 12 application. I just wanted to clarify that the cultural heritage management plan has been finalised by the Victorian government. However, we've not been provided with it yet. But, once we are, we will then consult with the applicant and finalise the process.

CHAIR: Thank you very much. Senator Whish-Wilson.

Senator WHISH-WILSON: I've got a couple of questions on Great Barrier Reef funding. In the government's report to the World Heritage Committee, *State party report on the state of conservation for Australia's Great Barrier Reef*, page 25 says:

To date, the Australian Government has committed AUD\$443.3 million to RRAP—the Reef Restoration and Adaptation Program—

and the RRAP Pilot Deployments Program (PDP). The program has also received AUD\$454 million in co-investment from program partners and third-party donations.

Could I just check with you that that \$443 million refers to the amount allocated to the Great Barrier Reef Foundation, which was in 2018 or 2017?

Mr Foster: That figure of \$443 million does equate to the grant that was provided to the Great Barrier Reef Foundation through the Reef Trust Partnership program.

Senator WHISH-WILSON: So is it really correct to say that all of that funding went to RRAP, which is what you said in your statement to the World Heritage Committee?

Mr Foster: In terms of funding that has been provided to RRAP, that's the RRAP R&D phase of that program—I'll just step through each of the components of that funding.

Senator WHISH-WILSON: Perhaps you could take that on notice, given I don't have a lot of time.

Mr Foster: Sure, I'm happy to take that on notice.

Senator WHISH-WILSON: You do say on page 25:

To date, the Australian Government has committed AUD\$443.3 million to RRAP—

yet you've just agreed with me that the money went to the Great Barrier Reef Foundation. I've been around long enough to know what that was all about. In fact, we had a Senate inquiry into this at the time. So my question is: is it correct to say that that amount of money went to RRAP when there were other things that that money went to?

Ms Maguire: Sorry, could you repeat which page that was on?

Senator WHISH-WILSON: Page 25, 2.1.3 'Supporting adaptation to climate change'. It's the third paragraph under 'Reef Restoration and Adaptation Program'.

Mr Foster: I think you have picked up an issue there. However, I would point out that that funding, the \$443.3 million, has gone to a whole range of projects for both restoration and protection of the reef. The total funding for RRAP of both government and private sources is in the order of \$400 million.

Senator WHISH-WILSON: Are you able to tell me how much has actually been allocated to research, restoration and adaptation work through RRAP?

Mr Foster: Through RRAP itself?

Senator WHISH-WILSON: Yes, since it was started. You reckon \$400 million.

Mr Foster: Total government funding is in the order of \$202.2 million. That has been matched through philanthropic donations of \$140 million plus—

Senator WHISH-WILSON: That's \$140 million, not \$100 million?

Mr Foster: Not \$100 million. In addition to that, there's \$88 million of in-kind contribution from research partners.

Senator WHISH-WILSON: So DCCEEW has put in about \$100 million—is that correct?—and it's supplemented by about \$100 million from other science agencies.

Mr Foster: No, Senator, through the—

Senator WHISH-WILSON: This is to RRAP?

Mr Foster: Yes, this is to RRAP. Through the Reef Trust Partnership, \$100 million of government funding was provided to RRAP. In the 2022 budget, there was an additional \$75 million committed to both RRAP R&D and the Pilot Deployments Program. In addition to that, there was a further \$20 million appropriated to AIMS—this is a crude description—to clean up some of the science around RRAP. In the 2025—

Senator WHISH-WILSON: What do you mean by 'clean up some of the science'?

Mr Foster: It was to bring together some of the key science for RRAP before that then transitioned into the Pilot Deployments Program. In addition to that there was a further \$8 million provided in 2026 for the research and development phase of RRAP, to keep that program going when funding ended in 2024-25.

Senator WHISH-WILSON: So, if I'm reading this correctly—and I can put questions to you on notice if I need to look at the detail again—you're saying that about \$202.2 million has been allocated to research, restoration and adaptation work through RRAP?

Mr Foster: Through that specific program. In the recent budget there was a further \$30 million allocated.

Senator WHISH-WILSON: Going on that, though, and what you've put in your statement to the state of conservation report—I've just shown you the spot—you've said \$444.3 million. That's significantly more than \$202 million. Are you going to correct that? Was it a mistake in that report, or was this deliberately inflated for the World Heritage Committee?

Mr Foster: I'd have to take that on notice; however, I would say that it's an error.

Senator WHISH-WILSON: It's an error? It's a pretty significant one.

Mr Foster: I'd need to take that on notice, Senator.

Senator WHISH-WILSON: Alright. Thank you. Minister Watt made a statement on 21 May, so recently, around budget funding commitments for the Barrier Reef. Budget Paper 2, on page 51, refers to a \$56 million allocation to DCCEEW for reef work, and the minister's press release on 21 May says:

- \$30 million to build on work delivered through the RRAP Pilot Deployments Program to continue progressing these solutions to the next phase of real-world, large-scale deployment on the Reef

How will that money be spent and by whom?

Mr Foster: That \$30 million is appropriated to the department as administered funding. We're working closely with both AIMS and the Great Barrier Reef Marine Park Authority to plan for the use of that funding. Broadly, it will focus on enhancing coral seeding techniques, the development of heat-tolerant corals, and the prioritisation of both restoration techniques and areas for restoration. There is an element of planning and prioritisation for the future of RRAP. We don't see this program will be required for some time. That includes enhancing the pilot deployments, as I just mentioned.

Senator WHISH-WILSON: Sorry—it won't be required for some time?

Mr Foster: Sorry; I said it will be required for some time.

Senator WHISH-WILSON: Oh, it will be, yes—well, if we've still got any coral reefs left in 50 years it could still be rolled out, I suppose. But I'll get to that in a second. You said that you're going to work with those agencies to determine how that money will be spent. How did you come up with that amount, then? Surely there must have been a fair bit of prep work going into why you needed that amount of money to continue this program—to take it to the next level, to roll it out at scale?

Mr Foster: It was certainly a priority to transition from research and development to ongoing deployment of the techniques. In addition to the \$30 million funding for the Pilot Deployments Program that goes through to 2027-28, this funding is to enhance the pilot deployments, to speed up some of those pilot deployments. In addition to, as I mentioned, the coral seeding and the heat-tolerant corals, we also need to make sure that the management environment is ready to receive these new techniques. So there will also be an element of ensuring that the regulatory pathways are in place and ready to accept these techniques, and that future activities that include these techniques align with management of the reef; hence why the Great Barrier Reef Marine Park Authority will play a more significant role in this next phase of the program.

The other important component is—

Senator WHISH-WILSON: Is that why you guys are managing it, rather than AIMS—so you can allocate it to other agencies?

Mr Foster: The program to date, which ends on 30 June, has been overseen by an unincorporated joint venture that involves not only AIMS and the Great Barrier Reef Foundation but also a number of research organisations. While under that set of arrangements AIMS was defined as the managing entity, with this move into research and development through pilot deployment to ongoing management there is a need to redirect that program to be more focused on management.

Senator WHISH-WILSON: This program, RRAP, has been around for a long time. How many years, to be precise?

Mr Foster: Feasibility work for RRAP started and I think was completed in 2018 and 2019.

Senator WHISH-WILSON: Has there been an audit of where the money has gone into individual projects? I know there have been a lot of ideas over the years to look at reef restoration and adaption. I did ask the Great Barrier Reef Marine Park Authority last year or the year before if they would do an audit of the success of the various trials and experiments that they've conducted, especially in light of near-annual mass coral bleachings on the Great Barrier Reef, and how these trial projects have survived or how they've fared. I think the feedback I got was that they needed to wait longer to see what impacts coral bleaching had had on it. But has there been any auditing at all of where this money has gone and what kind of success it's led to?

Mr Foster: In terms of auditing the funding that's been provided to RRAP, there have been audits of the Great Barrier Reef Foundation through the Reef Trust Partnership. That element has likely been—

Senator WHISH-WILSON: They were a while ago, though, right?

Mr Foster: Yes, probably pre this program.

Senator WHISH-WILSON: It was this committee that recommended that they be audited.

Mr Foster: In terms of the efficacy and the effectiveness of the new techniques, that's not been audited to date. I would agree with the reef authority's assessment that it's too early right now, but at some stage in the next couple of years that probably would be time to do that.

Senator WHISH-WILSON: Respectfully, Mr Foster, it's a lot of money. I just heard we've got \$3 million to look at giant kelp we're growing in Tasmania, which is another very important ecosystem that's fast vanishing because of warming oceans caused primarily by the burning of fossil fuels. We've had nearly a decade now of spending hundreds of millions of dollars on these programs, and we're at a point now where we've maybe got to roll them out at scale. What do we know about this? Is this what we're left to do in this day and age now—just throw a lot of money at this and hope it works?

Mr Foster: As part of the next two years worth of funding, there will be a process of prioritisation, for both of the techniques, and that will require a level of audit and testing of the efficacy. That will be important as we move to ongoing deployment. The piloting process is still very early. The funding that was provided has allowed for a limited amount of piloting. This additional funding will allow more piloting. It will also allow for that prioritisation work to occur.

Senator WHISH-WILSON: But genetic manipulation, cloud brightening—I've looked at lots of things over the years, and these have probably been the key areas. Are there any other technologies that this money is going to be spent on—the \$30 million?

Mr Foster: The heat-tolerant corals is not quite the gene manipulation that you're referring to. It is more—dare I say it—akin to breeding merino sheep. You essentially breed the corals for those key attributes for heat tolerance. There is also the seeding technique—how you take those coral polyps, put them on ceramic tiles and distribute them out onto the reef. In addition to that, there is a collection of the coral spawn and ensuring that that adheres in more places than it might naturally. There is also a lot of work that needs to be done in terms of the prioritisation of where you would restore reefs. There is the zoning plan, and the reef authority can talk more about that, but there is the complementary work that goes with that around where the best source reefs are. If you're going to put these heat-tolerant corals in, where is the best place to put them? In addition to that, there is the question of which other reefs would be priorities for restoration and so on. That work needs to occur alongside the development of these techniques.

Senator WHISH-WILSON: Mr Foster, you probably didn't write the minister's media release from 21 May. The second sentence in that media release is:

This brings the Australian Government's record investment in Reef protection to \$3.9 billion since 2014-15, securing the future of one of our greatest natural assets and the 77,000 jobs that depend on it.

Mr Foster, do you think this kind of work is securing the future of the Great Barrier Reef?

Mr Foster: Which work is that? I think the \$3.9 billion is—

Senator WHISH-WILSON: Let's start with the \$3.9 billion figure that the minister used, or let's talk about RRAP, if you like.

Mr Foster: Well, RRAP isn't the only thing that's happening on the reef. There is also the management of the reef, there's regulation, and there's also significant investment going into improving the quality of water that flows onto the reef.

Senator WHISH-WILSON: I understand that, but do you believe that is securing the future of the Great Barrier Reef, as we have been lucky enough to know it in our lifetimes?

Mr Foster: I suppose it's not a question of belief. It's science and the work that's being done on the ground and monitoring.

Senator WHISH-WILSON: Let's talk about the science. On a two-degree warming scenario, which we're rapidly heading towards—most scientists believe we'll break the 1.5, probably later this year—and an annual bleaching scenario for the Great Barrier Reef, do you believe that these billions of dollars are going to secure the future of the Great Barrier Reef? It's a really important question. It's a question I get asked all the time. I've always supported these programs because they give people hope. That's the simple reason why I've supported them: we have to do something. But, if the ocean keeps warming, what future is there for these reefs—as we've been lucky enough to know them? There'll be something there.

Ms Maguire: We all know that the changing climate is the most significant risk to the Great Barrier Reef and other systems. The investments that are being made, as my colleague has said, cover the range of things, from addressing risks such as that of the crown-of-thorns starfish, which you've raised previously, to water quality improvements and building the resilience of the reef to the changing climate. I think there is no disagreement that the system will be different to what it has been in the past, but these investments—

Senator WHISH-WILSON: It already is significantly different to what it has been in the past—correct?

Ms Maguire: Sorry?

Senator WHISH-WILSON: It already is significantly different to what it was 20, 30 or 40 years ago.

Ms Maguire: Systems are changing—absolutely—because of the impact of climate change. What these investments are doing is building the resilience of the reef to be able to cope with those changes and adapt to the extent it can.

Senator WHISH-WILSON: You've probably heard me say—I'm sorry. Did you want to add something, Mr Foster?

Mr Foster: Yes, Senator. I'd just add that the scientists involved in RRAP—and there's a lot of modelling that underpins RRAP—have indicated, along with a range of other scientists who are working on the reef, the need for urgency, and hence the reason why—

Senator WHISH-WILSON: Urgency to reduce emissions? I'm sure a lot of them believe that too, but they probably don't want to say it.

Mr Foster: Yes. In terms of the work of RRAP, that's why we've advised that we need to move from R&D to ongoing deployment as soon as we can.

Senator WHISH-WILSON: What kind of scale are we looking at? When you say 'deploy these potential solutions at scale', are we talking about a few football fields of reef restoration or are we talking about thousands of kilometres of the greatest natural wonder on the planet, which you can see from space? Do you really think we're going to be able to recreate thousands of kilometres worth of reef in all its biodiversity and all its ecosystem services? Is this what we're aiming for, or are we just kind of plugging away to chuck a few heat-resistant corals in there that might spawn in a future scenario of warming oceans?

Mr Foster: Without wanting to be dismissive, things will change over time and that scale of restoration will vary over time depending on what's happening in the system. The important part of the modelling that's been done through RRAP, as well as the prioritisation work and the planning, is that we will know the scale of what the reef needs at any particular point in time. So that scale will be determined by the reef.

Ms Dumazel: And, Senator, you said it yourself: it is a large property. We talk about it in the World Heritage space; it's the size of Italy. It's a massive property. It's a massive World Heritage site. So, over that time period, you can understand the importance of the investment. When we're talking about the reef in the World Heritage space, you can clearly see that the frameworks that we've got in place and the management techniques that we've got here for the Great Barrier Reef are the best in the world. And so—

Senator WHISH-WILSON: I understand all this stuff, and I've been hearing all this spin for decades now.

Ms Dumazel: Well, it's not spin. It's actually true.

Senator WHISH-WILSON: Respectfully, let me tell you why I think it is spin. As a politician, I'll read a minister's statement that this investment is securing the future of the Barrier Reef. I'm not having a go at you, Minister; this has been going on for decades. I've also read the words 'saving the Barrier Reef', 'by our record investment' and 'best managed reef in the world'. As a politician, I know people are going to read that and go, 'The reef is fine.' I don't need to push for change or vote for change—for example, in reducing emissions. And this is the problem I have with this stuff. I support it because I do feel it's important to give people hope and do what we can do. But if people don't have the urgency, don't understand the urgency to reduce emissions and to stop our oceans warming, there will be no Barrier Reef by the end of this century, the way we have known it in our lifetimes. That is a fact.

Senator Watt: Given I issued the press release, it's probably appropriate for me to respond. It is absolutely the intention, aim, objective and determination of this government to secure the future of the Great Barrier Reef. There are very strong environmental reasons for doing so. There are strong economic reasons for doing so. And that's why we continue to invest very large sums of money but also why we've taken a range of regulatory measures. We were having a discussion earlier about the EPBC reforms to agricultural land clearing. That is a huge step towards improving reef quality.

Senator WHISH-WILSON: And we applauded you for that, Minister, and supported that.

Senator Watt: And it's why our government has set emissions reduction targets that are even more ambitious than we had previously. Now, I know you think that that should go further.

Senator WHISH-WILSON: The science tells us, Minister, they're not in line with the Paris protocols; they're nowhere near good enough.

Senator Watt: I stand by the decision our government has made to lift our emissions reduction targets. They are ambitious and achievable. You would like us to do more; I respect that, but—

Senator WHISH-WILSON: The science tells us, Minister, we need to do more.

Senator Watt: Well, the whole world needs to do more—

Senator WHISH-WILSON: Correct.

Senator Watt: and we are playing our role.

Senator WHISH-WILSON: So we need leadership from a government that's not going to open the North West Shelf for new massive fossil fuel projects.

Senator Watt: We are showing leadership by committing to some of the most ambitious emissions reduction targets of any country in the world, and we're on track to achieve them.

Senator WHISH-WILSON: But they're not in line with what the science requires. That is the bottom line. As you say often, Minister—at least you're honest about this stuff—you have to compromise and be pragmatic between what industry want, jobs, and what the science tells you. But that's not going to save the Barrier Reef and the 77,000 jobs that rely on it.

Senator Watt: Well, as I say, we are determined to do so, and that's why we've got those funding programs. It's why we're changing various laws. It's why we're participating and leading negotiations at COP even though there are some people in this room who think that's a waste of time. There are a range of things that our government is doing with the objective of securing the future of the Great Barrier Reef, along with all of the other environmental and economic reasons to do so.

CHAIR: Senator Whish-Wilson, I'm hesitant to interrupt, but you've had a block of about 20 minutes and we are a long way behind. I appreciate the exchange you're having with the minister.

Senator WHISH-WILSON: I just have a couple more quick questions—

CHAIR: If you could wrap up, that would be wonderful.

Senator WHISH-WILSON: and then I'll finish up. I went with Australian Institute of Marine Science scientists last year to Ningaloo after the terrible bleaching there. And I think that's the first time we've seen mass coral bleachings on the west coast and the east coast together. It was heartbreaking. What's the assessment for Ningaloo? Are we looking at regrowing corals there as well? What about Rowley Shoals and maybe Scott Reef—if it doesn't get drilled by Woodside? What are we doing to try and regrow these reefs as well? Is that part of RRAP?

Ms Maguire: As you probably would have heard from AIMS, all the investment that's been going into the RRAP on the Great Barrier Reef is generating information, knowledge and lessons for other reef systems around

the world. We, the foundation, the reef authority and AIMS are engaging with the Pacific, to try and take those lessons and share them with the Pacific as well as with, obviously, other jurisdictions in Australia. And that includes WA for Ningaloo and other reefs.

Senator WHISH-WILSON: Can we just be clear for the people that might be interested in this and are following it. With the RRAP looking at heat-resistant corals, spawning productivity and a whole range of things—we're not talking about the genetic diversity we've seen on the Barrier Reef in our lifetimes, are we? We're talking about selecting a couple of corals that might survive annual coral bleachings into the future. What do you think the reef's going to look like in 50 years time if we have to rely on the RRAP for corals to survive in an increasingly warming ocean and future?

Mr Foster: As Ms Maguire indicated, the focus is really on building the resilience of the reef.

Senator WHISH-WILSON: What do you mean by building the resilience? What kind of corals are we talking about here? Are we talking about plate corals? What are we talking about?

Mr Foster: I think AIMS might be better placed to talk about the specifics of the coral species.

Senator WHISH-WILSON: Well, you're leading the program. You're the branch head, Mr Foster, and you've been very confident about securing the future of the Barrier Reef—well, the minister is. If I go diving on the reef in 50 years time, based on current warming scenarios and the RRAP program we've got in place, what's it going to look like?

Ms Maguire: I think that's—I was going to say the million-dollar question, but—

Senator WHISH-WILSON: The trillion-dollar question.

Ms Maguire: The trillion-dollar question. The system will change, and we have modelling being undertaken to try to predict what that change is. But the comment I made about building resilience is tackling all the different aspects, whether it be threats or the zoning plan within the Great Barrier Reef and understanding how the system is going to operate is needed to inform, as Mr Foster said, understanding about where we prioritise intervention and where we take the right actions to address various threats. It's not going to be a single solution for the entire reef. As you pointed out, such a large, diverse system won't all respond in exactly the same way. So the investments we're making are to better understand how different parts of the reef might respond and how we can best adapt.

Senator WHISH-WILSON: Aren't we really just shifting the deck chairs on the Titanic when you think about the scale of this reef and the world's coral reefs and what's coming down the line if we don't act on climate change? I just don't want people out there thinking that somehow we're saving their reefs when we're really not. That's all I'll say.

Ms Maguire: I think—

Senator WHISH-WILSON: It's my last senate estimates, you'll be pleased to know. I've been talking about this for many, many years and it just breaks my fricking heart—it really does—to see what's happening in the physical world that I've been bearing witness to and some of you people have too. I know a lot of you good people that work in your department and the scientists out there have all been dealing with this, and it's changing every day, and it's getting worse. Who knows what this year is going to deliver with the potential super El Nino, but the science has been telling us for years that this is coming, and it's arrived.

Ms Maguire: And no one would disagree with you about the need to mitigate and reduce emissions globally—

Senator WHISH-WILSON: Enough.

Ms Maguire: That is the single greatest threat to the marine environment and other systems.

Senator WHISH-WILSON: We've got to do it radically, not just business as usual. It's not going to work for the reef. I thank you for all the work you do and for answering my questions. I appreciate you giving me the time, Chair.

CHAIR: Thank you, Senator Whish-Wilson. Yes, Secretary?

Mr Kaiser: Before we move on, during that exchange there was a suggestion that there was an error in the state of conservation report. I just wanted to assure you and the committee that, if that turns out to be the case, we will find a very transparent way to correct that record.

Senator WHISH-WILSON: Thank you. I wasn't suggesting the motivation, but, when I first read it, it looked to me like the numbers were—

Mr Kaiser: If there's an error, I can assure you it was inadvertent.

Senator WHISH-WILSON: Thank you.

Mr Kaiser: And if that bears out to be the case, then we will correct it in a very transparent way.

Senator WHISH-WILSON: Thank you. And if you'd let the World Heritage Committee know that, too.

Mr Kaiser: That's what I meant.

Senator Watt: That's what Mr Kaiser's referring to.

Senator WHISH-WILSON: Thank you.

CHAIR: That brings us to the end of program 2.2 or outcome 2.2. I thank the officials have been involved in that.

[18:23]

CHAIR: I welcome the officials relating to outcome 2, program 2.3—accelerate the transition to a circular economy while safely managing pollutants and hazardous substances. We'll invite questions. I'm also in a position at this point to say—thank you again to my colleagues for their assistance on this—that we may release the Australian Institute of Marine Science and the Great Barrier Reef Marine Park Authority. We appreciate that, and you go with the committee's thanks.

Senator Watt: Sorry, Chair, I was just distracted. Which ones did you say?

CHAIR: Australian Institute of Marine Science and Great Barrier Reef Marine Park Authority.

Senator Watt: Okay. All the ones that travel.

Mr Kaiser: Ironic really, isn't it?

Senator Watt: We might have a chat later about what we can do to work with the committee to ensure that officials don't travel from interstate only to find out that they are not required. There are several agencies that fit into that category. I'm certainly not accusing you, Chair, of having called those agencies.

CHAIR: No, I didn't take it as such.

Senator WHISH-WILSON: [inaudible] still be appearing. But we are running over time, and I had questions for a number of the agencies. I'd still like to pursue the barrier reef stuff if I could.

CHAIR: Alright. We have now the relevant officials at the table. Senator Bragg?

Senator BRAGG: Do you want to start with them?

Senator Watt: While we're working out who has the call, I acknowledge, first of all, that it's Senator Whish-Wilson's last estimates. I know he's been a very strong contributor to this committee over many years. It's also Mr Tregurtha's last estimates hearing, so we thank him for his service as well.

Senator WHISH-WILSON: I'll see you in the surf, James.

Mr Tregurtha: I'll make it down to Tasmania one day, Senator!

Senator WHISH-WILSON: Actually, I do have questions.

Senator Watt: I was going to say I would have thought you would.

CHAIR: In which case, do you want to lead off?

Senator WHISH-WILSON: I can, absolutely. Could I get an update—I'm starting with the questions that I think I've been starting with for the last few estimates—on the Review of the RAWR Act. Where are we at with that, Mr Tregurtha? It was due in January 2025.

Mr Tregurtha: Indeed, Senator. As I think I mentioned last time, we extended that review, as you're aware, in 2025 to provide capacity for the department that was conducting the review to take into account some issues that were arising in relation to plastic waste exports from that. In addition to that, a couple of other things that happened during or after that time included the minister asking us to take quite a broad approach to thinking about the provisions in the Recycling and Waste Reduction Act and the PC releasing their circular-economy report. As you're aware, since that point in time we've also had some developments in the geopolitical arena that have gone to consequences—

Senator WHISH-WILSON: Sorry, Mr Tregurtha, could I just stop you for a second? Could you guys zip it over there, please?

CHAIR: Sorry, Senator Whish-Wilson. That's my fault. I was not paying sufficient attention.

Senator WHISH-WILSON: I couldn't hear Mr Tregurtha. Thank you.

Mr Tregurtha: I was just saying that, beyond the Productivity Commission report, there have been current international developments around the market, particularly for plastics. But, equally, since that point in time there's also been an environment ministers' meeting, which had some outcomes in relation to waste and recycling and plastics. We wanted to make sure there was consistency. We expect to have the review report with the minister imminently.

Senator WHISH-WILSON: Imminently?

Mr Tregurtha: Imminently. It's not with the minister yet, but it's imminent.

Senator WHISH-WILSON: Okay. Then, Minister, you have a period of time that you'll sit on that for?

Senator Watt: I'm not going into it with a particular period of time, but we'll obviously consider that report.

Senator WHISH-WILSON: On the environment ministers' meetings, I think the most recent communique said:

Ministers tasked their officials to work together to return to the next EMM with a draft intergovernmental agreement to deliver options for nationally consistent product stewardship arrangements, with a focus on batteries and packaging and noting that jurisdictions will need to consider the economic impacts of any regulatory scheme

That language seems to me to be deeply ambiguous and non-committal. Can you please state clearly what was agreed to and what will be presented at the next EMM for agreement.

Senator Watt: I think that that statement from those ministers—so federal, state and territory environment ministers—signalled a desire amongst those ministers to move forward on a range of these circular-economy issues. The officials here can talk to you about the work that's been undertaken around the intergovernmental agreement. That would be one outcome that I can point to. Maybe I will hand over to Mr Tregurtha from here.

Mr Tregurtha: Thanks, Minister. This is specifically in relation to the intergovernmental agreement, and you've referenced the text of the communique already. The intention there is to return to the next Environment Ministers' Meeting—they're usually held twice a year, so we would expect it later in 2026—with options, as was requested by the environment ministers, for an intergovernmental agreement that would provide capacity for harmonisation of product stewardship arrangements across jurisdictions. Basically, it would be to provide an agreement around harmonising arrangements across jurisdictions. The meeting tasked officials to come back with those options. We've already held one meeting of states and territories with the Commonwealth to discuss taking that intergovernmental agreement forward and to look at putting a draft together for ministers' consideration for the next meeting.

The other point I would make is that, as you've already referenced, the other intent was that the first two product sectors, for want of a better term, that would be considered to use that intergovernmental agreement to help with harmonisation across jurisdictions would be packaging and batteries.

Senator WHISH-WILSON: Okay. I was having a look earlier at the timetable that you responded with to questions on notice that I put in February. Going back to the process that this government's been through in the last four years, there's been a lot of work done to get to this point. I'm just wondering why it's taking so long. How much more work do you really need to do to get, for example, an EPR in place for packaging?

Mr Tregurtha: Sorry, Senator. You're talking specifically in relation to an EPR for packaging?

Senator WHISH-WILSON: Yes.

Mr Tregurtha: As we've said a number of times in recent meetings, we've certainly been continuing to engage with stakeholders in both the recycling sector and the packaging sector in relation to how an EPR might work. As you'd appreciate, there are a range of technical details to consider in terms of building a product system like that and also for us to be able to accurately provide advice to the minister and the government.

Senator WHISH-WILSON: But you said the same thing to me a year or two ago, Mr Tregurtha. How long is it going to take?

Senator Watt: To be fair to the department, what Mr Tregurtha has just said about working through technical issues and the range of implications from these sorts of schemes is true. I made no secret of the fact, when I came into the portfolio roughly 12 months ago, that my overriding priority and the department's overriding priority had to be the delivery of the EPBC reforms. That meant that there were other very, very important things that we should continue working on but that would not get finalised until we got EPBC reform done. The department, in the meantime, kept doing the work on it and kept managing the stakeholders and talking to stakeholders, so I don't want the department to feel like they've got to take responsibility for decisions that I made. But, having got EPBC reform through, there has been increased engagement from me, other ministers and government generally about these reforms.

Senator WHISH-WILSON: Okay. Can I raise a couple of things. Having obviously been on this road and walked this road for a very long time as well, there are a few things that concern me. One thing that I saw in the statement that was put out by the last EMM was in reference to states having to 'consider the economic impacts of any regulatory scheme'. Is this potentially a 'get out of jail free' card in the sense that, if it's going to cost too much or if it's going to impact the cost of living, this is reform we can walk away from?

Senator Watt: I wouldn't describe it that way. My recollection of the discussions held at that meeting—of course, when any government or collection of governments is deciding on major policy change, you consider all of the possible impacts of that change on the environment, on business, on cost—

Senator WHISH-WILSON: I haven't seen this in any previous language before.

Senator Watt: I might be wrong about this. My recollection is that wording like that was requested by at least one of the states. I don't know if you've been to a Ministerial Council meeting lately, Senator Whish-Wilson, but—

Senator WHISH-WILSON: I'm not sure I'd ever get invited to one.

Senator Watt: You were just called a minister earlier in the day, so maybe there's hope ahead. But, in settling the language of a communique, different jurisdictions' interests need to be reflected in the wording.

Senator WHISH-WILSON: Okay, so this comes from consulting with different states.

Senator Watt: That's my recollection.

Senator WHISH-WILSON: That was exactly the argument that was used both at the federal level and in various states to oppose container deposit schemes or recycling refund schemes, going back to 15 or 20 years ago when I started campaigning on them. It was going to affect people's cost of living, and it hasn't turned out to be the case at all.

Senator Watt: Yes, but again—

Senator WHISH-WILSON: This has been very popular and very well received around the country.

Senator Watt: Yes, it has. I was willing to have that wording included in the communique because I think that is something that we should consider, just as we should consider the environmental benefits and just as we should consider the implications for current recyclers if we don't take action. There's a range of different things that you have to consider.

Senator WHISH-WILSON: Has there been any modelling done through the department about the potential costs of an EPR scheme? I have seen independent modelling showing it's going to add potentially 25c per week to the average Australian household's expenses if it happens.

Senator Watt: I think that modelling you're talking about comes from a couple of the peak bodies, APCO and ACOR.

Senator WHISH-WILSON: I think this one's from Phantm, but yes.

Senator Watt: I'm happy for the department to talk to you about that.

Mr Tregurtha: Yes, we certainly do have modelling that estimates potential implications of a range of different settings. We continue to update that modelling and take it into account. Of course, as you'd realise, a lot of it's very sensitive to the inputs that you put in, which is why the modelling itself is important. We continue to work to refine that modelling.

Senator WHISH-WILSON: Is the draft agreement scheduled for discussion at the next EMM intended as an agreement to discuss and deliver options to get to that final stage, or is it an agreement to review, endorse and progress an agreed model for packaging reform?

Mr Tregurtha: As you will have seen from the communique, the agreement is options for nationally consistent product stewardship arrangements. However, you'll also be aware that in a previous EMM—Environment Ministers' Meeting—the Commonwealth undertook to progress packaging reform.

Senator WHISH-WILSON: That's right.

Mr Tregurtha: We see those two things as working together. Some elements of packaging reform—or, if you like, the regulation of packaging outcomes—are dealt with through levers held by states and territories—for example, in relation to kerbside recycling and in relation to material recovery facilities. Some levers potentially are held by the government, as we've seen with waste export licensing and permitting in the past. So what we're aiming to do is use that agreement as the mechanism for jurisdictions to ensure that. Again, I note that what ministers have asked for is options, but we aim to use that agreement on options to be able to bring back the interjurisdictional components of those reforms.

Senator WHISH-WILSON: Okay. Could I be, perhaps, more specific then: will ministers be reviewing and endorsing an intergovernmental agreement on packaging reform at the next EMM?

Mr Tregurtha: I can't speak on behalf of them as to endorsing. That would be up to the ministers in the meeting.

Senator WHISH-WILSON: But is that the intent?

Mr Tregurtha: The intent is for officials to bring forward options for environment ministers to consider and, I guess, potentially endorse at their next meeting, depending on the options and how they land with ministers.

Senator WHISH-WILSON: Could you remind me when the next EMM is—the one that you're going to invite me to, Minister!

Senator Watt: It hasn't been scheduled yet, but it'd be in the second half of the year.

CHAIR: Could I politely inquire about how much longer you've got.

Senator WHISH-WILSON: Because you're so polite, Chair, you certainly can.

CHAIR: Thank you.

Senator WHISH-WILSON: I've got quite a few I can put on notice. I just have three very quick questions. Agreement was reached at the most recent EMM on advancing a circular economy road map. When will this be released, and will it be based on the core principles outlined by the Commonwealth circular economy taskforce?

Ms Geiger: The intention is that the road map would be put to environment ministers in the middle of the year. Sorry, I missed the second part of your question.

Senator WHISH-WILSON: It was on whether it was going to be based on the core principles outlined by the Commonwealth circular economy taskforce.

Ms Geiger: The ministerial advisory group?

Senator WHISH-WILSON: Yes.

Ms Geiger: That will be incorporated—but it's a document that will be developed with jurisdiction, so it won't just reflect the Commonwealth's perspective on the circular economy but the states' and territories' as well.

Senator WHISH-WILSON: I've got to ask this question though, Minister, because it's something I've probably never had closure on in all the years I've been trying to get reform on packaging and waste reduction and recycling. And that is the role of Visy, who are obviously a very big player in Australia. We had a Senate inquiry in the last parliament into this, but I wasn't able to get them to appear as a witness, even though they've had pretty substantial taxpayer funding over the years. They are a very big donor. And I'm not being political about this; it's a fact. They've been a very big donor to both your party and the LNP over the years—in fact and indeed, the biggest donor. Are they supportive of packaging reform like an EPR scheme? If they're not, it worries me, considering I'm not sure why they donate to political parties unless they want outcomes. But I've never been able to work out whether they're supportive or not of this kind of reform.

Senator Watt: The only reason I'm hesitating is that—I mean, I have discussed these issues with Visy, as I have with a very large number of individual companies. I'm hesitating because I'm just trying to remember what they have said to me. The department might know exactly what their position is.

Senator WHISH-WILSON: Could you tell me?

Mr Hutchison: Without wanting to verbal Visy in this forum, I think it's fair to say that my recollection of our conversations with Visy is that they certainly are supportive of reform. But I think, as you will appreciate, much of the industry support will also come to the importance of ensuring a level playing field for all players there. I think that's what Visy, who are certainly one of the bigger players in Australia's packaging and resource recovery systems, is looking to achieve there, and that's what I think they'll continue to work with us on. My recollections of my engagements with Visy are that their disposition is absolutely positive and supportive of the direction of reform as outlined by the Commonwealth. But I wouldn't want to speak for them in terms of specific details or particular elements of that reform.

Senator WHISH-WILSON: Are you able to maybe tell me more about that last question—the direction of that reform that you're referring to? I'm not quite sure. These are big, big top-line kinds of words we're using, like EPR and others. But what are we talking about here in terms of the direction of reform? We are moving towards a nationally consistent, extended producer-responsibility scheme.

Mr Tregurtha: Certainly. I think as I've said in previous estimates, that's certainly one of the options that we put to government. And, as the minister was referring to and you were referring to earlier, there are a range of different settings that go across regulations in an extended producer-responsibility scheme: how that might be set

up in terms of how it's administered; whether there are separate administrator levels, like obligations, that they set; and whether fees, as we've spoken about before, are eco-modulated. All of those things are things—

Senator WHISH-WILSON: That's what APCO has been pushing, right?

Mr Tregurtha: Indeed.

Senator WHISH-WILSON: Is Visy part of APCO, Mr Hutchinson?

Mr Hutchison: I can't remember if they're still part of that.

Mr Tregurtha: We can take that on notice. All of those elements I've just described form part of the options and the advice that we're providing to the minister and the government in relation to what the pathways can be in terms of working towards regulatory reform. I would also say that, in terms of setting details, we would expect to continue to work with industry and peak bodies like APCO, ACOR and others to ensure that we fully understand the implications of those things and continue to provide that advice to the government.

Senator WHISH-WILSON: I'll have to digest that, I suppose. Yes, please make it happen. A lot of countries around the world are doing this, as I'm sure you're all aware. And, unfortunately, if you look at the US—I think Phantom did a really good job looking at the international examples of this—if we go down the road of individual states doing it like we've seen in the US, you get this hodgepodge of all sorts of different schemes, rules and regulations, and it makes it a lot more complicated for industry. We've seen that happen in Australia with single-use plastic bans, CDS schemes and a whole bunch of other stuff, but not—

Senator Watt: That is certainly something we're conscious of. And those in the room who are not fans of overregulation would, I'm sure, be interested in the fact that the risk is that, in the absence of national schemes, we have a proliferation of different state and territory schemes that industry needs to comply with. So that's probably something for everyone to think about going forward.

Mr Tregurtha: I might just add that the department undertakes a fair bit of work ourselves, looking at international examples and representations and keeping abreast of developments internationally, and it's absolutely something that we factor in, in terms of the advice we provide to government.

Senator WHISH-WILSON: Hopefully, it'll give you some confidence when you see the EU, the UK, the US, Canada and a whole bunch of other countries adopting these schemes.

CHAIR: Senator Bragg.

Senator BRAGG: I just have a few quick questions, so thanks in advance for being efficient with your answers. In terms of the product stewardship for oil, where's that up to?

Mr Tregurtha: The product stewardship for oil review was tabled, I think, late last year. Mr Hutchison will have the exact timeframe.

Senator BRAGG: Yes. Where's it up to?

Mr Tregurtha: We're currently working on, again, providing advice to government about the opportunities that the recommendations of that review give.

Senator BRAGG: So you've given advice to the government, have you?

Mr Tregurtha: I've certainly spoken with the minister and his staff a number of times in relation to that scheme.

Senator BRAGG: Is this Minister Bowen?

Mr Tregurtha: No, Minister Watt.

Senator BRAGG: So you've briefed him. The government haven't responded yet, have they?

Senator Watt: No.

Mr Tregurtha: No. I would just note that that scheme also traverses Treasury portfolio as well. The way that scheme is administered is through both the Environment and the Treasury portfolios. It's important to note that.

Senator BRAGG: Okay. Was the government advised before this year's budget of the risks to domestic waste oil collection and processing capacity?

Senator Watt: I have certainly had that point made to me by businesses in that industry, and I'm sure the department's heard that as well.

Senator BRAGG: Yes. So the government accepts that recycled fuels and refined oils reduce reliance on imported foreign oil?

Senator Watt: Yes, I think that's fair to say.

Senator BRAGG: Yes. So have you done any assessments to look at sovereign capability implications if domestic refining capacity declines?

Senator Watt: We've certainly considered, in this whole circular economy space around oil and around plastics, the opportunities to build sovereign capability. If we recycle more plastic and we recycle more oil, that does reduce our reliance on imports.

Senator BRAGG: So when do you think the government will respond to this product stewardship oil scheme review?

Senator Watt: I'm not sure that we've given a particular timeframe commitment, but I'm very aware that those involved in that industry would like some certainty.

Senator BRAGG: Yes. And do you know about the biofuels and the prospects for using woody weeds and other things like that?

Senator Watt: In general terms, I know about that, yes.

Senator BRAGG: Will that be part of that response, or will that be a separate thing?

Senator Watt: I think that's separate, if you're talking about biofuels.

Senator BRAGG: Yes, biodiesel.

Senator Watt: No, that's a separate issue, and it's more in tomorrow.

Senator BRAGG: What's tomorrow?

Senator Watt: Tomorrow's Tuesday, and it's energy day.

Senator BRAGG: Right. Yes.

Senator Watt: Are you back for that?

Senator BRAGG: You'll have to wait and see.

Senator Watt: I won't be here.

Senator BRAGG: You'll have to watch the monitors.

Senator Watt: Can you give me a preview?

Senator BRAGG: I can't tell you that. It's a secret. So product stewardship oil is you, but the biodiesel and the like is—

Senator Watt: Yes. As the environment part of DCCEEW, we do circular economy, recycling of various products. Biofuels is probably a mixture of departments. It's the energy and climate parts of this department. The industry department has a role. The transport department has a role. But it's led by DCCEEW, so tomorrow's the day.

Senator BRAGG: Okay. But I can't give you questions to take on notice for them, can I?

Senator Watt: Feel free to flag questions that you might want to ask tomorrow.

Senator BRAGG: I can't do it now. That's not very efficient, is it? What about EV stewardship and recycling—is there anything on that?

Senator Watt: We're certainly doing work around battery stewardship and recycling, if that's what you're referring to.

Senator BRAGG: That's what I mean, yes.

Senator Watt: So there is work happening in this part of the department on that.

Senator BRAGG: Alright. I just want to ask you, finally, in the interest of efficiency, about Big Bag Recovery.

Senator Watt: About what, sorry?

Senator BRAGG: It's called Big Bag Recovery. There's an Australian government voluntary accredited product stewardship scheme that ran from 2021 to 2026, and there are some problems with the scheme.

Senator Watt: What kinds of problems?

Senator BRAGG: I'm told that there are lots of bags out there.

Senator Watt: I am aware of this.

Senator BRAGG: You know about it, right?

Senator Watt: Yes.

Senator BRAGG: I think your department has done an audit of the big bags.

Mr Tregurtha: We're just getting that information.

Senator BRAGG: These are technical points. Who knew?

Senator Watt: There are lots of products out there.

Mr Tregurtha: Senator, do you want to give us your question?

Senator BRAGG: The question was: did you do an audit?

Mr Tregurtha: Have we done an audit on Big Bag Recovery?

Mr Hutchison: I'd need to take that on notice.

Senator Watt: Why don't we come back after the break with an answer on that?

Senator BRAGG: I think you might upset the chair if you want to do that.

CHAIR: You may.

Senator Watt: Can we take it on notice then? Why don't we come back to you on notice with an explanation—

Senator BRAGG: I have a number of questions about this big bag issue.

Senator Watt: I thought you said you had one.

Senator BRAGG: No, it's a number of questions. I believe there was an audit. I should probably be upfront and say that I'm sure that there was an audit. So I'm just asking you whether you're aware of it. You're not sure, but you're sure you'll find out later. Did your audit find that any plastics collected by Big Bag Recovery schemes were placed into landfill or stockpiled? I also want to know whether any of your officers had visited any of the Big Bag Recovery collection or storage sites, particularly in Tasmania. Is it helpful if I do this, or not?

Mr Tregurtha: It's very helpful.

Senator BRAGG: Okay, I'll keep going.

Mr Tregurtha: I don't have this detail with me, and I'm not sure that we have done—the department has done an audit of that scheme. So it is one I think we're going to have to take on notice, unless my colleagues contradict me.

Senator BRAGG: Alright. That's fine. I won't waste any more time. We'll put the rest of them in writing to you.

Senator Watt: Okay. That sounds good.

CHAIR: Thank you. We're going to move off outcome 2.3 now.

Proceedings suspended from 18:52 to 19:53

Sydney Harbour Federation Trust

CHAIR: I now call officers from the Sydney Harbour Federation Trust, and welcome Ms Carding, the Executive Director. Do you wish to make an opening statement?

Ms Carding: No, thank you.

CHAIR: I'll turn over to Senator Bragg.

Senator BRAGG: Thank you. How's the trust going in terms of its profitability?

Ms Carding: The harbour trust works on a break-even basis in cash terms, and that's, perhaps, sometimes hard to see from our annual reports, partly because we've been spending down money that's been allocated by government in previous years. We aim for a break-even position in cash terms and we live within our means.

Senator BRAGG: Isn't there a mixed funding model, where you raise funds from commercial businesses and the like that take out leases on the trust's sites?

Ms Carding: That's correct. We're revenue funded, rather than receiving an annual appropriation. We have around 229 properties, I think it is, that are leased either commercially or to residential tenants. That provides rental income that makes up just over 70 per cent of our income—72 per cent. The remaining income comes from activations on the sites.

Senator BRAGG: What about the grants? Do you receive cash from Canberra?

Ms Carding: We receive allocations from time to time, typically for maintenance projects.

Senator BRAGG: For particular purposes?

Ms Carding: Yes.

Senator BRAGG: For remediation or something?

Ms Carding: That's correct. The last one was in 2023-24 and was \$45.2 million for maintenance.

Senator BRAGG: What was that for? Middle Harbour? Or North Head?

Ms Carding: It was for all nine of the sites, and it was for a range of critical backlogs that had been identified as needing urgent work. It was around 50 different projects. Each one was about making things safe, fixing things that were at end of life, making sure our sites could stay open to the public.

Senator BRAGG: Have you asked for any new funding?

Ms Carding: We've just received the first year of \$10.2 million worth of investment that is going to enable us to convert the Cockatoo Island slipways that were formerly used for building battleships. We're going to give them a new life for swimming and for kayaking. We received the first \$2 million in the current financial year, and I think there's \$3.2 million in the next financial year for us.

Senator BRAGG: So you've already got that in the budget?

Ms Carding: That's correct.

Senator BRAGG: Are you asking for any new funding?

Ms Carding: We're always interested in seeking new funding for the harbour trust, but we don't have any specific projects on the books at the moment.

Senator BRAGG: How do you propose to fund major remediation works?

Ms Carding: We would apply through the normal budget process, like other corporate Commonwealth entities, through an NPP process, from time to time.

Senator BRAGG: Have you kept an eye on this proposed divestment of defence assets?

Ms Carding: Certainly, yes. There's been a lot of discussion about it in the community, so a number of people have raised that with me.

Senator BRAGG: What do you think about this HMAS *Penguin*, which is sort of next door? I went there recently and had a look. It's adjacent to the trust site. Some of the community members would like it to be annexed to the trust. Do you have any thoughts on that?

Ms Carding: I should start by saying that we're not in the acquisition area. We don't go out looking for new sites to manage. It's a matter for government. If a site is transferred to the harbour trust, we would manage it under the Sydney Harbour Federation Trust Act. Really decisions on future sites are a matter for government.

Senator BRAGG: But it is physically attached, isn't it? Or there's a border.

Ms Carding: They are neighbours, yes.

Senator BRAGG: And *Penguin* is much smaller than the Middle Harbour site, isn't it?

Ms Carding: Our site at Headland Park covers areas of Georges Heights down to Middle Head and then down to Chowder Bay. And as you head down to Middle Head, HMAS *Penguin* is on one side of the road. They're a neighbour, as is Sydney Harbour National Park, which is part of the New South Wales government. So there are a number of us that are in that area.

Senator BRAGG: Have you given any thought to the costs of maintaining the six hectares of angophora forest on the site?

Ms Carding: We currently maintain forest on the harbour trust's site, which is adjacent to the forest that's within HMAS *Penguin*. I don't have any specific details or knowledge of the forest that's part of HMAS *Penguin*.

Senator BRAGG: But are you looking after an angophora forest at the moment on trust sites?

Ms Carding: We are, yes.

Senator BRAGG: How much does it cost to take care of the native bush?

Ms Carding: We have a number of contracts that are overseen by staff members in our assets and parklands area. I'd need to take the details of that on notice, because there are a number of different arrangements that we have in place across our nine different sites and different activities caring for the bush happening at each of the sites. So I'll take that on notice, if I may.

Senator BRAGG: I might get you to also take on notice how many people in the past year have visited the trust sites and break it down by site.

Ms Carding: I can give you the overall figure. There were over two million that visited our sites over the last financial year. But, yes, I can give you a site breakdown if I take that on notice.

Senator BRAGG: Also—if you know the answer now, it would be good to get it—what about the lost revenue from the buildings that aren't currently leased on trust sites? How many of the buildings that are usable are not currently leased?

Ms Carding: Very few usable buildings are unleased, but I can provide those figures for you. Our vacancy rates are very low because I think it's fair to say that our properties are very desirable both for residential and commercial use. But we have listed, I think, in our annual report last year that 78 per cent of our built heritage is in reuse. So there's another 22 per cent that at the moment isn't leasable. It needs more work to be done on it—decontamination, remediation, adaptive reuse.

Senator BRAGG: Which is the biggest one needing remediation?

Ms Carding: That would be building 1, North Head Sanctuary.

Senator BRAGG: Which is the ballroom?

Ms Carding: It has a ballroom, it has a canteen and it has what was former dormitory-style accommodation for somewhere between 400 and 500 gunners. It was the home of the royal Australian artillery for many years.

Senator BRAGG: That hasn't been remediated?

Ms Carding: We have done some essential maintenance works on the roof, and water protection for the windows, but I'm afraid, yes, after 25 years of operation, we have not yet been able to lease that building.

Senator BRAGG: Are you looking for a commercial partner for that?

Ms Carding: Yes. I've met with a number of prospective partners, and we've shown many people through that building. Unfortunately, at the moment, for the amount of investment that would be required, a commercial partner wouldn't be able to realise a return within the lease lengths that are available.

Senator BRAGG: You need longer term leases.

Ms Carding: Our legislation provides for leases of up to 25 years or up to 35 years with a parliamentary process, but only leases of up to 25 years are being used at present.

Senator BRAGG: Okay. That's good. I might get you to also provide on notice what percentage of your income comes from parking, if any.

Ms Carding: Yes. There would be a small amount of income that comes from parking and, indeed, from infringements. I can take that on notice.

Senator BRAGG: There are plenty of infringements around there, aren't there? Okay. Thanks.

CHAIR: Unless there are other questions for the trust, I will say thank you very much for your attendance and your evidence here today. You go with the committee's appreciation.

Inspector-General of Water Compliance

[20:02]

CHAIR: I welcome the Hon. Troy Grant, inspector-general. Do you wish to make an opening statement?

Mr Grant: I do, thank you, Senator, and good evening. Senators, it's great to have the opportunity to appear before you tonight, particularly as much has happened since I last gave evidence in person back in October 2025. Today I'm joined by my deputy inspector-general, Daniel Blacker, and we're both here to and happy to answer questions that you have of us. We're also able to provide further clarification of the written advice I provided to the committee in February this year. There is much more to come from my office before the next scheduled estimates hearings in the months ahead, details of which I'll touch on in a moment.

Australia is currently at an important juncture of the statutory review cycles of the Basin Plan, the Water Act and the Inspector-General of Water Compliance. Complementing this, it is timely to review basin commitments, agreements and responsibilities of governments supporting the successful delivery of the current Murray-Darling Basin Plan. Our work as the independent regulator, oversight body and integrity agency should give this place comfort that we are the fit-for-purpose response to a problem that the parliament sought to address in 2018.

In mid-April this year, I delivered to the minister my findings and recommendations from my very first inquiry. It not only highlights the first use of the IGWC's formal inquiry powers under the Water Act, including the significant power to compel any person or organisation to produce documents and information; it also highlights why the inspector-general was set up by the lawmakers in this place as an independent oversight of the Basin Plan.

For the inquiry, titled the Northern Basin Toolkit Inquiry, I independently inquired into the \$166 million package of infrastructure and policy measures aimed at enhancing environmental outcomes in the northern basin, measures agreed to on the basis of reducing the northern basin's water recovery target by 70 gigalitres. For context, this was the close examination of a single program worth \$166.3 million within a \$13 billion Australian taxpayer funded plan, which means there are many other programs within the plan yet to be scrutinised. This is a plan which has started to undergo its mandatory 10-year statutory review, a review that I hope continues to engage with my office in a meaningful way to ensure we can contribute to the MDBA's desire to—and I quote from their public materials—'use up-to-date evidence and future focused science to make recommendations to ensure our water management approach balances the environmental, cultural, social and economic needs across the basin for the next 10 years'.

The evidence from my Northern Basin Toolkit Inquiry in regard to water management found that some policy measures—activity that required no actual funding—largely succeeded. These are things like coordinated environmental water delivery and event based mechanisms. These are complete and embedded as standard practice and show good outcomes. Conversely, infrastructure measures, which received all the dedicated funding, severely underdelivered, and, because of this, the environment bore the cost.

As the community well knows, and so too the lawmakers in this place, the environment's tab is not something that can continue to pick up the cost of underdelivery when it comes to water management. The environment's own cost-of-survival pressures have been so great for so long that it took national action through the Basin Plan to reduce ongoing impact for future generations. When this inquiry found the 70 gigalitres sustainable diversion limit adjustment was secured before a single delivery agreement was signed, the benefit for such an arrangement being provided upfront meant there were no meaningful consequences for the beneficiaries for nondelivery of their part of the agreement.

While not the sole example of where the \$166 million Northern Basin Toolkit seriously underdelivered, a project in the Macquarie Marshes that was funded to deliver an adaptive flow control structure, similar to a weir or a regulator, resulted in a 30-centimetre pile of rocks to stabilise the riverbed at a cost of \$2.5 million. It's simply not good enough, when the Macquarie Marshes has since been listed as an endangered ecological community. This goes to the point of where the real cost goes when ecological commitments are not met and projects without any recourse don't deliver. The answer is simple: it goes back onto the environment's tab.

As the Commonwealth's independent regulator oversight body integrity agency, my role is to look into things through a lens that uses the tools and powers given to the role. Earlier this year, as part of our commitment to the outcomes of the Water Amendment (Restoring Our Rivers) Act 2023, under my audit powers, as part of my independent oversight of the plan, I released and published the first of two audits.

An audit of the Macquarie-Castlereagh Alluvium was the first of its kind to be completed on one of New South Wales's long-awaited water resource plans, known as WRPs. That audit's findings show that New South Wales did not meet all the commitments made in the Macquarie-Castlereagh Alluvium WRP. On a positive note, WaterNSW were fully compliant. A key message from this audit was that failed commitments have implications for compliance with obligations in the Basin Plan for meeting environmental watering requirements in New South Wales for groundwater management.

The second and quite separate body of work, an audit of environmental water planning in the New South Wales intersecting streams and Victorian Murray, is also complete, and I published it earlier this month. During the restoring-our-rivers bill amendment process in late 2023, I heard concerns from a diverse cross-section of industry and community relating to environmental outcomes throughout the basin. In short, this audit shows two jurisdictions with two very different results. Victoria met its commitments. New South Wales met many commitments, but not all, and the gap matters. A key message from that audit is that you cannot manage what you do not measure. Without reliable measurement, limits cannot be enforced. Planning isn't backed by accurate data, and trust erodes. In 2026, this is important because it was the loss of trust that led to the genesis of the IGWC in 2018.

To further strengthen independent base and oversight, I have now fully established and convened, under the Water Act 2007, a sustainable diversions limit, or SDL, compliance advisory panel. SDL performance forms a key component of the *2026 Basin plan review* and the following Water Act 2007 review. The panel I've established will provide me with independent guidance on best practice and continuous improvement for SDL compliance and work with my office as part of our statutory compliance role. This independent panel's knowledge and skills will provide expert analysis behind my evidence and risk based approach to SDL compliance, assessment across the basin, which is a significant concern to me. I finalised and published the IGWC *Strategic plan 2026-2030* at the beginning of April. As the agency responsible for independent oversight of the plan, my

focus will be measurement and accounting, implementation of plans and supporting the statutory reviews for governance and legislative enhancement.

This place can take comfort in the knowledge that, as the independent Inspector-General of Water Compliance, we are doing what this parliament expects of us as per the act and powers that we've been given. The powers we have and the role we are afforded to us for a reason. Reporting on what we find is done through evidence based, factual, balanced, well-considered and independent advice to government. Our contribution to the reviews that look at areas of legislation or water management that we operate in or contributions we provide into the reviews into us is treated the exact same way.

Regarding the latter shooting the messenger, because independent oversight and regulation can feel a little uncomfortable or highlight a lack of accountability, and, in doing so, can diminish trust and confidence, it would not be the answer to a \$13 billion question. We were established under the law because of a lack of accountability, trust and confidence. We have achieved a lot since I last appeared in this place; we have a lot of work currently underway, all focused on delivering against our strategic priorities. I look forward to taking any and all of your questions.

CHAIR: Senator Canavan.

Senator CANAVAN: Thank you, Mr Grant, and thank you for the report you've delivered. I believe your report states that transparency arrangements have not met the intergovernmental agreement obligation. Where exactly have those transparency arrangements failed?

Mr Grant: On a number of fronts. There were obligations on the committee to provide public reporting in relation to the progress of the toolkit, which, in my opening statement, I referred to, particularly in relation to the infrastructure projects. That did not happen because of a failed governance structure. The information that was being provided of issues or problems that could have been addressed was essentially going to the wrong body, being the Basin Officials Committee, which didn't have the necessary scope or functions, as they're established under the Murray-Darling Basin Agreement, not the basin plan, to provide advice into water management. They, therefore, also weren't able to provide that information to MinCo to—

Senator CANAVAN: They weren't able to?

Mr Grant: They weren't, also, then able to provide that information up to the MinCo level, which didn't give the ministers throughout the period of the toolkit, which continues the visibility they needed from a transparency process to correct the issues that we were facing.

Senator CANAVAN: The Basin Officials Committee got the information, is that right?

Mr Grant: Yes.

Senator CANAVAN: Is this an officials committee established under a ministerial council?

Mr Grant: It's established under the Murray-Darling Basin Agreement.

Senator CANAVAN: Is the officials committee made up of public servants from state, territory and federal departments?

Mr Grant: The state jurisdiction of New South Wales, the basin jurisdictions, as well as Commonwealth agencies.

Senator CANAVAN: If the basin officials were advised, why didn't that go up to MinCo? Why didn't it go up to the ministers if their own officials had the information? I would have expected—

Mr Grant: I'm not trying to avoid the question. I'm just trying to answer it the right way.

Senator CANAVAN: I'd be expecting my officials to brief me on, say, failings in an agreement. These are officials in the water departments, were they—presumably?

Mr Grant: Correct.

Senator CANAVAN: How come that information didn't flow up to the ministers?

Mr Blacker: In the inquiry, we compiled a range of documentation. We got about 12,000 documents through the course of the inquiry. Our analysis of those documents showed us that a lot of things were being noted in committees, rather than coming with specific actions, and that was one of the failure points that we found in governance.

Senator CANAVAN: So it was a failure within the bureaucracy, then, not to action these things, was it?

Mr Blacker: What we looked at was that accountability is two things: one is clear responsibility and the other one's consequence. The responsibility was the issue that we kept coming across: who is clearly responsible for

that program? The Basin Officials Committee has been established to look at and oversee matters in the Murray-Darling Basin Agreement. That's separate to the Murray-Darling Basin Plan. So it was an existing governance arrangement, which was being used for implementation of the plan, and what we found here is that there are opportunities to improve that and get governance that's focused on implementation of the Murray-Darling Basin Plan rather than the agreement. The agreement's 120 or 130 years old.

Senator CANAVAN: Presumably, though, the officials that are responsible for the Murray-Darling agreement are in the same departments, at state and federal levels, as those responsible for the Basin Plan. Is that generally correct?

Mr Blacker: Sometimes.

Mr Grant: Sometimes. They're not all the same. They've got a wealth of work to do on their agenda for their Murray-Darling agreement responsibilities as well.

Senator CANAVAN: Right. But is it a case where, even within their own department, there wasn't communication between public servants responsible for the Murray-Darling or water policy? They weren't talking to each other then because there were silos, effectively. Is that right?

Mr Grant: Reports would go up from a project committee—that was the name—and at times it was jurisdictions talking to themselves, essentially.

Senator CANAVAN: This transparency was about the progress of so-called SDLAMs, or sustainable diversion limit adjustment mechanisms, and the like—is that right?

Mr Grant: No, these weren't SDLAM projects. This was a toolkit IGA, independent of the SDLAM projects.

Senator CANAVAN: Okay.

Mr Blacker: But there can be similar projects in both programs. Both undertake infrastructure projects.

Senator CANAVAN: So what's in the toolkit? What sorts of programs are in the toolkit? What is meant to happen?

Mr Blacker: There's a range. There are six measures. The first one was about water recovery, the second one was about protection of environmental flows, the third one was about event based mechanisms and the fourth one was about coordination and management of environmental water. The last two are the infrastructure-heavy ones: the fifth one was removal of constraints in the Gwydir catchment, and the sixth one was environmental works and measures to promote fish habitat and movement.

Senator CANAVAN: So the works and measures are sort of connected to the SDLAMs, are they? It's all coming back to me now.

Mr Grant: The toolkit-specific infrastructure projects are similar to what SDLAM projects look like.

Senator CANAVAN: What the SDLAM would do?

Mr Grant: Yes—fish screens, for example, as part of the reconnecting. It was a project that was to reconnect about 2,000 kilometres. It's in our report. When we finalised, 64 kilometres had been done. I think now, in the latest update, we're up to about 120-odd kilometres, but it's well short of the project's target.

Senator CANAVAN: Yes, it sounds byzantine. So apparently the ministers didn't find out about these failures. Is there any obligation for officials to communicate progress under the toolkit to the communities—to people in the basin?

Mr Grant: There are obligations within the IGA, yes.

Senator CANAVAN: Were they met?

Mr Grant: No, not satisfactorily. There was ad hoc reporting. There was a bit of reporting at one stage and then a big absence of reporting. Then, when we announced the inquiry, the reporting was re-established.

Mr Blacker: One of the findings of the inquiry was that public transparency has not met commitments in schedule 3 of the Intergovernmental Agreement on Implementing Water Reform in the Murray-Darling Basin, and that was really reflecting what we saw in the evidence base—that there was more information available for officials than was necessarily in the public domain, and there was an opportunity there to meet that commitment in the schedule, but the public reporting fell short of that commitment.

Senator CANAVAN: These failures to meet targets and objectives—is this something that is a short-term issue and will be rectified, or are some of these projects simply unachievable in your view?

Mr Grant: The toolkit runs till December, so there's an opportunity for course correction in regard to the toolkit, as there is with the lessons learnt for other future infrastructure projects that we've made clear in the inquiry report so the same mistakes are not made—

Senator CANAVAN: You think they're still achievable by the end of the year?

Mr Blacker: It's a mix. There are some projects that we find in here that are unachievable by the end of this year—for example, the Gwydir constraints program. Everybody recognised that will not be complete by December this year. There are projects that are in train that have the opportunity to be met by December this year. It's a mix, and part of what we've done in the inquiry is provide some recommendations. There are seven recommendations in there to try and get as many of those through to completion as we can, but we also recognise there are other programs like this currently and potentially into the future, and so there are 11 lessons in the final report about how to improve programs like this for the future.

Senator CANAVAN: Given the pretty serious failures you've identified, what are the consequences of ramifications for the officials that have failed here?

Mr Grant: There are no consequences other than to the environment and ultimately community.

Senator CANAVAN: That's well said Mr Grant. That's what seems to happen always for people in the basin. Heads they lose, tails they lose. What about you, Minister? These are pretty damning conclusions. Has the government taken action since this report was—

Senator Watt: We only received this report in mid-April, but we will take its recommendations into account in the future design of programs. The Northern Basin Toolkit was created back in 2018. This has been a longrunning issue, but we welcome the work that Mr Grant and his team have done. As I say, we'll take that into account.

Senator CANAVAN: Has the ministerial council met yet to discuss this?

Senator Watt: Not since we've received that report.

Senator CANAVAN: When's the next meeting?

Senator Watt: Mid-year. I've forgotten exactly when but mid-year—early August.

Senator CANAVAN: These are pretty serious consequences, and apparently the clock is ticking to the end of the year. Is mid-August early enough to discuss—is that the earliest you'll discuss this report with your state colleagues?

Senator Watt: If there is an opportunity to address some of these issues before the toolkit expires, then obviously we'll take that opportunity.

Senator CANAVAN: It would appear, from the evidence tonight, that would be worthwhile, because August is still a good three months away, and there are only seven-odd months of the year left—about half the time left. Are any of the failures to meet some of these projects, like the Gwydir constraints—do they have ramifications then for water recovery to meet the Basin Plan?

Mr Blacker: One of the key things that this inquiry looked at was the relationship between the 70-gigalitre reduction in targets and this toolkit. What we heard from agencies consistently through the course of the inquiry was that there was no relationship between the 70-gigalitre reduction, which came out of a review process, and a toolkit to deliver environmental outcomes. The findings of the inquiry reject that proposition and find that there is a relationship, but it's really clear that there are no provisions to link the delivery of those projects to that 70 gigalitres. There are no clawback mechanisms in this program.

Senator CANAVAN: There's no reconciliation?

Mr Blacker: It's different to other programs. The benefit was provided upfront on the expectation that the projects would be delivered.

Senator CANAVAN: What was the benefit?

Mr Blacker: A 70-gigalitre reduction in the water recovery target under the Basin Plan.

Senator CANAVAN: Does that mean the failure of these projects, when you say clawback—I'm just trying to understand the jargon here. Does that mean that water recovery has to go back up by 70 gigalitres if they fail?

Mr Blacker: No, it's the opposite. In your example earlier on the SDLAM program, the SDLAM program is 605 gigalitres, and, at the end, there's a reconciliation. It says how many projects were delivered, and there's an accounting adjustment accordingly. Here, there is no back-end reconciliation—

Senator CANAVAN: For the northern basin?

Mr Blacker: There's no adjustment. There is no accounting mechanism at the back end. It's simply that the 70 gigalitres were reduced up front.

Senator CANAVAN: But your review has not looked at the SDLAMs in the southern basin, has it?

Mr Grant: No. It was focused on the IGA that covered the Northern Basin Toolkit.

Senator CANAVAN: Is there someone reviewing the southern basin? It sounds like similar issues might arise there too.

Mr Blacker: Yes. There are two categories of projects in that SDLAM program. The first one is constraints, and the second one is supply measures. The supply measures are quite similar in infrastructure projects to some of those in the toolkit, so the lessons learnt that we outline in this inquiry report could be applied to a program like SDLAM. There are opportunities for agencies who are delivering SDLAM infrastructure projects to look at the lessons learnt and those opportunities. That's also on the same timeline, so it's got until the end of this year to be delivered.

Senator CANAVAN: The same timeline?

Mr Blacker: Correct.

Mr Grant: In relation to the constraints component, the Murray-Darling Basin Authority published, a little while back, a constraints roadmap. You were asking if anyone is looking at it. The MDBA have published a body of work in that regard.

Senator CANAVAN: It sounds like there hasn't been a lot of progress on any of this for a long time. Is this lack of project progress undermining the Basin Plan, in your view?

Mr Grant: Yes.

Senator CANAVAN: In what way do you think it'll be undermined?

Mr Grant: It erodes trust and confidence, is the first thing. That's why we're employed. That's what we've been tasked by this parliament to do—to restore trust and confidence in the Basin Plan. So, yes, it erodes that component of it. Talking plainly, if you're paid to do something and it's expected there will be a benefit out of it, people expect that to happen. When it doesn't happen, they expect to know why or how come. We've found those answers and we've published them in a report with how to avoid this happening. We can't unscramble the egg, but departments and governments broadly can learn lessons from this so that the environment, the community, the taxpayer—whoever it is—are getting value for money and are getting the outcomes that are planned and mapped.

A pretty impressive scientific panel put these projects together. Some really terrific public servants did some wonderful work on this. What frustrates me most is the inspector-generals: a number of public servants were like canaries in the coalmine on this. They raised concerns, and they weren't adhered to. That was really disappointing evidence to hear—as well as being supported by documentation that we found.

Senator CANAVAN: Who ignored these canaries?

Mr Grant: The government structure didn't allow the canaries to get to the right people, the right decision-makers.

Senator CANAVAN: It was within the bureaucracy?

Mr Grant: Yes, it's a design problem rather than an individual issue. That's a big focus of the recommendation we've made—that this needs to be designed better. It's going to close the opportunity for things to fall through the cracks. It's going to close the gap where people aren't accountable. We've made a key recommendation in here to actually have a nominated person responsible for a project of this type under an IGA. What's the technical term?

Mr Blacker: Senior responsible officer.

Mr Grant: That would all enhance and help projects of this type into the future. Then, I think that would give the community the trust and confidence that they're after.

Senator CANAVAN: Apart from a senior officer, are you recommending that there should be some kind of performance management?

Mr Grant: A Basin implementation committee for projects of this nature.

Senator CANAVAN: What I'm getting at is that obviously the communities have skin in the game. When things go wrong with the Basin Plan, they pay the price. Those implementing the Basin Plan, particularly the bureaucrats, the ministers et cetera, don't really have the same skin in the game. At the moment, as far as I can tell, when things go wrong, they keep getting paid. They go on with their lives. Is there any kind of process here

we could create, such as a performance incentive management structure, to incentivise delivery of what is promised?

Mr Blacker: One of the things we had to think about as we went through the inquiry was where do we put our focus and effort. If we had seen particular code-of-conduct issues, there are agencies we can refer those sorts of things to for action. But what we focused on was not the individuals, because this was more systemic than an individual officer's conduct or—

Senator CANAVAN: Someone's ultimately got to be responsible. Ultimately, the minister should be—the buck stops with the minister.

Mr Grant: The design of it didn't identify who was responsible.

Mr Blacker: We found four themes of key issues—

Senator CANAVAN: This is, I suppose, part of the problem then. If no-one's responsible, no-one will take action to fix it.

Mr Grant: That's why we've recommended someone is made responsible.

Senator CANAVAN: Alright. I think that's it on those reviews. Moving on to other issues, have you received any updates on the four outstanding water resource plans in New South Wales? I think this was raised in October estimates. There were some delays with consultation with First Nations groups. Have they been resolved?

Mr Grant: They have not. The same frustrations exist—is the latest advice and briefing I have. The authority are better positioned than me, but I have met personally with Minister Jackson. I have witnessed her best efforts to resolve this, with her team. We have personally offered to intervene. I travelled from Queensland to Moree to meet with the community to try and help them as an independent person, to understand what their concerns were and to steer in the right path. They didn't show up to the meeting, so I—

Senator CANAVAN: So what exactly is the hold up here? I'm completely unfamiliar with it myself.

Mr Grant: It's an engagement issue. The officials are getting told that they accept or don't accept the information and/or who are the appropriate people to meet with.

Senator CANAVAN: This is the appropriate representatives of First Nations groups. Is that right?

Mr Grant: Yes.

Senator CANAVAN: And is that a requirement that they have to be consulted or have their feedback before they're finalised?

Mr Grant: Yes. The authority are better positioned; they own this space in that construct, with the state jurisdiction.

Senator CANAVAN: So the water resource plans have not been submitted at all at this stage?

Mr Grant: They have been submitted over time and have been rejected through other previous processes, but the current ones are missing that final piece of First Nations consultation to be resubmitted.

Mr Blacker: There are five plans at the moment which are outstanding. One was a court matter, and of the other four there's a First Nations issue affecting all of those. But one of those also has some flood-plain harvesting licensing matters to be resolved. That's the Namoi surface water plan.

Senator CANAVAN: What's the consequence of the water resource plans not being finalised?

Mr Grant: It's a legal instrument that gives us the power to be the enforcement body for the Commonwealth for obligations that aren't met within that water resource plan. If they're not a legal instrument, I can't do anything about—

Senator CANAVAN: Is there already a water resource plan for these areas? Is it just a matter of updating them?

Mr Grant: There are none. They're absent. When we started this job, there were none in New South Wales. They're now at about 80 per cent.

Senator CANAVAN: There were none?

Mr Grant: There were zero. Until I made a speech and embarrassed this government with action—

Senator CANAVAN: I've always blamed Queensland for the issues!

Mr Grant: They've gone from none to 80 per cent. I wasn't overly popular, but it got the job done—mostly.

Senator CANAVAN: Good, and good luck with the rest.

CHAIR: Thank you very much. Senator McLachlan.

Senator McLACHLAN: On the review, were you happy with the powers under the act that allowed you to conduct the inquiry, or should we be reflecting on whether we need to enhance your powers?

Mr Grant: We're currently under a statutory review in relation to our powers. We've made a—I wouldn't call it a submission. We have worked with the reviewers to provide them feedback on the limitations of some of our inquiry powers and our wish list, for want of a better word. So we've made a statement of claim, for want of a better word, through that review process, which is coming to an end very soon, I understand.

Senator McLACHLAN: Were those limitations apparent in this inquiry?

Mr Grant: Yes.

Mr Blacker: There are a couple of examples that are probably worth pointing out. One of the challenges under the legislation as it stands is that the inspector-general has to personally undertake the inquiry, so an ability to delegate or appoint somebody to lead an inquiry would be a useful amendment. That's the sort of thing that we're talking to the reviewers about. We did use some of those powers for the first time, and there are some lessons to share with the reviewers in that. We used the power to compel documentation for the first time. We used the requirement to appear before the Inspector-General to answer questions. We exercised a lot of those—

Mr Grant: No witnesses were compelled. They all voluntarily turned up for interview.

Senator McLACHLAN: Right. Are they under oath when they speak to you?

Mr Grant: They're not under oath. They have obligations they're required to meet under the act.

Senator McLACHLAN: Yes. Your comment around lack of information flow for accountability interested me. Is there a need for a whistleblower provision for your office? Why wouldn't those officials have felt comfortable going outside the chain of command, for example? Did they feel restrained? It's one thing to say you need someone accountable for this—that's literally stating the obvious and it's strange, but bureaucracy is bureaucracy—but would it assist if people in the plan, who assist in the plan, who are working on the plan for different agencies had a place to go?

Mr Blacker: It's interesting. It's not something that was raised with us during the inquiry. We haven't had anybody explicitly talk to us about that or looking for that avenue. Our view, during the inquiry, was that those people had a voice internally and they used that voice. The question for us was whether the governance arrangements were there to give them an appropriate action as a result of the issues that were being raised. So risks were being brought up. It was just whether or not there was a forum to act on those, and act on those in a timely way. A lot of them require interjurisdictional agreement, so it's not one agency or one jurisdiction acting alone.

Senator McLACHLAN: Was there a paper flow that showed at least they were raised between those agencies?

Mr Grant: Yes. That was part of the compel powers that were helpful so that we acquired that documentation.

Senator McLACHLAN: Will you now revisit this issue at some time in the future? The government said it's obviously taking that component of it on board in designing programs. How do I get comfort that things have actually changed, other than asking the minister questions at estimates and so on?

Mr Grant: I will get my deputy to help me make sure I've got the right names. A lot of the things we found have already been found previously and reported to governments over time and have basically sat on the shelf. The Productivity Commission reports that identified the same, if not similar, design governance issues—on the shelf. The Greg Claydon review, I think, had the BOC commissioned out of that a few years ago in relation to governance—on the shelf. We're not on the shelf, so, yes, we'll be going back and, as we do with all of our audit recommendations and findings, we will relentlessly follow things up to make sure we're having all the influence we can within our powers to make sure the best outcomes are achieved.

Senator McLACHLAN: What was the motive of giving the benefit out the front? What was the reasoning? It's very unusual behaviour, even in a bureaucratic system, without expecting something in return or delivering.

Mr Grant: We have a cooperative federation model that runs the Basin Plan. It's a good-faith model. The work that was done by the Murray-Darling Basin Authority—they did a review, for want of a better word, on what was possible and did a recalculation. They arrived at a 70-gig figure and then mapped out, using an expert panel, what would be the projects that would offset that, essentially, or that would make sure that was the right environmental outcome for all that quantum of water being returned to consumptive pool.

Senator McLACHLAN: That's a lot of faith in engineering ability, isn't it?

Mr Grant: Yes. It's the constitutional model we have for a lot of things, not just water, in this country. That's what an IGA is, a document that frames up what and how and the commitments given, and the obligations that may sit with those commitments. It's just about what can be enforced or what can't be enforced. It's a hard one to answer because there's not one single answer for one example. It all varies.

Senator McLACHLAN: Are there other examples in the basin where the reduction is agreed but pending an actual outcome?

Mr Blacker: Yes. The SDLAM program has similar arrangements. So 605 gigalitres has been granted upfront, essentially as a credit to the accounts. Then, at the end of the projects, which is at the end of this calendar year, there's an accounting reconciliation of that. If those projects aren't delivered, that's got a built-in accountability mechanism in that program. There was no similar sort of mechanism in the Toolkit program, but we see other examples of instances where the benefit is given up front. It was put to us in the inquiry that the reason that the 70 gigalitres was provided up front was because there was no connection between the reduction on the one hand and the program of activities to produce environmental outcomes on the other. The evidence before us in the inquiry suggested otherwise, and that's our first finding in the report—that actually these things are linked; there is a relationship here, and it's quite clear. It's actually written into the Basin Plan.

Senator McLACHLAN: On audits, to follow a question from Senator Canavan, you'll circle back on this inquiry, but what's the accountability flow after an audit? Do you come back again to see if the audit findings have been accommodated?

Mr Grant: Yes. We do our audits, then the jurisdiction responds. Depending on their response, yes, we go back. We've got an internal process that we go back and follow up. We're currently following up on some older audits that we have done.

Senator McLACHLAN: When we next meet at estimates, will you have had a response to those audits that you referred to?

Mr Grant: We've already had the response.

Mr Blacker: There are two pieces to that. One is that, under the Water Act, agencies have a statutory period of time in which to provide a response to the Inspector-General. So those responses are provided. Quite often, we see they are provided as the audit report is going out, so we know immediately whether agencies accept those recommendations or reject them. For the last two audits we've just completed on New South Wales water resource plans, the recommendations have been accepted in full by the agencies who were audited. Then we go back over time and check—yes, they were accepted, but have they been implemented? That's what we're doing at the moment on a number of audits.

Senator McLACHLAN: Thank you. No further questions.

CHAIR: With that, I'll say thank you very much, Inspector-General and your team, for your attendance and your evidence here today. You go with the committee's appreciation.

Department of Climate Change, Energy, the Environment and Water

Murray-Darling Basin Authority

National Water Grid Authority

[20:42]

CHAIR: I now call the Department of Climate Change, Energy, Environment and Water in relation to outcome 4, which is to do with the health of rivers and wetlands and enhancing the sustainable, efficient and productive use of Australia's water resources. That extends also to the Environmental Water and Aquatic Ecosystems Division as represented by the Commonwealth Environmental Water Holder, Murray-Darling Basin Authority and National Water Grid Authority.

Welcome, Mr Andrew McConville, Chief Executive Officer of the Murray-Darling Basin Authority and Dr Simon Banks, Head of Division and Commonwealth Environmental Water Holder. Do either of you wish to make an opening statement?

Dr Banks: No.

Mr McConville: No.

CHAIR: Wonderful. We'll throw it open to questions. Senator Canavan.

Senator CANAVAN: Is Ms Anthea Harris working on the Water Act review at the moment?

Mr Sullivan: Anthea Harris was appointed to the Water Act review some months ago. Initial work was undertaken by Anthea in consultation at the early stages of the Water Act review. Obviously, with her

appointment to oversee work with respect to fuel, that work has been a lot less. In response, we have appointed a deputy reviewer to help with that process. We've continued to work in terms of First Nations engagement, because there's a First Nations adviser to the Water Act review, we're keeping a sense of what Anthea's requirements are, and we'll take that under advisement as we go through the process.

Senator CANAVAN: Who's the deputy?

Ms Johnson: Vanessa O'Keefe is the deputy.

Senator CANAVAN: She was appointed the deputy after Ms Harris became the fuel tsar or whatever the word is—that's the colloquial term. She hadn't been involved in the Water Act review before that?

Ms Johnson: That's right.

Senator CANAVAN: Is Ms Harris being paid at the moment?

Ms Johnson: Ms Harris has invoiced the department for six days of work. As Mr Sullivan said, she was appointed in late February. She did six days of work for the Water Act review before 19 March, when she was appointed as the head of the fuel security taskforce, and she's invoiced us for those six days. As Mr Sullivan said, since her appointment to head up the fuel security taskforce, she's done very minimal work, in the order of just a few hours. The bulk of the payment was for a period before she started as the fuel security coordinator.

Senator CANAVAN: Will she be paid for that work, as well—those few hours?

Ms Johnson: That's correct.

Senator CANAVAN: You just haven't been invoiced yet.

Ms Johnson: Exactly.

Senator CANAVAN: What was the invoice for the six days?

Ms Johnson: It was \$18,365.30 including GST.

Senator CANAVAN: Does she have an hourly rate as such?

Ms Johnson: She's got a daily rate, which is \$2,750 GST exclusive.

Senator CANAVAN: In finance and public administration this evening it was revealed that Ms Harris is being paid \$233,000 for three months work. It's the equivalent of \$1 million a year. How can it be justified to have that much payment for that work—a million dollars a year, effectively—and then be paid on top for the work here as well?

Ms Johnson: For our project, we had budgeted up to 100 days for the independent reviewer for the course of the review. As I say, at the moment, we paid Ms Harris for six of those days and we haven't been invoiced for another few hours.

Senator CANAVAN: Yes, but, if you're getting paid a million bucks a year, I'm not sure how you can justify the other hours to be charged at \$2,750 a day—that's a good \$400 an hour charge-out rate. I don't quite get that you could do both jobs. If it's a million-dollar-a-year job, you'd need to be pretty much super full time on that, I would have thought.

Mr Kaiser: I think that's the reason she hasn't really invoiced us—

Senator CANAVAN: But she is going to. You're expecting her to invoice further while she's doing this other job at \$1 million.

Senator Watt: No, I think what the officials said was that we expect her to invoice us for the few hours work that she has done since then.

Senator CANAVAN: I think the general public are shocked that people get paid \$1 million a year to do administrative work. But they are the rates that are set. If we're going to provide people that sort of payment, I think we'd expect them to be solely focused on that job. Effectively now you're letting people double dip into what is a very generous level of payment that no Australian would—

Mr Kaiser: She's not doing both jobs at once.

Senator Watt: That's why we've appointed Ms O'Keefe.

Senator CANAVAN: If you're getting paid \$1 million a year, you're probably not or you shouldn't be working standard nine to five hours. I was in the other committee before, and she hasn't met with a bunch of people in the oil supply chain, either. I don't know what's going on here.

Senator Watt: We obviously can't speak to the work that she's doing in the fuel role, but, as to the work that Ms Harris has done on this review, what you've heard is that she undertook a total of around six days work, which

she has invoiced us for, she has done an additional handful of hours, which she will invoice us for, and we have appointed a deputy reviewer to step in and take on a lot of that work.

Senator CANAVAN: So consultation is continuing now?

Ms Johnson: As Mr Sullivan said, we've intentionally started consultation with First Nations peak bodies. The bulk of the consultation, the timelines of which are published on the department's website, is that we're planning for the Water Act review key discussion paper to be released in early July and run July and August, and then later on in the year we plan to run a consultation on a draft report. Importantly, we've been looking to align the Water Act review with the Basin Plan review, which our authority colleagues can talk more to. We've really been quite conscious about the risks of stakeholder fatigue and making sure we're looking to sequence those two reviews appropriately.

Senator CANAVAN: But Ms Harris is going to miss these consultations. How is she going to adequately conduct the Water Act review if she hasn't been involved in the First Nations consultations?

Ms Johnson: We have the First Nations Adviser, Dr Teagan Shields, who is running those consultations.

Senator CANAVAN: Who's in charge? Is Ms Harris still ultimately in charge of what is produced by the Water Act review?

Ms Johnson: Yes, Ms Harris is still the independent reviewer.

Senator CANAVAN: How is she going to adequately come to conclusions when she'll miss such a large part of the consultations?

Senator Watt: Whether it's Ms Harris or anyone else, I don't think it was ever intended that the overall reviewer would attend every consultation session.

Senator CANAVAN: But she's going to miss a fair share. I struggle to understand—why not just appoint a new person? Why do you need to keep Ms Harris on? She's got a big job to do now. It's a very serious job. Why not just appoint a new person? It's not a full-time job, but they could be focused and as involved as possible for the people of the basin.

Mr Sullivan: At the outset of the fuel issues, we, from a water perspective, didn't know how long Ms Harris's tenure would be in that fuel position. The government's appointed the deputy reviewer. It was always envisaged that there would be a range of specialist support for the lead reviewer, regardless of whether it was Ms Harris or someone else. In terms of consultation, the crunch time comes, as Ms Johnson said, when we go out with the MDBA to talk about the Basin Plan review and the Water Act in concert. That's a critical time. A lead reviewer will need to be there.

Senator CANAVAN: How many consultation sessions have occurred since Ms Harris took on the Fuel Supply Taskforce Coordinator role?

Ms Johnson: I don't have the number but can easily take it on notice for you. As the department officials, we've met with bodies like the National Irrigators' Council and the National Farmers' Federation. There was a workshop led by Dr Shields today. There was a webinar. I think that was last week. We've really been quite intentional in trying to sequence this with the Basin Plan review as well. This plan of starting to consult after the Basin Plan review consultation ended on 1 May is quite intentional in terms of not overburdening stakeholders with consulting on too many things at once.

Senator CANAVAN: You mentioned earlier that you're focusing on First Nations. Have you adjusted the schedule of consultation because of the fuel supply work?

Ms Johnson: Certainly, we've built in all relevant information in terms of landing on that consultation schedule.

Mr Sullivan: We've also been conscious of the cost of consultation. In our original planning, we envisaged being in the basin—on the ground. Obviously, that does come at a cost for punters—

Senator CANAVAN: I go back to my question. Has the schedule of consultations changed since the appointment of the Fuel Supply Taskforce Coordinator?

Mr Sullivan: What I'm trying to say is that some of the consultation has been changed irrespective of whether Ms Harris was there or not because of the issues with respect to fuel, increased diesel prices et cetera. We're trying to do more online. We're trying to be adaptive. We're trying to line it up with the MDBA's Basin Plan review. To be honest, yes; we've taken into account the fact that Ms Harris hasn't been available.

Senator CANAVAN: So, effectively, the Water Act review is now being relegated.

Senator Watt: No.

Mr Sullivan: No, I don't—

Senator CANAVAN: You just said you're relegating it. You're changing it because of the fuel supply issues.

Mr Sullivan: I didn't say 'relegated'.

Senator Watt: No-one said 'relegated' except for you.

Senator CANAVAN: People can make their own judgements, but that's the clear conclusion from the evidence here. Who's paying the invoice? Was that you?

Ms Johnson: Yes, the department's paying.

Senator CANAVAN: Your department's paying for the six days and the other hours we might see. Have you sought any advice about potential conflicts of interest of this review by Ms Harris?

Ms Johnson: Certainly, before the government appointed Ms Harris and equally the—

Senator CANAVAN: Before which appointment?

Ms Johnson: Before the appointment of Ms Harris at the end of February.

Senator CANAVAN: The Water Act appointment?

Ms Johnson: That's correct. We undertook a full request for comment—

Senator CANAVAN: What about since the fuel supply coordinator appointment? Have you sought any advice since then?

Ms Johnson: No, we haven't.

Senator CANAVAN: I think there are questions now, because Ms Harris is being paid \$1 million a year, equivalent, by the government, and now they're being asked to do an independent review of the government. That doesn't seem all that independent.

Senator Watt: Well, I don't know whether questions were asked at PM&C estimates about whether Ms Harris completed a conflict-of-interest declaration in taking up the second role, the fuel coordinator role. We obviously wouldn't be aware of that. That's being managed by PM&C.

Senator CANAVAN: No, but you're clearly aware that she's now being paid an enormous amount of money by the government. I guess she has to be paid for the review and all of that, but I don't see how she could be classified as independent now. She's on the payroll of the government to a significant degree. This is now just an intergovernmental review, not an independent review of the Water Act.

Senator Watt: Well, I don't know if Ms Harris would be the first person who held a government funded position and who was commissioned by a different part of government to undertake a review. I'm not sure—

Senator CANAVAN: I'm not sure if such a person would be getting paid a million-dollar-a-year salary. Do you have any examples you can tell us, Minister?

Senator Watt: We can go back and look at who was appointed to do reviews when you were—

Senator CANAVAN: That's probably why you should have sought advice. Maybe if you'd gotten advice you could have provided those examples, but now you're talking in hypotheticals.

Senator Watt: Well, so are you, with respect.

Senator CANAVAN: No, it's not a hypothetical; she is being paid the equivalent of \$1 million a year.

Senator Watt: You are speculating about hypothetical conflicts.

Senator CANAVAN: No, I've just outlined the conflict.

Senator Watt: What I'm saying is that I would be very confident that Ms Harris would not be the first person to be in this position.

Senator CANAVAN: Okay. Well, that is just speculation, not evidence. Yes, Mr Sullivan?

Mr Sullivan: The evidence is that she's done a couple of hours work since she's been appointed in the fuel role, and that's been the limit of her work on the fuel.

Senator CANAVAN: But she's still responsible for the ultimate conclusions. That's what we just went through. She's still the boss.

Senator Watt: I've given you an answer. You don't accept the answer.

Senator CANAVAN: Okay. I don't understand why you can't just appoint someone else. Surely there are other people that can do this review. This review is very important. So is the fuel supply role—no one's denying that. Why not just appoint another person? What's so special about Ms Harris that she needs to have two jobs?

Senator Watt: Mr Sullivan has already taken you through the timeline of what the expectations were of Ms Harris and when the consultation is going to begin in earnest.

Senator CANAVAN: When's the review due to conclude?

Ms Johnson: At the end of February 2027.

Senator CANAVAN: That hasn't changed?

Ms Johnson: That's correct.

Senator CANAVAN: I know a lot of people have been putting a lot of effort into this, and I think they'll be a bit concerned that the government's not really taking it all that seriously.

Senator Watt: Well, that's your assertion

Senator CANAVAN: It would be a shame to undermine that. I will move to the Basin Plan Review and the discussion paper that came out. The discussion paper states that capital expenditure into infrastructure is well below what's necessary and much of the Murray River's infrastructure is well beyond its end of life. How extensive is this risk? Has there been some assessment of what percentage of infrastructure is beyond its end of life?

Mr McConville: The infrastructure sits, obviously, under the Murray-Darling Basin Agreement, not the Basin Plan, but it's an issue that that has been highlighted. There are, at present, 14 risks that sit outside what we would say is an acceptable tolerance. We are working with the joint programs to try and get an uplift in funding in both opex and capex, but current levels are below what we believe needs to be expended in order to ensure the life of those assets beyond their calendar life. You asked for a percentage, Senator. I couldn't give you one off the top of my head.

Senator CANAVAN: That's okay. You've got 14?

Mr McConville: There are 14 assets that sit outside. We run to several hundreds of assets, but there are some significant pieces in that that need to be looked at.

Senator CANAVAN: Rather than list the 14, could you take them on notice?

Mr McConville: Yes, we'll do that.

Senator CANAVAN: Are there some significant ones? Burrinjuck?

Mr McConville: No. The Hume Dam trash racks and irrigation outlets, the Lake Victoria Outlet Regulator and Mildura Weir are probably the three largest and most significant.

Senator CANAVAN: Okay—they're the big, significant ones. You can take the others on notice.

Mr McConville: Sure.

Senator CANAVAN: There are 14. Are there any indicative costs on how big this underinvestment is?

Mr McConville: We would be looking at several hundred million dollars over the life of those assets—a 30-year lifespan.

Senator CANAVAN: That includes capex and opex?

Mr McConville: We are currently working with the joint venture and the states to look at where we can obtain an uplift. We did receive, through the joint venture program, an uplift of \$26 million in this current calendar year to support necessary expenditure. That was led by the Commonwealth, but we would certainly want to—

Senator CANAVAN: When you say 'led'—

Mr McConville: As in the Commonwealth stepped forward first and then the states—

Senator CANAVAN: You put \$26 million in?

Mr McConville: A component of that. The \$26 million was the total put in by the states. It works on a formula, but all states came to the table there. We would be looking to work with the states to try and obtain an uplift in both opex and capex through the joint venture programs, as we work on also moving towards a four-year budget cycle for the joint venture.

Senator CANAVAN: That \$700 million—

Mr McConville: It's a rough figure.

Senator CANAVAN: I know it's a very rough figure, but that presumably is calculated just on maintaining these assets, isn't it? That's not looking at potential upgrades or—

Mr McConville: It's undertaking some of the necessary repairs and maintenance that would allow us to extend the life of those assets.

Senator CANAVAN: It hasn't looked at maybe making them bigger or stepping toward more efficiency?

Mr McConville: No, not making them bigger. It's about continuing the operability of those assets.

Senator CANAVAN: There's no assessment being done of that? If we're going to spend \$700 million, maybe look at whether another few hundred million could lead to a bigger uplift in performance or greater efficiency. Is there any assessment being done of that?

Mr McConville: I'll get Ms Hickey to comment. When we're looking at infrastructure decisions in the state, they will rest very directly with the state. You mentioned Burrinjuck. That would be a state decision. We deal through the joint venture only with the River Murray assets.

Senator CANAVAN: Oh, okay, so this is only River Murray.

Mr McConville: Yes.

Senator CANAVAN: Oh wow! There are a lot more, obviously, that could be in the same boat.

Mr McConville: Potentially, but in terms of the Basin Plan Review and the discussion paper that was put out, the reference there were to the River Murray assets under the joint venture.

Senator CANAVAN: So will this Basin Plan Review look at those other assets in the Murrumbidgee system and elsewhere?

Mr McConville: Not as part of the Basin Plan Review. We can highlight that, coming through the submissions process, there are calls to look at the quality of infrastructure, whether that be fish passage or whether that be updates to weirs and locks. It extends beyond the realm of the Basin Plan to look at assets that sit within a state jurisdiction.

Senator Watt: It is something that I've written to state and territory water ministers about, asking them to tip in more funding towards this, in the same way that we are.

Senator CANAVAN: We're about to break. I want to stress that I've spent a lot of time in these areas in the last few months, and it is a big topic of conversation.

Mr McConville: I'm happy to take some of those questions on notice.

Senator CANAVAN: I raised Burrinjuck, given the importance of Burrinjuck, particularly around Griffith. Is it already over 100 years? I'm getting confused. I think it is already 100 years old. No, maybe it's just coming up to 100 years old.

Mr McConville: No, Burrinjuck is not that old. It's a question for New South Wales.

Senator CANAVAN: Thank you.

Proceedings suspended from 21:02 to 21:18

Senator CANAVAN: Picking up where we left off, has anyone assessed whether this underinvestment is posing a potential safety risk of the dams themselves?

Mr McConville: We continue to maintain all the oversight, ensuring that the dams remain safe. That is the first step in all of it. But there is work that needs to be done in particular pieces of infrastructure, and that's what the forward asset plan is designed to do, and it will keep those risk levels down.

Senator CANAVAN: When you say 'work to be done', do you mean investment that has to be made?

Mr McConville: Investment that has to be made, yes.

Senator CANAVAN: I'm sure you're aware that 30-odd years ago there were movements in Hume Dam.

Mr McConville: Yes.

Senator CANAVAN: There were large concerns about the potential impact of that. It's very close to the town of Albury-Wodonga. Has there been any assessment of that particular piece of infrastructure?

Mr McConville: I might ask Ms Hickey to limp on up here to give you a much more informed answer than I'm able to give.

Senator CANAVAN: Sorry about that. While coming up, I've got similar questions about Mildura Weir as well.

Ms Hickey: I believe your question was around the safety risk associated with Hume Dam. I think you referred to the past event in the mid-1990s when the Hume Dam wall moved—the left abutment. The works that were done on that abutment have now rendered that part of the structure very safe. What happens as part of

meeting state dam safety requirements, which are governed, overarchingly, by a set of national guidelines—the Australian National Committee on Large Dams. You might have heard about them.

Senator CANAVAN: Yes, I'm familiar with that.

Ms Hickey: Appropriate societal risk assessments need to be done on such major storages or structures. That has been performed many times for Hume Dam. It has recently been updated. We remain below the limit of tolerability, so it is within the societal risk tolerance that is accepted under those ANCOLD guidelines. However, we have an ongoing commitment to demonstrate that we're continuing to implement works to bring them to as low as reasonably practicable. There is further work that's about to be commissioned to better understand things like the geology, because we do know there are some faults in the region. There are ongoing comprehensive dam safety monitoring and assessments that are done on a regular basis.

Senator CANAVAN: That's very important. Given the potential underinvestment here, it seems strange to me that again, particularly given the risks there, the government continues to pursue water buybacks. How much funding has the government allocated to water buybacks in the recent budget?

Mr Southwell: There's no announcement around additional funding in this budget for water purchase. Those water programs are ongoing and—

Senator CANAVAN: I didn't ask for additional. How much is allocated for water recovery through purchase of water directly from licence holders?

Mr Southwell: Those funds are not for publication as it compromises the negotiation position of the Commonwealth.

Senator CANAVAN: That's a load of absolute crap. The government always used to do that. I remember the—

Senator Watt: I don't think you need to treat the public servants like—

Senator CANAVAN: I'm just going to call it out. I've got limited time, because we're over. I'm going to call it as I see it, Minister.

Senator Watt: You don't need to be rude to the public servants.

Senator CANAVAN: It is rubbish, because previous governments did publish those figures under previous water recovery schemes. The original Basin Plan had a detailed split between water recovery from purchase—including Labor governments, may I add—and infrastructure programs. The lack of transparency of this government cuts across many departments and programs. But how would that in any way impact the commercial negotiations, given it wouldn't commit the government to a particular amount of water? It would just be a set of funds that you obviously have.

Mr Southwell: I can talk about what we have purchased and talk about the funds that we have spent—

Senator CANAVAN: I'm not so much interested in that. So there is an amount of funds in the budget for water recovery?

Mr Southwell: Government has a commitment to recover water to deliver the Basin Plan up to 2027 through both 450—

Senator CANAVAN: But there is an amount of funds within the budget flowing through to the underlying cash price? You can tell me that, surely.

Mr Southwell: We do have an amount of funds to continue water purchase up to 2027.

Senator CANAVAN: Those calculations are based on recovering how much water?

Mr Southwell: A contribution towards a 450 gigalitre target. At the moment, we have approval to purchase up to 300 gigalitres, and we've made good progress on that, as well as funding towards bridging the gap. I think we're over 99 per cent of the way there on that.

Senator CANAVAN: The money in the budget is based on roughly 300 gigalitres of water recovery; is that right?

Mr Southwell: Correct. I think we've recovered at the moment, as published on AusTender, around 200 gigalitres of that.

Senator CANAVAN: There was a WESA review, I'm told, that estimated this would cost around \$1.3 billion. Are you familiar with that?

Mr Southwell: I'm familiar with the WESA review.

Senator CANAVAN: Is that about right?

Mr Southwell: I'm not going to guess.

Senator CANAVAN: It's certainly at least around \$700 million, which Mr McConville says is needed to upgrade water infrastructure. Minister, why is the government prioritising water buybacks over making our dams safe?

Senator Watt: Well, we're not doing that. We're doing both. I know the National Party has never supported the voluntary water recovery targets that we've set—

Senator CANAVAN: No, we haven't.

Senator Watt: We do because we believe in the long-term future of the Murray-Darling basin.

Senator CANAVAN: Given you said you're doing both, how much is being allocated to upgrade dams right now in this budget?

Senator Watt: I think Mr McConville gave you some figures earlier about what's being spent this financial year.

Senator CANAVAN: \$26 million—and that's—

Senator Watt: If you let me finish—in addition, we are funding hundreds of millions of dollars of water efficiency and water infrastructure projects across the basin.

Senator CANAVAN: I'm just trying to get to the bottom. Why is the government investing less than \$20 million in the upgrading of dams that have reached the end of their life—that support communities, food production and safety, obviously—but allocating up to billions of dollars, or hundreds of millions of dollars at least, to purchase water, which undermines the economic basis of those food producing communities?

Senator Watt: Well, I know you don't agree with us on this, but we believe that it is necessary to recover that 450 gigalitres for the environment. I know the National Party recovered, I think, two gigalitres, from memory. But we take that target seriously because we believe that it's necessary for the long-term health of the Murray-Darling basin and the industry and communities that rely on it.

Senator CANAVAN: Yes. Look, all budgets are about priorities, and the priorities of government are very clear. The priority the government has put in front of food production, jobs and the very safety of these communities, if the worst happens—over and above that—is the mad pursuit of a particular target, an arbitrary number. Of course, it's a deal you do with the Greens. It's very, very clear what those priorities are.

Senator Watt: That was a target that was set before our government came into office and, of course, that your government ignored.

Senator CANAVAN: It was actually set by the former Labor government.

Senator Watt: Yes, and it remained in place when you were in government for 10 years.

Senator CANAVAN: Yes, but we were going to pursue it through water recovery. As you said, and I'm glad you've said it for the record, we did not believe in undermining the economic base of communities. We'd much prefer to invest in infrastructure.

Senator Watt: Well, we're doing that as well.

Senator CANAVAN: We could probably kill two birds with one stone if we upgrade the dams.

Senator Watt: You always ignored that, and we're doing that as well.

Senator CANAVAN: If we made them safer and more modern, we'd save water. Has there been an assessment, or is this review which these figures have—well, not really come from, but I suppose they're the starting platform for the Basin Plan Review. One of the starting points is the need for this investment. Is there the potential in this review to look at a reprioritisation of the money allocated to water buybacks to instead invest in infrastructure to deal with this issue of aging dams as well as potentially recover water? If the dams are more efficient, you might get a bigger bang for your buck.

Mr McConville: When we look at the Basin Plan Review, we'll make recommendations as to where we think the focus of the future Basin Plan needs to be. It's a separate step entirely for government then to determine how it might want to allocate its money to address the recommendations of the review. At this stage I wouldn't and cannot pre-empt the outcomes of what the review might look at. But, as you said, we have highlighted in the discussion paper that we need to see continued investment in infrastructure across the basin as that infrastructure continues to age.

Senator CANAVAN: Are you at all prevented from making such a recommendation? Are you allowed to recommend that perhaps funding for water buybacks should be diverted to infrastructure upgrades?

Mr McConville: No. I would say it's not for us to determine where the government wants to spend its money. What we would do is highlight where we think investment needs to occur. But, in terms of a policy decision—

Senator CANAVAN: I totally understand. Ultimately, it's a decision for government about where the money goes. But do the terms of reference, your instructions, restrict you from making recommendations about the water buyback program?

Mr McConville: No, technically it doesn't. There's nothing in any terms of reference around the review as to where the authority might decide to place its recommendations.

Senator CANAVAN: Thanks for that. Is this the right area to talk about the National Water Grid?

Mr McConville: Yes.

Senator CANAVAN: I believe there have been cuts—or is that program completely gone now?

Mr Southwell: No. The National Water Grid Fund remains in place. Through this budget, there was \$103.9 million of unallocated funding that was returned as a savings as part of the budget measures, but the program remains open. I think since 2022, more than \$1 billion has been committed for the National Water Grid Fund construction projects, including for—

Senator CANAVAN: How much of the fund is left?

Mr Southwell: I think we've got 300 projects still in place. My colleague can check that.

Mr Darrough: From 2025-26 through till 2034-35, there is \$1.9 billion left in the National Water Grid fund.

Senator CANAVAN: Can we get that broken down by year, on notice.

Mr Darrough: Yes.

Senator CANAVAN: How much of that is unallocated?

Mr Darrough: The savings measure in the budget returned \$103.9 million of unallocated funding, meaning that the program is fully committed.

Senator CANAVAN: So there is no unallocated funding left following that budget measure.

Mr Darrough: Yes, but it's not the first time there's been no unallocated funding in the National Water Grid fund.

Senator CANAVAN: So, effectively, it's now closed to new projects.

Mr Darrough: No. The process for the National Water Grid fund has always been that projects go to the ERC and cabinet for consideration. Any new projects would go through the regular process of proposals being put forward by states and territories and assessed in line with the National Water Grid Investment Framework and recommendations being made to government for their consideration in amongst other priorities.

Senator CANAVAN: Is one of those 300 projects for Narrandera's water supply?

Mr Darrough: I think the business case that was in the media—is that what you're about to ask?

Senator CANAVAN: I'd like the details of that. I'm aware of the business case. How much is for that?

Mr Southwell: For the Narrandera water treatment plant detailed business case, the Australian government has committed \$900,000, if I understand that correctly.

Senator CANAVAN: Has that been spent or just allocated?

Mr Darrough: No. The New South Wales schedule was signed on 14 May 2026.

Senator CANAVAN: I believe Narrandera has applied to build a water treatment plant. Are you aware of that?

Mr Darrough: That is the detailed business case for the water treatment plant.

Senator CANAVAN: But they need the plant. Is that something the department has assessed?

Mr Darrough: The detailed business case would need to be completed to support a proposal for a construction project.

Senator CANAVAN: Have you been to Narrandera?

Mr Darrough: No, I haven't.

Senator CANAVAN: It's not that far away from here. It might be good to go and just run the taps. They need a water treatment plant. It's a 5,000 person town. It's a \$30 million cost. I don't know what we're mucking around for. Sure, we have to do a design, but there's plenty of allocated funds. We just talked about water buybacks, and we don't know where we're going to buy them back. There's plenty of allocated funds. We can do a business

case—obviously, before the funds are released we have to go through these processes—but I think they clearly deserve that upgrade. It would be good if someone could go and visit the town. It's not far away.

Mr Darrough: I might correct: the value of the total project for the detailed business case is \$1.81 million, with \$900,000 from the Commonwealth and \$900,000 from—

Senator CANAVAN: From New South Wales, yes. For me, obviously I've spent some time there recently, but it's just an absolute disgrace that we've spent \$10 billion on the Murray-Darling Basin Plan and a town of 5,000 people doesn't have clean drinking water in the basin.

Senator Watt: It is unfortunate that there are a number of towns around Australia, including Narrandera and a range of Aboriginal communities across Australia, that don't have the quality of drinking water that we would expect. We've funded a range of projects there. I have made the point to you, Senator Canavan—I know you don't like to hear it—that it was never funded under the coalition government. The first time the coalition raised it as an issue was during the Farrer by-election. But we have funded a business case for that project.

Senator CANAVAN: I don't care about the politics. I just think people deserve—particularly a town of that size. Obviously these things cost money, but 5,000 people is not a small town. As I say, they're smack bang in the middle of the impact of all these water buybacks, but they themselves can't have clean drinking water. They see it just go down the river.

Senator Watt: We have funded many projects across the basin: infrastructure projects, water efficiency projects. As you've already heard, there isn't currently money available to fund those types of projects, but the first step is to do the business case so that we have some understanding of the design and the cost of that kind of approach.

Senator CANAVAN: There was money. There was money before you cut it in this budget. There would have been more than enough. There was \$100 million. There was money there.

Senator Watt: You were one of many people in the coalition calling for us to make savings in the budget, and we've done that, and now you don't like that.

Senator CANAVAN: No, I've got plenty of other ideas for savings. Let's go through the net zero program.

Senator Watt: You want to choose the savings—

Senator CANAVAN: But you cut \$100 million, and that means Narrandera doesn't have clean drinking water because you've taken away the money from them. It's your decision.

Senator Watt: As I said, the coalition—

Senator CANAVAN: It's your decision. Don't try and back away from it.

Senator Watt: Narrandera didn't just start getting brown drinking water when this government came to power—

Senator CANAVAN: Actually that's not completely correct. It's had an issue for a while, but they had a flood in—

Senator Watt: Why did you not do something about it, then?

Senator CANAVAN: If you go out there—it's not that far away. I invite you to go out there and talk to the community.

Senator Watt: I know you went out there for the Farrer by-election. It's good that you did that.

Senator CANAVAN: They had a flood in 2021. It caused—

CHAIR: Order! Senators, I appreciate that both of you have strong views on this. Senator Canavan, I'm going to rotate the call for a moment and come back to you. Senator McLachlan.

Senator McLACHLAN: Earlier this year you made a declaration regarding the Lower Murray river being critically endangered. At the time, you mentioned that this would guide government decision-making. It was welcomed in South Australia. Is there anything you can point to from that declaration, in a positive sense, that has occurred from government decision-making? Or are we dependent upon the standards and the environment act?

Senator Watt: I'm happy for the officials to provide you with more information on this. My recollection of when we made that announcement is that my statement that it would guide future decisions was not only around water management decisions but also around investments in nature. As you say, that's dependent on the EPBC reform implementation generally. The conservation advice that was provided along with the declaration will obviously inform future government decision-making around investments and programs and what we need to do to restore the health of the lower Murray. But, Senator McLachlan, as I'm sure you appreciate as a South

Australian that continuing to pursue the voluntary water recovery that we are doing in other parts of the basin is critical to restoring the health of the lower Murray. For those who say we shouldn't do those water buybacks, that will continue to have a detrimental impact on the lower Murray.

Senator McLACHLAN: Thank you, Minister. I've got a couple of questions for the authority. I notice in the Basin Plan discussion paper it's identified that 11 of 109 surfacewater and groundwater STLs, sustainable diversion limits, are at risk. To me, that's a low number, given the stress on the Murray system. Does anyone have any understanding why it's only 10 per cent? I've read some scientific analysis that suggests it should be higher.

Mr McConville: When we look at those 11 sustainable diversion limit units that potentially are at risk—this is an initial assessment, and we've received submissions—one of those is the Lower Murray. There's also the New South Wales Murray and the Victoria Murray. So there is a substantial element there. There's the Lower Darling and the upper Darling as well. So there are some significant reaches of river there. I think the key is to understand why each of those STL units is considered at risk. I'll get Dr Coleman to comment a little bit more.

Dr Coleman: You're correct, Senator: 11 of the 109 units have been identified to be at risk. I have a couple of points to add to that. Firstly, it's important to remember that, of those 109 units, 80 are groundwater units and there are 29 surfacewater units. The second point is that, of the 11 units we identified to be at risk, eight of them are surfacewater units and they are substantial rivers across the basin. So, while it might seem like a small percentage, it does reflect a large proportion of the river reaches across the basin and also some of the substantial reaches towards the end of the basin, such as the Lower Murray, Barwon-Darling and Lower Darling.

Senator McLACHLAN: I don't want to anticipate the review process, but I assume more information is going to be coming through the review, so that number could change. Is that fair?

Mr McConville: That is possible. There's more modelling underway. We are obviously going through the 2½ thousand submissions that we received through that process, so, yes, we are very much at pains to say that they were initial assessments. Through that process, it could be that some of those assessments might change. I wouldn't want to pre-empt that analysis, but that is possible.

Senator McLACHLAN: Does the minister's listing of the lower Murray River as critically endangered impact the review or the lens the review takes?

Mr McConville: There are two aspects from the listing in terms of the touchpoints with the MDBA. The first is a regulatory aspect, insofar as our river operations and whether those river operations constitute an action. We're working with the department to look at that and at whether that would require approval under the EPBC Act. That work is underway. In terms of the environmental management aspect, I think there's a fair degree of complementarity between that and the operation of the Basin Plan. They're both intended to support those environmental and ecological outcomes.

Senator McLACHLAN: Will we take into account the salinisation of the Lower Lakes near the sea and the algal bloom?

Dr Coleman: In the assessment process that we're running through, we do look at the environmental condition of the Lower Lakes, the Coorong and the Murray Mouth. Through the submission process, we're absorbing more information from the community: their lived experience and their observations of the environmental condition. We look at the environmental condition, but, importantly, our role is to look at whether the water management arrangements that are in place will support a sustainable environment. Having looked at the broad condition, we then focus our attention to that specific question: do we think the water management arrangements, the SDLs, will provide enough environmental water to support the environmental condition?

Senator McLACHLAN: Is there a piece of work being done around maximising environmental water and the positive environmental achievements with a certain amount of water? There's been a lot of discussion about how much water, but there's also a growing discussion that I understand is about leveraging existing water to its maximum effect—for example, not all fish species are coming back in certain places, yet they've had more water.

Mr McConville: Certainly. As we look forward and try to develop a basin plan that adapts to that changing climate, we would absolutely be wanting to use the water that has been recovered for the environment, some 3,000 gegalitres or thereabouts, to the maximum possible value in the environmental sense. Certainly, again, a lot of the submissions that have been coming through the process of consultation point to that also. You want to be creating the conditions to make sure that any water that is recovered for the environment is used as effectively as it can be.

Dr Banks: I'll just add that our focus is absolutely on how we can utilise the Commonwealth's water that has been recovered to achieve those environmental outcomes. That's considering the flows that are already in the system and how we can work with those existing operations. Down in South Australia we've made some really

significant contributions to maintaining the Lower Lakes at the levels they need to be held at and ensuring connectivity between the Lower Lakes and the Coorong. So it's an absolute focus for us in how we maximise the benefits we get from the water we hold. Also, when we're using water from Victorian catchments, or other catchments further up, we certainly look to get multiple benefits from the water as it comes down the system and ultimately into the Lower Lakes, to achieve the outcomes we're aiming for.

Senator McLACHLAN: Can I ask that you take it on notice to direct me to where you've carried out those initiatives. I don't want to take estimates off track with those specific examples that you've given in the Lower Lakes for me.

Dr Banks: Sure.

Senator McLACHLAN: My last question is: what's the health of the Murray in South Australia as it flows to the Lower Lakes as we speak?

Dr Coleman: I'll have to come back to you with specifics, but what we are seeing for the Coorong, Lower Lakes and Murray Mouth is that there has been substantial recovery in the environmental health of that system since the millennium drought. A big feature of that recovery is the water that's been recovered under the Murray-Darling Basin Plan. But we still see that the Coorong, Lower Lakes and Murray Mouth remain a partly degraded system. We can see this specifically for water quality in the south Coorong, some of the vegetation there, some of the water bird species, and also Murray Mouth flows. So there's been substantial improvement, but we are still seeing that some parts of the environment are degraded.

CHAIR: Senator Roberts.

Senator ROBERTS: First, could you update us on the Paradise Dam works. When we last spoke, you indicated that the Crisafulli government was still evaluating the business case and had not made a request for funding. Has there been any change to this?

Mr Southwell: No, we don't have a business case from the Queensland government. I don't believe the Queensland government has a business case from Sunwater either.

Senator ROBERTS: I also asked about the reason the project sponsor had pulled out of what is a project of national significance, the Urannah irrigation project. Mr Darrough took that on notice. It wasn't, however, placed on notice. I'm trying to understand why the sponsor pulled out before asking the Crisafulli government why they aren't proceeding with this project. Can you give me a simple rundown, please?

Mr Darrough: Pardon me, Senator, can you repeat the question about the question on notice. The response was provided.

Senator ROBERTS: 'Mr Darrough took that on notice', is what I said.

Mr Darrough: Yes.

Senator ROBERTS: It wasn't, however, placed on notice.

Mr Southwell: We did table a response.

Mr Darrough: The Urannah Water Scheme detailed business case is publicly available on the Queensland government website. I provided a link for that as well. On the environmental impact statement material, the Queensland Office of the Coordinator-General published the terms of reference for the EIS on 31 March 2021, and it records that the EIS process was withdrawn in December 2022. This is a matter between the proponent and the Queensland government.

Senator ROBERTS: Do any of the projects in your project list include recycling sewage and/or grey water and directing the output into drinking water, including into a storage dam from which drinking water is drawn?

Mr Darrough: I would suggest that the answer is no, but I will take it on notice.

Senator ROBERTS: I'd be particularly interested in South-East Queensland.

Mr Darrough: I don't have the—

Senator ROBERTS: No, I'm just saying. What is your target for water consumption per person, per day? How much water do you actually have to provide to keep water up to people, stock, station, irrigation, more people, more food and industry. We've got record immigration. What's your target per person, per day?

Mr Darrough: That's not a question for National Water Grid.

Mr Southwell: We don't have a specific target from the National Water Grid Fund.

Senator Watt: Senator Roberts, remember that most of the responsibility for providing water, especially drinking water, if that's your focus, rests with state and local governments. We have a role in funding some of that infrastructure.

Senator ROBERTS: I'll just remind you of this from your website: 'The National Water Grid Investment Framework ensures funding decisions guide long-term, responsible investment in water infrastructure. It also helps the government plan for future challenges, including climate change, population growth and rising demand for water in farming.' According to the Australian Bureau of Statistics, water demand in Australia rose by 12.9 per cent from 2022-23 to 2023-24. A rapidly increasing population creates demand for more household water, up six per cent in that period. Also, from demand for food, water use is up 14 per cent. In actual terms, that represents another 1,965 gegalitres. In one year, that's a new Warragamba Dam every 18 months. Where are these Warragamba dams coming from? Where are the plans for more water to meet the needs of the last million new arrivals, let alone the one million more due by 2028?

Senator Watt: I know that it would be your party's policy to link all of these issues to migration. You just talked about the increasing demand for water for food production. That's not necessarily about feeding the Australian population. You would remember, I'm sure, that the vast majority of food produced in Australia is exported. The demand for water is also partly about supporting the trade and businesses of farmers who produce the food.

Senator ROBERTS: Senator, I know you want to weasel out of it, but the fact is that immigration is up, food production is up, for whatever reason.

Senator Watt: Immigration is actually coming down under our government.

Senator ROBERTS: It's up compared to three years ago. It's up compared to five years ago.

Senator Watt: It's coming down under our government. I know you don't accept that, but it's coming down.

Senator ROBERTS: It's 750,000 for each of the last three years.

Senator Watt: That's not correct. We can produce the figures that show—

Senator ROBERTS: Three years ago it was 750—

Senator Watt: This is not really the committee to get into this—

Senator ROBERTS: Correct. Where are the future Warragamba—you've got a water crisis cabinet.

Senator Watt: But net overseas migration is falling.

Senator HENDERSON: It's at a record high.

Senator ROBERTS: You've got a water crisis coming; what are you doing about it?

CHAIR: Senators, I think there's a bit of talking over each other. We're getting to the end of the evening. Let's do this as clinically as possible: question then answer.

Senator Watt: In general terms, from a federal government perspective, what we are doing to meet the demand for water across the country is helping fund certain infrastructure projects.

Senator ROBERTS: Which ones?

Senator Watt: The projects that the National Water Grid has funded, which we've said we'll come back to you on notice about. There are many of them. We are encouraging water efficiency and investing in water efficiency, including on farms. We are funding voluntary water buybacks. There are a range of activities that we are funding. But when it comes to restrictions on water consumption, that is generally determined by state and local governments or the owners of that infrastructure.

Senator ROBERTS: When is the next Warragamba Dam coming? Where is it? We need a new Warragamba Dam every 18 months. Where are they? They're not there.

Senator Watt: That would generally be a matter for states.

Senator ROBERTS: You've got your WISER program, water infrastructure for sustainable and efficient regions, which sounds nice. Let's describe it: plugging leaks, building local pipelines and improving recycling facilities—\$210 million in total. How much will this water add up to, from the WISER program? Will it be a Warragamba Dam every 18 months?

Mr Darrough: I need to take that on notice.

Senator ROBERTS: Last question on this bracket: your website still lists projects that have been killed off by the Albanese government, including the Hughenden irrigation project, HIPCo. Why are cancelled projects not

removed or moved to a history page? Is it to give the impression the National Water Grid is actually expanding when it's not?

Senator Watt: There were no announcements made about that project in the budget.

Senator ROBERTS: Previously?

Senator Watt: Not that I'm aware of.

Senator ROBERTS: Will you check? Take that on notice?

Senator Watt: Sure.

CHAIR: Senator Canavan.

Senator CANAVAN: In the last MYEFO, six new Indigenous water projects were provided funding under the National Water Grid Fund. Which projects were they?

Mr Darrough: I haven't got the MYEFO announcements in front of me—\$18 million for Woorabinda water supply improvement in Queensland, \$14.3 million for network upgrade and water planning strategy in the Northern Territory, \$13.7 million for Gove Peninsula water supply upgrade, \$6 million for Halls Creek water security upgrade, \$5.1 million for APY Lands water supply revitalisation and \$3.7 million for water needs in self-supplied remote communities in South Australia.

Senator CANAVAN: The measure said the funding had been reallocated. Was it reallocated from other projects?

Mr Darrough: I'll have to take that on notice.

Senator CANAVAN: Was Wilcannia weir one of the projects that funding was reallocated from?

Mr Darrough: I'll have to take that on notice.

Senator CANAVAN: For the projects that had funding removed, was that indicated to the communities themselves?

Mr Darrough: I'll have to take that on notice.

Senator CANAVAN: I presume the state governments are involved in this. Did you let them know about the particular projects that had lower funding?

Senator Watt: This was an announcement made in MYEFO rather than the most recent budget. We may not have the information with us to explain decisions that were made several months ago in MYEFO.

Senator CANAVAN: There weren't that many measures in MYEFO. One of them was responsible investment in First Nations water infrastructure: \$60 million over four years. Then, the statement says:

The cost of this measure will be met by reallocating funding from within the National Water Grid Fund.

I'm just trying to—it was funding reallocated from other projects to these projects?

Mr Sullivan: It could have been. I don't recall either, Senator, so we'll have to take it on notice. It could have been through reprofiling other funds. We'll come back to you with the detail.

Mr Southwell: I might just add to that. I think it's important to remember that, overall, the National Water Grid Fund has more than 150 projects underway worth about \$1.8 billion, including 42 First Nations water infrastructure projects with \$193 million attached to those. They're all funded through the National Water Grid Fund. As Mr Sullivan said, we'd have to come back to you on whether that relates to reprofiling of other projects within the grid fund.

Senator CANAVAN: Can I just check, to connect to the Basin Plan—the 450 gigalitre target. Can I clarify how much of that is left to be recovered? You sort of touched on it before.

Mr Southwell: We expect it to be at about 400 gigalitres overall, which is a combination of both water purchasing and other measures, including infrastructure, by the end of this year.

Senator CANAVAN: Roughly 400 gigalitres?

Mr Southwell: That's where we expect to be by the end of this year.

Senator CANAVAN: You expected to have 400 gigalitres recovered or 400 gigalitres to go?

Mr Southwell: That's 400 gigalitres recovered.

Senator CANAVAN: By the end of this year?

Mr Southwell: Correct.

Senator CANAVAN: How much is it now?

Mr Southwell: From water purchase—we've published on AusTender 200 gigalitres of purchase, and I'll get you the figure for the rest. It's close to 300 gigalitres. I'm just trying to find the exact number. As of 31 March, 246 gigalitres have been recovered via purchase, water-saving infrastructure and other methods.

Senator CANAVAN: That's the total amount?

Mr Southwell: That's correct. That's the total as of 31 March: 246.3 gigalitres.

Senator CANAVAN: There's still 200 gigalitres. Do you have a target for how much that 200 gigalitres will be through buybacks?

Mr Southwell: We have a range of programs that deliver water recovery through the Basin Plan for that 450 target. It's a mixture of both purchasing and infrastructure. We currently have approval to purchase up to 300 gigalitres of purchasing to contribute to that 450 target.

Senator CANAVAN: You reckon you'll be at—did you say 400 or 300 by the end of the year? I'm getting confused.

Mr Southwell: Four hundred.

Senator CANAVAN: That's 400 by the end of the year in total, so then there's 50 to go. How are you getting the 50? Has that been considered or determined yet?

Mr Southwell: No. We'll make some evaluations this year around what the approach for that is. As I said, we've got a range of programs in place to recover that water, which include both infrastructure and water purchasing.

Senator CANAVAN: My understanding of the water recovery buybacks—the water buybacks that may occur to get this other 200 gigalitres or the other 50 at the end of this year, if that's still the go—is that they're meant to meet three tests: they enhance environmental outcomes, they minimise socioeconomic impacts and they achieve value for money. How do you ensure that a buyback achieves value for money?

Ms MacRae: When we consider value for money, there are three elements that are important for us. There's environmental utility, which is: can the water do what it needs to do for the environment to meet the objectives of the Basin Plan? Then, also, can it contribute to that volumetric target? Does it have a long-term diversion equivalent that can contribute to the target? Then, finally, we've got the financial factors: the cost to purchase the water, the cost to maintain that water et cetera. We can consider all three of those in the willingness of our price to pay for a water right.

Senator CANAVAN: Do you have a ceiling for the price of water?

Ms MacRae: I think the best way to consider value for money is that we might have a range or a consideration of the types of prices we may be willing to pay for different types of water rights, but, ultimately, I think value for money really comes down to what the market suggests and the environmental utility of that water and how it can contribute to the 450.

Senator CANAVAN: What's the most expensive water you've bought for the—did you say 245 recovered? Was that all through water buybacks?

Ms MacRae: Of the 200 that we've published to date, that has been in the southern connected basin. We haven't purchased any water in the north. To date—this is all publicly available on state water registers—the highest price we've paid, I think, is \$11,100 for high-security water downstream of the choke in the New South Wales Murray.

Senator CANAVAN: That's a lot.

Ms MacRae: The exact figure I would take on notice, but it is in that range.

Senator CANAVAN: That's very expensive. Do you do any assessment of whether or not your purchases are pushing up the price of water in the market?

Ms MacRae: In the market on a permanent basis, or a temporary basis?

Senator CANAVAN: Even just in the current season. Do you assess that?

Ms MacRae: There has been an assessment of socioeconomic impacts on the purchase of water rights.

Senator CANAVAN: But particularly whether or not your purchases are having an impact. Again, I've spent a lot of time there recently, and the big issue for a lot of people is the high price of water right now, especially to finish crops and the like or to think about whether they will plant.

Ms MacRae: I can start taking the question, and I think my colleague Mr Coates will be able to answer it in more detail. But there are many factors that impact the cost of water on a year-to-year, season-to-season basis: availability of course, demand for different commodities, rainfall et cetera.

Senator CANAVAN: We've got limited time, and I'm trying to meet a deadline for other people. I just asked, do you assess? Do you do a market test to say: 'Okay, this is the current state of the market. If we're to buy such and such water at \$11,000 a megalitre, it might have an impact on the market-clearing price'?

Mr Coates: Yes, modelling has been done on the 300-gigalitre scenario of water purchase that Mr Southwell explained, and the assessment of the impact on average allocation prices was in the order of 10 per cent.

Senator CANAVAN: So your purchases increased water prices by 10 per cent.

Mr Coates: That's what the modelling suggests.

Senator CANAVAN: When was that modelling done?

Mr Coates: It was done in November 2025, prior to the approval of the purchase program that has been described.

Senator CANAVAN: How much extra does that cost farmers? Did you put a figure on that? A 10 per cent increase in prices sounds like a lot, actually.

Mr Coates: The ABARES modelling has the increase in an average allocation price. Obviously that averages across all different entitlement types. There are big differences there, from \$474 per megalitre to \$523 per megalitre—so, an additional \$50-odd. But there are different impacts at different points of the supply chain.

Senator CANAVAN: Do you have a figure for the total cost to farmers across the southern basin? Presumably there's a volume, and you could multiply that difference by the volume.

Mr Coates: You could reach that, by multiplying that by the 300-gigalitre figure, and that's—

Senator CANAVAN: No, I meant: how much water is bought on the temporary market, so to speak? That's a temporary water price, presumably?

Mr Coates: That's the allocation price, yes.

Senator CANAVAN: That's the one that's really killing farmers at the moment—

Mr Coates: But what that might be—

Senator CANAVAN: and the government knows this is going to have a tougher impact on farmers, and they proceed anyway.

Mr Coates: The overwhelming driver of the increase in allocation markets at the moment is storage volumes in dams and rainfall—

Senator CANAVAN: Of course.

Mr Coates: and that has a much greater impact than the marginal impact of the program.

Senator CANAVAN: But 10 per cent is nothing to be sneezed at. That's a fair increase, particularly for farmers, who are often pretty marginal to start with.

Mr Coates: I certainly don't deny the impact, but the modelling looks at impacts under different scenarios of how much water is available in storage and rainfall, and the impacts in drier years compared with wetter years is in the hundreds of percentages, compared with 10 per cent.

Senator CANAVAN: How does that feed into the socioeconomic test? Do you say, 'Well, a 10 per cent increase in the temporary market is going to cause such and such less food production and perhaps cause some farms to shut down shop'? Is there any assessment of that?

Mr Coates: Yes. The modelling goes through and looks at impacts on farm production and the gross value of irrigated agricultural production.

Senator CANAVAN: What were the results there?

Mr Coates: There was an impact in the order of 1.8 per cent from the program that's been approved, and that's in the report that's been published.

Senator CANAVAN: So we're producing roughly two per cent less food, thanks to the water buyback? It's our food bowl.

Mr Coates: But, again, that's a short-term impact. Similarly, over time, farmers become more efficient, and there are a lot of other changes and factors at play. So, that's a counterfactual of the shock impact of the reduction in water into the system. That's not to say that food production will reduce by two per cent. That's just—

Senator CANAVAN: Is there assessment of how much that impacts food prices in the supermarket?

Mr Coates: We have asked the question of ABARES, but when you look at Australia's agricultural production, excluding forestry and fisheries in the order of \$100 billion per annum—and we're talking here about an impact of around \$100 million per year—the laws of supply and demand say it's a very small—

Senator CANAVAN: Yes, but it depends on what production that is. I mean, it's a lot of citrus, for example, with a lot of that grown around some of these areas. You're not easily able to replace that elsewhere, particularly at different times of the year, where seasons might not line up and the like.

Mr Coates: I would say that relative to other factors—

Senator CANAVAN: So, that assessment hasn't been done. You haven't gone down to the granular level of, say, a citrus market.

Mr Coates: Relative to other factors, it would be very difficult to find any—

Senator CANAVAN: I love how the Public Service think 10 per cent or two per cent is nothing. Some of these guys are on margins of less than that. Actually, the ABARES modelling—

Senator Watt: No-one has said—

Senator CANAVAN: Hang on. No-one gave you the call, Minister. The margins—

Senator Watt: You keep misrepresenting what officials are saying.

Senator CANAVAN: You keep interrupting me. The average broadacre farm margin ABARES reported in 2023-24 was 0.8 per cent. This is two per cent, bang.

Mr Coates: This is an impact on one input in the production chain. No-one's saying that that's—

Senator CANAVAN: You're two per cent lower gross value added, and their margins are less than that.

Mr Coates: I said it was two per cent impact on the gross value of production.

Senator CANAVAN: I don't know how many farmers you speak to. You've got these tests. At what point are the socioeconomic impacts too great, and you can't do the buybacks? Is there any point at which you won't proceed with a buyback?

Mr Coates: It's a decision for the minister whether—

Senator CANAVAN: Minister, is there a threshold where you go—because a lot of these areas are in drought, and you're in the market buying water while there's a drought.

Senator Watt: When the department goes out to tender for voluntary water buybacks—no-one is forcing anyone to sell their water rights—they are generally oversubscribed, and those tests are applied to determine which offers are accepted and which ones are not.

Senator CANAVAN: That's the point, though. Those people who don't volunteer still get hit. During a drought—and I don't know if the modelling assumed a drought or not—it might have a larger than 10 per cent impact because these areas are very dry right now and you're in there buying scarce water. It doesn't matter if it's voluntary or not. Do you accept that the farmers who do not sell and who do not want to sell still pay a price thanks to your buybacks?

Senator Watt: Yes, I do. I also accept something that you don't accept, which is that, if we sit by and do nothing, that is going to be incredibly damaging to the agriculture industry and its communities as time goes on. I know that you don't really believe in climate change and you don't really believe in these things having an impact. We have just listed the Lower Murray basin as critically endangered. You can continue to put your head in the sand if you want to, but we're not—

Senator CANAVAN: We've spent \$10 billion, and that's still the case. I mean, the problem is—

Senator Watt: We should just give up then, should we? Sorry, Senator McLachlan, we're just giving up on the Lower Murray. That's the National Party.

Senator CANAVAN: these areas are not going—when are the lower lakes going to be fixed, then?

Senator Watt: If you were listening, you would have just heard the evidence—

Senator CANAVAN: They're not going to be through a program of 200 gigalitres.

Senator Watt: that it's recovering.

CHAIR: Senators, talking over each other won't help at this point. Minister, if you want to finish what you were saying, and then I'll come back to you, Senator Canavan.

Senator Watt: I would like to finish what I was saying. Senator Canavan chose not to listen to the evidence that came out about 20 minutes ago, which is that the Lower Murray and the Coorong are beginning to recover, and that's, at least partly, because of the water recovery efforts that have been undertaken. If you want to have an argument with Liberal Party senators from South Australia about it, go for your life.

Senator CANAVAN: Minister, did you reassess after this modelling was done in November? We know this season's been subject to lower rainfall. Did you reassess the buybacks because of the potential impacts in a lower rainfall drought situation? Did you reassess the impacts of the buybacks?

Senator Watt: No, because our government is committed to reaching the 450 gigalitre target that is necessary for the long-term health of the Murray-Darling Basin.

Senator CANAVAN: A target in one year is more important than helping farmers facing drought?

Senator Watt: No, what would have been good, Senator Canavan, would have been if, over the 10 years of the coalition, more than two gigalitres had been recovered. We are now acting, and that does mean recovering more water.

Senator CANAVAN: You can blame us, but why couldn't you, given that these farmers are in drought right now and paying through the nose for water—in fact, from what I've heard, the prices are higher than what you've modelled—defer this buyback for a year or two years and wait until—

Senator Watt: It's because we saw what happened—

Senator CANAVAN: Hang on; I hadn't finished my question—there were more amenable conditions such that you wouldn't have such an impact on farmers in drought?

Senator Watt: It's because we saw what happened when governments wait, pause and do nothing. That's that the Coorong is nearly entirely destroyed, and I don't think that's great for South Australia, for example.

Senator CANAVAN: Clearly the government does not care about farmers, and they do not care about the impact of their plan—

Senator Watt: That's your view.

Senator CANAVAN: and they are not properly applying these tests for buybacks. There doesn't seem to be any threshold beyond which they would stop the buybacks.

Senator Watt: That's your view.

Senator CANAVAN: Minister, if the water price were \$1,000 a megalitre, would you continue with water buybacks.

Senator Watt: You've already heard that value for money is one of the factors we take into account.

Senator CANAVAN: Would you ever consider pausing the buybacks if they were to have a detrimental impact on the farmers?

Senator Watt: That's a hypothetical situation. I'd consider that when we reached that situation.

Senator CANAVAN: It's not really hypothetical. I'm just saying: would you consider the impact on farmers or are you wedded to having to deliver this for 50 gigalitres?

Senator Watt: We do consider the impact on farmers, but, after 10 years of inaction, our government is committed to delivering the target.

Senator CANAVAN: There doesn't seem to be any consideration of that whatsoever here.

Mr Coates: Can I just clarify that the modelling does factor in years of drought and years of high rainfall. So the numbers that I gave you before are an average, and there are dry sequences in that modelling sequence.

Senator CANAVAN: And I appreciate the evidence and the frankness you've provided, but it's clear the government doesn't consider that impact whatsoever. It wants to proceed with an arbitrary target in any one year, regardless of the impact on our nation's farmers. I cannot believe they're doing this during a drought. Farmers are really struggling in these areas. Have you gone to Griffith recently, Minister?

Senator Watt: I went to Griffith when I was the agriculture minister, but I was in northern Victoria only a few weeks ago, meeting with farmers, going on-farm, meeting with environmentalists and meeting with a range of people.

Senator CANAVAN: Where in northern Victoria was that?

Senator Watt: I started in Bendigo, went up to Echuca and went to the Goulburn Valley. It was over at least two days.

Senator CANAVAN: I'd encourage you to get to the Griffith area, because that's an area that's heavily exposed to the temporary water market. They're really struggling right now and they don't seem to have any ability to get their views heard by this government.

How many jurisdictions have signed up to the intergovernmental agreement, the National Water Agreement?

Senator Watt: At this point, none—other than the Commonwealth, of course.

Senator CANAVAN: Have states raised concerns about the current agreement with the Commonwealth?

Senator Watt: I think it would be fair to say that most, if not all, states would like to see Commonwealth funding as a condition of their signing the agreement, and the point I've made to water ministers in those states is that one of the points of the National Water Agreement is to help inform Commonwealth funding. As you'd recognise, we've provided the states with an awful lot of money already.

Senator CANAVAN: Is there a certain time frame in which you want to get the agreement signed?

Senator Watt: I'd prefer that they'd signed it already, because that would help us. That would help inform future decisions from the Commonwealth about funding further water infrastructure.

Senator CANAVAN: Has a copy of the water agreement been released?

Senator Watt: I'm not sure.

Ms Johnson: The penultimate draft was released in December 2024. But, consistent with regular intergovernmental agreements—because, as you say, no state has signed—the final has not been released.

Senator CANAVAN: Could we get a copy on notice, please.

Ms Johnson: I'll take on notice what we can provide you.

Senator CANAVAN: I'll leave it there, Chair.

CHAIR: Senator Roberts, you had one more block. I would very politely encourage brevity.

Senator ROBERTS: I'm trying to.

David Farley was here just four days after being elected to represent Farrer in the recent by-election. But this line of questioning—it's very, very important to him—is on water. These are our questions, but I'm prepping for David to get here.

This line of questioning goes to the effectiveness of environmental water as against alternative uses, like growing food and fibre to feed and clothe the world. I want to compare your performance over time and raise important issues to form part of the next Murray-Darling Basin Plan. Two publications I'm referring to are the *Lower Murray 2022-23 summary report: Commonwealth Environmental Water Holder science program (flow monitoring, evaluation and research)*, commonly called the Flow-MER program, dated July 2024, and the *Lower Murray 2019-24 summary report* on the same program, dated July 2025—the most recent version.

On the Lower Murray, I'll start with the concept of flowing water habitat called 'lotic flow'. This is the concept that improving the velocity of water—something above 0.3 metres per second—improves river health, producing environmental benefits around fish spawning, oxygenation, nutrient levels and connectivity. What is your target for lotic flow, expressed as a target velocity on how many days of the year?

Dr Banks: We don't have a specific target. We basically work on the volume of water that is available within the Lower Murray—our South Australian entitlements—and the water that we have available that comes from return flows. What we do is we'll design a hydrograph, working with our state partner agencies to achieve a whole range of different outcomes for the environment. That includes native fish—trying to increase flow through a period of time, which then will get the fish to move—as well as other targets down in that area, like the level of the Lower Lakes and trying to ensure connectivity between the Lower Lakes and the Coorong, which is a really important part of the health of that system more broadly.

Senator ROBERTS: So your targets are volume?

Dr Banks: Not so much. We have a volume of water available to us which comes through the allocation frameworks that are set up by the states. Then, based on the volume of water that we have available in our accounts, we will then design hydrographs, working with South Australian government officials to achieve the outcomes that we're aiming for. As I say, that might be a pulse flow, which not only provides that flow habitat that native fish rely on but also increases the likelihood that native fish will start to move through the system and improves productivity within the system, which also helps them build condition.

Senator ROBERTS: What's the heads of power you're using for this volume metric? Is it specified in the Murray-Darling Basin Plan or regulations?

Dr Banks: Basically, my role as the Commonwealth Environmental Water Holder is to manage the Commonwealth's environmental water holdings to protect and restore the environmental assets of the Murray-Darling Basin. Like irrigators, we have allocations that are made available to us through the state allocation frameworks, and that varies from year to year. We go through a planning process each year where we will produce a water plan for the year, and then we'll adaptively manage our water through the water year, which will depend on conditions and what's happening both in the upper catchments and in the lower Murray and the Lower Lakes.

Senator ROBERTS: Thank you. Is this explanation that I'm about to read of the ecosystem along the Murray-Darling basin before Western settlement accurate? It came from the CSIRO, and Environment South Australia has a similar page. 'The Murray-Darling system, especially its lowland and lower sections, was naturally highly variable and often behaved like a semi-arid or dryland river system before European settlement and regulation. It was not reliably perennial like many European or North American rivers. Ecosystems and species evolved with extreme boom-bust cycles driven by climate, not constant flow.' Is that accurate?

Dr Banks: I think it is a reflection of the boom-and-bust cycle within the Murray-Darling Basin more broadly, where we're reliant on rainfall to generate flows in the northern basin, for example. But I think we've also got to recognise that we're working in a highly modified system, a highly regulated system which has been modified to support irrigation and town water supplies, and that's happened over many decades.

Senator ROBERTS: I've tabled a paper here: 'Australian non-perennial rivers: global lessons and research opportunities'. The Murray and Darling rivers were never perennial rivers. I've circulated the paper to that effect. The annual flows were highly variable along the Murray, starting with flooding during the spring rains and thaw from September through to November and then falling to low levels depending upon local rains. By autumn, the period when you unnaturally flooded recently, the river would have been very low. These are called pulse flows. Can we agree on that aspect of the science, which informs my next question?

Dr Banks: We certainly try and reinstate those pulse flows. We know that there are some systems—the Goulburn River, for example—where much of the flows has been reversed. The seasonality of flows has been reversed. So you're getting higher summer flows to meet the demands for irrigation, and then what we do is try and improve those flows during the winter-spring period, which is the more natural timing for environmental water or water to be flowing down that system.

Senator ROBERTS: Could I have the scientific basis for that on notice, please.

Dr Banks: Sure.

Senator ROBERTS: Thank you.

Dr Banks: You referred to a number of our Flow-MER research reports. We've been supporting that research for well over 10 years now, and it's very comprehensive. All the reports, including annual synthesis reports, are available on the website for everyone to review.

Senator ROBERTS: I note your 2024 release claimed credit for the following. It said:

... from late March to early May 2023, Commonwealth environmental water extended the duration of flowing water habitat by 46 days.

This extended the summer flow period well into autumn, when the flow would naturally have slowed dramatically. What's the logic of extending the flow into autumn when the river would have naturally slowed in the period before Western settlement? Your remit is to restore the habitat, not make it wetter than it was naturally. Why?

Dr Banks: I don't know the specific watering flow that you're talking about, but, like I indicated earlier, what we certainly aim to do is, within a highly modified and regulated system, try and use the environmental water that we have available to us to try and reinstate some of those more natural flows. The flow heights that we can achieve go to the timing, the duration and the constraints within the system.

It's all focused on achieving good outcomes for native fish, in particular, but also to maintain those lower lake levels as we move down the system. I might just ask my colleague to add to that.

Mr Johnson: I can't remember that specific flow event, but it's probably very similar to a flow that we've done just this past autumn. For example, we've just provided a pulse flow down the Goulburn River in autumn. That was primarily around targeting outcomes within the Goulburn Valley itself—being able to support native fish movement and generally improve the health of that system as it comes out of the summer period.

Those flows then continue down into the lower Murray and then can provide that benefit further downstream. It is not necessarily always the case that we're delivering water purely for a downstream outcome. It can be that

we're targeting that upstream valley and then having that flow continue down to provide benefits further downstream.

Senator ROBERTS: This question is on notice, please. How much of your environmental water was used to create that 46 days of unnatural man-made flow in March to May 2023, and, in any year since then, where there's been an attempt undertaken to extend the period of high flow.

Dr Banks: Yes, we'll take that on notice.

Senator ROBERTS: The next aspect of the success criteria you're using is river-level variability. You claim to have reduced water-level variability by 10 per cent in 2022-23. Your 2023-24 report doesn't provide data for the 2023-24 report. This is a significant area of debate. It's One Nation's position that maintaining the river at a commonly called 'topping' at the top of the riverbank has led to saturation of the hard clay shell that protects the bank from erosion, and this causes erosion. You're actually causing erosion. We've been listening to the farmers down there. I've visited the areas myself.

Letting the flow drop to allow the riverbank to dry and harden is an essential, natural process to protect the bank in times of flood. Why are you pursuing a constant river flow target when the Murray-Darling was never constant, and, in so doing, you're contributing to bank erosion? I've got photos here showing tree roots and trees collapsing. You've probably heard of it.

Dr Banks: I think a really key feature of the use of Commonwealth environmental water is that we can introduce variability. We're not looking to meet constant flow heights for long periods of time. We'll generate a flow to a particular height for a period of time, and then we'll have a nice gentle recession on the back of that. So—

Senator ROBERTS: Why did you reduce variability by 10 per cent in 2022-23?

Dr Banks: Again, I don't know exactly what piece of information you're referring to, but what I can tell you is that there'll be certain instances where, for example, for river operations in some of our rivers, the river will go up and down to meet irrigation orders within the system.

What we do there is we do try and smooth out those flows, and, the reason for that is you can send a false cue to native fish. The river starts to rise, the fish might start moving and then it suddenly drops again. What we do is smooth out those flows to try and minimise the interruption of those sort of behaviours of the native fish—

Senator ROBERTS: The banks are being destroyed and the river is being silted.

Dr Banks: In terms of erosion, I'll get my colleague to go through the Goulburn because we've got really good scientific evidence that shows that the water we deliver in that system is not contributing to erosion. It's actually that change in the seasonality of water, where there are low flows during summer—and constant flows—that is causing that erosion.

Mr Johnson: Specifically on the matter you raised, Senator, Commonwealth environmental water reduced water level variability by 10 per cent, but that was mostly aimed at reducing the rate of flow recession. The idea of that is, again, not to have the water levels drop away too quickly, because it's that rapid decline in flow rates that often relates to the bank remaining wet and subsequently slumping. If you can slow those rates of recession, that means you're going to reduce the rate of erosion, or bank slumping. As Dr Banks said, we have seen that in the Goulburn River as well. We've got a whole series of very detailed scientific analysis on the riverbanks, which shows that Commonwealth environmental water has actually been a net benefit to riverbank health.

Senator ROBERTS: I'm getting to the core of this bracket of questions. In your push for unnatural environmental water outcomes, one statistic stands out: the flow over the barrages and out to sea. The plan calls for a minimum of 2,000 gigalitres per annum on a three-year rolling average, with a minimum of 650 gigalitres in any one year. How much water was sent out to sea in the last three years, please?

Dr Banks: We'll have to take that on notice. Certainly, maintaining connection between the Lower Lakes and the Coorong is really important. It supports a number of fish to move from the sea into the river to breed. Again, what we're doing is working within a highly modified system and maintaining those connections. There was a period between 2014 and 2021 where it was only because of Commonwealth environmental water that those connections between the river and the Coorong, or the sea, were maintained. It was like three out of a seven-year period. So a really important part of improving the salinity in those systems, and in the Coorong as well, is ensuring that we retain that connection between the Lower Lakes and the Coorong.

Senator ROBERTS: This is the one target that has actually been set by the Murray-Darling Basin Plan, and you don't know what it is—or do you not want to say what it is? The figure I have for 2024 is 5,200 gigalitres. That is more than 2½ times the target; it's 2.6 times the target. For 2025 I have 4,400 gigalitres. Now, remember

the target is 2,000 gigalitres on a three-year rolling average. In two years, the flow to sea was almost five years worth of flow. Why have you chosen to increase water velocity beyond natural pre-Western-civilisation levels and beyond planned specs? Why?

Mr Johnson: Maybe I will go back through the numbers. We don't have them for every year, but I do have them for the 2024-25 water year: Commonwealth environmental water contributed more than 700 gigalitres of flow through the barrages to the Coorong.

Senator ROBERTS: What was the total going out the barrages?

Dr Banks: The total barrage flows for the 2024-25 year were around 900 gigalitres. I can get the exact figure, but it's around that 900-gigalitre figure. I think the other thing to note, on that, is that they're minimum requirements. It's not a focus on what the maximum flow is. That's the minimum requirement for flows into the Coorong.

Senator ROBERTS: We have the figure here. For 2024, 5,200 gigalitres was measured going over the barrages. For 2025, it was 4,400 gigalitres.

Mr Johnson: That doesn't—

Dr Banks: We can report on what Commonwealth environmental water went down there. As my colleague—

Senator ROBERTS: What was the total water?

Dr Banks: We'll take that on notice. What I can say is that, in 2024-25, about 975 gigalitres of Commonwealth environmental water was provided down into the South Australian Murray, and, to 31 March this year, about 741 gigalitres of environmental water has been delivered to South Australia.

Senator ROBERTS: I'd like to know the total water going out of the barrages out to sea.

Mr Sullivan: We'll take it on notice.

Senator ROBERTS: Thank you. This is my last question on the Murray-Darling Basin. The Murray-Darling Basin Authority is now buying back more water for the environment despite the huge amount of water you're already sending out to sea. Has water for the environment turned into water to waste so farmers don't get it?

Senator Watt: No.

Senator ROBERTS: Can I ask one brief set of questions on the grid?

CHAIR: Which grid?

Senator ROBERTS: The national water grid.

CHAIR: Are you able to put them on notice? We are trying to get on. Is that okay?

Senator ROBERTS: Yes, that's fine.

CHAIR: Thank you, Senator Roberts. The Chair expresses thanks to Senator Roberts for that.

Bureau of Meteorology

[22:31]

CHAIR: Welcome to officers from the Bureau of Meteorology. I welcome Dr Stuart Minchin, Chief Executive Officer and Director of Meteorology, and team. The traditional question at this point is would you like to make an opening statement? I'm not going to ask that. If you have one, would you mind tabling it. Otherwise, I'm going to Senator Bragg.

Senator BRAGG: Was it a \$96 million cost for the website or was it more than that?

Dr Minchin: \$96.3 million is the—

Senator BRAGG: It must be a cool website. Who signed off on this?

Senator Watt: You might not want to ask that question.

Senator BRAGG: I'm happy to ask; I don't care. I'm not interested in politics. Who signed off on it? It wasn't me.

Dr Minchin: This was part of a larger program of development called Robust. The Robust Program was initially started in the 2017-18 budget, tranche 2 was funded in the 2018-19 budget and tranche 3 in the 2020-21 budget. So those were the times when that entire package, including the website, was developed.

Senator BRAGG: So the 2020-21 budget was tranche 3. When did it go to \$96 million? In 2021?

Dr Minchin: The process for scoping the size of the website cost developed over a number of those tranches and periods. I'll pass to my colleague Nichole Brinsmead to give you more detail on that.

Ms Brinsmead: The website project started in the 2018-19 budget period, or in tranche 2, and was delivered over the remaining period for the Robust Program through to 2025. So the costs were built up over that period of time, between 2018-19 to 2025.

Senator BRAGG: How much was the original approval?

Ms Brinsmead: There was no original approval specifically for the website. The website was given a budget based on expressions of interest that went to the market. The initial budget that was allocated to the website was approximately \$34 million.

Senator BRAGG: Was that \$34 million regionally?

Ms Brinsmead: Yes, approximately.

Dr Minchin: To be clear, that was the bureau's estimate before going to market of how much the website might cost. That was subsequently informed by multiple tender processes, which built that cost up according to the scope of the program over the following years.

Senator BRAGG: It went from \$34 million in 2017 to \$96 million today; is that right? I remind you this is budget estimates, so we're trying to get to the bottom of these things.

Ms Brinsmead: The original estimate was \$34 million, and then it was informed by expressions of interest from the market and going to tender—

Senator BRAGG: Sure, you said that already.

Ms Brinsmead: and then going through a discovery phase to understand the effort that was required. The effort that was required to complete the website was more than originally budgeted for.

Senator BRAGG: When did you discover that it was going to be more than you thought it was going to be?

Ms Brinsmead: During the actual project it went through several change processes—

Senator BRAGG: But when? You started in 2017 and now it's 2026. When? That's a nine-year period.

Ms Brinsmead: I don't think there was any lightbulb moment that made us think, 'This is going to cost more.' As we went through the discovery phase we estimated the project and, as the costs were incurred, that's when we allocated that budget for it.

Senator BRAGG: I'll just replay your words to you. I know it's late at night, but you said, 'when the costs were incurred' that's when you knew. How could you run a project, costs are incurred and then you find out things are bad, or they're blown out? Surely, you know in advance before the costs are incurred?

Ms Brinsmead: We estimated based on the effort that we thought was required and what we thought the cost would be, and we allocated a budget for that. Then that budget was re-estimated through the project based on what we understood the effort to be.

Senator BRAGG: How has this been documented over nine years?

Ms Brinsmead: There has been extensive documentation through our project status reporting and our change control processes.

Senator BRAGG: How many times has it been reported up to a minister that the costs have ratcheted up?

Ms Brinsmead: I couldn't answer that question, sorry.

Senator BRAGG: Why not?

Ms Brinsmead: Because I don't know off the top of my head.

Senator BRAGG: Who do you report to?

Ms Brinsmead: I report to the CEO.

Senator BRAGG: When were you appointed, Dr Minchin?

Dr Minchin: I was appointed on 10 November last year.

Senator BRAGG: So you inherited this boondoggle.

Dr Minchin: Yes.

Senator BRAGG: If you were an internal auditor, what would be the controls you'd have in place to ensure that there's a proper process around the expenditure of public funds, particularly when there's a long-running project and there's a risk that it might escalate?

Dr Minchin: It's important to mention a couple of things. My understanding is that, as was mentioned, there was an initial estimate by the bureau as to what the costs would be. After testing that with the market, there was a

significant change to that scope. These costs were determined by approaching the market and tested through a series of control points prior to agreement as part of the Robust package—the broader package of investment that was going on across the bureau. That Robust program underwent a whole range of Department of Finance and Digital Transformation Agency reviews over the period of the Robust program, and there were control points in place along that pathway regarding the expenditure that went into the components of that program, including the website. It was not just that we spent what it cost; there was a governance process for Robust overall, which was adhered to along the way.

I should mention that in December last year, soon after I joined, the Department of Finance did its final assessment of the Robust programming and gave it a green light under its gateway review program, stating that it had been well-managed and had delivered what was there. That does not mean—to be clear, I've stated here in hearings and publicly that the website has not met everyone's needs and clearly needs continued investment. We are continuing to address the feedback that we've received from the public.

Senator BRAGG: It doesn't sound like a very good process. Finally, in the interest of time: Minister, I think in the Nine newspapers in November you were said to have put the bureau on notice about this ballooning cost. What assurances can you give us that this is not going to happen again?

Senator Watt: To the best of my knowledge, the website redesign has been completed. There are ongoing updates being made to that website, as occurs with most websites. But, from my point of view, the project is largely completed.

CHAIR: Senator McDonald.

Senator McDONALD: This leads us neatly to the problem, Dr Minchin, which is that the website project may be completed but it has not been completed satisfactorily. The constant feedback that I get is how unhappy people are with the website and how they continue to use the old website. My question to you tonight is: how long do you intend to leave the old website active?

Dr Minchin: We certainly accept that the new website has not met all needs within the community, and we have received a lot of feedback from the community. We've received over 750,000 pieces of feedback, which we are working through, addressing the website functionality. That is being addressed through a series of different releases addressing the priority feedback that we've received over time. It is an ongoing process to improve the functionality of the website. It's not something that can be solved overnight.

I will also mention for the record, though, that we have actually seen an increase in use of the website since the relaunch, not a decrease. At the same time, we have seen an increase in use of the registered users website, which is the old website. But the overall use of the website has increased since the initial launch. We're not saying that it is meeting everyone's needs yet, and we're continuing to develop it, but it has actually resulted in more people using the website now than prior to its relaunch.

Senator McDONALD: You wouldn't want to conflate more users with satisfaction. It might be more users having more devices and more reason to access an electronic weather reporting service.

Dr Minchin: Absolutely.

Senator McDONALD: I would put to you that every single time I log on to use it—because I'm attempting to be open and get used to exploring the new website—I go mad. Where am I, and what's the location? I just want to log on to the same place that I can, use the radar that I want to use and look at the weather in that place. It's bloody impossible. Have you got a BOM bot to respond to people's questions about the new website?

Dr Minchin: We don't, I believe, use a bot. We have a customer service team that takes these pieces of feedback and works through them, identifying the common threads in the feedback, and we are addressing them over time. We have done a number of releases of the website and updated a number of things since the launch, including the way the rain radar—which is our primary piece of feedback—presents itself, and there is more to come. So we are not completely finished with working through that very long list of pieces of feedback, but we are addressing the most common pieces of feedback first to ensure that—

Senator McDONALD: I will give you my piece of feedback: I want to be able to log on and go to the same radar in the same location to check the weather where I need to see it. I've got three radars that I check, and I can't do that for any of them easily. Anyway, I give you that in the interest—

CHAIR: Senator McDonald—

Senator McDONALD: No, I'm not quite at five minutes, I'm sure!

CHAIR: You are right on the cusp of it.

Senator McDONALD: I will give you some more questions on notice, but, specifically, I need to ask you about the 'Croydon gap' in weather monitoring for north-west Queensland. I guess this is to you, Minister. Is there funding available to erect a radar either at Croydon or in that gap, because the Mornington Island one is not working and is not suitable either.

Senator Watt: I will have to get the officials to answer that. I get it, and the Bureau gets many, many requests for new weather radars across the country.

Senator McDONALD: But Queensland, though, I'd suggest, would be a state that would be closest to your attention.

Senator Watt: I wouldn't mind guessing that there's a lot of weather radars in Queensland. I'm not saying this one isn't necessary.

Senator McDONALD: This says, 'Please provide the minister with a report for how few radars there are in Queensland and what a massive gap we have in northern Australia.'

Senator Watt: Perhaps I'll leave it to the officials to provide any advice they can about the Croydon area.

Dr Minchin: We do currently have 69 operational radars across the country, which cover about 98 per cent of Australia's population. There are two radars that are currently damaged that are being repaired at this point. We don't have any funding to expand that network any further at this stage, but we are aware of strong community interest in a number of places around Australia for radar coverage.

One of our projects is looking at future radar technologies that may make radars cheaper, more efficient, and that might allow us to expand that network in future. But we're certainly aware that the Australian public loves radar and would like to have coverage for 100 per cent of the population.

Senator McDONALD: Yes, it is massively important when we have cyclones and big floods and no visibility at all.

Dr Minchin: It is still worth mentioning that radar fulfils an important role, but it is not the only tool that we use. We do have 100 per cent coverage of satellite imagery for the Australian population. We utilise automatic weather stations. We utilise a whole range of other data inputs to deliver our forecasts. The radar is something that people like to be able to see, but it is not the determining factor in the way that we forecast.

Senator McDONALD: I appreciate that, but in northern Australia we know the number of flood gauges that failed, of missing radar images. It was very gappy during the last lot of floods and it resulted in unpredictable outcomes.

Senator ROBERTS: Thank you for appearing again. Please confirm your expenditure for 2025-26, which would include operating expense, special purpose allocations, your own revenue and capital expenditure. What is it?

Dr Minchin: I will pass to Astrid Heward, my chief operating officer, to answer that question for you.

Ms Heward: Can you repeat the items that you were looking for?

Senator ROBERTS: What you spent totally—operating expense, special purpose allocations, own revenue and capital expenditure.

Ms Heward: I'm actually going to call the chief financial officer up for this one.

Mr Lyons: In the recently published public benefit statements in the May budget, the overall revenue for the bureau will be \$753 million. That makes up both our operating and capital components. The actual expenditure for this year is still in development. That's our revenue that we're working towards for both. Capital is \$100,846,000.

Senator ROBERTS: What's the budget for 2026-27?

Mr Lyons: Sorry, that's the 2026-27.

Senator ROBERTS: What the total amount for budget?

Mr Lyons: It is \$723,346,00.

Senator ROBERTS: In 2017-18, your budget was under \$400 million. Now it's \$723 million. What's causing the massive cost blowout in the Bureau of Meteorology. Why? I'll ask another question. How many staff did you have in 2017-18, and how many now?

Ms Heward: We'd have to take that on notice.

Senator ROBERTS: You don't know?

Ms Heward: We don't have the 2017 and 2018 figures in front of us, I'm sorry.

Senator ROBERTS: That's one of the key figures. Has anyone been fired for wasting \$96 million of taxpayer money?

Dr Minchin: We don't believe \$96 million was wasted, so no-one has been fired.

Senator ROBERTS: Let's move on. In February, the BOM predicted—the Bureau of Meteorology has defended its warnings—a weekend deluge in Queensland, leading local councils to activate major flood response measures, only for as little as 30 millimetres of rain to fall. Meteorologist Angus Hines said on Thursday:

... some of those higher-end numbers could certainly exceed 200mm, but I wouldn't rule out one or two locations getting 300mm in the next few days ...

Brisbane ultimately measured just 30 millimetres of rain across the entire weekend, with the Sunshine Coast hinterland recording up to 60 millimetres. This is becoming a joke in South-East Queensland: 'catastrophic floods imminent', and we get 30 millimetres. How did the forecast get it so wrong and how does it happen so often?

Dr Minchin: I think one of the challenges that we have with perceptions in the community is that people think that forecasting rainfall is a perfect science. It's not. It comes with uncertainties—significant uncertainties. So, when we provide a forecast, we provide a range of probabilities, and we do our best to ensure that the public have the best information that they can rely on for their decision-making. There are always going to be times when our forecast is not correct. I want to be clear on that: there will always be times when our forecast is not correct, but, on average, we will get it right.

Senator ROBERTS: I have this graph, from the BOM website, I believe, on 'rainfall range reliability'. You repeatedly overstate the rain—repeatedly. If it were natural variation, some would be below, some would be above. This is repeatedly overstated. Is that to perpetuate myths about climate, because of our water shortage?

Dr Minchin: Absolutely not. We have a rigorous program of assessing the accuracy of our forecasts, and I've asked Michael Logan, who's a general manager in our forecasting area, to provide a little bit more explanation of the validation that we do for the accuracy of our forecasts.

Mr Logan: That's correct—that is posted on our website, and we are talking about the probability forecasts for rainfall and the rainfall ranges that we do provide on there. We are finding that we are honing those, over the years, as they go on. For example, when we looked at the last financial year and the probabilities for the next day rainfall, when the bureau forecasts indicated a 25 per cent, 50 per cent or 75 per cent chance of exceeding a certain amount of rainfall, observations showed that that forecast rainfall was exceeded 19 per cent, 49 per cent and 80 per cent of the time, respectively. So the forecasts are pretty well calibrated, but we are absolutely constantly working to make sure that they are as calibrated as we can possibly get them, and, over time, we're focusing on making sure that is for the higher end rainfall. But all rainfall is very important.

Senator ROBERTS: Last question, Chair; I'll put the rest on notice. I still don't have an explanation for why farmers tell me Weatherzone is more accurate than the BOM—when they take your data, then reanalyse it themselves. Is there something in your algorithms that leans towards predicting hotter and drier conditions than Weatherzone do? Elders Weather actually adds Weatherzone data to their own rural stations, to produce accurate forecasts in the bush—more accurate than yours. Have you thought of licensing Elders' own station data to make your data more accurate?

Dr Minchin: There is no doubt that there are a range of different ways that the Australian public, including farmers, can access weather data, not just from the bureau's forecasts. We stand by our accuracy, as has been identified by Michael, about the way that we assess that. There is always the ability for other providers to package data in a way that is more accessible to different audiences, and we encourage that third-party engagement. We provide our data to partners like Weatherzone to ensure that they're able to deliver to their audiences the information that they want. That's not a reflection of our accuracy or lack of accuracy. This is about different preferences. The challenge we have is that we have 28 million customers in Australia and they all have slightly different preferences for how they want to receive their weather information. We are trying our best to meet all of those needs at all times. The farming sector is a key sector for us that we treat very seriously, and we try and get our information as correct as we can through that process.

Senator BARBARA POCOCK: I have a quick question—I hope, optimistically!—on a contract with Accenture, contract CN4226159. I understand this contract is for the provision of platform services for the Australian Climate Service. Is that right? That's a nod.

Dr Minchin: I'll ask Vicki Manson to answer that.

Senator BARBARA POCOCK: BOM's response to an OPD on that contract says the initial contract with Accenture is worth \$15 million or thereabouts for the initial three-year term. However, the total estimated

commitment over the maximum seven-year term, including the initial term and all extension options, is redacted. What is the total estimated commitment over the seven-year period?

Ms Manson: I'll get Ms Schneider to answer that.

Senator BARBARA POCOCK: Just the number.

Ms Schneider: I don't have the total figure for the extended period of time. The original contract is for the—

Senator BARBARA POCOCK: I don't need you to—I just said that. What is the redacted number?

Ms Schneider: I don't have the redacted number with me today. I'd have to take that on notice.

Senator BARBARA POCOCK: Will you give it to me on notice?

Senator Watt: The official has taken the question on notice and no doubt will consider whether that information can be provided.

Senator BARBARA POCOCK: I am extremely concerned at the failure to have that number available. We know what Accenture's track record is. I think my question is entirely predictable. We know what the Accenture 'overpromise, under-deliver' track record is like. The Australian public want to know what this figure is. I can see no reason for its redaction in the first place, and I want a commitment, Minister, that this number will be supplied.

Senator Watt: No. The official has taken the question on notice and will consider what information can be provided.

Senator BARBARA POCOCK: Why are you giving a massive contract like this to Accenture, given their track record, while hundreds of climate jobs are being wiped out?

Senator Watt: My understanding is that a comprehensive competitive procurement process was undertaken by the bureau in awarding that contract.

Senator BARBARA POCOCK: Yes, I've asked them.

Senator Watt: I'm sure the officials will be happy to talk to you about the basis of that decision.

Senator BARBARA POCOCK: Thanks.

CHAIR: Thank you to the officials from the bureau. We appreciate your attendance here, your evidence and the work that goes into it.

Department of Climate Change, Energy, the Environment and Water

[22:58]

CHAIR: We will now call—very briefly!—the Australian Antarctic Division. Senator Whish-Wilson.

Senator WHISH-WILSON: I might start with you, Mr Sullivan, following up questions from last estimates. As part of the Macquarie Wharf upgrade deal with the Tasmanian government, a refuelling solution for *Nuyina* needs to be accepted by the end of July and in place for the upcoming Antarctic season. As you're aware, right to information documents show that most options require permanent infrastructure that will take two to three years to develop. Could you give us an update. Is that correct, and is that how long it will take to resolve this issue?

Mr Sullivan: I'm not sure about how long it's going to take to resolve the issue. Tasmania gave us an interim solution, and we are still pursuing a longer term solution that will allow us to refuel the *Nuyina* in Hobart.

Senator WHISH-WILSON: Could you tell us about the interim solution? That was going to be my next question.

Mr Sullivan: I don't think it's a secret. They just wanted to roll trucks in.

Senator WHISH-WILSON: Is that what they've been doing for the last—

Mr Sullivan: We've used that before, but that, as I understand it, was for minor top-ups.

Ms Campbell: Yes. We have used trucks, for example, to top up to go to Macca—Macquarie Island—but not to do a major refuel. It's quicker to go to Burnie.

Senator WHISH-WILSON: Is this acceptable to the AAD?

Mr Sullivan: No.

Ms Campbell: No.

Senator Watt: Far from it. At every possible level we have made the point to the Tasmanian government that they made a commitment to find a workable solution as a condition of receiving a large amount of money from the Australian government and they have not yet delivered.

Senator WHISH-WILSON: That was going to be my next question. If a solution isn't in place by the deadline, are you going to refuse to give them the \$2 million milestone payment that was due to be paid?

Ms Campbell: Tasmania have written to us saying that they won't meet the July timeframe for the refuelling and asking to push that back. The minister has written saying in principle we understand that's the case, we encourage Tasmania to focus on a long-term solution and we note that, effectively, the funding deal, including the final payments, is reliant on that fuelling infrastructure.

Senator WHISH-WILSON: Has there been any work done at all on long-term solutions that you're aware of, Mr Sullivan?

Mr Sullivan: Yes. The previous Department of State Growth—which I'm not sure exists anymore—in Tasmania did some work on that. I know there have been some unsolicited offers to Tasmania of other long-term solutions. To be honest, this has all been tied up in a range of priority setting, where I think Tasmania just hasn't delivered something that's sensible or usable for us.

Senator WHISH-WILSON: That's very disappointing. I suppose they've been very focused on delivering a wharf solution up in Devonport for the new *Spirit*, which they haven't done either—funny enough! I'm not sure what it is about boats and wharfs and Tasmania. Could I ask, then, will you be required to send the *Nuyina* to Burnie? The previous cost we got, I think, was \$875,000 extra per year to go to Burnie. Will that have increased now with diesel prices?

Ms Campbell: It will depend. What it will cost next year is hypothetical, but we are planning to go to Burnie next year. This year we spent about \$600,000 going to Burnie because we only went three times.

Senator WHISH-WILSON: Very quickly, following up on the ATSB's preliminary report on the *Nuyina* running aground at Heard Island back in October last year, it was reported in the media that substantial damage was done to mounted instruments that are now damaged or missing. Are you able to say which particular instruments were damaged?

Ms Campbell: Yes. When *Nuyina* grounded, the drop keel was down. There was some superficial damage to the hull, and some sensors on the drop keel were left inoperable, which is really about high-res mapping sensors on that drop keel. *Nuyina* will go to dry dock next month in Singapore as part of its normal maintenance schedule, and during that time we'll look to have that—

Senator WHISH-WILSON: You'll replace those?

Ms Campbell: We're looking to have that repaired, yes.

Senator WHISH-WILSON: Are you able to give a rough indication of cost?

Ms Campbell: I think it's significant, but it will be covered by Serco or their insurance, so it won't cost us.

Senator WHISH-WILSON: Right. I did have questions about the Thwaites glacier and a lot of the other stuff that you're working on, but I don't think I'm going to be allowed to ask them. I'll put them on notice. And I'd like to apologise for making you wait till one minute past eleven. I don't think that's acceptable. It's not a reflection on your work, Chair—you've done a good job today. But maybe next time we'll try and get you guys in earlier in the schedule so we can ask you about some of the good work you do.

CHAIR: Thank you, Senator Whish-Wilson.

Senator WHISH-WILSON: I won't be here, but someone else will.

CHAIR: I always encourage more efficient and effective questioning. That concludes today's hearing. Thank you to all witnesses who appeared and to Hansard and Broadcasting for their assistance. I remind senators the committee has agreed that any written questions on notice should be lodged with the secretariat by 5 June 2026.

Committee adjourned at 23:04