

COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

SENATE

FINANCE AND PUBLIC ADMINISTRATION
LEGISLATION COMMITTEE

Estimates

MONDAY, 2 MARCH 2020

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SENATE

FINANCE AND PUBLIC ADMINISTRATION LEGISLATION COMMITTEE

Monday, 2 March 2020

Members in attendance: Senators Ayres, Brockman, Gallagher, Hughes, Kitching, Lambie, Lines, McLachlan, Molan, O'Neill, O'Sullivan, Paterson, Patrick, Polley, Rice, Scarr, Dean Smith, Marielle Smith, Steele-John, Waters, Watt, Wong.

PARLIAMENT

In Attendance

Senator Ryan, President of the Senate

Department of the Senate:

Mr Richard Pye, Clerk of the Senate

Ms Jackie Morris, Deputy Clerk

Ms Rachel Callinan, Clerk Assistant (Table)

Ms Toni Matulick, Acting Clerk Assistant (Procedure)

Mr John Begley, Usher of the Black Rod

Mr Tim Bryant, Clerk Assistant (Committees)

Ms Angela Casey, Director Parliamentary Education Office

Ms Olivia Rankin, Director, Human Resource Management

Parliamentary Budget Office

Ms Linda Ward, Acting Parliamentary Budget Officer

Mr Colin Brown, First Assistant Parliamentary Budget Officer

Ms Kathryn Smith, Acting First Assistant Parliamentary Budget Officer

Mr John Clark, Assistant Parliamentary Budget Officer

Mr David Tellis, Assistant Parliamentary Budget Officer

Mr Gareth Tunks, Assistant Parliamentary Budget Officer

Ms Karen Williams, Assistant Parliamentary Budget Officer

Department of Parliamentary Services

Secretary

Mr Robert Stefanic, Secretary

Deputy Secretary

Ms Cate Saunders, Deputy Secretary

Ms Leanne Tunngley, Assistant Secretary, Security Branch

Mr Nick Edwards, Acting Assistant Secretary, Communication and Corporate Relations Branch

Parliamentary Library

Dr Dianne Heriot, Parliamentary Librarian

Information Services Division

Mr Antony Stinziani, Chief Information Officer

Mr Norman Spurr, Assistant Secretary, Digital Business Services Branch

Ms Christine White, Assistant Secretary, Digital Recording Services Branch

Mr Con Sfyris, Assistant Secretary, Digital Customer Services Branch

Mr Ian McKenzie, Assistant Secretary, Cyber Security Branch

Corporate Services Division

Mr Rob Brigden, Acting First Assistant Secretary, Corporate Services

Mr Andrew Lander, Acting Assistant Secretary, Corporate Operations Branch

Mr Luke Hickey, Assistant Secretary, Parliamentary Engagement Branch

Finance and Property Services Division

Mr Nicholas Creagh, Assistant Secretary, Finance Branch

Committee met at 09:00

CHAIR (Senator Paterson): Good morning, everyone. It being 9 am, I declare open this meeting of the Senate Finance and Public Administration Legislation Committee. Today, the committee will begin its examination of the additional budget estimates for 2019-20 for the parliamentary departments; the Prime Minister and Cabinet portfolio; the Finance portfolio; and cross-portfolio Indigenous matters. The committee may also examine the annual reports of the departments and agencies appearing before it.

The committee has before it a program listing agencies and outcomes relating to matters for which senators have given notice. The committee has fixed 17 April 2020 as the date for the return for answers to questions taken on notice. The committee's proceedings today will begin with the parliamentary departments, followed by the department and agencies of the Prime Minister and Cabinet portfolio. Tomorrow, the committee will examine agencies within the Finance portfolio. The committee will examine the National Indigenous Australians Agency, other Indigenous agencies and the Department of Health on Friday at the cross-portfolio Indigenous matters hearings.

Under standing order 26 the committee must take all evidence in public session. This includes answers to questions on notice. I remind all witnesses that in giving evidence to a 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 evidence to a committee.

The Senate, by resolution in 1999, endorsed the following test of relevance of questions at estimates hearings. Any questions going to the operations or financial positions of the departments and agencies which are seeking funds in the estimates are relevant questions for the purpose of estimates hearings. I remind officers that the Senate has resolved 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. I particularly draw the attention of witnesses to an order of the Senate of 13 May 2009 specifying the process by which a claim of public interest immunity should be raised, which will be incorporated in the *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: Witnesses are specifically reminded that a statement that information or a document is confidential or consists of advice to government is not a statement that meets the requirements of the 2009 order. Instead, witnesses are required to provide some specific

indication of the harm to the public interest that could result from the disclosure of the information or the document.

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 prohibits only questions asking for opinions on matters of policy and does not preclude questions asking for explanations of policies or factual questions about when and how policies were adopted. An officer called to answer a question for the first time should state their full name and the capacity in which they appear. Officers are requested to keep opening statements brief or to seek to incorporate longer statements into the *Hansard*.

Department of the Senate

[09:03]

CHAIR: I welcome the President of the Senate, Senator the Hon. Scott Ryan; the Clerk of the Senate, Mr Richard Pye; and officers of the Department of the Senate. Following the retirement of Ms Maureen Weeks, I note the appointment of the new Deputy Clerk of the Senate, Ms Jackie Morris. I thank the department for providing updated information on Senate committee activity, which has been circulated to the committee. Senator Ryan, do you wish to make an opening statement?

The President: Not for this section, but I will for a couple of the ones coming up.

CHAIR: Mr Pye, do you wish to make an opening statement?

Mr Pye: No, thank you, Chair.

CHAIR: Who is seeking the call?

Senator KITCHING: Senator Patrick and I have done a side deal, and he is going to go first for five minutes.

CHAIR: That's unlike you, Senator Kitching. Senator Patrick.

Senator PATRICK: Mr President, I refer you to the Privileges Committee report No. 168. I'm sure you're familiar with it. It's in relation to parliamentary privilege and the use of intrusive powers. In that report there was a recommendation made:

... to ensure claims of parliamentary privilege can be raised and resolved in relation to information accessed in the exercise of intrusive powers and other investigative powers, the Presiding Officers, in consultation with the executive, develop protocols that will set out agreed processes to be followed by law enforcement and intelligence agencies when exercising those powers.

Could you provide some update to the committee as to how you've progressed that recommendation.

The President: You'll be familiar with the two resolutions of the Senate, 2018 and 2019, that touched upon what I'll call 'this broad issue'. It's been discussed in this forum a number of times, and I've also discussed it privately with senators on a number of occasions. Last week, the Speaker and I wrote to the Minister for Home Affairs and the Attorney-General seeking to formally commence the procedures around what I'll call 'renegotiation', more effectively it might be 'updating', of the MOU with, as I've said before, an aspiration to have that process completed this year. On the last occasion—approximately 15 years ago it was done—it involved

extensive discussions. It does require, of course, both Presiding Officers, in both chambers. But, as I've said before, it is our aspiration to have it done this year.

Senator PATRICK: Will that extend beyond the current MOU, which has been signed with the AFP, to include other agencies which have intrusive powers?

The President: In this capacity I cannot speak to what it may end up in. I can tell you about my personal view on this, which I have flagged to a number of senators and will include in my consultations with senators about it. It is that, because of the nature of various acts that have passed since that time, the updating may need to involve other agencies. That is my personal view.

Senator PATRICK: Okay. I note that in your submission to the PJCIS in relation to the intercept and access legislation you made the comment: 'I expect that their resolution,' in relation to accessing data, 'will require a combination of procedural and legislative actions.' Obviously, the MOU is procedural. Have there been any moves to look at legislation as well?

The President: I've flagged—without revealing confidential discussions—with colleagues in the other place that it is my personal view that some of the laws that we have passed may require some amendment in order to better protect claims, and adjudication of claims, of privilege.

Senator PATRICK: I'm really coming to my final question, and I want to put some context around this because people often think that the word 'privilege' is some benefit that we gain. Of course many people who contact senators do so to make a complaint about government or to blow the whistle or to raise matters that subsequently get raised or dealt with in the proceedings of the parliament; therefore, we all have a vested interest in protecting any of the emails that may come in and so forth. Are you aware of any instances—and I want to put the caveat on this that I'm not after any instances where a senator was being investigated for a criminal matter directly—in the last couple of years, say, where metadata has been accessed by either the police or the AFP in respect of a senator?

The President: Other than the matters that have been discussed in the various reports of the Standing Committee of Privileges—and there've been a couple in recent years, as we know—I'm not aware of any.

Senator PATRICK: Is it something that you would inquire into at any point in time? You might not be aware simply because—

The President: The principle you mentioned has occasionally been discussed. I have occasionally discussed it with colleagues, and with colleagues in the other place. A concern that I have—and the Clerk may wish to add something to this—is that at the moment, in my understanding of the operation of the law, a senator or member might not necessarily be given the opportunity to make a claim of privilege.

Mr Pye: That was very much the concern of the Privileges Committee in the 168th report—that really there are two separate endeavours that need to be undertaken here. The first is updating the search warrant protocol that you've mentioned, which relates to the AFP executing warrants in circumstances in which privilege might be engaged. So the Privileges Committee has recommended various principles be applied in updating that in terms of the processes and procedures that the protocol requires the AFP to step through. The second endeavour really is having a look at the changed legislative landscape and the changed technological landscape and

the different range of agencies that can now exercise different types of intrusive powers. The trigger in the AFP case is an intention to execute a warrant and then the execution of that warrant, which gives you that opportunity for senators to get advice about how they might respond. In the use of some other intrusive powers, where there's a delayed notification warrant or it's a warrant that doesn't require any sort of notification, if it's a computer access order or if it's the metadata type search where no warrant is required, there's no trigger for senators to say: 'Wait a minute; intrusive powers are being used in relation to data—sensitive data that's been passed to me,' as you suggest, 'from constituents. If there's no trigger for me to assert privilege in relation to that data, how can the privilege be protected?' Those are very much the two endeavours, really, that the Privileges Committee suggested needed to be undertaken.

Senator PATRICK: And that's what you're seeking to do with the Minister for Home Affairs, Mr President—to cover—

The President: What we're seeking to do is use the renegotiation of the MOU. I think it needs to include some of these other factors, but I'm not going to go into my private discussions with the Speaker or colleagues. But in my conversation with my colleagues they have expressed a concern about this matter too, partly because of the technological issues the Clerk outlined and partly also because of the other agencies that have access to some of this information. It may not even cross their minds that privilege issues may be engaged or there may be a right for a parliamentarian to make such a claim, which, then, of course, can be adjudicated under the provisions of the Parliamentary Privileges Act.

Senator PATRICK: Just to be very clear, the Clerk mentioned circumstances such as metadata searches that don't require warrants.

The President: Yes.

Senator PATRICK: Your intention is to cover that issue—

The President: I have expressed that personal concern. That has been a personal concern of mine particularly with respect to non-Commonwealth agencies. If a matter, for example, becomes a proceeding of the parliament or a committee proceeding, which is covered by the privileges act, that particular information—there needs to be an opportunity for parliamentarians to make the claim so that the parliament can adjudicate it under one of the sections of the act.

Senator PATRICK: You say that's a personal view, but, moving forward in your discussions, will you be tackling that?

The President: Yes, I will be. I say it's a personal view only because I'm very reluctant to express a view on behalf of the Senate. But it is something I plan to engage in, yes, in this office, undertaking that role.

Senator PATRICK: Thank you.

Senator KITCHING: Is there a date?

The President: On what?

Senator KITCHING: When we're going to have the MOU. So, post the Senate resolution on 5 December, is there going to be a date for the MOU?

The President: I have expressed an aspiration that it be done this calendar year, as I've expressed previously. But it's not entirely in the hands of myself or the Senate.

Senator KITCHING: So it's in the hands of A-Gs and Home Affairs?

The President: And there's also another chamber of the parliament which may have its own or different minister.

Senator KITCHING: And the presiding officer would be the—

The President: Speaker.

Senator KITCHING: Would be the relevant officer in the Reps?

The President: Yes. That's who the last MOU was signed with, yes.

Senator KITCHING: But the Minister for Home Affairs and the Attorney-General will also be involved in the process?

The President: They were last time. I anticipate they will play exactly the same role this time.

Senator KITCHING: Given the resolution was passed on 5 December, we should have it by 5 December this year?

The President: No, I'm not saying anything of the sort.

Senator KITCHING: But by this calendar year, though?

The President: I said it's my aspiration that it be done, and I think the Speaker shares the aspiration to have it done this year.

Senator KITCHING: So what would be the hold up for it taking longer than that?

The President: Without going into hypotheticals, Senator Kitching, I imagine there would be different views across chambers and there would be different views amongst senators about priorities. If it is only procedural, to use Senator Patrick's phrase, that's something that could be dealt with by the executive and presiding officers alone, presumably with the involvement of chambers. The Clerk should feel happy to correct me on past history. I wasn't here in 2005 when it was done, but, if there were to be statutory change, that would obviously be a matter for parliament.

Senator KITCHING: Would any statutory change only be within the Department of Home Affairs and Attorney-General's?

The President: We've commenced the process. There may be other elements of it that senators wish to bring in, that the executive may wish to raise or that the other place may wish to raise. That may require widening of it beyond the terms of the current MOU. It's hard to say when it will end when a process has commenced. I've expressed an aspiration because I think, in terms of a calendar year, we have a good amount of time this year to be able to undertake it.

Senator KITCHING: So, if I ask at the next estimates post budget, do you think we will have an update? That will be June.

The President: I can't predict time lines, Senator Kitching. I've expressed my aspiration and I'm happy to give a report on where we're up to. We wrote to the ministers last week to commence the process and we hope to have it done this year.

Senator KITCHING: I will move on to a semirelated matter: the rollout of office 365 and the storage of data. In an answer to a QON you advised, Mr President, 'Microsoft will not disclose customer data to any government or law enforcement agency unless required by law. If any agency contacts Microsoft with a demand for customer data Microsoft will attempt to

redirect the agency to request that data directly from the customer. If compelled to disclose customer data by law, Microsoft will promptly notify the customer and provide a copy of the demand unless legally prohibited from doing so.' I'm happy to give you a copy of that if you want.

The President: Sure, yes.

Senator KITCHING: What I'm interested in mostly is the final sentence: 'If compelled to disclose customer data by law Microsoft will promptly notify the customer and provide a copy of the demand unless legally prohibited from doing so.' Given there are numerous laws which make it an offence to disclose information about warrants, including, in fact, the very existence of a warrant, isn't it the case that despite any undertakings given by Microsoft, it may be required by law to hand over data of senators and their staff held at Microsoft data centres without telling the relevant senator—indeed, perhaps without even telling you, Mr President. Is that the case?

The President: Again, the clerks should feel free to correct the words I use here. In the end, even we in this building are subject to the statutes of the land. If someone turns up with a warrant to access a senator's or a member's office, any subsequent claim of parliamentary privilege does not prevent the access to that office; it merely puts aside information to allow the adjudication of a claim of privilege. So, in the end, we are subject to law, and the answer was going to the point—and DPS may be a better place to answer this unless you've got questions for the Clerk around privilege—that, just as we are, they are subject to law.

Senator KITCHING: But my question is: how could a senator assert a claim of privilege if they're not even aware that the data is being accessed or how does one—

The President: This goes to the point that Senator Patrick made earlier about metadata warrants—sorry, it might have been the Clerk: access to metadata that doesn't require a warrant, you may not be aware of. In the end, we are subject to law. In the end, the same would apply to the Department of Finance or the Department of Parliamentary Services. If there's a legal authority or requirement, we are subject to the same law as someone else. The fact that it's Office or Microsoft doesn't really make a great deal of difference.

Senator KITCHING: I'm certainly not suggesting that we would be above the law, but how does one assert a claim of privilege in those circumstances? If it came to your attention, would a claim of privilege be asserted post facto?

The President: As I understand it, most claims are asserted upon the exercise of the seizure of information—I'm looking at the Clerk—in the sense that—

CHAIR: It would be hard to launch it in advance, presumably.

The President: Sorry?

CHAIR: It's impossible to launch one in advance, presumably.

Senator KITCHING: You could put in a—

Mr Pye: That's right, Senator, unless there's notification that one of these powers is being operated.

Senator KITCHING: Yes, and that does happen.

Mr Pye: And that's the nub of the issue that the Privileges Committee has raised, Senator Patrick has raised and I think you've raised from time to time as well, Senator. If there's no

notification then it doesn't matter whether it's data that's held in servers in this building, if it's data that's held on a computer that's in a remote office that remote access is granted to under powers that are exercised covertly; if there's no opportunity to raise the claim of privilege, there's no opportunity to do so. That's the sort of thing that needs attention.

Senator PATRICK: Presumably if it leads to court proceedings it could also then be dealt with by the court.

Mr Pye: That's right. If the material is sought to be entered into legal proceedings then the known and understood operation of privilege comes into play. The issue with all of these intrusive powers—search warrants through to the others we've discussed today—is that the use of these powers has the capacity or the potential to undermine parliamentary proceedings in the same way as the use of this material in the courts does, and yet there is no protection at law that is broadly recognised. That's why we need these processes we've been talking about this morning.

The President: This principle that you are alluding to, Senator Kitching, is essentially similar to the one Senator Patrick was outlining, which provoked my interest in it not long after I took this office, following the report of the Privileges Committee that you've both referred to.

Senator KITCHING: I want to move on to a question in relation to capital works updates. As we are all aware, the Senate wing was significantly affected by delays in the delivery of the capital works projects throughout 2018 and 2019. In an answer to a QON, one of the answers was that the department receives a weekly capital works email from the Department of Parliamentary Services which outlines the progress of major capital projects affecting the building. Can I firstly confirm that the Department of the Senate is receiving a weekly capital works email?

Mr Pye: Yes, the department receives it.

Senator KITCHING: I don't need them now, but could I have the dates of those emails?

Mr Pye: I'm happy to take that on notice.

Senator KITCHING: Can you produce a copy of each email?

Mr Pye: It's a weekly digest, a report of one branch of DPS, and it's sent to—

Senator KITCHING: The capital works branch?

Mr Pye: Yes, and it's sent to the Usher of the Black Rod. I'm sure we can take on notice—

Senator KITCHING: When you say it's a 'digest', what do you mean by that? I had envisaged that it would be an email saying, 'Project X—'

Mr Pye: Essentially it is. It's usually a page or two of dot points about the status of different projects.

Senator KITCHING: Are you able to produce a copy of each of those digests?

The President: Can I just say at this point that there is some information about the security works in parliament that the Presiding Officers have determined not to release.

Senator KITCHING: I'm happy to have that redacted.

The President: As long as all that stuff is redacted—I don't want to inadvertently release information upsetting senators when I haven't answered those questions on notice because of the position of both myself and my predecessors in doing the security upgrades.

Senator KITCHING: I'm happy to have the security works redacted, not the works that don't relate to security.

The President: Absolutely.

Mr Pye: I'll talk to DPS about what material is sensitive and what material isn't. I'm happy to follow it up for you.

Senator KITCHING: Just so we're clear: on notice, you're going to give me the dates of each of the emails, or digests—

Mr Pye: Yes.

Senator KITCHING: and each digest with appropriate redaction.

Mr Pye: Sure.

CHAIR: Are there any further questions for the Department of the Senate?

Senator SCARR: Mr Pye, we had the retirement of Ms Maureen Weeks and the seamless transition occurring with Ms Jackie Morris. Obviously you have succession planning in place to make sure there's a pipeline of talent that progresses through the department to fill positions.

Mr Pye: I think that is something that we try to do. Senators direct a lot of complicated work towards our staff and give plenty of opportunities for staff to really develop their skills and knowledge and step into these roles as they become available.

Senator SCARR: I think it's very impressive. Thank you.

Mr Pye: It's a great team that I've got behind me—and they're all very happy to be sitting behind me rather than here alongside me!

Senator KITCHING: You've got some MOUs in place. You can take this on notice. Can I ask for an update with respect to the services it provides or receives to or from other departments or agencies? So, in relation to the provision or receipt of corporate services with other departments, what types of agreements are in place? Are there other types of documents other than MOUs? Can a copy of all documents, MOUs or other agreements which document an arrangement, be produced?

Mr Pye: I'm happy to take that on notice.

Senator KITCHING: Has the Department of the Senate had any further interaction with the Department of Parliamentary Services with respect to any proposed provision of corporate or other services?

Mr Pye: I can take that on notice as well.

Senator KITCHING: If yes, what has been agreed? Can a copy of that document be produced?

Mr Pye: Yes.

Senator KITCHING: Thank you.

CHAIR: If there are no further questions for the Department of the Senate, I thank you very much for your attendance and your evidence here this morning.

Parliamentary Budget Office

[09:28]

CHAIR: I welcome the Acting Parliamentary Budget Officer, Ms Linda Ward, and officers of the Parliamentary Budget Office. The committee also notes the resignation of Ms Jenny Wilkinson, and I thank her for her service. I thank the PBO for providing updated information on PBO activity, which has been circulated to the committee. Senator Ryan, I know you have an opening statement at this point.

The President: As you mentioned, the previous Parliamentary Budget Officer, Ms Jenny Wilkinson, advised the Speaker and I on 11 December of her resignation with effect from close of business on 27 January this year. Ms Wilkinson was offered a new role in the Department of the Treasury, which she accepted. Following Ms Wilkinson's recommendation we appointed Linda Ward, First Assistant Parliamentary Budget Officer, as Acting Parliamentary Budget Officer until a permanent replacement is appointed. The Speaker and I, in cooperation with the Parliamentary Service Commissioner, Mr Peter Woolcott, have commenced a competitive selection process for the appointment of the next Parliamentary Budget Officer. We have written to the Joint Committee of Public Accounts and Audit to outline this process, based on the approach that the President Officers followed in 2012 and 2017. It is our intention to appoint an independent panel chaired by the APSC—the Parliamentary Service Commissioner, that is—the aim of which will be to short-list candidates based on applications, resumes and referee reports, and then for short-listed candidates to be interviewed by the Presiding Officers. The independent panel will be Mr Peter Woolcott, Mr David Tune, Ms Karen Chester and Mr Phil Bowen.

I'd like to take this opportunity to thank Ms Wilkinson for her outstanding service over the past 2½ years since her appointment in July 2017 and wish her well in her new endeavours.

CHAIR: Ms Ward, do you wish to make an opening statement?

Ms Ward: No, I don't.

CHAIR: Who is seeking the call? Senator Kitching.

Senator KITCHING: Firstly, welcome. Ms Ward, you're currently acting in the position; is that correct?

Ms Ward: Yes.

Senator KITCHING: Is the PBO involved in any way with the appointment of the new Parliamentary Budget Office and any changes within that? Are you yourself involved, if I can put it that way?

Ms Ward: No, I'm not involved. The appointment's a matter for the Presiding Officers.

Senator KITCHING: Is a recruitment agency being used?

The President: We are currently in discussions, the Speaker and I, with the Parliamentary Service Commissioner, who we're using as the key person. I'll take that on notice.

Senator KITCHING: Sorry, with the?

The President: With the Parliamentary Service Commissioner, who is separately appointed as Public Service Commissioner. It's historically been the same person. Upon his appointment as Public Service Commissioner, the Speaker and I appointed him as Parliamentary Service Commissioner as well, as has been the case. So I'll take that on notice and come back to you. Some of these decisions were pending as of last week.

Senator KITCHING: Okay. Can I get a costing? Is there a costing ascribed in the same way?

The President: There will be costs. I'll take that on notice and come back to you with that. There were different models being determined about how some of the processing might be done—whether there'd be a recruitment agency or not—and I'm just not aware, off the top of my head, whether that had been landed on by the end of last week.

Senator KITCHING: Given that the modelling is still being done, is there a time line?

The President: The Speaker and I have decided that, firstly, the work goes on, the legal—

Senator KITCHING: Yes, yes. No, I'm not saying—

The President: The work goes on under Ms Ward and the team there. With there being no expected election this year, I think the words the Speaker and I used were: we've got time to make sure we don't need to rush and we can get the right person. So, while we're not taking our time, so to speak, in a slow way, we are very keen to make sure that we cast the net as widely as possible and get the strongest field possible. So we're not rushing it.

Senator KITCHING: You're hastening slowly?

The President: We've got a situation where we have, effectively, a complete calendar year and at least the next calendar year before the expiration of the parliament. We've had, I might say, since the creation of this office incredibly strong support from parliamentarians. Its role has grown. It is strongly supported by everyone who has interacted with it, in my experience. So we want to continue the habit of getting a very strong leader for it.

Senator KITCHING: Yes. I love the PBO.

The President: Yes. We've got an opportunity to make sure. If an election were imminent, I think the timing pressures would be slightly different, as might the expectations from parliamentarians be. We don't have those now, so let's make sure we get the best person we can.

Senator KITCHING: On the research work that the PBO does: is that planned to be released over the rest of the financial year?

Ms Ward: That's correct.

Senator KITCHING: As well as upcoming work for the 2020-21 financial year?

Ms Ward: Our usual work program continues.

Senator KITCHING: Have you got the dates for the work program, even just for the rest of this—

Ms Ward: We don't publish specific dates for particular reports. Some of the upcoming reports that we currently have on our work plan relate to alternative financing arrangements, unlegislated measures and Newstart, and also an online glossary of budget related terminology.

Senator KITCHING: That would be quite useful. Have you got any dates for when you're expecting to release those reports, even estimates?

Ms Ward: So I can say, on alternative financing arrangements, the online glossary and unlegislated measures, we expect to publish those before budget.

Senator KITCHING: And Newstart some time before 30 June?

Ms Ward: Yes, that's our expectation.

Senator KITCHING: In relation to the next financial year, do you already have the research programs or projects outlined?

Ms Ward: Not at this stage. We're shortly about to commence our usual processes for setting that work program and we do consultation as part of that.

Senator KITCHING: It really is very good work. Thank you. Chair, I don't have any further questions for the Parliamentary Budget Office.

CHAIR: Thank you, Senator Kitching. Are there any further questions for the Parliamentary Budget Office? If not, I thank you very much for your attendance and your evidence here this morning. The committee will now move to the Department of Parliamentary Services.

Department of Parliamentary Services

[09:37]

CHAIR: I welcome Mr Robert Stefanic, Secretary of the Department of Parliamentary Services, Dr Dianne Heriot, the Parliamentary Librarian, and officers of the department. I thank the DPS for providing information pursuant to the committee's recommendations in the DPS inquiry which has been circulated to the committee. Senator Ryan, do you wish to make an opening statement?

Senator Ryan: I do, if I could, Chair; I'll be as quick as I can, please. First, the security upgrade: I'm pleased to advise senators that the physical security upgrade works program is for practical purposes now complete with the turnstiles installed in December last year and front ceremonial entrance structure completed in January. Some defect rectification works, including the tiling in the main entrance, will continue in the following months to avoid disruption to parliament. The electronic security upgrade is now in its final stages with remaining access controls being commissioned and defect rectification works in progress.

While the security works have taken longer than originally programmed due to previously reported and discussed delays, and there was an additional cost to complete the Senate and House entrances, I was pleased to be advised that the works have been completed within the security upgrade capital budget.

The second matter I wish to address is reports of cyberattacks on government systems. Some recent media reports have highlighted a level of threat and challenges faced by public institutions, noting that in a four-day period last October public sector organisations were targeted by a concerted campaign to infect networks. During this period, the investment that DPS made in cybersecurity has paid dividends. Our cybersecurity operations centre was able to leverage information from partners to be well prepared in advance of the campaign, and protective controls in place blocked many attempts to inject malware into the environment.

The sophistication of these type of attacks and the attractiveness of the parliamentary environment, as we've previously mentioned, was highlighted when we began to see parliamentary staff being targeted through personal email addresses in an attempt to bypass security controls on the parliamentary network. Again, the cybersecurity operations centre was highly effective in working with the user base, requesting users to refrain from using personal web email accounts on the parliamentary network for a period of seven days.

I'm pleased to report that there was a high degree of cooperation by users during this period combined with the maturing cybersecurity defences that have been put in place. They both

ensured that the parliamentary environment was protected from this attack. This is one example of many cases on a daily basis where parliament is targeted by malicious actors. DPS continues to work collaboratively with partners, including the Australian Cyber Security Centre and the ASD, to maintain and mature the cyber-resilience of parliament. However, I take this opportunity again to remind everyone that cybersecurity is everyone's business and I continue to urge all senators and staff in the building to engage in the security awareness activities that are made available and to follow advice of DPS to ensure the safety and security of information.

Finally, the issue of smoke during the recent bushfires. Some senators have raised concerns about the quality of air within Parliament House during the recent tragic bushfires. Canberra's air quality was affected by varying levels of bushfire smoke since the bushfires started on 28 November last year. From 3 January to 7 February, DPS operated the Parliament House air-conditioning system predominantly on a 24/7 basis to minimise the impact of poor environmental air quality, including airborne respirable particle levels. The building's air filter system has a high efficiency for airborne respirable particle removal and minimises the volume of air drawn from outside when outdoor air quality deteriorates. Air quality monitoring was conducted within the building on a number of occasions since 3 January and results demonstrated the level of particles was below the air quality standard threshold. Daily assessments were conducted since mid-December 2019 to determine the potential impact on staff whose roles required them to be directly exposed to outdoor air, taking into account general community advice from ACT Health. Specific advice was given to the staff on how to minimise exposure and P2 face masks were offered and provided upon request. Where necessary, work practice adjustments were made, such as rotating security staff through points more frequently and limiting time staff spent outdoors for necessary work and deferring non-essential work. Thank you, Chair.

CHAIR: Thank you, Mr President. Mr Stefanic, do you wish to make an opening statement?

Mr Stefanic: No, thanks.

CHAIR: Dr Heriot, do you wish to make an opening statement?

Dr Heriot: No, thank you, Chair.

CHAIR: Senator Kitching, you have the call.

Senator KITCHING: Dr Heriot, how would you describe the culture in the Parliamentary Library?

Dr Heriot: I would describe it as: there's a strong team with great expertise; strong enthusiasm for their work and commitment to providing the best possible service to parliament.

Senator KITCHING: Are people happy?

Dr Heriot: I believe so.

Senator KITCHING: I'm going to ask a series of questions around the APS employee census. Would you say the culture needs to improve?

Dr Heriot: I would say that building positive culture is in every organisation a focus for ongoing improvement.

Senator KITCHING: Do you think that your leadership has been sufficient that it has led to good employee culture?

Dr Heriot: I guess it's always difficult to evaluate one's own performance, but providing leadership and ensuring a focus on service quality and proactivity has been a focus of mine, as has working with my colleagues on the library executive to focus on increasing pathways for staff, workforce capability, client service ethos—those sort of things—

Senator KITCHING: Do you review the results of the APS employee census?

Dr Heriot: Yes.

Senator KITCHING: Have you been surprised by any of the attitude and opinion data?

Dr Heriot: I wouldn't say 'surprised'.

Senator KITCHING: I do have some documents I could table or show you, Dr Heriot, but I'll go to that just a little later on. Ms Saunders, how do you think the culture in the department has developed since your appointment as acting deputy secretary and subsequently as deputy secretary?

Ms Saunders: The results of the last two surveys demonstrate a reasonable level of engagement in DPS. Overall, the results are consistent with what is expected as a reasonable level of engagement, and that sits at around 71 per cent. I can see that, particularly in certain areas within DPS, there is a notable improvement in the culture over the last 12 months.

Senator KITCHING: What areas are those?

Ms Saunders: I think Security Branch is an area where there is evidence to support an improvement in the culture.

Senator KITCHING: Is that because you're issuing redundancy notices?

Ms Saunders: I don't think it's at all related.

Senator KITCHING: So the people who might have complained in the 2018 survey, for example, have left?

Ms Saunders: I don't think it's at all related.

Senator KITCHING: So you wouldn't be concerned, for example, at some of the results that are below half? 'My agency really inspires me to do my best work every day' is at 49 per cent. You wouldn't be concerned about things like that?

Ms Saunders: I think that that would need to be understood within the context of other questions.

Senator KITCHING: I'm going to come to that, but do you agree that the APS census results are regarded as a valuable source of data about the participant staff's attitudes?

Ms Saunders: I do agree, yes.

Senator KITCHING: I have a letter from the department to the APSC. It's undated, but I believe it should have been date stamped 3 January 2019. The departmental reference, for your reference, is D19/1324. Can the document to which the letter refers be tabled? Do you have that?

The President: Can we have a copy of the letter?

Senator KITCHING: Sure. I'm going to give you the departmental reference. I'm happy to table them.

Senator DEAN SMITH: If you've got documents to be tabled, Senator Kitching, you should make them available to everybody.

Senator KITCHING: Yes. I'm going to table this letter. This is APSC, reference C18/2356. It's from the FOI coordinator to Mr Stefanic. I'll give one to the chair.

Senator SCARR: Can we all get a copy?

Senator KITCHING: Yes. I've got three, but they'll make copies for you, Senator Scarr, as is the customary practice.

CHAIR: Just to clarify, Senator Kitching, and to assist on the tabling, is this a public document? Has this been obtained under FOI?

Senator KITCHING: This is a response from the FOI commissioner back to the department—sorry, this is from Mr Stefanic to the FOI coordinator. I'm very happy to highlight certain parts of it.

CHAIR: Thank you, but before you do that I just want to have some clarity about the status of the document.

Senator KITCHING: It's a letter that was gained under FOI.

CHAIR: Thank you.

Senator KITCHING: Firstly, Dr Heriot, when you're talking about the library executive, you mean yourself and the assistant secretary of the Research Branch—is that correct?

Dr Heriot: And the assistant secretary of the Library Collections and Databases Branch.

Senator KITCHING: So there are the three of you that form the Library's executive?

Dr Heriot: Yes.

Senator KITCHING: What is the reason that the results of the employee census aren't available via the APSC website? Ms Saunders, I think on the org chart, this is you. Why aren't they available on the APSC's website?

Mr Stefanic: The results, rolled up as an aggregate, are available on the DPS intranet—

Senator KITCHING: That's not the APSC's website. That's your intranet.

Mr Stefanic: Yes. We're not obligated to post our results on the APSC website. We actually pay the APSC to participate in that census. We are not obligated to participate in the census.

Senator KITCHING: You're taking yourself out of the census this year, aren't you?

Mr Stefanic: We're not part of the Public Service.

Senator KITCHING: But you're not doing the census anymore, are you?

Mr Stefanic: We have participated in the census in the last few years. The next census has not yet come around.

Senator KITCHING: Are you going to participate in it?

Mr Stefanic: I haven't made that decision yet.

Senator KITCHING: When are you going to make that decision?

Mr Stefanic: When the information comes around about the census being posted.

Senator KITCHING: In relation to the Inspector-General of Intelligence and Security, one might think that's quite a sensitive agency and deals with sensitive data, yet its employee census results are available on the website and DPS's are not.

The President: It is entirely legitimate to ask why the DPS one isn't; I don't think it's fair to ask why someone else's is and theirs isn't. By all means, the officials are accountable for what they do or don't do, but, with respect to another agency—I don't think it's fair to phrase the question that way. They're not in a position to respectfully answer that.

Senator KITCHING: There are a number, though, of agencies that are on there. I can read them out: ASIS, ASIO, ASD, Inspector-General of Intelligence and Security, National Workplace Relations Consultative Council, Office of National Intelligence, PBO, Australian Geospatial—

Senator DEAN SMITH: It's a question of which ones are not there, not which ones are there.

Senator KITCHING: I'm not asking the question—I'm just putting on the record the organisations whose employee results are available on the website: Australian Geospatial-Intelligence Organisation, defence intelligence organisations. So they're all available, but DPS is not. Is that correct?

Mr Stefanie: That's correct.

Senator KITCHING: You're going to make a decision when information about the census comes to you from the APSC? That's around the middle of the year, isn't it?

Mr Stefanie: Annually, the Executive Committee of DPS meet to discuss. It's finally my decision, but the Executive Committee consider the merits of participating in the census, and a decision is made collectively on that.

Senator KITCHING: The decision is made collectively—

Mr Stefanie: Correct.

Senator KITCHING: but you're the final decision-maker?

Mr Stefanie: Yes.

Senator KITCHING: You must have a view, given that it's around the middle of the year, isn't it, that this happens? Is that correct?

Mr Stefanie: That's my understanding.

Senator KITCHING: We're in March. I'll give you that it's very early March. When are you going to make a decision?

Mr Stefanie: There are various methods you have of collecting employee opinion. In my former role, we used a contractor to conduct annual employee opinion surveys. When I became aware that the APSC had been conducting a similar template census, it seemed sensible to use that process, which provided benchmarks against the rest of the Commonwealth—to engage with that. The purpose of DPS engaging with the census is to assist management in making decisions about the opinions employees have around a range of markers.

Senator KITCHING: Now that you've got that letter, I'm going to refer you to page 3. It says:

Any information about the attitude and opinion of employees within the Parliamentary Library about their health and wellbeing, attendance, performance management, leadership, and general impressions of working with the Parliamentary Library should not be released on the basis—

This is from you, Mr Stefanic—

that the information, when considered in isolation and without context would, or could reasonable by—

I think that's a typo—

expected to result in a substantial adverse effect on the proper and efficient conduct of the operations of the Library.

Release of the Benchmark Report to the applicant may raise questions about the efficient and effective operation of the Research Branch of the Library, which may cause Senators and Members of the House of Representatives to question their confidence in the research and analysis work performed.

While the Parliamentary Library is not an agency for the purposes of the FOI Act, it is nevertheless an integral part of the legislated functions and services provided by DPS to the Australian Parliament. As such, the release of this information would, or could reasonably be expected to undermine the effectiveness and impartiality of the Parliamentary Library and DPS more broadly.

To go back to the questions I was asking Dr Heriot: is it so bad that you can't release the employee results?

The President: To be fair, let's not try and put words in the secretary's mouth. By all means, question the rationale behind those paragraphs, but it's not fair to attempt to put words in his mouth or Ms Saunders's mouth.

Senator KITCHING: Let me go back to page 2—and you might like to listen to this, Mr Stefanic. It talks about the leadership group of the research branch of the library:

DPS contends the disclosure of the Report will lead to the unreasonable disclosure of personal information about any person, specifically the Parliamentarian Librarian and the Assistant Secretary Research Branch.

So, just on that, what was it in the employee survey results that would lead to an 'unreasonable disclosure'? Is that because employees articulated views on the leadership of the library?

The President: Can I just say, if the secretary is asserting that an FOI would, essentially, identify people, as I have answered on a number of questions on notice, we have pretty much an absolute rule relating to those below the SES level—I appreciate for those above, but we do have some respect for individuals' workplace arrangements, personal factors, other things that may identify them, and things that are not directly related to the performance of their duties. I might say that, in this building, this department is uniquely exposed in that regard because of the fact that it reports to this parliamentary committee and myself. So I will just preface what the secretary wants to say by saying that we may want to take some of this on notice to consider the answer in light of the principles that are generally abided by by this committee, which is to respect private matters.

Mr Stefanic: I have just been advised that the department had not been consulted on release of this document, so I am uncertain as to its status as to access under FOI.

Senator KITCHING: It is a letter that you wrote, Mr Stefanic, to the FOI commissioner. It was sought under an FOI application and released. It is an entirely proper process.

Mr Stefanic: It wouldn't be a proper process, because it is the commissioner's responsibility to advise the department and consult if it intends—

Senator KITCHING: You wrote the letter to the FOI commissioner.

CHAIR: Order, Senator Kitching. I'm interested in Mr Stefanic's answer here. Mr Stefanic.

Mr Stefanic: It is part of the process of the freedom of information consideration that the relevant entity is consulted before a document is released. My department has not been consulted in the release of this document—if in fact it has been released under FOI.

Senator KITCHING: Can I also put to you that you told Ms Sui at the Office of the Australian Information Commissioner, when she had further consultation with you, that: 'DPS will cease to participate in the APS census if the requested document is disclosed'. Is that what you said to the freedom of information commissioner? 'If you release these documents, we are not going to participate in the survey anymore, because we know that these survey results are so bad that if you release them, you will not'—

The President: Point of order. Point of order.

CHAIR: What are you questioning?

Senator KITCHING: It is hardly solving the problem, is it?

The President: By all means, the first part of that question about the ascertainment of the fact as to whether the official said that is entirely legitimate. To then go on to 'because' is not within the secretary's remit, unless there's a follow-up answer to that question. I think we've just got to go to the facts and then challenge those facts—or whatever.

Senator KITCHING: And I can assure you whatever information—

CHAIR: Order! Senator Kitching, I'll give you an opportunity in one second. Did you want to make a submission on the point of order?

Senator KITCHING: I'm happy for the department to take whatever they want to on notice, but I would like some answers.

CHAIR: I want to take up Senator Ryan's point of order, because I've been a little bit generous this morning in allowing you to ask very long questions with very significant preambles. I think it would be fairer to the witnesses if you asked questions and then asked follow-up questions based on their answers, rather than what I think is effectively verballing the witnesses before they've even had the opportunity to respond.

Senator KITCHING: Okay. Let me ask a very simple question. How many section 37 notices have you issued, Ms Saunders? I'll take it from April 2019. How many section 37 incentives to retire notices have been issued?

Ms Saunders: Since what date?

Senator KITCHING: April 2019. And I would expect you to have that answer here and now.

Ms Saunders: I will need to take that on notice. I will need to refer to some information.

Senator KITCHING: Of course you do.

CHAIR: Senator Kitching, that's not a very reasonable reflection.

Senator KITCHING: Where is—

CHAIR: Order, Senator Kitching. That's not a fair reflection on a witness. You've asked a question. They are entitled to take it on notice. It's a specific question with a specific time frame that you've asked. I don't imagine any official would have that immediately to hand, and you should not reflect on witnesses who have reasonably taken questions on notice.

Senator KITCHING: Could I have that answer before the morning tea break?

CHAIR: The witness has taken the question on notice, and I'm sure it will be provided as soon as it can be.

Senator KITCHING: Is there someone in the room sitting behind you who has that answer, Ms Saunders?

Ms Saunders: No. We'll have to refer to information in order to provide that.

Senator KITCHING: Do you think you could give it by close of business?

Ms Saunders: I will use my best endeavours to provide that information to you.

Senator KITCHING: On the section 37 notices, how many of those made redundant or those to whom you've issued an incentive to retire notice have expressed concerns about the direction, management and/or leadership of the department?

Ms Saunders: None, to my knowledge, but, again, I will take that on notice.

Senator KITCHING: By that, I'm including file notes, letters, text messages, emails, reports, exit interviews et cetera.

The President: Can I just say, obviously there are some of those that are easy to ascertain, but I just put the proviso that that is such a broad sweep that some elements of that may take time to compile, if you're asking for every text message and email conversation, whereas exit interviews are probably slightly different because—

Senator KITCHING: I presume the department does exit interviews. Is that correct?

Ms Saunders: Yes.

Senator KITCHING: Routinely, for every exit?

Ms Saunders: It's voluntary. So it's—

Senator KITCHING: Do you encourage people to do exit interviews?

Ms Saunders: It's available to people—yes.

Senator KITCHING: Do you encourage people to do exit interviews?

Ms Saunders: Well, it depends how you define 'encourage'. It's something that—

Senator KITCHING: Well, are you interested in people's views about why they've left the department?

Ms Saunders: We are interested—yes.

Senator KITCHING: But you're not going to do the APS employee survey?

The President: Can I say again, parliamentary service is a separate body for good reason. I'm not aware of the background to this particular issue you've raised, but it is a separate body, so it's not like it's opting out of a legal obligation, as far as I'm aware—if that is the case, and I haven't been aware of it.

Senator KITCHING: Ms Saunders, where is Fiona Knight?

Mr Stefanic: Ms Knight is on sick leave.

Senator KITCHING: She hasn't been issued a section 37, on Friday?

Mr Stefanic: No, she hasn't.

Senator KITCHING: While I'm changing briefs, can I ask, are we still on track for October for better connectivity in the building?

The President: You're talking about the internal antenna upgrade for mobile reception, just to clarify?

Senator KITCHING: Yes. I think, in November last year, you gave me an October 2020 date.

The President: Yes.

Senator KITCHING: Still on track?

The President: That's my advice.

Mr Stinziani: Yes.

Senator POLLEY: Can I ask a question following on from that. How many boosters are located in senators' suites because of the lack of mobile reception?

Mr Stinziani: I don't have the exact number. I will be able to get that for you on notice.

Senator POLLEY: Are those boosters available to all senators, if they don't have mobile reception in their current suites?

Mr Stinziani: We have a situation where the current technology that we have—if we provide boosters around the building it just shifts the weakness around the building. We have a project in place that by October this year we will have a much-improved antenna solution for the building. In the meantime, there's really not that much we can do to improve the signal across the building.

The President: Briefly, the background to this is that the network was upgraded and left in a position where it reached capacity for a substantial period of time. This program is slightly later, but there are a few reasons for that, one of which was that there was, I believe, a very small delay due to some potential mergers going on in the sector. Another reason was myself and the Speaker being very keen to ensure we did not install a network that was made redundant by technology very quickly. So, it will now be 5G compatible—as opposed to installing a network that was only going to be 4G—which will provide for a longer-term solution. That brings with it a number of issues around getting access to vendor equipment. But we are still on track at that stage for the final quarter this year—October.

Senator DEAN SMITH: The House of Representatives uses a digital system to record divisions. Have there been any outages or any core performance of the network that has impacted on the ability of the House to carry out its automated division recording system?

Mr Stinziani: Normally, we don't comment on House of Representatives issues, but I can—

Senator DEAN SMITH: It is important because the Senate is moving to a digital recorder.

Mr Stinziani: I agree but there has been none.

Senator DEAN SMITH: An assurance has been given to whips that there have been no failures, no problems with the House system, so I just want clarification—

The President: With respect for my colleague, the Speaker, and members of the House, operations of the chamber really are off-limits for this, but I can tell you that I have been briefed on it. I think I'm looking at it today or tomorrow. Stability is a question I plan to ask and I am happy to report that.

Senator DEAN SMITH: Fantastic. Stability—but I am also interested in knowing if there have to date been any difficulties with it.

The President: I will take that on notice and provide an answer in writing for the committee.

Senator KITCHING: I want to ask some questions in relation to the department's protective security maturity. Mr President, you issued a statement in the chamber on 13 February—a couple of weeks ago.

The President: Yes.

Senator KITCHING: The department has engaged KPMG to conduct an internal review. Is that correct?

The President: What I'll do is defer to the officials here, because the KPMG report media issue—my statement is a broad issue. I will defer to the officials so that you can pursue that particular issue of the KPMG report that was in the media, and the detail around the PSPF—and add to it with my discussions with the Speaker, if that's appropriate?

Senator KITCHING: Okay. Is it accurate that the department has engaged KPMG?

Mr Stefanic: Yes, the department engaged KPMG to do an in-flight review.

Senator KITCHING: Sorry, you called it—

Mr Stefanic: I'm calling it an in-flight review.

Senator KITCHING: What does that mean?

Mr Stefanic: Going back to the origins, when the Attorney-General's Department released its revised PSPF requirements, it introduced a maturity rating, as opposed to a compliance/noncompliant rating. So, all agencies needed to conduct a review of their maturity and what systems and processes were in place to meet the maturity ratings. As part of the body of work that DPS was doing, KPMG were engaged to do a gap analysis and provide an implementation plan for the work that needed to be performed.

Senator KITCHING: So, they're going to do an analysis and then also an implementation plan. Is that correct?

Mr Stefanic: A plan.

Senator KITCHING: Where are they up to in that work?

Mr Stefanic: The final report was delivered in July 2019. I suspect the report you are referring to is the one that had been published, which was a draft document that had been prepared following preliminary field work by KPMG. It wasn't until a process of validation and verification that a lot of the information presented in that draft was simply found to be incorrect and the final report that they had produced, which had an implementation plan in it, in July 2019, did not have the statements in it that the original draft did—that is, the suggestion that DPS's maturity rating was 'ad hoc' against the criteria. In fact, against 85 of the 88 criteria that are relevant to DPS, DPS achieved a rating of 'managing'. In three of the 88 criteria, DPS achieved the rating of 'developing', but none of the criteria was at the 'ad hoc' rating, which is the lowest.

Senator KITCHING: So 'ad hoc' is like one star. What's five stars if we—

Mr Stefanic: 'Embedded'.

Senator KITCHING: 'Managing' is what—is that a three-star—

Mr Stefanic: One below 'embedded'.

The President: Ad hoc, developing, managing, embedded—if I'm correct.

Senator KITCHING: So it's a four-star—

The President: Yes. There are four steps.

Senator KITCHING: How is KPMG engaged? Did it participate in a tender process? Can you give me an AusTender number?

Mr Stefanic: No. KPMG are DPS's appointed internal auditor. During the course of their contract they undertake various engagements and some of those are engagements that are on a needs basis. Because this was a body of work we were undertaking, KPMG were engaged separately to do this.

Senator KITCHING: So there was a tender process for the company doing your auditing—

Mr Stefanic: Correct.

Senator KITCHING: KPMG won that, and in that contract are not only set pieces of work but also work that that's on a needs basis?

Mr Stefanic: Correct.

Senator KITCHING: Have I missed anything there? Is there anything else you need to tell me?

Mr Stefanic: No.

Senator KITCHING: I mean: is there anything else you should tell me?

The President: That's a—

Senator KITCHING: I'm just asking because sometimes I find out at the next estimates that a question I've asked previously didn't get answered.

The President: Open-ended questions are hard on the basis that—

CHAIR: Before we proceed, I think there's a pretty strong implied reflection you are about to make on witnesses. Can I just encourage you to take a deep breath before you do so?

Senator KITCHING: Can I ask how much KPMG was paid?

Mr Stefanic: I don't have that information. I can take it on notice.

Senator KITCHING: Will I get that before the end of the day?

Mr Stefanic: I'll endeavour to get that for you before the end of the day.

Senator KITCHING: Thank you. Are you able to table to a copy of the KPMG report or the working document, redacted as appropriate, which shows the assessment against each of the 88 criteria?

The President: On this particular point, I've advised senators before that there is a Senate Standing Committee on Appropriations, Staffing and Security, which does not meet in a public forum but to which any senator is entitled to attend. We went through a number of sensitive matters relating to information and security last week. I have, upon that story, been consulted with the Speaker. It is our joint view that it is not appropriate to release that report because it contains information that could be used to weaken our cybersecurity. We have more lengthy discussions on these matters in a non-public forum to which all senators are entitled to attend and, having consulted officials, both in the Department of the Senate and in DPS, it is the view

that that committee, which has a specific mandate regarding information technology in its terms of reference, is the appropriate place to discuss matters that should not be drawn to public attention or exposed to public.

Senator KITCHING: But, essentially, Mr Stefanic, your evidence is that there were three criteria that were developing, the other 85 were—

Mr Stefanic: 'Managing'.

Senator KITCHING: 'Managing'? So 'managing' is above 'ad hoc'?

The President: No: 'ad hoc', 'developing', 'managing', 'embedded'.

Senator KITCHING: Okay. So there are three at the two level and—

The President: I think, across the public sector, 'embedded' was a particularly rare attribute given. It is fair to describe it that way, Mr Stefanic?

Mr Stefanic: Yes.

Senator KITCHING: Did ASD receive a copy of the draft report, or wherever it's up to in the process? Have you been informing ASD throughout this process?

Mr Stefanic: You mean—

The President: I think the secretary's advice was that the final report from KPMG about this matter has been received. The media issue was based on a draft report. Is your question—

Senator KITCHING: I'm not really asking about that so much.

The President: I am concerned about making sure we give you accurate information. The query about involvement with ASD: are referring to this particular PSPF issue or more broadly?

Senator KITCHING: Remember that when there was a breach of the parliamentary system there was certainly discussion that the ASD was involved with DPS and that they were going to be working quite closely together. Given that some of this obviously would relate to work that the ASD would be interested in, in seeing how the department's going, I'm wondering whether the ASD has been involved in this process or is aware of the findings and the full report of KPMG?

The President: Yes.

Mr Stefanic: In terms of the report itself, neither the draft nor the final report was provided to ASD. The PSPF assessment is provided to the Attorney-General's Department because that, of course, is their—

Senator KITCHING: Sorry, the PS—

The President: The protective security framework, with the 88 criteria.

Mr Stefanic: That is provided back to the Attorney-General's Department.

Senator KITCHING: And to the ASD, or does it get distributed out from there?

Mr Stefanic: I don't believe it is distributed out from there, but that would be a question for the Attorney-General's Department.

The President: There is work that goes on with ASD, and in fact the Speaker and I met with various officials as recently as the last few weeks to discuss matters. So there is ongoing work and cooperation, as is appropriate, between these agencies. Again, some of those matters were canvassed at the appropriations, staffing and security committee.

Senator KITCHING: In working with KPMG, has the department had to self-assess any aspects of its security maturity? Did you do any self-assessment?

Mr Stefanic: Yes, it's entirely self-assessment.

Senator KITCHING: Who's doing that?

Mr Stefanic: The department.

Senator KITCHING: No, who in the department?

Mr Stefanic: There are various aspects to it. There are three main compartments to that, one of which relates to information security. One relates to physical security and another relates to general government security that covers documents and so on. So there are a number of people that are involved in the process of assembling information to validate.

Senator KITCHING: I don't have an org chart on me and I notice that you haven't tabled one. Could I get an org chart tabled now. I understand, Ms Saunders, that you are not only deputy secretary but also have the title of security officer.

Ms Saunders: Chief security officer.

Senator KITCHING: Chief security officer? So, in that, where's your expertise in being able to do self-assessment in terms of security?

Ms Saunders: As the chief security officer, it was part of my role to arrange the governance structure for, I guess, the completion of the assessment that you're referring to. There was a group of people with specialist expertise in a number of areas, as the secretary just discussed.

Senator KITCHING: So you're not doing the self-assessment?

Ms Saunders: I oversaw it.

Senator KITCHING: Because you're an accountant, aren't you? That's correct, isn't it?

Ms Saunders: Yes, I am a chartered accountant. But I have expertise in many areas and security is one of them.

Senator KITCHING: That's good to hear. I will put some more questions on notice about that. But I will just go to the coffee hub. Are you happy with the \$420,000 spend?

Mr Stefanic: Yes, because it was actually well below the quantitative assessment that was conducted by an independent contractor.

Senator KITCHING: There is some commentary about the queue for the coffee hub obstructing the lifts. Was that thought about in the design?

Mr Stefanic: It shouldn't because there is a tensile barrier system in place that sends it down the corridor so it should not occur.

Senator KITCHING: I will put some more questions on notice.

Mr Stefanic: As a point of clarity in terms of the cost, I know you publicly made a comment that it would take 100,000 cups of coffee to be sold—

Senator KITCHING: Yes.

Mr Stefanic: That is about a year's worth of sales, so as a return on investment that's actually not bad.

Senator KITCHING: I think everyone was fairly happy with the old one. I will put some questions in about the cost of the design and the appropriateness of the design for that area.

Mr Stefanic: In reference to the design, Mr Hal Guida, who was one of the original design team members for Parliament House, was engaged as part of the design for that coffee hub so it absolutely meets with the design integrity of the building.

Senator SCARR: I'm interested to pursue that line of questioning in relation to the coffee hub. I have managed to access it without any issues. Could you just walk us through the positive return on investment, just break that down for us?

Mr Stefanic: Since the coffee hub was opened sales have increased because of the ability to generate further volume and offer a greater range of products is possible. Essentially what I'm referring to is historical information. But to give you an idea, for 2018-19 the coffee cart sold 85,000 coffees and generated over \$330,000 in revenue. That's particularly over a period when there was an election as well and a lot of people—

Senator SCARR: So people needed coffee or people were away?

Mr Stefanic: I think the sales were probably down on where they normally would have been. The current estimates for sales would put that well over 100,000 for this financial year based on forecast.

Senator SCARR: You said the capital cost was less than what it had originally been estimated by the quantity surveyor?

Mr Stefanic: The quantity survey report came out at \$538,000. The total cost, including the design, the planning and the construction, was just slightly over \$391,000 rounding.

Senator SCARR: I congratulate you on what appears to be an extraordinarily good result on any objective basis. I will ask a question to the parliamentary librarian. First, before I ask a number of questions, can I just thank the librarian, and through her all of her staff, for some of the great assistance I've been provided as a new Senator. It's just been outstanding.

Dr Heriot: Thank you.

Senator SCARR: What is your objective in terms of turnaround times generally? I know I got a very quick turnaround time in relation to a request I made, but I'm interested to know what your general targets are?

Dr Heriot: We don't have general targets for turnaround. We have a target for overall turnaround, which is 95 per cent, but what that actually means is that for each job the time lines are set in negotiation with the client requesting it. So that if a client needs something in a month, as part of an iterative policy development process, that is how long it takes or if they need something really quickly to go to chamber we make best endeavours to get it for them in that time frame. There's always a discussion with the client which balances off scope and timeliness in terms of what we can provide. But we have exceeded our target in timeliness across the gamut of inquiries and we try very hard to do it, because we're very aware that if we don't get to it a client in time it has no use.

Senator SCARR: It was certainly my experience; I got everything required within time. Thank you very much.

Dr Heriot: Thank you, Senator. I will pass that on to the team.

Senator SCARR: I wanted to ask some questions of Mr Stefanic and perhaps Ms Saunders in relation to employee surveys generally. I have experience with employee surveys in the private sector, and they're always very sensitive issues, because you're trying to obtain

information on a confidential basis from employees so you can assess things like the culture of the workplace and then take positive, proactive steps to address them. If the confidentiality of the process is disturbed or disrupted, that can lead to a lack of confidence in relation to the process. I was interested in your comments about the importance of confidentiality around employee survey processes generally and why you think from your operational perspective it is important.

Mr Stefanic: Thank you for that question. I might begin, and Ms Saunders can add to it. I appreciate and welcome the frankness of staff providing their feedback, and I think it should be unfiltered. Obviously when people provide that information, sometimes it's very personally directed; names are mentioned. It can be very—I guess, for the individual writing it—cathartic to do that, and that in itself is important. But I've always welcomed it, from a management point of view, to be able to get a temperature of how things are running but, importantly, it allows us to make decisions about what we need to do to improve things. What we don't know we can't fix. So it's important, as you mentioned, Senator, because of the sensitivity of a lot of the statements made. Particularly when they're about very small teams of people, it becomes very easy to identify who those people are in those teams. What is published generally on the APS website is the aggregate across an organisation. Below that are reports at branch level. Some branches are smaller than others. Within those units sometimes it's very distinguishable who is making comments about who. If those granular reports were to be made public, it would reveal information that would—because it's very personally directed—be very hurtful to quite a range of people, but, importantly, it would also identify the person that's making the comments.

Senator SCARR: There are a few points there. Firstly, it's important to show due respect to all of the staff. The results of those surveys are kept confidential except to the extent that you can reasonably release an aggregate to give an overall impression of culture. But that respect for the individual staff member is of key importance in your thinking on this issue?

Mr Stefanic: Absolutely. Thank you for suggesting that.

Senator SCARR: Secondly, is it true then to say that any unreasonable disclosure going down into the granularity and particulars could actually be very counterproductive to the whole process and actually lead to people either not engaging in employee surveys at all or the employee survey doing more harm than good?

Mr Stefanic: Certainly, and that would be a concern—that people wouldn't feel the freedom to be making the comments that they're making or put feedback through. We, at this point, I think have about—was it 60 per cent participation?

Ms Saunders: Yes.

Senator SCARR: I'm sorry, what percentage of participation?

Mr Stefanic: About 60 per cent of DPS staff currently participate in it. We've tried various measures to increase those figures, with limited success, but certainly if that information is published it essentially would open the floodgates and I suspect we'd get very little participation in future.

Senator SCARR: Your view would be that, if there were inappropriate disclosure of private and confidential information through the disclosure of employee surveys, the participation rate of 60 per cent could, in fact, fall considerably?

Mr Stefanic: Yes, that's my view.

Senator SCARR: And that would be against the objectives you have as a manager to use that as a positive process to effect change, where change needs to occur?

Mr Stefanic: Yes, absolutely.

Senator SCARR: Okay. Thank you very much.

CHAIR: I just have one question I want to place on notice, and then we will break as scheduled and return with PM&C. I noticed a question on notice from Senator Kitching—those always pique my interest—to you, Mr President, which was: what artwork from the Parliament House collection is currently installed in the Prime Minister's suite in Parliament House, the cabinet suite and any other location occupied by the Prime Minister? I'd like to put on notice the exact same question except for the Leader of the Opposition. Obviously the Leader of the Opposition does not have access to the cabinet suite, so that's not relevant. But I would be interested in the answer to parts (a) and (c).

The President: Yes, with the proviso that we've always had a line about where we go into with members' and senators' individual offices. The approach I will likely take is to carve out office holders. That would include obviously me and parliamentary office holders. But I'll take that on notice and provide an answer consistent with past practice.

CHAIR: Thank you. There are no further questions for the Department of Parliamentary Services, so I thank you very much for your attendance and your evidence this morning.

Proceedings suspended from 10:30 to 10:46

PRIME MINISTER AND CABINET PORTFOLIO**In Attendance**

Senator Cormann, Minister for Finance

Senator Seselja, Assistant Minister for Finance, Charities and Electoral Matters

Senator Payne, Minister for Foreign Affairs and Minister for Women

Department of the Prime Minister and Cabinet**Overview**

Ms Stephanie Foster PSM, Deputy Secretary, Governance Group

Mr Simon Duggan, Deputy Secretary, Economic Group and G20 Sherpa

Ms Caroline Millar, Deputy Secretary, National Security Group

Ms Cath Patterson, Acting Deputy Secretary, Social Policy Group

Social Policy Division

Mr Matthew Roper, Acting First Assistant Secretary

Ms Alana Winslow, Acting Assistant Secretary, Health Branch

Ms Megan Leahy, Assistant Secretary, Disability and Aged Care Branch

Mr Tristan Reed, Assistant Secretary, Social Services, Veterans Affairs and Indigenous Affairs Branch

Ms Kimberley McDonald, Acting Assistant Secretary, Immigration and Education Branch

National Office for Child Safety

Ms Yael Cass, First Assistant Secretary, Social Impact Investing Taskforce and National Officer for Child Safety

Ms Rebekah Kilpatrick, Acting Assistant Secretary, National Officer for Child Safety

Social Impact Investing Taskforce

Ms Yael Cass, First Assistant Secretary, Social Impact Investing Taskforce and National Officer for Child Safety

Office for Women

Ms Catherine Hawkins, First Assistant Secretary

Ms Esther Bogaart, Assistant Secretary, Women's Safety and International Engagement

Ms Margaret Thomas, Acting Assistant Secretary, Women's Economic Security, Programs and Leadership

Economic Division

Mr Brenton Goldsworthy, First Assistant Secretary

Mr Jason Lange, Assistant Secretary, Office of Best Practice Regulation

Policy Innovation and Projects

Ms Tanja Cvijanovic, First Assistant Secretary

Ms Caitlin Delaney, Assistant Secretary, Project Office

Ms Emma Cully, Assistant Secretary, Delivering Great Policy Team

Mr Simon Gordon, Managing Director, Behavioural Economics Team of Australia (BETA)

Mr Andrew Lalor, Assistant Secretary, Data and Digital

Office of the National Data Commissioner

Ms Deborah Anton, First Assistant Secretary

Mr Phillip Gould, Assistant Secretary

Government Division

Mr John Reid, First Assistant Secretary

Ms Celeste Moran, Assistant Secretary, Legal Policy Branch

Mr Peter Rush, Assistant Secretary, Parliamentary and Government Branch

Ministerial Support Division

Mr Gerard Martin, First Assistant Secretary

Cabinet Division

Ms Leonie McGregor, First Assistant Secretary

Corporate Division

Mr Paul Wood, Chief Operating Officer and Chief Financial Officer

Mr Nathan Heeney, Chief Information Officer

Industry, Infrastructure and Environment Division

Ms Helen Wilson, First Assistant Secretary

Ms Rachael De Hosson, Acting Assistant Secretary, Environment, Energy and Climate Change Branch

Digital Technology Taskforce

Mr Hamish McDonald, First Assistant Secretary

International Policy Division

Mr Justin Hayhurst, First Assistant Secretary

Mr Jason Blain, Assistant Secretary, Global Interests Branch

National Security Division

Mr Lachlan Colquhoun, First Assistant Secretary

Mr Trevor Jones, Assistant Secretary, Defence and Intelligence Branch

Mr Michael Burke, Assistant Secretary, Home Affairs Branch

Critical Technologies Office

Ms Carolyn Patterson, Coordinator

National Bushfire Recovery Agency

Mr Andrew Colvin APM OAM, Coordinator

Ms Abigail Bradshaw, Deputy Coordinator

Major General Andrew Hocking, Deputy Coordinator

Office of the Official Secretary to the Governor-General

Mr Paul Singer, Official Secretary to the Governor-General

Ms Jo Tarnawsky, Deputy Official Secretary to the Governor-General

Workplace Gender Equality Agency

Ms Libby Lyons, Agency Head

Ms Anne Beath, Executive Manager, Operations

Dr Janin Bredehoeft, Executive Manager, Research and Analytics

National Drought and North Queensland Flood Response and Recovery Agency

The Hon. Shane Stone AC QC, Coordinator General

Mr Nico Padovan, Deputy Chief Executive Officer and Chief Operating Officer

Ms Diana Hallam, Executive Director, Drought

Ms Samantha Montenegro, Executive Director, Corporate and Governance

Ms Monica Finlayson, Executive Director, Flood

Australian National Audit Office

Mr Grant Hehir, Auditor-General

Ms Rona Mellor, Deputy Auditor-General

Dr Tom Ioannou, Group Executive Director, Performance Audit Services Group

Ms Lisa Rauter, Group Executive Director, Performance Audit Services Group

Ms Deborah Rollings, Senior Executive Director, Corporate Management Group

Mr Brian Boyd, Executive Director, Performance Audit Services Group

Ms Amy Willmott, Senior Director, Performance Audit Services Group

Australian Public Service Commission

Mr Peter Woolcott AO, Australian Public Service Commissioner

Ms Mary Wiley-Smith, Deputy Australian Public Service Commissioner

Ms Callie Zorzi, Group Manager, Integrity, Performance and Employment Policy

Mr Marco Spaccavento, Group Manager, Workplace Relations

Ms Caroline Walsh, Group Manager, Inclusion and Implementation

Ms Terri Dreyer, Group Manager, Inclusion and Implementation

Ms Katrina Purcell, Group Manager, Strategic Policy and Research

Ms Jacquie Walton, Group Manager, People and Business Management

Mr Helen Bull, Group Manager, APS Workforce Strategy Taskforce

Office of National Intelligence

Mr Nick Warner, Director-General, National Intelligence

Ms Sue Littlehales, Acting Chief Operating Officer

CHAIR: The committee will now resume. I welcome the Minister for Finance, Senator the Hon. Mathias Cormann, representing the Prime Minister; Ms Stephanie Foster, Deputy Secretary, Governance Group; and officers of the Department of the Prime Minister and Cabinet. I thank the department for providing the updated information on Senate committee activity, which has been circulated to the committee. I draw the attention of witnesses to an

order of the Senate of 13 May 2009 specifying the process by which a claim of public interest immunity should be raised. Witnesses are specifically reminded that a statement that information or a document is confidential or consists of advice to government is not a statement that meets the requirements of the 2009 order. Instead witnesses are required to provide some specific indication of the harm to the public interest that could result from the disclosure of the information or the document. Minister, do you wish to make an opening statement?

Senator Cormann: No thank you, Chair.

CHAIR: Ms Foster, do you wish to make an opening statement?

Ms Foster: Yes please, Chair. The members of PM&C's executive in attendance for this session to answer your questions are: Simon Duggan, Deputy Secretary, Economic, Industry and G20 Sherpa; Cath Patterson, Acting Deputy Secretary, Social Policy; and Caroline Millar, Deputy Secretary, National Security. Other senior officers will be available to assist as required.

There have been the following changes to the executive since the last hearings. Former Deputy Secretary, Economic Group Dr David Gruen took up his role as Australian Statistician on 11 December 2019 and was replaced by Mr Simon Duggan. On 24 February 2020 the department moved to a new structure of four deputies, with functions formerly covered by Deputy Secretary, Industry and Jobs distributed between Deputy Secretary, Economic, Industry and G20 Sherpa and Deputy Secretary, Social Policy. On 24 February 2020, Caroline Edwards temporarily moved to the Department of Health as Acting Secretary. Cath Patterson is acting as Deputy Secretary, Social Policy until Ms Edwards returns. In January 2020 the National Bushfire Recovery Agency was established with the PM&C portfolio. The national coordinator, Andrew Colvin, and staff from the NBRA will be available to answer questions regarding the work of the NBRA. I understand this has been scheduled to appear at 4.30 pm. And I have the current PM&C organisational chart here for the committee.

CHAIR: Thank you. If you could table that that would be appreciated. Who's seeking the call? Senator Wong.

Senator WONG: Thank you. I have questions about the way in which correspondence to the Prime Minister from other ministers is dealt with. So, Ms Foster, do you want to bring to the table whoever is able to directly answer questions about that detail?

Ms Foster: Certainly, Senator. Mr Martin is probably best placed to help with this. Senator, if the questions aren't in Mr Martin's area, we'll make sure the relevant officer is here.

Senator WONG: Okay. First, just general questions. I want to get a handle on correspondence handling. If a letter and/or brief comes to the Prime Minister from another cabinet minister, can you tell me how that would generally be handled?

Mr Martin: The letter would be received into the department. It would be registered on the document management system and distributed to the relevant line area for a response.

Senator WONG: Sorry, could you repeat that, please.

Mr Martin: Certainly. Any letters received would be registered on the department's document management system and would be distributed to the relevant line area for a response to be prepared.

Senator WONG: So it's called the 'document management system', is it?

Mr Martin: Yes.

Ms Foster: It's known as PDMS.

Mr Martin: It stands for the Parliamentary Document Management System.

Ms Foster: It replaced Slipstream, which is the system you might be more familiar with.

Senator WONG: So it goes to the relevant line area in the department?

Mr Martin: Yes.

Senator WONG: Who prepares a response brief if required?

Mr Martin: Yes.

Senator WONG: Is that correspondence also assigned a PMO adviser?

Mr Martin: Not at that point, no. It's assigned to the line area of the department. All incoming correspondence would—sorry, I should add to that: all incoming correspondence would be provided to the PM's office at the same time it's received, so advisers could potentially be aware of it.

Senator WONG: Do you record anywhere—for example, the DLOs or in the PDMS—which adviser is dealing with which particular brief or correspondence? Bear in mind this is not stakeholder or correspondence from the public. I am talking about correspondence from a cabinet minister.

Mr Martin: No, I don't think the PDMS records that level of information.

Senator WONG: You 'don't think'—it doesn't?

Ms Foster: We can verify that answer.

Senator WONG: Soon?

Ms Foster: Yes.

Senator WONG: Okay. The process you described applies to correspondence even if it isn't sent from department to department but is sent from ministerial office to ministerial office, correct?

Mr Martin: Yes.

Senator WONG: Because at that point the DLOs or somebody will enter it into the PDMS?

Mr Martin: That's correct.

Senator WONG: So therefore no correspondence should be received in the Prime Minister's office that is not at least recorded as having been received in the PDMS?

Mr Martin: Yes.

Senator WONG: Okay. There is a particular piece of correspondence which I'm sure you're familiar with, which has been referred to in the media extensively and was referred to in an answer to a question on notice from the Auditor-General. I think also Senator Ayres has adverted to this in correspondence to you to give you notice that we would be asking questions. The answer provided by the Audit Office in relation to questions from senators states:

On 10 April the minister—

this is Senator McKenzie—

wrote to the Prime Minister attaching printouts of two worksheets within the spreadsheet—the list of projects she intended to approve for round three funding and the worksheet with the summary tables (of distribution by state, political party and electorate).

I'd like to know what records exist in the PDMS in relation to that correspondence.

Ms Foster: We don't have that detail to hand.

Senator WONG: Ms Foster, I want it. This has been in the public domain since Thursday of last week. We have written to you indicating we would ask questions about it. It has been the subject of question time questions to the Prime Minister. It is an appropriate topic for estimates. Can you please obtain that detail.

Ms Foster: Yes, Senator. Senator Ayres did let us know that he wanted to ask questions about the sports grants issue generally, but at that general level. We've attempted to prepare for that, and we will see what records exist in the PDMS.

Senator WONG: I want them today, Ms Foster. I'm sorry, but you are required to attend before estimates and answer relevant questions. It is beyond the comprehension of anybody watching national politics that you collectively would not have been aware that this was an issue. Your Prime Minister has been asked about this in the House of Representatives.

Senator Cormann: Senator Wong—

Senator WONG: I haven't finished. I would like to know what the document flow records indicate about the receipt of Senator McKenzie's correspondence to the Prime Minister.

Senator Cormann: Senator Wong, let me just make an observation here. I think you're getting very close to the line in terms of the way you are approaching a senior official of the Commonwealth. Of course Ms Foster and all of her colleagues are appearing and they are here to answer your questions. Clearly they were not aware what precise questions you would be asking, even though there was a general list of topics provided. I think you'll find that a general list of topics doesn't give you an indication specifically at what level you—

Senator WONG: Oh, come on! The extent to which you are covering up is corrupt. It is corrupt.

Senator Cormann: That is outrageous.

Senator WONG: The extent to which you are covering up this sports rort is corrupt.

Senator Cormann: You are trying to get a line onto the television news. I get that.

CHAIR: Order!

Senator WONG: You are a man of some credibility. It is utterly corrupt.

Senator Cormann: Quite frankly, that is a ridiculous assertion.

Senator WONG: No, it is not.

CHAIR: Order!

Senator Cormann: That is a ridiculous assertion.

Senator WONG: It is not.

CHAIR: Order! Order! Senator Wong!

Senator WONG: Well, then direct them to come to the table with those records.

Senator Cormann: There's no need for confected outrage.

Senator WONG: You know what we were asking about and you are hiding this information—

CHAIR: Order! Senator Wong, I will suspend the hearing!

Senator WONG: because it shows the Prime Minister is up to his neck—

Senator Cormann: There is absolutely no need for confected outrage.

Senator WONG: in this corrupt sports rorts program.

Senator Cormann: That is an outrageous and inaccurate slur.

CHAIR: Order! Senator Wong, I'm going to ask you to withdraw that allegation of corruption.

Senator WONG: I will not withdraw that it is corrupt.

Senator Cormann: That is an inaccurate and outrageous slur, and I think the committee might need to have a private session.

Senator WONG: You're asking me to withdraw that the Prime Minister's involvement in rorting the sports grants allocation is corrupt.

Senator Cormann: That is an outrageous slur.

Senator WONG: Is that what you're asking me to withdraw?

Senator Cormann: I think there needs to be a private session, Chair.

Senator WONG: What are you asking me to withdraw, Chair?

Senator Cormann: I suggest—

Senator WONG: Excuse me, I'm talking to the chair.

Senator Cormann: I suggest the committee should go into private session.

CHAIR: Thank you, Minister. Senator Wong, if you're unwilling to withdraw your—

Senator WONG: Which allegation are you asking me to withdraw?

CHAIR: Senator Wong, you and I both know what you alleged. If you're unwilling to withdraw it, I will suspend the meeting for a private meeting.

Senator WONG: I am asserting that the Liberal Party's approach on this is corrupt. I think that is in order.

Senator Cormann: No, no. You actually said much worse than that.

Senator WONG: I withdraw my earlier suggestion. Are you going to provide it today?

Ms Foster: If correspondence came in as a letter, then it should be recorded and we should be able to verify that.

Senator WONG: Thank you. How long will that take?

Ms Foster: Someone is looking at it now.

Senator WONG: Thank you. This is what I want to know. I want to know, first, how was it received? Was it received by email or hard copy? Are you able to answer that?

Ms Foster: I don't know, and that's why I've said, if it came in as a letter, it should be recorded.

Senator WONG: Mr Martin, do you know?

Mr Martin: No, Senator.

Senator WONG: When the Prime Minister was asked a question about this in question time—actually more than one—did anyone in PM&C go and check? If so, where are they and

can they come to the table? I don't think anyone in the public believes that you didn't look at this when the Prime Minister was asked.

Senator Cormann: I should just make an observation here.

Senator WONG: I asked a question.

Senator Cormann: And I'm answering, I'm using a prerogative of the government to answer. I would refer you to the Auditor-General's evidence:

The reason we didn't go into the representation process was that I didn't feel it was material to the decision-making process. ... For us to see that there was bias or some driver in that, we would have to identify in those representations that there was a correlation between what the representations were and the outcome. We didn't see that type of correlation ...

So the imputation that you're seeking to build was rejected even by the Auditor-General.

Senator WONG: Ms Foster, can you answer my question? I will rephrase it. On Thursday Mr Albanese, the Leader of the Opposition, at 2.11, asked the Prime Minister a question in relation to this correspondence. He included this:

Can the Prime Minister confirm that 73 per cent of the projects approved by Senator McKenzie in the spreadsheet she provided to him were not recommended by Sport Australia, and that he obtained the spreadsheet from Senator McKenzie the day before he called the election?

As a consequence of that and other questions, I ask you again: did anyone from PM&C seek to locate records associated with the receipt of the correspondence from Senator McKenzie?

Ms Foster: Not to my knowledge, and I'll ask any other officers who are listening.

Senator WONG: Mr Martin, are you aware as to whether anybody checked, after these questions were raised?

Mr Martin: No, I'm not aware.

Senator WONG: You're not aware? You do know you're in an estimates hearing?

Mr Martin: Yes, Senator.

Senator WONG: Do you know?

Ms Patterson: In response to seeing that in the media I did ask my team to see whether they had anything that had been allocated to them in the system, and they were not able to locate anything. They did advise that some of the reporting indicated that it had been done by an email rather than a letter, but we were not able to confirm.

Senator WONG: I appreciate your coming to the table. Thank you very much for that. It's a good example to other people in PM&C. So, your team is the social policy division? And is your division the line division that will generally deal with sports?

Ms Patterson: Yes, because that sits in relation to the Department of Health, and then that comes into that team, yes.

Senator WONG: So, for the sports grants program the Auditor-General has investigated, relevant PM&C involvement would be in your division?

Ms Patterson: Overseeing all sports-related issues.

Senator WONG: I wasn't trying to make a political point. I'm just trying to make an administrative point. Okay. So, as a consequence of this issue being in the media, you asked your team—which is your line division, or line area, I should say—

Ms Patterson: Line division, yes.

Senator WONG: And they couldn't locate this correspondence?

Ms Patterson: No. They had not seen that correspondence. It has not been lodged to them.

Senator WONG: So, there's no record in the department, that you can find, of this correspondence?

Ms Patterson: Certainly not within the social policy division.

Senator WONG: How can that be? We had evidence from Ms Foster and Mr Martin that any correspondence from a cabinet minister would be logged onto this system and sent to the line department for advice or briefing, if required. Are you saying you can't find any record of it being received?

Ms Patterson: The team was not able to find anything when they looked at the end of last week.

Ms Foster: Senator, as Ms Patterson said, had it been a letter we would have expected it to be logged.

Senator WONG: So, you do know about this, Ms Foster?

Ms Foster: Certainly I know about the question to the Prime Minister.

Senator WONG: And you know that there was no correspondence found?

Ms Foster: No, I didn't know that Ms Patterson's team had checked. The reason I was saying openly to the committee, 'I don't know, but I'm having someone look at it' was in the expectation that Ms Patterson or any other officers who might have knowledge would either let me know or come to the table.

Senator WONG: That's very interesting, isn't it? So, how many millions of dollars were associated with this spend? It never goes to the department and there's no record that you can find of Senator McKenzie's, the then minister's, brief attaching printouts of two worksheets, the entirety of approval for round 3 funding—it never went to Prime Minister and Cabinet?

Ms Foster: The correspondence that would normally be logged would be a formal letter from a minister to, in our case, the Prime Minister. And that's what we're seeking to establish.

Senator WONG: So, an email wouldn't be logged?

Ms Foster: No, not necessarily.

Senator WONG: So, how many hundreds of millions of dollars gets spent by this email? Does anyone know? I'm sure one of my very assiduous people assisting me on this will tell me. But do you know how much money was spent in round 3?

Ms Foster: I do have that detail somewhere. I might ask one of my officers whether they can find that for me. But nor am I saying that it was definitely an email. I'm saying that we will have to check to see what was logged.

Senator WONG: Well, we can't have it both ways, can we? I think your evidence is that if it were correspondence it would have been logged. Ms Patterson's evidence—which is the best we have to date, subject to people checking—is that Senator McKenzie's brief and letter is not logged anywhere in the departmental system, which suggests that it was just done at a political level, which, frankly, creates further suspicion about this process. I'm just asking how much money was spent via this email, which doesn't appear to have gone anywhere official.

Ms Foster: Ms Patterson's evidence was that her staff were unable to find any record. That's why I'm having the department check to see whether it was indeed logged. Until we know that, then I won't—

Senator WONG: Okay. Has anyone here seen the email or the hard copy of the document which was provided on 10 April?

Ms Foster: No, unless—

Senator WONG: Have you, Ms Patterson, or anyone in your team?

Ms Patterson: I certainly have not, and when I checked with my team they certainly had not seen anything in relation to 10 April.

Ms Foster: And I can say that my team, the governance group, has not.

Senator WONG: Was any brief or draft correspondence prepared in respect of this?

Ms Foster: No.

Senator WONG: Was any correspondence sent from the Prime Minister back to then Minister McKenzie?

Ms Foster: We don't know.

Senator WONG: You don't know?

Ms Foster: We've just given evidence that we didn't provide any correspondence; therefore we would not necessarily know what, if anything, the Prime Minister had responded with.

Senator WONG: What we appear to have, then, is an entirely political process. A letter from—

Senator Cormann: That is your commentary. I disagree with that.

Senator WONG: Well, it's a letter from a political office—a minister's office—to the Prime Minister's office, only dealt with at a political level, never referred to the department and never logged.

Senator Cormann: Let me respond to this. I don't think it is unusual, and it would've happened under your government and previous governments, indeed. After decisions have been made, obviously you would expect a level of communication between the Prime Minister's office and relevant ministerial offices, for example around announcement arrangements and launch events. These types of communications would have happened under governments of both persuasions for time immemorial. I understand that you're trying to pursue a political attack, but there's actually nothing unusual about communications between a minister's office and the Prime Minister's office in relation to announcement arrangements.

Senator WONG: You allocated \$39 million through an entirely political process, which we contend—

Senator Cormann: Let me tell you: as a result of the decisions that Senator McKenzie made—

Senator WONG: It was \$39 million in round 3.

Senator Cormann: a higher proportion of funding went into Labor-held electorates than would've been the case under Sport Australia recommendations. I know that is an inconvenient truth that you seek to ignore, but the truth of the matter is that there is nothing unusual in

ministers' offices and the Prime Minister's office communicating in relation to announcement arrangements and you would not expect the department to be involved in that sort of correspondence.

Senator WONG: Well, that's not correct. You would expect it at some point. Had the department ever received anything about the determination of the allocation of \$39.4 million as a part of round 3?

Ms Foster: No. The program, as you know, was being administered by Sport Australia, and the then sports minister was the decision-maker. So there was no role in that process for the Department of the Prime Minister and Cabinet.

Senator WONG: Have you seen a document which indicates what role the Prime Minister had in relation to that correspondence of 10 April?

Ms Foster: No. My knowledge is restricted to what I've seen publicly.

Senator WONG: Senator Cormann, the Auditor-General, who is not a political person, said that this brief from then Minister McKenzie 'contained the list of projects she intended to approve'—future tense, 'intended to approve'. These are the Auditor-General's words, sent on 10 April. I'm going to ask you a very direct question. As at 10 April, isn't it the case that Senator McKenzie had not yet made a decision in relation to round 3?

Senator Cormann: I'll tell you what I told you in Senate question time last week, and that is that my advice is that Sport Australia made clear to the committee that they received a brief from Senator McKenzie, dated 4 April 2019, approving the third round of the Community Sport Infrastructure grants. That is the only thing that I know that is relevant to the question you've just asked.

Senator WONG: I'm going to ask you the question again, because, with respect, your answer did not answer the question.

Senator Cormann: I directly answered it.

Senator WONG: As at 10 April, given that the Auditor-General said the brief was about projects she intended to approve—future tense—can you please tell us whether or not, at the date that brief was received by the Prime Minister, Senator McKenzie had actually made a decision.

Senator Cormann: Again, I can't speak for the Auditor-General; I can't think about what was in his mind. All I can say is that the advice in front of me from Sport Australia is that the brief approving those project was dated 4 April.

Senator WONG: To your knowledge, did she backdate the brief?

Senator Cormann: To my knowledge, absolutely not. My knowledge—

Senator WONG: Then please explain why the Auditor says 'a list of projects she intended to approve'. It is very clear.

Senator Cormann: I can't speak for the Auditor-General. I can only respond to that question on the basis of the advice in front of me, and the advice in front of me from Sport Australia is that the brief approving those projects was dated 4 April.

Senator WONG: Have you raised this with the Prime Minister?

Senator Cormann: Me?

Senator WONG: Yes.

Senator Cormann: No.

Senator WONG: Have you raised it with anyone in his office?

Senator Cormann: No. There's no—

Senator WONG: Have you ascertained from anyone in his office whether or not in fact that brief was not signed off by the minister as at 10 April?

Senator Cormann: I have no reason to doubt the evidence of Sport Australia that the brief approving those projects was dated 4 April.

Senator WONG: I'm sure it was dated as such. But the clear inference from the evidence and the time frame is that it was backdated after she consulted the Prime Minister.

Senator Cormann: That is your commentary and that is—

Senator WONG: The Auditor-General says 'intended to'. Why did she send it to the PM then? Wasn't it for tick-off?

Senator Cormann: Again, I have answered that question. The reason she communicated with the PM in relation to projects that had been approved and dated on 4 April is obviously in connection to announcement arrangements and relevant related logistics.

Senator WONG: Who has a copy of the brief?

Senator Cormann: I don't have a copy of the brief.

Senator WONG: Ms Foster, do you have a copy of the brief now?

Ms Foster: I believe we do have copies of those briefs that we acquired for the process of Mr Gaetjens's report.

Senator WONG: I'd like a copy of the brief.

Ms Foster: I will take that on notice and see if I can find it.

Senator WONG: Does the brief indicate: 'I intend to'? Does the brief indicate what the Auditor-General said? The Audit Office obviously saw these briefs. Were they provided by you or the minister's office?

Ms Foster: The briefs went from—

Senator WONG: Were the briefs to the Audit Office provided by you or by some other party?

Ms Foster: The Audit Office acquired all of their material independent of us, so they used their powers under the audit act to get material from Sport Australia, from—

Senator WONG: Have you seen the brief?

Ms Foster: Yes, I have.

Senator WONG: Does it indicate a decision 'has been made' or does it indicate a decision 'is to be made'?

Ms Foster: 'Has been made', I believe.

Senator WONG: What are the words?

Ms Foster: I don't have the actual brief in front of me—

Senator WONG: Can you get it?

Ms Foster: but I will have someone check and let me know.

Senator WONG: Yes. Can I wait until it comes?

Senator Cormann: You can wait. If you want to have an interruption or suspension.

Senator WONG: I mean, really! You think this is funny, don't you?

Senator Cormann: Not at all.

Senator WONG: It is probably a criminal offence.

Senator Cormann: I'm trying to be helpful. Every time we're trying to be helpful—

Senator WONG: Has there been a criminal offence?

Senator Cormann: you come up with some reason for confected outrage.

Senator WONG: No. It is not confected outrage. I actually—

Senator Cormann: We are here being extremely helpful.

Senator WONG: Well, I have to—

CHAIR: Both Minister and Senator Wong, I don't think this exchange is particularly helpful or germane to questions. Why don't we continue with the questions.

Senator WONG: Has there been a criminal offence committed by one of your ministers?

Senator Cormann: Are you asking—

Senator WONG: Yes, I am asking you.

Senator Cormann: I have answered your question in relation to the date that the brief was signed and, if you have an allegation, if you have a specific allegation—

Senator WONG: I am putting an allegation to you—

Senator Cormann: If you have a specific allegation—

Senator WONG: I am. Okay. I will put it. I put to you that Senator McKenzie backdated the brief.

Senator Cormann: I don't agree with that. There is absolutely no evidence for you to make that outrageous allegation, and all of the evidence on the public record clearly indicates that that was dated 4 April.

Senator WONG: That's not true. Just because you say it doesn't make it true.

Senator Cormann: Just because you make an outrageous allegation against a senator doesn't make it true.

Senator WONG: Yes. I will. First, would you like me to go through the evidence? She sends a brief to the Prime Minister on the 10th. It is described by the independent Audit Office as a brief containing advice about projects she 'intended' to approve.

Senator Cormann: And that is—

Senator WONG: She 'intended' to approve.

Senator Cormann: And that is his—that was his frame of mind—clearly something he thought. But that does not make it necessarily right.

Senator WONG: Then table the brief that demonstrates this is not the case. That is the only way that you can actually confirm to the public that there was not a backdating of the brief.

Senator Cormann: Is that a question?

Senator WONG: Yes.

Senator Cormann: I take on notice that we can assist you with—

Senator WONG: Yes. Of course you will. And no doubt you will fail to do so because you—

Senator Cormann: No, that is completely wrong.

CHAIR: Order! Senator Wong, commentary is not necessary.

Senator WONG: Ms Foster, if a minister backdates a brief—can you tell me—is that a criminal act?

Ms Foster: I genuinely don't know. I will seek advice.

Senator Cormann: Incidentally, under the standing orders, you are not actually entitled to ask questions asking for legal opinion. I would put to it you, Chair, that Senator Wong was asking the officer for a legal opinion.

Senator WONG: Really? You want to hide behind that?

CHAIR: Thanks, Minister. We'll let the—

Senator Cormann: The way that question was framed was completely inappropriate.

CHAIR: The officer has taken it on notice, and the committee will consider whatever answer they provide.

Senator WONG: I just want to confirm this. None of you are aware of any correspondence, including by email, being sent back by the Prime Minister or his office to Minister McKenzie in relation to that brief and correspondence of 10 April?

Ms Foster: That's correct, Senator.

Senator WONG: In addition, I just want to confirm that—contrary to what is normal practice, where correspondence is received and the PM's office logs it on to the document management system—there is no logging of this brief and correspondence on the document management system nor was it sent to the relevant line area?

Ms Foster: It would be standard practice for that to be logged if it were a letter. If it were not a letter, it would not be standard practice.

Senator WONG: How many times do we spend nearly \$40 million by email?

Ms Foster: If I could just finish, Senator.

Senator WONG: Sure.

Ms Foster: I have asked staff to check the document management system to confirm whether or not anything was logged.

Senator WONG: How many times do we send 40 million bucks by email just before an election?

Senator Cormann: That is a cute little line.

Senator WONG: It's true.

Senator Cormann: The truth is that this was a third round of a successful and popular grants program which, as many popular grants programs are, was oversubscribed. The ultimate

decisions were made by the minister. And, as legal advice to Sport Australia confirmed again—the minister was entitled to do that. The reason the minister may exercise her ministerial discretion to make decisions is to ensure there was a fairer distribution of the limited resources that were made available through this program—including, I might add, by lifting the share of funding going into Labor-held electorates.

Senator WONG: I have questions about caretaker conventions. We know from the Senate inquiry that the signed approval brief was sent on the day the election was called at 8.46 am after parliament was dissolved and caretaker conventions were in place. Ms Palmer, who was the then CEO, provided evidence to the committee that advice had been sought on the application of caretaker conventions. Ms Foster, was that advice sought from PM&C?

Ms Foster: I think Ms Palmer's evidence, if I recall it, was that they went to the Department of Health as their portfolio—

Senator WONG: No. I am asking you whether you provided advice—your department.

Ms Foster: I will check. We have a register of advice provided by the Department of Prime Minister and Cabinet to different departments, and I will have someone check that. But my understanding is that the advice was sought from the Department of Health.

Senator WONG: With respect, this matter has been in the media for months now. We've had a minister sacked as a consequence of it—

Senator Cormann: That is not right. That is actually—

Senator WONG: Alright. 'Resigned' or 'asked to resign'—whatever the verb is.

Senator Cormann: No. Actually, she offered her resignation.

Senator WONG: Okay. Alright.

Senator Cormann: You should be more respectful to some of your colleagues.

Senator WONG: Yes. Particularly someone who has taken the fall for you.

Senator Cormann: I completely disagree with that characterisation too.

Senator WONG: That's what has happened.

Ms Foster: Senator, I can confirm—

Senator WONG: How can you come here with—

Senator Cormann: Hang on. This was actually after you and your leader for weeks called on her to resign.

Senator WONG: Sure.

Senator Cormann: She resigns, and then you have a go at that too. You are criticising a lot.

Senator WONG: Are we done? Thank you. Ms Foster, I am disappointed that—

Ms Foster: Can I say—

Senator WONG: given the public interest in this—the fact that a minister has resigned, the fact that this has been a focus of question time and many media articles—you can't come and tell me whether or not you provided advice on caretaker conventions to Ms Palmer. It is pretty amazing.

Ms Foster: Ms Palmer's evidence was only available late last week, and we have checked and there is no record of us providing any caretaker advice on the Community Sport Infrastructure Grant Program.

Senator WONG: Or to Sport Australia?

Ms Foster: That's correct.

Senator WONG: Can you come back to me if that alters when you make—

Ms Foster: I have—

Senator WONG: You are making inquiries as we speak, I assume?

Ms Foster: No. When I said I am making inquiries, someone quickly checked for me and the answer is: no, we did not provide advice on that program.

Senator WONG: Now let's go to the Gaetjens report. Mr Gaetjens has advised the Senate that the Prime Minister sought his advice on 17 January in relation to potential breaches of the ministerial standards. Can you tell me how this advice was sought?

Ms Foster: The Prime Minister or his office gave Mr Gaetjens advice orally on Friday that it was being sought, and we received the letter formally, dated on the Friday, on the Monday.

Senator WONG: The date was the 17th?

Ms Foster: The 17th was the Friday—

Senator WONG: Can you provide a copy of that letter, please?

Ms Foster: I'll take that on notice and see if we can provide that.

Senator WONG: What does it say?

Ms Foster: It's a fairly standard letter asking—

Senator WONG: Did you draft it?

Ms Foster: No, we didn't. We, typically, don't draft the Prime Minister's correspondence when he requests the secretary's advice under that statement of the standards that—

Senator WONG: So who drafted it?

Ms Foster: It was not the department. It came to us from the Prime Minister.

Senator WONG: Can you tell me what support within the department or did Mr Gaetjens receive, in relation to this so-called investigation?

Ms Foster: Certainly. We followed our standard practice for when the Prime Minister seeks the secretary of PM&C's advice on apparent breaches of the ministerial standards. The government division, headed by Mr Reid, are the experts on ministerial standards, declarations of ministerial interests and matters of that nature. Mr Reid—typically, a very small number, often one or two, of his officers and I will assist Mr Gaetjens.

Senator WONG: I don't want to know 'typically', I want to know what happened here. So Mr Reid was assigned to support Mr Gaetjens. How many other staff? Any?

Ms Foster: In the first instance, it was Mr Reid and, I think, two of his staff.

Senator WONG: How long did you work on this—how long were people allocated to this for?

Ms Foster: We worked on it from the time that the Prime Minister advised Mr Gaetjens that he was making the request until Mr Gaetjens finalised his report, which was on 1 February. Then, of course, there's a standard departmental process to respond to media inquiries et cetera.

Senator WONG: Were there any interviews conducted?

Ms Foster: Yes, there were.

Senator WONG: Who conducted them?

Ms Foster: Mr Gaetjens spoke with Senator McKenzie.

Senator WONG: Yes.

Ms Foster: I spoke with the CEO of Sport Australia. Apart from that, our interactions with either Sport Australia or the Department of Health, or with Senator McKenzie's staff, were, typically, to try and identify documents or information rather than, what I'd call, an interview.

Senator WONG: Did you, in the course of those interviews or that investigation by Mr Gaetjens, come across this correspondence of 10 April that we'd been discussing earlier?

Ms Foster: No.

Senator WONG: You never came across that?

Ms Foster: No.

Senator WONG: Mr Reid, did you?

Mr Reid: No.

Senator WONG: How come no-one knew about the way in which this was provided to the Prime Minister, and then Sport Australia get it after the house is dissolved?

Ms Foster: We were looking at the documents available to us, and the document for round 3 was, as you know, a brief signed on 4 April. There was nothing to cause us to question that.

Senator WONG: Were there any interviews of anyone in the Prime Minister's office?

Ms Foster: No.

Senator WONG: So the Audit Office has identified an adviser or advisers in the Prime Minister's office—I don't propose to name them—who were, shall I say, heavily involved, and I think that is a pretty reasonable summation of the evidence, in the allocation of these funds via this spreadsheet process that looked at political parties. Did you not interview any members of the Prime Minister's staff?

Ms Foster: No, we did not.

Senator WONG: Why not?

Ms Foster: The secretary was not tasked with reviewing the administration of the grants program. He had a very specific role assigned, which was to look at whether there were any alleged breaches by Senator McKenzie—

Senator WONG: A very narrow remit.

Ms Foster: A specific remit—

Senator Cormann: That's your characterisation. The remit was as announced by the Prime Minister publicly and openly and transparently.

Senator WONG: So the remit was whether or not there'd been a breach of ministerial standards. The remit didn't extend to, I suppose, the probity of the allocation process itself?

Senator Cormann: The Auditor-General made a report and the government had already publicly announced that we would be acting on the recommendations of the Auditor-General. At the urging, incidentally, also of the opposition at the time was the specific question in relation to compliance with the Statement of Ministerial Standards.

Senator WONG: So, just to be clear again, Ms Foster: Mr Gaetjens was asked to look at a breach of ministerial standards and your answer to me about why the various other matters weren't looked at is that, essentially, PM&C was not asked to look at the broader administration of the program?

Ms Foster: That's correct, Senator. That had been done by the Auditor-General and we took, as a significant source material, the Auditor-General's report.

Senator WONG: The Auditor-General who also says that—

Senator Cormann: The Auditor-General said, for example, that representations are not unusual in the context of a grants program.

Senator WONG: You can defend the—

Senator Cormann: I'm referencing the Auditor-General.

Senator WONG: I invite anybody who thinks that Senator Cormann is accurately representing the Auditor-General's report to just read how scathing that is. But we're beyond that. Mr Reid—

Senator Cormann: I'm happy to quote you about what the Auditor-General actually said.

Senator WONG: Mr Reid, you are FAS of Legal Policy—is that right?

Mr Reid: FAS of Government Division.

Ms Foster: Within Government Division there are two branches. One deals with what we generally call legal policy—

Senator WONG: And the other is Parliamentary and Government.

Ms Foster: Yes, the other is Parliamentary and Government.

Senator WONG: So who was assigned to work on this?

Ms Foster: We typically handle these through the Parliamentary and Government Branch, so it was Mr Rush.

Senator WONG: Mr Rush, Mr Reid and yourself?

Ms Foster: That's correct. We had one of our EL2 officers assisting with technical support and, in the second week of our process, we also sought some support from one of our people with data skills so that we could make sure that we were correctly analysing the data we had to hand. Just because it was over a holiday period, there were times when Ms Moran, who heads our Legal Policy Branch, was also involved.

Senator WONG: Just to summarise, the only interviews were Mr Gaetjens interviewing the minister and you interviewing Ms Palmer. Is that correct?

Ms Foster: Yes, Senator.

Senator WONG: You interviewed no member of staff of the Prime Minister's office nor Senator McKenzie's office?

Ms Foster: Senator McKenzie's then chief of staff—her chief of staff as at January-February—was present at the interview, as was I, between Mr Gaetjens and Senator McKenzie, and he facilitated responses to a number of questions for us—also seeking advice from Senator McKenzie's sports advisor at the time of the grants program.

Senator WONG: So the sports advisor came in and out of the room?

Ms Foster: No, Senator—

Senator WONG: The chief of staff went out of the room?

Ms Foster: No, not during the interview; during the process of us asking questions.

Senator WONG: That was done by email—that follow-up?

Ms Foster: Yes, Senator. Sometimes I would ring with a question and we would follow up with an email or get an emailed response.

Senator WONG: I'm asking for copies of those emails and documents. I'm also asking for—I assume you took a transcript of both your interview of Ms Palmer and the interview of Senator McKenzie?

Ms Foster: The materials prepared for the interview, the questions we asked, were done for the specific purpose of preparing the report for the government's committee of cabinet, so I would need to take it on notice and talk to the minister about that.

Senator WONG: I don't accept the PII claim that Senator Cormann has made, but I don't wish to spend a lot of time—

Senator Cormann: I'm just going to take on notice the question that you've asked and we can consider on notice what we can do to assist you. But we will not be releasing cabinet documents, obviously. It's a practice under governments of both persuasions.

Senator WONG: Let's be very clear why you use that process: so you don't have to fess up.

Senator Cormann: That's not right. That's an established process.

Senator WONG: I've got a lot of questions. There is a Cormann order which you yourself are not following—

Senator Cormann: We are following it—

Senator WONG: because you are not identifying the harm—

Senator Cormann: Yes, I am. I have several times.

Senator WONG: Everybody knows that when you are faced with an Audit Office report and then you get a report done by, frankly, a former political adviser it is nothing other than covering up.

Senator Cormann: I have to respond to that assertion which references me directly. I have repeatedly referred to the harm. Obviously, the reason we have cabinet confidentiality is to ensure that there's an appropriately robust exchange of views inside cabinet and cabinet committees, because that is the way to ensure we have the best possible decisions made in the public interest. If we were to depart from the important principle of cabinet confidentiality we

would be subjecting the Australian people to inferior decisions. That is not something that we are prepared to do.

Senator WONG: I think there are a few inferior decisions they've already been subjected too actually—

Senator Cormann: You know what, the Australian people get to judge us on that every three years and at the last performance review we did alright.

Senator WONG: We lost the election. We know. You can keep saying that. That is hardly an answer to the corruption. I would like to get back to—

Senator Cormann: The point though is in the end the Australian people have the opportunity every three years to make a performance assessment—

CHAIR: There are probably better places to have debates like this, such as the chamber, rather than here.

Senator WONG: I will go to some additional evidence that has emerged following the select committee inquiry into this matter. First, we know that 136 emails were exchanged between the PMO and Senator McKenzie's office between 17 October 2018 and 11 April 2019 in relation to this program. We also know, particularly in respect of round 3, that spreadsheets were circulated on at least four occasions to the PMO, including input on which application should be awarded funding. Was Mr Gaetjens aware of those facts at the time he completed his report?

Ms Foster: No, he was not.

Senator WONG: Were you?

Ms Foster: No, I was not, nor were my staff.

Senator WONG: Can someone explain to me how those facts, which have been revealed, accord with the Prime Minister's assertion that, 'All we did—meaning his office—was to provide information based on representations to us'?

Ms Foster: I am afraid I am unable to assist.

Senator WONG: You are unable to assist. It would seem to most reasonable observers that you have got 136 emails regarding allocation of funding, you get the spreadsheet in relation to every round, that you are probably doing a little more than just providing info. You might actually be pretty heavily involved in the allocation of the grants in the Prime Minister's office—

Senator Cormann: That is your assertion which we reject. The Prime Minister has been very candid about—

Senator WONG: Black is white as well isn't it—

Senator Cormann: his involvement and his office's involvement—

Senator WONG: Up is down, east is west—

Senator Cormann: Indeed, it is not unusual for Prime Ministers or Prime Minister's offices to pass on representations. Indeed, you would expect the Prime Minister's office to be involved in the organising of logistics in relation to announcements and launch events. That is what would have happened during your government and it is what has happened under our government.

Senator WONG: Why was this not something that Mr Gaetjens looked at? I'll put to you, and you can deny it, that it looks like the investigation was kept deliberately narrow so as to protect the Prime Minister and his office.

Senator Cormann: That is not right. That is your political assertion. It is just that, a political—

Senator WONG: There's just all this evidence that they didn't look at.

Senator Cormann: No. Because there was a very specific issue at hand, obviously—

Senator WONG: Of course.

Senator CORMANN: In relation to—

Senator WONG: How do we frame-up Senator McKenzie and not the Prime Minister—

Senator Cormann: That is completely and utterly wrong—

Senator WONG: Every spreadsheet is given to—

Senator Cormann: You all, in the Labor Party, spent weeks and weeks making this accusation, this assertion, and calling for an assessment of whether there had been breaches in the ministerial statement of standards. The assessment is made and then you complain about the fact that there was an assessment made in relation to the ministerial standards—

Senator WONG: No—

Senator Cormann: Your position now is completely inconsistent with your position then. We understand why, because for you this is just political and whatever the—

Senator WONG: No—

Senator Cormann: The Prime Minister could walk on water and you would say: why can't he swim? That is your—

Senator WONG: You might think he can, mate, but he doesn't—

Senator Cormann: That is your approach to it—

CHAIR: Order!

Senator WONG: He doesn't walk on water. In fact, he's been a very naughty boy. One hundred and thirty six emails—

Senator Cormann: This just proves my point—

Senator WONG: One hundred and thirty six emails—

Senator Cormann: You see, we are a government where ministers' offices and the Prime Minister's office talk to each other. In your government, maybe the Prime Minister's office didn't talk to ministers' offices. In our government, we talk with each other.

Senator WONG: Stop trying to divert, Mathias. He's up to his neck in it.

Senator Cormann: I completely and utterly reject that.

Senator WONG: There were 136 emails between Mr Morrison's office and Senator McKenzie's office about this and spreadsheet versions provided to him, but somehow, magically, Mr Gaetjens doesn't find that he's got anything to do with it. No-one looking at this can come to any conclusion other than Mr Morrison is up to his neck in this.

Senator Cormann: That is your political assertion, which we reject. Everything that's been publicly released is entirely consistent with the Prime Minister's explanation of his involvement and the involvement of his office in this program.

Senator WONG: That is just a lie.

Senator Cormann: Respectfully, I disagree with you, but I understand why you are making a political point.

Senator WONG: One hundred and thirty six emails is not providing information. It's running the program.

Senator Cormann: That's just not true.

Senator WONG: One hundred and thirty six emails and 28 versions of the spreadsheet.

Senator Cormann: Well, we talk to each other in this government, and maybe you should have talked to each other a bit more in your government.

Senator WONG: Let's not divert. We've been out of government for a long time, so it's not relevant. One hundred and thirty six emails—

Senator Cormann: Maybe people should have talked to Bill Shorten a bit more during the period in opposition.

Senator WONG: May I finish? You can always tell when we're getting close to something, Mathias, because all you do is talk about us.

CHAIR: Senator Wong, the commentary—order!

Senator WONG: I'm asking a question.

CHAIR: It doesn't sound like a question to me.

Senator WONG: How is 136 emails and the continued provision of versions of the spreadsheet to the Prime Minister's office consistent with the Prime Minister's assertion to the press gallery and to the nation at the National Press Club that they were only providing information to his office?

Senator Cormann: Well, it is. It is 100 per cent consistent. I can't see how anyone reasonable could see any inconsistency in that all. Any reasonable person would say that everything that has been released by way of documents is entirely consistent with the Prime Minister's explanation of his involvement and the involvement of his office.

Senator WONG: Yes, okay, because we commonly send 136 emails about a program when we're only providing information—

Senator Cormann: The truth is, you're not coming at this objectively. You're coming at this from a biased, conflicting point of view. I understand your political motivation here, and the Australian people understand your political motivation.

Senator WONG: You used taxpayers' money to help yourself get re-elected, and you want to talk to anybody else about political motivation?

CHAIR: Senator Wong, Minister, order—

Senator Cormann: I say it again, the decisions of Senator McKenzie lifted the level of funding into Labor-held electorates.

Senator WONG: Okay—

CHAIR: Order! Before you proceed, Senator Wong—just for the management of the committee's time and other senators who expressed interest in the call. Senator Rice and Senator Patrick have both asked for the call. Senator Rice, is it on this topic?

Senator RICE: Yes, it's on this topic.

Senator WONG: Can I finish the last bit of the question, please?

CHAIR: You can.

Senator WONG: Thank you.

CHAIR: How long will that be?

Senator WONG: Another 10 minutes.

CHAIR: Okay, and then I'll rotate the call to Senator Rice and Senator Patrick.

Senator WONG: Are you aware, Ms Foster, that there were no less than 28 versions of the spreadsheet over the three rounds where substantive changes were made?

Ms Foster: We became aware of that when the ANAO provided that evidence to the inquiry.

Senator WONG: Can you explain to me how Mr Gaetjens only refers to one adviser's spreadsheet when there in fact were 28?

Ms Foster: I think there's understandably widespread confusion about spreadsheets and versions of spreadsheets and, clearly, the ANAO is in the best position to describe those. They've had access to all of the material. But, as I understand it, there is what's been referred to as an 'adviser spreadsheet', which included information about marginal and targeted seats, and there was what's being referred to as the 'colour coded spreadsheet', which was used as the basis for recording the minister's decisions. It was that colour coded spreadsheet, for example, which did specify electorate and party, but not targeted and marginal, which was attached to the 4 April submission. And so we were specifically—

Senator WONG: Say that again. So the 4 April submission has both targeted party and party—

Ms Foster: No. The spreadsheet which was used by the office and, in fact, which was provided—the basic material was provided by Sport Australia with their original recommendation to the minister. It had the project, the cost and all of those sorts of things. It specified which electorate the project was in, and it specified which party held that electorate. That's what people are referring to as the 'colour coded spreadsheet', and that was attached to the then minister's brief of 4 April.

Senator WONG: But you said you hadn't seen that.

Ms Foster: Sorry?

Senator WONG: You have seen that one?

Ms Foster: Yes. I said to you that I had seen that brief.

Senator WONG: Sorry, I apologise. You did indicate that.

Ms Foster: That is what typically is referred to as the colour coded spreadsheet. The spreadsheet that was referred to in the ANAO report at paragraph 3.20, which they referred to as the 'adviser spreadsheet,' included a column which I think was headed 'electoral status' or

'electorate status' and it had a column which had either 'targeted' or 'marginal' or blank. You will see in Mr Gaetjens's report that—

Senator WONG: Sorry, what was it? 'Targeted'—

Ms Foster: 'Targeted', 'marginal' or blank.

Senator WONG: Blank?

Ms Foster: Blank. They were either specified as one of those two or left blank.

Senator WONG: Are you reading from his submission or from his report?

Ms Foster: I'm reading from his submission to the inquiry, at paragraph 20:

Senator McKenzie advised me in response to a direct question that she had never seen the Adviser's spreadsheet ...

That's the one that has 'targeted' and 'marginal'.

Senator WONG: But she had seen the one that has which electorate and which party?

Ms Foster: That's correct.

Senator WONG: Do you know who else saw the 'targeted' and 'marginal' spreadsheet?

Ms Foster: Her advice to the secretary was that neither she nor her staff had based their assessments on it.

Senator WONG: No, that's not what I asked you.

Ms Foster: So, as far as I'm aware, the only person that I know who had had that spreadsheet was the adviser who had created it, and her advice was that she had prepared it for a possible budget bid, rather than a decision-making process.

Senator WONG: Had anyone in the PMO seen it?

Ms Foster: I don't know the answer to that.

Senator WONG: You wouldn't know, because no-one asked them that question, did they?

Ms Foster: We weren't exploring the Prime Minister's office's role. We were looking at Senator McKenzie's—

Senator WONG: No, I'm sure. Thank you for that evidence. You weren't exploring the Prime Minister's office.

Senator Cormann: It was very clear what this exercise was about.

Senator WONG: Very clear.

Senator Cormann: It was assessing compliance with the Statement of Ministerial Standards—

Senator WONG: On this we can agree, Ms Foster—

Senator Cormann: by the minister who had administered this program.

Senator WONG: you were not asked to explore the Prime Minister's role, and Mr Gaetjens certainly didn't want to.

Senator Cormann: That is actually an inappropriate reflection on a senior officer. I would ask you to withdraw. Mr Gaetjens appropriately fulfilled the role and the responsibility that the Prime Minister asked him to fulfil—

Senator WONG: You're very touchy, aren't you?

CHAIR: Senator Wong.

Senator Cormann: No. For you to make assertions on Mr Gaetjens's motivations is completely and utterly uncalled for.

Senator WONG: Well, we don't have a lot of regard for his appointment, that is true. I think it is—

Senator Cormann: It is completely and utterly uncalled for.

CHAIR: Order!

Senator WONG: Seriously!

Senator LAMBIE: I guess the question would be, Senator Wong: did Mr Gaetjens come to you and say, 'I'd like to explore this further'?

Ms Foster: The Secretary of Prime Minister and Cabinet only has a role in the ministerial standards which is to respond to requests for advice from the Prime Minister. I'm just casting my mind back through the various requests for advice that we've had, and they are always framed in terms of: 'Please provide advice on any alleged or any apparent breaches of the ministerial standards by the then minister.' That's the construct of the ministerial standards.

Senator WONG: Okay. On that basis, the answer to Senator Lambie's question, 'Did Mr Gaetjens, once he'd seen all of this other evidence about the Prime Minister's office's involvement?' come to the Prime Minister and suggest, 'We probably need to explore this further' or not?

Ms Foster: Evidence that has been given to the inquiry was not available to the secretary.

Senator WONG: I appreciate that, but after. For example, Dr Parkinson—

Ms Foster: At that stage, the inquiry was concluded.

Senator WONG: Well, thank you. That's very convenient, isn't it?

Senator Cormann: Let's be clear: there is actually nothing in the public domain that points to anything inappropriate—

Senator WONG: That's very convenient. So we'll only interview two people. Evidence that is subsequently made public—

Senator Cormann: I'm still answering.

Senator WONG: It's fantastic.

Senator Cormann: I'm still answering.

Senator WONG: You people really are Olympic-standard cover-up.

CHAIR: Order!

Senator Cormann: I'm actually being very—I'm not intervening much at all—

Senator WONG: It's amazing.

Senator Cormann: but I am going to use my prerogative to answer—

Senator WONG: Sure.

Senator Cormann: and that is just to remind the committee that there's actually nothing in the public domain that in any way suggests that the involvement of the Prime Minister's office was anything other than consistent with past practice, and that is, obviously, making

representations—including, in particular, on behalf of colleagues—and subsequent to the decisions being made by the decision-maker, being involved in the logistics around announcement arrangements. That is the way that prime minister's offices have been involved in these matters since time immemorial. Your attempt to make it look as if there's anything unusual here is clearly politically motivated.

Senator WONG: Let's talk about that, shall we?

Senator LAMBIE: I would have thought that the investigator just doesn't want to investigate his boss. That's made quite clear.

Senator WONG: I'm with her!

Senator LAMBIE: As a matter of fact, it's disgraceful. Jesus!

Senator WONG: Is it your evidence to this committee, Senator Cormann, that all 136 emails between the Prime Minister's office and Senator McKenzie's office were simply representations on behalf of your members and senators?

Senator Cormann: My evidence is that these 136 emails that have been released are entirely consistent with the characterisation of a Prime Minister's involvement, involvement of the Prime Minister's office, as he has stated on a number of occasions.

Senator WONG: So if we obtain them through various means, they will all show that you're right, will they? They'll all show that, 136 times, an adviser in the Prime Minister's office told Senator McKenzie, 'Damian Drum wants this,' 'Sussan Ley wants this,' or 'Someone else wants this.' Is that what they'll show?

Senator Cormann: These are your—

Senator WONG: I'm asking you.

Senator Cormann: I am telling you that—

Senator WONG: I'm asking you.

Senator Cormann: there is nothing in the public domain that is in any way inconsistent with the Prime Minister's explanation of his involvement and the involvement of his office in this process.

Senator WONG: What do the emails relate to? Who are they from and what do they relate to?

Senator Cormann: Again, I haven't personally reviewed every individual email, but the government stands by the explanation that we've provided consistently in relation to the Prime Minister's involvement and the involvement of the Prime Minister's office.

Senator WONG: Well, I'm asking for copies of the emails.

Senator Cormann: We've obviously released relevant correspondence in a way that is consistent with the public interest immunity claims that apply from time to time.

Senator WONG: You haven't released the emails. What are the PII claims, in brief?

Senator Cormann: We've released the correspondence, in response to orders of the Senate, that is able to be released.

Senator WONG: I'm asking you now to provide this committee with the 136 emails.

Senator Cormann: I'll take that on notice.

Senator WONG: Of course you do.

Senator Cormann: Well, of course. I can't possibly just make a blanket statement here around emails. If you ask for the release of certain documents, of course there has to be a proper process to assess that there is no harm to the public interest in releasing certain information, but I undertake to do that. As we always do, we'll provide the responses in due course.

Senator WONG: The 28 versions of the spreadsheet?

Senator Cormann: I'm not aware of 28 versions, but—

Senator WONG: That's Mr Boyd from the Audit Office's—

Senator Cormann: I'm happy to take that on notice as well.

Senator WONG: I'd like to understand why it is that—the background to this is Dr Parkinson was asked, from memory, about the questions raised in relation to Ms Bishop's and Mr Pyne's compliance of the ministerial standards. When he was presented with new evidence, he reopened his investigations and provided the Senate with those inquiries.

Ms Foster: That's not correct.

Senator WONG: That's not correct?

Ms Foster: Dr Parkinson received a request from the Prime Minister. He made inquiries that he needed to and he provided the Prime Minister with that advice. He was then asked to appear before the Senate inquiry, and he appeared before the inquiry. There was a call for the investigation to be reopened but it was not.

CHAIR: Senator Wong, this will be your last question before I rotate the call.

Senator WONG: Sure. Mr Gaetjens has been presented with evidence of 136 emails and 28 versions of the spreadsheet, which, on the Audit Office's own evidence, is shared between ministers' offices. Those are two facts which were not before him when he undertook the inquiry. Is he proposing to reopen his inquiry, given the sort of evidence that has now been presented to the public?

Ms Foster: It's not open to the secretary of PM&C—

Senator WONG: No, of course not.

Ms Foster: to reopen an inquiry. He provides the Prime Minister with advice on request, but, in fact, the circumstances are analogous. Dr Parkinson made his inquiries, provided the Prime Minister with advice and then appeared before the committee. That's exactly what Mr Gaetjens will do—

Senator Cormann: Let's be very clear—

Senator WONG: Just one last question—

Senator Cormann: No, I'm finishing this answer.

Senator WONG: very quickly, following up.

Ms Foster: Can I just finish. Mr Gaetjens has concluded his report, provided advice to the Prime Minister and has agreed to appear before the Senate inquiry on 16 March.

Senator Cormann: Indeed, there is no reason to reopen an inquiry because there is absolutely no suggestion—

Senator AYRES: It would be a very bad idea, wouldn't it?

Senator Cormann: There's absolutely no reason. Just because there is—

Senator AYRES: It's a very efficient cover-up.

Senator Cormann: Just because the Labor opposition is pursuing a political witch-hunt against the Prime Minister—and who would ever have thought that that would happen—that is not a sufficient reason—

Senator WONG: Ms Foster, I have—

Senator Cormann: Senator Wong, if Scott Morrison found a cure for cancer, you would accuse him of putting doctors out of work. You will criticise the Prime Minister no matter what he does, so—

CHAIR: And, on that note, I think we will rotate the call.

Senator WONG: Last one, if I may.

CHAIR: Very last one.

Senator WONG: I promise, and I appreciate Senator Rice's patience. Ms Foster, are there many programs of this nature where you would see that much interaction between the Prime Minister's office and the minister's office—136 emails going to the granular allocation of programs?

Ms Foster: I would have no visibility of that.

Senator RICE: The colour-coded spreadsheet—and in fact, only one version of the 28 versions of the spreadsheet—has only been provided in partial forms to the Senate because of public interest immunity claims on the grounds of cabinet confidentiality and privacy concerns.

Senator Cormann: I've got to correct you there. I don't think the spreadsheet was subject to a cabinet confidentiality claim. The spreadsheet was obviously adjusted for privacy consideration, given a whole lot of—

Senator RICE: How do you know that?

Senator Cormann: I'm the one that sent the letter to the Senate in response to the order. So, from that point of view, obviously, I did have visibility in relation to this. There are a lot of individuals and organisations from around Australia who participated in this process in good faith, and to release their information, including their names, is not something that, in the circumstances, we thought was appropriate, and I think that that is reflected in our response to the Senate's order.

Senator RICE: With relevance to those privacy claims, then who do you think should be privy to the information on that spreadsheet?

Senator Cormann: The Auditor-General was privy to it and was able to make his findings and recommendations based on having access to all of the information. And, as you know, the government responded to the Auditor-General's report by accepting all of his four recommendations.

Senator RICE: Is there anybody else other than the Auditor-General, Sport Australia, the minister's office and the Prime Minister's office that should have been privy to that information?

Senator Cormann: We are not proposing to release private information about thousands of people around Australia.

Senator RICE: No, but is it appropriate for anybody else to be privy to that information other than those I mentioned. We've got Sport Australia, the minister's office, the Prime Minister's office and the Auditor-General. Is there anybody else that you think should have access to that information?

Senator Cormann: You would expect Sport Australia in administering a grants program to have visibility of the identity of grant applicants. That is self-evident. But, in terms of release of information to the parliament, we don't think it would be appropriate to release private information in relation to individual applicants in an indiscriminate manner.

Senator RICE: So it's not appropriate for us, the opposition, to see it. Is it appropriate for other government members to see this information?

Senator Cormann: You are not administering, and you won't be administering, the program.

Senator RICE: I'm just asking you whether it's appropriate for other government members to see this information, given those privacy concerns.

Senator Cormann: Obviously, grant applicants that submit grant applications to government would expect that government has the capacity to review relevant information. But grant applicants would not have had an expectation that their information would be publicly released. Within government, obviously there are processes in place to protect the privacy and confidentiality of relevant information, and that is how this is being handled.

Senator RICE: What members of the government should have access to that information?

Senator Cormann: That is a very broad question. If you've got a specific question, I would be very happy to answer it.

Senator RICE: I will move on. Are you aware of any instances of it being provided to coalition senators who aren't ministers?

Senator Cormann: I am not aware. Again, if you've got a specific query, then I'm happy to pursue that.

Senator RICE: Would it be appropriate for it to be provided to government members who aren't ministers?

Senator Cormann: It depends on the circumstances. I'm not aware.

Senator RICE: It was very clear in the select committee hearing on Friday morning that Senator Abetz had an unredacted copy of this spreadsheet. Given that's the case, what is the justification for Senator Abetz to have a copy of that spreadsheet when the rest of the Senate are not allowed to have a copy of the spreadsheet?

Senator Cormann: I'm not aware, and I'm happy to take on notice the question of what the circumstances are.

Senator WONG: 'We respect the parliament,' you said.

Senator Cormann: Well, we do.

Senator WONG: 'We respect the parliament, so we'll give it to our mate but not to the Senate.'

Senator Cormann: That is your assertion. I'll take on notice the question that you've asked.

Senator RICE: Senator Abetz clearly had a copy of the spreadsheet. When he was asked to table the spreadsheet, he refused to do so. What is the justification for Senator Abetz, a backbench Tasmanian senator, having an unredacted copy of this spreadsheet when the rest of the Senate are denied access to it?

Senator LAMBIE: He's not on Prime Minister and Cabinet—

Senator Cormann: I'll take that question on notice and I will provide you with an answer in due course.

Senator WONG: So, so flagrant.

Senator RICE: Absolutely flagrant.

Senator Cormann: I assure you that I'm not aware of what information he may or may not have had.

Senator WONG: It's a problem if your credibility gets destroyed by their actions.

Senator Cormann: That's just more gratuitous commentary.

Senator WONG: It's true.

Senator RICE: It's a rort! It is a rort, and obviously everyone's in on it—

CHAIR: Order!

Senator Cormann: Okay, so you now want to join Senator Wong in getting yourself onto evening news. You're trying to take her time away from her.

CHAIR: Order! Senator Rice, I gather from that you don't have any further questions?

Senator RICE: No, I do have further questions.

CHAIR: Let's stick to the questions rather than make reflections.

Senator RICE: Has PM&C provided any subsequent advice to the Prime Minister about the behaviour of his office following the new information that's been provided to the Senate select committee?

Ms Foster: We have provided no information to the Prime Minister on his office.

Senator RICE: Despite the fact that we now know there are 27 versions of the spreadsheet—

Senator WONG: Twenty-eight!

Senator RICE: twenty-eight—that went backwards and forwards and the 136 emails, there has been no further advice to the Prime Minister?

Ms Foster: There's not a role for the department.

Senator RICE: We heard before, from Senator Wong's questioning, that the department did not get a copy of the materials that went from Senator McKenzie to the Prime Minister on 10 April, but that as part of the audit review the department now does have a copy of that brief.

Ms Foster: They're two different things. The emails that went between Senator McKenzie's office and the Prime Minister's office we are only aware of through the public description of that, and we didn't have then and we have never had access to those emails. My evidence to Senator Wong was that, as part of the Secretary of PM&C's inquiries to provide advice to the Prime Minister, we did acquire access to the brief that Senator McKenzie signed on 4 April.

Senator RICE: When did the department acquire a copy of that brief?

Ms Foster: It was in the week preceding the presentation of Mr Gaetjens's report to the Prime Minister, so 28 January.

Senator RICE: Okay. Can you take that on notice to confirm that date?

Ms Foster: I've just had it confirmed.

Senator RICE: Okay, 28 January. With regard to the Gaetjens report, were any statements taken under oath or via statutory declarations?

Ms Foster: No. I think, as Mr Gaetjens made clear in his report—let me just find the section—that the Auditor-General is not required to share audit information, and he did not in this case, so he used his best efforts to identify the material he needed and obtain it to provide a basis for his advice to the Prime Minister, and that was willingly provided by Sport Australia and the Department of Health, from whom we sought those records.

Senator RICE: It didn't seem that there was any requirement—

Ms Foster: He doesn't have powers of compulsion under the terms of—

Senator RICE: Right, which also then may influence the report—not having those powers of compulsion—in terms of an appropriate avenue to explore these very, very serious allegations about the misspending of \$39 million.

Ms Foster: The department was able to obtain, on the secretary's behalf, the relevant material that we needed for Mr Gaetjens to make an assessment on whether or not there were any apparent breaches of the ministerial standards.

Senator RICE: Did the report capture any information about text messages, phone calls or other communications outside the PDMS, the document management system?

Ms Foster: When we were referring to the PDMS system before, we were referring to the way Prime Minister and Cabinet captures, records, stores and moves formal correspondence. For the purposes of the secretary's inquiries, so that he could provide advice, we sought access to whatever material we felt we needed to form a view. That included, from memory, in one instance an email, so something outside a formal system.

Senator RICE: So in one instance it was an email; how about text messages and phone calls?

Ms Foster: Not to my memory.

Senator RICE: Can you tell me what that email was?

Ms Foster: Let me take that on notice and see if I'm able to provide that information.

Senator RICE: There was no capturing of information that could have been communicated via text message or phone calls, in which case it's very possible that the Prime Minister's office could have responded directly to Minister McKenzie's office by phone call or text message once a brief was received on 10 or 11 April and you wouldn't know that, and Mr Gaetjens wouldn't have known that.

Ms Foster: Perhaps it would be helpful if I stepped back a little. We were not trying to do a comprehensive trawl of all information available. The Auditor-General had already done a report into the administration of the sports program and we were in no way seeking to redo that report. That was not the secretary's remit. We were focused on identifying those materials that

we needed in order to be able to put to the secretary data analysis that would form a basis of his advice to the Prime Minister.

Senator RICE: It seems, though, that in terms of the narrow remit of Mr Gaetjens's report, in particular in the light of the ANAO report that showed distributional bias, that wasn't seen as being relevant as to whether there was a breach of the ministerial standards.

Senator Cormann: When you allege bias, let's be very clear—

Senator RICE: No—

Senator Cormann: No, no. When you allege bias, let's be very clear—

CHAIR: Order!

Senator RICE: The Auditor-General said that there was clear evidence of distributional bias.

Senator Cormann: The proportion of funding going into Labor-held electorates went from 26 per cent to 35 per cent as a result of the exercise of the minister's discretion. Of course, the minister also ensured that there was a fair distribution geographically and by sports type.

Senator WONG: So the Auditor-General got it wrong?

CHAIR: Order!

Senator Cormann: I'm just pointing you to a fact.

Senator AYRES: The point is how much went to targeted seats.

Senator Cormann: The level of funding going to Labor electorates increased as a result of the minister's intervention.

Senator Ayres interjecting—

CHAIR: Order, Senators! Senator Rice has the call.

Senator Cormann: No amount of shouting of opposition political rhetoric—

Senator Ayres interjecting—

Senator Cormann: will alter the fact that the minister's exercise of discretion increased the proportion of funding going to Labor-held electorates.

Senator WONG: So the Auditor-General got it wrong?

CHAIR: Order, Senator Wong!

Senator AYRES: He should just answer the questions. If he doesn't want this response, he should just answer the questions.

CHAIR: Whether he answers the questions or not, it is still not an orderly response. Senator Rice has the call, and it's disorderly to interject over her.

Senator WONG: I think he's saying the Auditor-General got it wrong. The Auditor-General, clearly, when they said distributional bias, they just made it up.

CHAIR: Order!

Senator Cormann: I'm just pointing to the objective—

Senator WONG: We should believe them, not the Auditor-General—that's fine!

Senator RICE: So the issue that the Auditor-General—

Senator Cormann: Are you suggesting there wasn't an increase in funding going to Labor-held electorates?

Senator WONG: I'm saying that the Auditor-General said—

Senator Cormann: Is that what you're suggesting?

Senator WONG: there was distributional bias. 'Bias' is what the Auditor-General said.

CHAIR: Senator Rice, you have the call.

Senator RICE: So are you saying, Minister, that the issue the Auditor-General had identified, distributional bias, wasn't considered by Mr Gaetjens as to whether the minister had breached her ministerial standards?

Senator Cormann: My understanding is that the Gaetjens review could not actually find any such distributional bias, but I think that Ms Foster will be able to take you through this in more detail. The point I'm making—and I've made it consistently in Senate question time too—is that Minister McKenzie appropriately exercised her ministerial discretion in making the final decision on successful grant applications. The breach of the Statement of Ministerial Standards related to the nondisclosure of certain conflicts of interest. That is the reason she stepped down and offered her resignation as minister—not because she did anything wrong in exercising her ministerial discretion, in relation to the recommendations that came to her. Governments of both persuasions, ministers under governments of both persuasions, have been responsible for decisions in the past and, I suggest, will be so in the future.

Senator RICE: Did Mr Gaetjens consider the 136 emails and the 28 versions of the spreadsheet, in terms of any evidence as to why there may have been distributional bias?

Ms Foster: What we did was look at the recommendations made by Sport Australia and the outcome of the minister's decisions. You'll see in tables 3 and 4, in the submission that Secretary Gaetjens has provided to the Senate inquiry, that we analysed those numbers not in terms of looking at the process—the ANAO had looked at the process of administration. We were looking at, 'Can we see evidence of distributional bias based on the information?' firstly, in the ANAO report. We were unable to draw a direct link between paragraph 3.20 and paragraph 4.24 of the Auditor-General's report—3.20 talked about the adviser spreadsheet with 'marginal' and 'targeted' and 4.24 indicated that that document, that adviser's spreadsheet, was the one that documented the approach that would be adopted for selecting successful applicants.

We took, as I said, the recommendations made by Sport Australia, and there's some complexity around that, which I can take you through if necessary, and looked at the outcomes that were achieved in the program. What we found was that, of the applications that the adviser had tagged as marginal or targeted, these were funded at a rate of about 32 per cent, and the applications that were not tagged as marginal or targeted were funded at a rate of 36 per cent.

Senator RICE: But in terms of other motivation as to why—

Ms Foster: Could I just finish? Sorry, Senator. We then looked at the same question, not doing it on the basis of a percentage of applications to funded but rather recommendations to funded—we looked just at the Sport Australia recommendations—and, again, found that those that were marginal or targeted increased by 20 per cent less than 'other'.

Senator RICE: And I think this is in the submission to the committee. What I want to go to is in terms of other—

Ms Foster: I was just trying to explain, Senator. That was the approach that we took, in looking at that question of bias. We were looking at the outcome rather than the process.

Senator RICE: But in terms of other motivation that may have reflected that distributional bias—that is, so-called representations from the Prime Minister of which we know, it seems, there were 123 emails—it's inconceivable that they didn't include representations from the Prime Minister. You didn't look at those to see whether there might have been some correlation between what the Prime Minister had been saying to Minister McKenzie and what ended up being funded.

Ms Foster: Mr Reid can correct me if I am wrong, but I don't believe that we were aware of those emails at the time that we were doing the inquiries, to form the basis of the advice. Ultimately, when we looked at the outcome of the program, we could not see any evidence that the result exhibited bias.

Senator RICE: No, but you weren't looking at all of the evidence.

Ms Foster: We were looking at the outcome.

Senator RICE: You weren't looking at all the evidence, in terms of why the program may have been skewed to favour particular projects—

Ms Foster: I think that—

Senator RICE: because the narrow focus of the inquiry meant that you were avoiding looking at the evidence; yet we are meant to be told—

Senator Cormann: That is your interpretation. It was very clear what the inquiry was for, and the department conducted the inquiry entirely appropriately.

Senator RICE: Yes, very narrow!

Senator Cormann: It was an inquiry that responded to publicly expressed concern, including, I might say, from the Labor opposition. It obviously led to the report that was ultimately provided to the Governance Committee of cabinet and to Senator McKenzie's offer to resign her position. So it was a very serious process. It was a process that appropriately responded to the public concern that was expressed at the time about the conflict—the apparent conflict—which was ultimately found to be real.

CHAIR: Senator Rice, I'm keen to offer the call, as flagged, to Senator Patrick and Senator Lambie.

Senator RICE: Can I ask two more questions?

CHAIR: You may.

Senator RICE: Did the secretary declare any conflicts of interest in undertaking the review?

Ms Foster: No, he did not.

Senator RICE: He didn't, okay, despite having been the Prime Minister's chief of staff prior to being—

Ms Foster: The secretary was exercising his responsibilities as the secretary of the Department of Prime Minister and Cabinet.

Senator Cormann: In responding to this, there are outstanding secretaries providing great public service who have had previous roles in ministerial offices in Labor governments and in Liberal-National governments. To somehow suggest that senior public servants shouldn't be

able to return to provide outstanding service in the national interest just because of past involvement in ministerial offices is something we fully, completely reject. About half the secretaries who are providing great service to our government at various times have been former staffers in ministerial offices. Indeed, recent appointments have been former staffers in Labor ministers' offices, so this proposition that somehow having served in the minister's office disqualifies you from providing public service—

Senator RICE: As chief of staff in the minister's office!

Senator Cormann: Well, the government of the day, obviously—it's always been thus that the government of the day is responsible for these sorts of senior appointments.

Senator RICE: Yet we're not allowed to see the report to determine whether it may have had an influence. My last question—

Senator Cormann: Sorry, no, on that note, you make an observation; I've got to respond to it. Cabinet confidentiality is a longstanding principle and we are abiding by that, consistent with governments in the past. But, in an abundance of helpfulness, openness and transparency, I think Secretary Gaetjens has been incredibly helpful in providing a detailed submission to the Senate committee inquiry, and, indeed, he will be appearing on 16 March—something that he found out about in the media, incidentally, before he was properly invited, but that is just by the bye. But it shows you the political nature of the way this is being pursued.

Senator RICE: Did Mr Gaetjens's report go to the entire cabinet or only to the Governance Committee?

Senator Cormann: It went to the Governance Committee of cabinet, as I've said on the public record on a number of occasions. There is just something else that Ms Foster needs to add.

Ms Foster: I was just reflecting, Senator, on the question of bias in the representations, and my memory is that the Auditor-General, in either a response to a question or in his evidence, said that he found no evidence of bias as a result of the representations.

Senator RICE: But he also did not audit the representations?

Ms Foster: But he did, I think, make a very clear statement that he found no evidence of bias as a result of them.

CHAIR: We have about 15 minutes before the scheduled break. I will go to Senator Patrick first and then to Senator Lambie. If we have time we will go to Senator Waters before the break on this topic. I don't think we will get to any new topics before the break. Senator Patrick.

Senator PATRICK: I do have other topics, but I will come to those later.

CHAIR: That would be helpful, thank you.

Senator PATRICK: Ms Foster, in relation to what is colloquially known as the Gaetjens report, it was commissioned on 17 January. What day was it concluded and provided to the Prime Minister?

Ms Foster: The secretary signed the final report on 1 February.

Senator PATRICK: You framed it up and, indeed, he in his submission framed it up as advice to the Prime Minister. Is that a correct characterisation?

Ms Foster: That is. I will ask Mr Reid to get me the relevant bit of the ministerial standards, but the standards provide for the Prime Minister to seek the advice from the secretary of the department.

Senator PATRICK: That is 7.4 of the standards. It wasn't in itself a cabinet submission that he was asked to prepare. Cabinet submissions come in a particular form.

Senator Cormann: It was a document prepared for the consideration of the governance committee of cabinet and it makes that very clear in the document. And it was considered by the governance committee of cabinet.

Senator PATRICK: I'm just trying to establish—there are two things that can typically go to a cabinet: one is a submission: one is a report that is attached to a submission of cabinet.

Senator Cormann: It wasn't attached to a submission. It was obviously advice that the Prime Minister had requested which clearly was formally identified as advice that was prepared for the consideration of the governance committee of cabinet. And the advice that Mr Gaetjens provided for the consideration of the governance committee of cabinet was subsequently considered and deliberated on by the governance committee of cabinet.

Senator PATRICK: So you say it was a cabinet submission, not a report attached to a cabinet submission?

Senator Cormann: It was a letter that was prepared for the purpose of being considered by the governance committee of cabinet and the report was attached to it. There was a letter with a report attached.

Ms Foster: And, Senator, that's the standard practice when we prepare advice for the Prime Minister for the consideration of the governance committee of cabinet.

Senator PATRICK: Just going to section 109 of the *Cabinet Handbook*, it says:

If an attachment or supporting document has been brought into existence for the dominant purpose of submission for consideration by the Cabinet, then the attachment or supporting document must clearly state this.

Does the document prepared by Mr Gaetjens state that?

Ms Foster: Yes, it does.

Senator PATRICK: It goes on:

This ensures each document is appropriately identified as a Cabinet document and handled in line with the security requirements for Cabinet material.

Is it correct that cabinet documents would be tracked by the PDMS?

Ms Foster: Our IT system is classified to handle material at the protected cabinet level, so we prepare that within our IT system.

Senator PATRICK: But the PDMS would track it as a cabinet document such that it is afforded the appropriate protections and limitations in respect of access?

Ms Foster: Senator, I might need to get some expert advice on which system does what. The PDMS is a document management system for the entire suite of documents, not for cabinet documents.

Senator PATRICK: If this is a cabinet document, it will then be tracked by another system, I presume? Is there a second system that tracks cabinet documents?

Ms Foster: Let me get some advice on the different systems.

Senator Cormann: This is not a document that went to the full cabinet, as we've already previously established; it's a document that went to the governance committee of cabinet in a way that is entirely consistent with the way these sorts of reports are handled by the governance committee of cabinet.

Senator PATRICK: Sure: this just goes to the management of the department in respect of documents. So whichever system was tracking the document, could you please provide the committee with the metadata with the tracking information in respect to that document, please?

Senator Cormann: We'll see on notice what we can provide you in the context of the limitations, obviously, around cabinet documents but we will see on notice what we can provide.

Senator PATRICK: I'm not after the content of the document—

Senator Cormann: No, no, I understand.

Senator PATRICK: I think everyone knows about the existence of the document.

Senator Cormann: We will consider and be as helpful as possible.

Senator PATRICK: Fantastic.

Senator WONG: Just to be clear: there is a separate system for the provision and transmission of cabinet documents, correct?

Ms Foster: That's correct, Senator.

Senator WONG: So the date on which this document ends up being on that system as opposed to the PM&C system is certainly information we would like to have.

Senator PATRICK: That's correct. Thank you, Senator Wong.

Senator WONG: Is that clear, Ms Foster?

Ms Foster: Yes, it is Senator.

Senator O'NEILL: Is there a different track for the governance committee that you've just indicated it went to instead of the full cabinet—

Ms Foster: That's what I'm wanting to check, Senator.

Senator WONG: But I asked a different question; I asked a question about—

Ms Foster: I understand.

Senator WONG: Thank you.

Senator PATRICK: On what date did the governance committee of cabinet meet in respect of this document?

Ms Foster: The Prime Minister announced on 2 February that the governance committee had met that morning.

Senator PATRICK: So we'll be able to see the tracking of that information from its purpose at birth, which you say has a dominant purpose for submission to cabinet, through the various iterations finally to being submitted to cabinet. At that point, the record would probably stop, I presume.

Senator Cormann: We understand the question and we will provide on notice, to the fullest extent possible, what we can provide.

Senator PATRICK: Thank you. That is it from me. Thank you.

Senator LAMBIE: There are the questions that Mr Gaetjens used during the investigation. Who else assisted him in constructing those questions?

Ms Foster: I was explaining to Senator Wong before that the secretary is assisted by me and by Mr Reid and a small number of his staff. It was Mr Reid's team that constructed the questions. We provide written questions to the minister and then there was a meeting with her.

Senator LAMBIE: And yet you didn't think you would need to ask anything about the 136 emails? Were they not in your questions?

Ms Foster: We were unaware of the 136 emails.

Senator LAMBIE: Who was it that decided that it would be a cabinet document?

Ms Foster: Whenever the secretary of PM&C prepares advice for the Prime Minister on application of the ministerial standards, it is prepared for the consideration of the Governance Committee of cabinet. That's always the process.

Senator LAMBIE: Haven't they been made public before, though?

Ms Foster: We have no record of any advice of this nature—from the secretary of Prime Minister and Cabinet to the Prime Minister—being made public on a current parliamentarian. I'm alluding obviously to the report that Dr Parkinson prepared on former ministers Pyne and Bishop which related to post-ministerial employment and was made public.

Senator LAMBIE: Is this on a current parliamentarian?

Ms Foster: Yes. Senator McKenzie remains in parliament.

Senator LAMBIE: Minister, if there's nothing to see here and there's nothing wrong with this report, why did Senator McKenzie need to stand down?

Senator Cormann: It's a matter of public record as to why Senator McKenzie offered her resignation. There was an undisclosed conflict of interest in relation to some of the grant decisions that were made which put her in breach of the Statement of Ministerial Standards.

Senator LAMBIE: I'll go back to what we were talking about before. Why is the Parkinson report different, then?

Ms Foster: That inquired into questions of post-ministerial employment and both former ministers had left the parliament.

Senator LAMBIE: That's why that was made public?

Ms Foster: It was a matter for the government.

Senator Cormann: I have addressed this quite extensively in the Senate. This is a report that was prepared for the consideration of the Governance Committee and was considered and deliberated on by the Governance Committee of cabinet in relation to a then serving cabinet minister. That is not something that is appropriate for release. It's subject to cabinet confidentiality, consistent with the conventions that have applied for hundreds of years.

Senator LAMBIE: So, let me get this right: we protect parliamentarians if they're in public, most of the time, and it's 'sorry' if they are not in parliament?

Senator Cormann: The Parkinson report, as I'm advised, did not go to the Governance Committee of cabinet, was not considered and was not deliberated on by the Governance

Committee of cabinet, and that is because there was no decision required in relation to non-ministers and non-members-of-parliament. The difference here is that the Gaetjens report was in relation to a then-serving minister of the government and her compliance or otherwise with the Statement of Ministerial Standards. As such, this was a document that not only was prepared for the consideration of the governance committee of cabinet but was subsequently considered and deliberated on by the governance committee of cabinet and squarely falls under the longstanding principles of cabinet confidentiality.

Senator LAMBIE: I don't suppose there's any way we can get those questions that were asked by Mr Gaetjens, then?

Senator Cormann: Well, Mr Gaetjens has provided a detailed submission to the Senate select committee inquiring into the sports grants program. He will be appearing and answering questions at the hearing on 16 March. I believe Mr Gaetjens has been as open and as transparent and as helpful as he is able to be in the context of the longstanding and very important principle of cabinet confidentiality.

Senator LAMBIE: So, are you giving Mr Gaetjens the okay next time he visits in here—are you telling him that he's got permission to tell us what questions he asked?

Senator Cormann: Well, I mean—

Senator LAMBIE: Yes or no. Does he have permission to give us the questions?

Senator Cormann: He will answer questions the way he sees fit, as a very senior—the most senior—highly professional public servant. He's made a submission, which is on the public record. Everybody can see how detailed and expansive that submission is, and he'll be available to answer questions. I believe he is scheduled to appear for a number of hours, so I'm sure that he will be, as usual, helpful.

Senator LAMBIE: Is there anything stopping Mr Gaetjens from giving us access to these questions?

Senator Cormann: Sorry—access to which questions?

Senator LAMBIE: The ones he used, for his questioning technique. That's what I'm asking you.

Senator Cormann: Sorry—access to which questions?

Senator LAMBIE: The questions he used on Senator McKenzie.

Senator Cormann: Well, he will be limited to the extent—if things touch on the deliberative processes of cabinet then obviously there will be some limitations there. But beyond that, I can't speak for Mr Gaetjens, but he'll be best equipped to make judgement on what he can appropriately answer and what he can't. But I think he's already demonstrated that he intends to err on the side of openness and transparency.

Senator LAMBIE: Talking about openness and transparency, there are millions of Australians out there who believe it is in their public interest to see this document. What do you have to say to them this afternoon?

Senator Cormann: I answered a similar question earlier. The principle of cabinet confidentiality is a very important principle underpinning the Westminster system of government, and that is because the confidentiality of cabinet deliberations ensures that discussions within the cabinet and its committees is appropriately robust so that at the end of

the cabinet process the best decisions are made in the public interest. Undermining cabinet confidentiality would lead to a diminution of the quality of government decision-making. That is why, over hundreds of years, governments of all political persuasions have maintained that very important principle, and we do not propose to depart from that principle, which has served Australia and Australians very well throughout our history.

Senator O'NEILL: This isn't a matter of national security; it's just about sports.

CHAIR: Senator O'Neill, order.

Senator Cormann: Cabinet confidentiality is not limited to national security.

Senator WATERS: Was Mr Gaetjens still employed in the Prime Minister's office when the correspondence between the Prime Minister's office and Minister McKenzie's office regarding the Community Sport Infrastructure grants was taking place?

Senator Cormann: Mr Gaetjens wasn't ever in the Prime Minister's office, as far as I can recall.

Senator WATERS: What were the time periods when he was the chief of staff to the current Prime Minister?

Senator Cormann: Well, he was never the chief of staff to the Prime Minister. He was chief of staff to the Treasurer, and I believe he became Treasury secretary before the Prime Minister became Prime Minister. I'd have to check precisely. But if you've got a specific question there I'm happy to assist.

Senator WATERS: No, thank you for that clarification. I'm trying to understand why the Parkinson report into Pyne and Bishop was made public but the Gaetjens report was not. And perhaps you could just let me finish asking the question. There have been two different explanations given so far, and I'm wondering which one is the truth. The first explanation was that it was because former ministers Pyne and Bishop weren't in cabinet anymore—that's why the report was released. But then there was also mention of the fact that one of those reports went to the governance committee of cabinet and one didn't. Which is it?

Senator Cormann: Well, they're both right, and they're both directly related to each other. The reason why the report in relation to then Minister McKenzie went to the Governance Committee for consideration was that she was a then serving minister of the government, whereas the Parkinson report in relation to former ministers and former members of parliament at that point, Christopher Pyne and Julie Bishop, did not go to the Governance Committee of the cabinet because there was no live decision to be made by the Governance Committee of cabinet in relation to a then serving minister. As such, the Parkinson report did not have the same cabinet confidentiality status attached to it as the Gaetjens report had, because the Gaetjens report was prepared for the express purpose of being considered by the Governance Committee of cabinet. It was considered by the Governance Committee of cabinet and it was deliberated on by the Governance Committee of cabinet. As such, it is subject to the longstanding cabinet confidentiality provisions that you would be well aware of.

Senator WATERS: I've asked previously how many times the advice of the Secretary to PM&C has been sought in relation to breaches of ministerial standards. As at 21 October, there was one instance, which was Pyne and Bishop. We now obviously know there's been a second request pertaining to Minister McKenzie. I'm interested in how many times since 21 October 2019 the Prime Minister has sought advice regarding compliance with the ministerial standards,

and in particular whether advice has been sought in relation to the allegations surrounding Minister Taylor or whether advice has been sought into allegations of any of the other reports that have since come to light, including the Female Facilities and Water Safety Stream grants, the community environment grants, the regional jobs and investment program and the Commuter Car Park Fund.

Ms Foster: I don't believe there have been, but I'd like to check that answer and come back to you on notice.

Senator WATERS: Are you able to come back to us after the lunch break?

Ms Foster: I'll see what I can do.

CHAIR: The committee will now suspend.

Senator WONG: There were some things taken on notice before the break in the morning session, Chair. Are they going to be available after lunch?

CHAIR: I don't know what you're referring to specifically, Senator Wong.

Senator WONG: There were questions on notice from me about the document—the letter of 10 April, the brief—and you were going to confirm whether there was any record of the email correspondence.

Senator Cormann: This is closed now.

Senator WONG: I'm just asking because I'm going to return to it after lunch. It was the first set of questions.

Ms Foster: Yes.

Proceedings suspended from 12:32 to 13:30

CHAIR: The committee will now resume. Minister, were you indicating you have something?

Senator Cormann: Yes, just one small correction and also some additional information in relation to matters raised this morning. Firstly, Senator Rice asked me about a response to the order for the production of documents. I indicated that I provided the response to the Senate. It was, in fact, Minister Colbeck who provided that response, but I was of course aware of it as part of the briefings to enable me to answer relevant questions. I should say that I did speak with Senator Abetz during the break and he is absolutely adamant that he did not have an unredacted version of that document with him in the hearing, as was alleged by Senator Rice. I should also say that I've had a conversation with Senator McKenzie, who unequivocally confirmed to me that the brief proving the third round of projects in the sports grants program was signed by her on 4 April—no ifs; no buts.

CHAIR: Thank you, Senator Cormann.

Ms Foster: There were some other questions that we took on notice. Senator Wong asked whether or not the brief on 4 April was equivocal in any way. No, Senator, it was a decision brief. The minister approved a list of projects in that brief.

Senator WONG: I am concerned that you're happy to provide some evidence about that but not the document itself. With all due respect, Ms Foster, you've also selectively quoted from the Auditor-General's report in this hearing, so I don't propose to rely on your—

Senator Cormann: That is an inappropriate reflection on Ms Foster's—

Senator WONG: I don't think it's reasonable, given the allegations which have been made publicly and the evidence which is in the public domain, for you to simply dismiss the brief without actually providing it on the basis that your second-hand version is fully accurate.

Ms Foster: With respect to the audit report, that's a document that's on the public record.

Senator WONG: Correct, and you have quoted bits of it and not others.

Senator Cormann: Senator Wong, please treat the officer with some respect and courtesy.

Senator WONG: I'm very disappointed with what's happened to PM&C over the years.

Senator Cormann: That is just more political commentary—

Senator WONG: It's not; it's actually a democracy point.

Senator Cormann: It's not as though your observations are objective in any way. You are deeply conflicted as a political opponent of the government of the day. I assume that you did not vote for Scott Morrison last time and you won't vote for him next time, so don't give us this.

CHAIR: Ms Foster, were you finished?

Ms Foster: I am trying, from the material that I'm drawing on, to answer the questions of the Senate—nothing more; nothing less. A senator asked about whether there had been any other requests made of the secretary under section 4 of the ministerial standards—

CHAIR: I think that was Senator Waters.

Ms Foster: since, I think, 21 October—and the answer to that is no.

Senator WATERS: Except for the McKenzie request.

Ms Foster: That's correct. Senator Patrick asked about the storage of the Gaetjens report. As I indicated to Senator O'Neill, the documents prepared for the Governance Committee of cabinet relating to advice under section 7.4 are typically not stored on the cabinet system, and in this case that was not stored on the cabinet system. There was, however, a record of the meeting of the government as committee and a minute relating to that.

Senator WONG: Can I just clarify that evidence: this is in relation to the Gaetjens report?

Ms Foster: That's correct.

Senator WONG: So, information about that document, and the document draft itself, was not transmitted via the—sorry, what is the cabinet system called?

Ms Foster: CabNet.

Senator WONG: So it was not circulated by CabNet?

Ms Foster: No, it wasn't, Senator; this is our standard practice for all such reports—is that we prepare them and provide them by hand.

Senator Cormann: And the way this practice works, on a regular basis, is that for particularly sensitive documents, they are provided in a sleeve—with 'Do not remove from cabinet room'—to the members of either the cabinet or relevant cabinet committee. Those documents are prepared for the consideration of cabinet or a cabinet committee, are considered by that cabinet or cabinet committee, deliberated on, and then, obviously, handled in an appropriately sensitive and confidential manner.

CHAIR: Senator Waters, did that answer to your question on notice deal with your questions?

Senator WATERS: Mostly. If there was a chance for two minutes of questions, that would be great, and then I'm done.

Senator WONG: Well, I—alright, two minutes.

Senator WATERS: Thank you. Just picking up on your answer, Ms Foster, why was no advice sought by the PM of the secretary about whether there'd been a breach of the ministerial standards in relation to Minister Taylor's involvement in the Jam Land matter?

Senator Cormann: That is not a question for Ms Foster. That is a question for me representing the Prime Minister.

Senator WATERS: Yes.

Senator Cormann: Because there were no facts in front of the government that would have warranted such an action.

Senator WATERS: Were you looking?

Senator Cormann: There is nothing at all in the public domain that would warrant that sort of course of action. Again, we understand the Greens don't particularly like—

Senator WATERS: Corruption; no, we don't.

Senator Cormann: The Greens don't particularly like Minister Taylor, but that is not a sufficient ground to refer a minister—

Senator WATERS: I've got no problem with Minister Taylor; it's his corrupt activities I've got problems with.

Senator Cormann: Chair, on the same basis as Senator Wong had to withdraw the allegation against the Prime Minister, Senator Waters should be asked to withdraw.

CHAIR: Senator Waters, I would ask—

Senator WONG: I didn't withdraw it against the Liberal Party, I've maintained that.

CHAIR: Senator Wong, that does not assist.

Senator Cormann: This reflects very badly on you, Senator Waters, making allegations like this.

Senator WONG: I just want to make sure we're clear—

CHAIR: Senator Wong, I know you're keen to get the call. Let's expedite that process for your benefit. Senator Waters, I would ask that you withdraw that.

Senator WATERS: For the sake of continuing on: I withdraw.

Senator Cormann: No; it has to be unqualified.

Senator WATERS: Is that not a withdrawal?

CHAIR: Order! Senator Waters, there are no withdrawals other than unconditional withdrawals. It's not for the sake of time or any other reason; it's withdrawn because it's against the standing orders.

Senator WONG: That's not fair. People do it all the time.

Senator Cormann: We don't do it all the time.

CHAIR: I don't accept that.

Senator WONG: It's not good practice; Senator Abetz does it all the time.

Senator WATERS: I will withdraw the words, but I still hold that view personally.

CHAIR: Senator Waters, that's not a withdrawal. I think you clearly know you can't imply that you still believe the thing you're withdrawing. You're either withdrawing it or you're not withdrawing it. And if you're not withdrawing it, then we'll have to have a private meeting to consider it.

Senator WATERS: I can make a statement of my own belief. I don't want to get into an argument about this, because we don't have a lot of time.

CHAIR: Are you withdrawing?

Senator WATERS: I have withdrawn the remarks but I remain of that view personally, which is my right.

CHAIR: Senator Waters, this is a word game.

Senator WATERS: No; I'm sorry, but surely that's a sufficient withdrawal.

CHAIR: No, it's absolutely not sufficient, Senator Waters. I think we're going to have to have a private meeting to consider this.

Senator WONG: Can I ask some questions, please, before the private meeting?

Senator WATERS: I think it's getting a bit silly.

CHAIR: I agree, which is why you should just unconditionally withdraw, and then we can move on.

Senator WATERS: I will withdraw the words from the record.

CHAIR: Thank you, Senator Waters.

Senator WATERS: Just in the brief time that's remaining: has any advice been sought into allegations of rotting about the Female Facilities and Water Safety Stream, the Communities Environment Program grants, the Regional Jobs and Investment Packages and the Commuter Car Park Fund? Has the secretary been asked to investigate whether any of those examples of ministerial conduct breached the ministerial standards?

Ms Foster: No, Senator.

Senator WATERS: And, if not, why not? Perhaps Minister Cormann might take that one.

Senator Cormann: My answer is the same as before: there are absolutely no grounds to pursue that course of action.

Senator WATERS: But that's only because you don't accept the ANAO's independent investigations. If you don't look, you won't find anything.

Senator Cormann: Well, that is just not right. But I understand that you have a particular perspective on these things, which is politically motivated, and that's fine. I respect that. But from where we sit there's absolutely no justification to refer somebody to this sort of process just because you happen not to like them.

Senator WATERS: I don't want to misquote you here, Minister: are you stating that you have no concern about any of the reported activities in relation to those named funds?

Senator Cormann: Obviously the government is not concerned. If we were concerned, we would have taken action.

Senator WATERS: In the interests of respecting an agreement, given the shortness of time I might come back to you later.

CHAIR: Thank you, Senator Waters. Senator Wong.

Senator WONG: I appreciate that, Senator Waters. Ms Foster, in order to answer the question you answered earlier about the nature of the brief of 10 April—

Senator Cormann: 4 April.

Senator WONG: Ms Foster described it as 10 April.

Senator Cormann: No, she described it as 4 April, actually. We talked about it and I listened to it.

Senator WONG: Ms Foster, did you make sure you spoke to the minister and/or the PMO about your answer during the lunch break?

Senator Cormann: She made me aware just before we—

Senator WONG: Did you speak to the PMO, Ms Foster?

Ms Foster: I didn't, Senator.

Senator WONG: You sighted the brief?

Ms Foster: I did, Senator.

Senator WONG: What was the purpose of it being sent to the Prime Minister? Is it stated in the brief?

Senator Cormann: The 4 April brief? Which brief are you talking about? I want to know which brief you are talking about.

Senator WONG: Excuse me!

CHAIR: Order, Senator Wong! It is reasonable to seek clarification.

Senator WONG: The brief from Senator McKenzie which the Prime Minister received on 10 April.

Ms Foster: Sorry, Senator, I think there is a confusion. I was answering the question on notice that you asked me about the brief that Sport Australia submitted to Minister McKenzie, which she signed on 4 April. You had asked me 'Was that a decision brief?' and I was—

Senator WONG: But there is a different piece of correspondence that was provided to the Prime Minister on 10 April?

Ms Foster: I can confirm that we have no visibility or knowledge of an exchange between Senator McKenzie and the Prime Minister on 10 April, nor is it recorded in the PDMS—

Senator WONG: But you do have knowledge because it is in the Auditor-General's evidence to the Senate?

Ms Foster: Because it's in the public domain, yes.

Senator WONG: But you have no—

Senator Cormann: And what I can confirm in response to—

Senator WONG: Can I finish?

Senator Cormann: No, I'm still answering the question.

CHAIR: Let's do this in an orderly way, Minister.

Senator Cormann: I'm entitled to answer questions.

CHAIR: Indeed.

Senator WONG: I haven't finished—

Senator Cormann: I haven't finished the answer to your previous question. I will answer your previous question. To be extremely clear again: the decision brief was signed on 4 April and Senator McKenzie, during the break, was unequivocal to me that she signed that brief on 4 April. Any communications between Senator McKenzie's office and the Prime Minister's office subsequent to that date were around announcement logistics and making arrangements for the relevant announcement schedule, and that is obviously consistent with usual practice.

Senator WONG: There is so much I could say but, in the interests of time, I'll leave it there. Ms Foster, you have not been able to find the 10 April correspondence, or any record of it, that is referred to in the Auditor-General's evidence, is that correct?

Ms Foster: That's correct, Senator.

Senator Cormann: And—

Senator WONG: Can I—

Senator Cormann: No. Communications between ministers' offices—

Senator WONG: You can always tell when you're in trouble: you talk a lot and you go red.

Senator Cormann: You can make all sorts of assertions. I will answer and provide proper context. There is communication between ministers' offices and the Prime Minister's office around announcement arrangements. It's not something you would expect to go through the relevant departments. In fact, if ministers' offices were to involve departments in announcement arrangements to this extent, you would probably argue that that would be the wrong thing for us to do. So there is nothing unusual in the fact that the 10 April communication didn't go through the department. The relevant brief was signed on 4 April, about seven days before the government went into caretaker mode, and that is when the decisions were made.

Senator WONG: Ms Foster, questions on notice 942 and 645 refer to a Cabinet Office Policy Committee.

Ms Foster: Yes, Senator.

Senator WONG: The Cabinet Office Policy Committee membership on the website only has as its membership one person—that is, the Prime Minister. Is that right?

Senator Cormann: Can you rephrase that question. I didn't properly hear that.

Senator WONG: If you go to the government directory, which lists cabinet committees, the only member of that committee is the Prime Minister—

Senator Cormann: Which committee is this?

Senator WONG: The Cabinet Office Policy Committee, the one I asked the question about. Ms Foster, is that correct?

Ms Foster: The Prime Minister convenes other participants in that committee as necessary and appropriate for the topic being discussed.

Senator WONG: So it's only him? He is the only permanent member?

Senator Cormann: No, it's not only him. That's not right.

Senator WONG: Hang on. It's your answer to the question. The two documents are the question on notice and what is on the website in relation to membership of this cabinet committee. I'd really appreciate it if people could listen to my question, so shall I wait till you finish having a chat? Ms Foster—

Senator Cormann: This process is—

Senator WONG: I haven't asked a question.

Senator Cormann: Well, yes you have.

Senator WONG: Yes. I want to know: is the website correct when it lists the only person on that committee, permanent member, is the chair, Mr Morrison?

Senator Cormann: The only permanent member? That is right, because this is a committee—

Senator WONG: Do those discussions take a long time? Does he have a chat to himself?

Senator Cormann: The way to look at the COPC process is that this is an opportunity—

Senator WONG: COPC?

Senator Cormann: to do deep dives—

Senator WONG: Deep dives? Okay.

Senator Cormann: into specific policy issues involving members of parliament and other Public Service and government stakeholders as appropriate to flesh out an issue in depth in preparation for future consideration by government.

Senator WONG: So COPC, as you call it, is his own private committee, is it—Mr Morrison's own cabinet committee?

Senator Cormann: It's not a private committee. It's—

Senator WONG: Well, there's only one member. It's a one-man committee.

Senator Cormann: You can run this confected sort of—

Senator WONG: It's not mine. Guys, we downloaded it from your website.

Senator Cormann: No, but the way you're seeking to characterise it—

Senator WONG: Cabinet Office Policy Committee.

Senator Cormann: The way you're seeking to characterise it—

Senator WONG: It's just one person. How's that a committee? A committee of one?

CHAIR: Senator Wong, order! I don't think this level of volume is necessary for this matter.

Senator Cormann: I was actually quite genuinely and sincerely and openly and transparently providing an explanation to you, but you were clearly not interested in that explanation. You were just interested in trying to get another grab on the evening television stations. You're now competing with yourself, Senator Wong. I think you've already got your grabs out for tonight, so I wouldn't try too hard. But this is a process that enables the Prime Minister to go in depth into public policy issues across government involving a whole range of stakeholders, including non-ministerial, backbench members of parliament who have a particular interest in specific public policy topics in preparation of consideration by government through a—

Senator WONG: So it's a cabinet committee which involves people who are not in cabinet and involves, potentially, people who are not in parliament, on an ad hoc basis, as and when the Prime Minister sees fit? Is that right?

Senator Cormann: It's to ensure that the Prime Minister has the opportunity to fully inform himself and get a good appreciation of a diversity of views in an in-depth way in preparation for consideration by government in relation to these issues.

Senator WONG: But he's the only member of the cabinet policy committee?

Senator Cormann: He's the only permanent member.

Senator WONG: Who else is a member?

Senator Cormann: Again, it depends on the issue at hand. If you've got specific—

Senator WONG: Do non-cabinet members get invited?

Senator Cormann: Did you listen to my previous answer?

Senator WONG: I just want to confirm.

Senator Cormann: It depends on the issue as to who gets invited.

Senator WONG: So do nonmembers of cabinet get invited?

Senator Cormann: Yes. I've already answered that.

Senator WONG: Do nonmembers of parliament or senators get invited?

Senator Cormann: I've already answered that too—yes, public servants obviously get—

Senator WONG: Do stakeholders? I'm saying, apart from public servants—

Senator Cormann: I'll take it on notice to make sure 100 per cent, but—

Senator WONG: Who provides the secretariat for this or the support? Is that your division?

Ms Foster: The Cabinet Secretary.

Senator WONG: So Mr Shearer does this?

Ms Foster: As always, supported by Cabinet Division.

Senator Cormann: This is all part of good public policy development, of course, making sure that we've got the broadest possible input.

Senator WONG: A cabinet committee of one is very good public policy!

Senator Cormann: The cabinet is very interested in the broadest possible input.

Senator WONG: The broadest possible input, from a one-man committee!

Senator Cormann: You can repeat this as much as you like. I think that what people will hear is that the Prime Minister is seeking to get the best possible information.

Senator WONG: Are decisions taken by COPC?

Ms Foster: Typically the COPCs are used to explore the issue being considered and to direct further work, which would then be considered by either an ERC or a cabinet meeting, which is where the formal cabinet decisions would be taken.

Senator Cormann: The short answer is—

Senator WONG: Wow! We can always tell when we're onto something, because you always babble on.

Senator Cormann: You're actually not onto anything, but I want to make sure that you get the precise answer—

Senator WONG: You really do.

Senator Cormann: a very direct answer to your question.

Senator WONG: No, you don't. Whenever you're in trouble, you always talk a lot.

Senator Cormann: Any decisions have to be made by the cabinet.

Senator WONG: And you go red.

Senator Cormann: Really?

Senator WONG: Yes. It's true. We know when you're in trouble because you talk a lot.

CHAIR: Order! Senator Wong.

Senator WONG: Can I just ask questions—

Senator Cormann: This is just ridiculous. I know when you haven't got anything to ask about, because you just come up with—

Senator WONG: I've got reams of questions I can't get to because you're just talking at us.

CHAIR: Order! Senator Wong, can I suggest perhaps sticking to those questions rather than reflections.

Senator WONG: I'm trying to, but I can't get an answer to—

Senator Cormann: And let me answer the previous question because you clearly are not interested in answers but I will stick to my determination to provide you with answers—that is, no, COPC doesn't like decisions; COPC explores issues on a needs basis, in depth, strategically, and ultimately decisions have to be made by the cabinet.

Senator WONG: So, Ms Foster has COPC ever made a decision?

Ms Foster: I'd have to take that on notice; I don't know.

Senator WONG: Do you attend?

Ms Foster: No. I'm just trying to think: I've never attended a—

Senator WONG: How is the agenda set? Who decides—is that Mr Shearer?

Senator Cormann: Ultimately, the need for a meeting is a matter for the Prime Minister, and I think you'll find that the Prime Minister, working with the cabinet secretary as appropriate, would set the agenda.

Senator WONG: Are COPC regarded as cabinet in confidence, notwithstanding that the Prime Minister may be the only cabinet member present?

Senator Cormann: Sorry, what is your question?

Senator WONG: I'm asking whether or not you get the benefit of cabinet status, cabinet confidentiality, for COPC discussions, notwithstanding that the Prime Minister may be the only cabinet member present?

Senator Cormann: These are essentially discussions exploring a topic. I don't think you'll find that there are decision minutes in the way that you are suggesting, but let me take on notice to make sure I get you a technically 100 per cent accurate answer to that question. It seems to me, if we observe that Monday follows Sunday, you'd find a way to be outraged about that.

Senator WONG: I'm just asking questions about this.

Senator Cormann: You see controversy in night following day and water being wet. It's unbelievable the way you can come up with confected outrage on things that are completely normal.

Senator WONG: Can I ask a question—

Senator Cormann: Sure.

Senator WONG: or are you still intent on talking?

Senator Cormann: I've just noticed that you've made observations four or five times.

Senator WONG: I'm trying to ask questions.

Senator Cormann: You're actually not concerned about anything, because there's nothing that you've raised that in any way is concerning.

Senator WONG: Shall we just move to give him five minutes to get it off his chest so we can go on with questions?

Senator AYRES: We did just have an hour break.

Senator WONG: I just want to be able to ask some questions.

Senator AYRES: I just wonder whether Senator Cormann needs a nap.

CHAIR: Order! Senator Ayres, that's not helpful.

Senator WONG: Ms Foster, you—

Senator Cormann: If this is the standard of this committee—

Senator WONG: Can I please ask a question?

Senator AYRES: Your behaviour is extraordinary: you don't stop talking.

Senator WONG: Chair, can I ask a question? Point of order, Chair: may I ask a question?

CHAIR: You certainly may.

Senator WONG: Call the minister to order, please.

CHAIR: Yes, I have. Order! Both Senator Wong and Minister.

Senator WONG: I'm just trying to ask a question.

CHAIR: Yes, indeed.

Senator WONG: Thank you.

CHAIR: And it would be helpful if we allow these things to occur one after each other and not at the same time. You're both guilty of that and I'd ask you both to stick to your appointed roles in this instance.

Senator WONG: Ms Foster, have you or have you not attended a COPC meeting?

Ms Foster: I have not, Senator.

Senator WONG: So who in cabinet office, or in your division, has attended?

Ms Foster: It depends on the subject matter, and so—

Senator WONG: I just want to know generally who's attended? Mr Shearer attends most of them?

Ms Foster: I believe so, but having not been there I can't confirm that.

Senator WONG: Do you see the agenda?

Ms Foster: I would always have access to the agenda.

Senator WONG: What sort of things go to COPC?

Senator Cormann: If you want to have specific information about things that have gone to COPC, then I'll take that on notice and provide you with the relevant information.

Senator WONG: The point is you've got a cabinet committee which is a member of one which gains the benefit of cabinet confidentiality.

Senator Cormann: That is your assertion. Let's just review the answers when they—

Senator WONG: The document off the website which told me about this actually makes clear that COPC does make decisions. It says:

Decisions of the COP must be endorsed by the Cabinet.

Presumably that means there are decisions to endorse. Is that not right?

Senator Cormann: This is what I've said before: any decisions have to be made by the cabinet.

Senator WONG: No, there's a difference. There's a difference between making them and endorsing them. The *Cabinet Handbook*, or whatever the document on the website is called, says:

Decisions of the COP must be endorsed by the Cabinet.

That is a different thing from what you have said, which is that decisions have to be made by the cabinet. What the document says, contrary to your evidence today, Senator Cormann, is that the COP does make decisions but they are endorsed by the cabinet.

Senator Cormann: No, this goes to the definition of what is a decision. When I talk 'decision' in the cabinet sense, I am talking about policy decisions that are reflected as measures. COPC doesn't make policy decisions that are reflected as measures in a budget, for example; COPC might make a decision to do further work. That is obviously not the same thing. If COPC were to say in relation to a particular policy matter, 'We need to explore in some more depth X, Y and Z,' I guess you can say that's a decision, but it is not a policy decision which ultimately is reflected in a future budget document.

Senator WONG: A future budget document is not the only place that a cabinet decision gets reflected. Ms Foster and Senator Cormann, do either of you know if members of the Liberal Party organisation—not members of the Liberal Party who are members and senators, but members of the Liberal Party party organisation—have ever attended a COPC meeting?

Senator Cormann: I am not aware. I will take that on notice.

Senator WONG: Crosby Textor or any other pollsters?

Senator Cormann: I have taken that on notice.

Senator WONG: You don't know?

Senator Cormann: I don't know. When you ask a question, 'Have they ever?' I just want to make sure.

Senator WONG: Can you tell me which members or senators have attended a COPC?

Senator Cormann: I'll take that on notice.

Senator WONG: Who picks them?

Senator Cormann: Obviously it depends on the topic. The Prime Minister is running the government.

Senator WONG: Yes, the Prime Minister is running the government. He's got a one-man policy committee.

Senator Cormann: And the Australian people endorsed him to continue doing it.

Senator WONG: They did. We know. So he hand-picks which of his favourite members and senators get to go?

Senator Cormann: I disagree with—

Senator WONG: I'm asking you. Who picks them?

Senator Cormann: I disagree with the characterisation as his favourite. I disagree with that characterisation.

Senator WONG: I'll remove 'favourite'.

Senator Cormann: The Prime Minister makes judgements in relation to all sorts of issues, including the personnel of the cabinet and the personnel of the ministry. In relation to COPC, it is guided by the issue under consideration as to who has a relevant interest and who has got relevant expertise to contribute.

Senator WONG: Given what the cabinet government means, which is a key element of robust, healthy debate between cabinet members to test and formulate a decision, can you tell me why the Prime Minister doesn't trust any other of his colleagues to be a member of this cabinet committee with him?

Senator Cormann: I reject that characterisation completely.

Senator WONG: Alright. Why doesn't he have anyone else?

Senator Cormann: It's wrong. What you are asserting is wrong.

Senator WONG: He is a one-man committee.

Senator Cormann: If I can answer for once, Senator Paterson, without being rudely interrupted by Senator Wong every five seconds, that would be helpful. Other Cabinet members are involved in discussions that are relevant to their portfolio responsibility. The Prime Minister, by definition, goes across the whole of the government, but other cabinet members are involved as required and as appropriate.

Senator WONG: And you get cabinet cover for these discussions in COPC?

Senator Cormann: Well—

Senator WONG: Hang on, let me finish the question. I listened to that very lengthy answer in silence.

Senator Cormann: It wasn't lengthy.

CHAIR: Order! Senator Wong.

Senator WONG: You get the capacity to prevent any inquiry about what is on that agenda, notwithstanding there is only one member of the cabinet, and that is Mr Morrison—

Senator Cormann: If you're suggesting—

Senator WONG: Can I finish the question?

CHAIR: That's reasonable, Senator Wong.

Senator WONG: Thank you. I'll start again. Notwithstanding there is only one member of the cabinet on that cabinet committee, notwithstanding it does involve a whole range of people who are not in the cabinet and possibly even people who are not in the parliament, you are able to claim cabinet confidentiality in relation to every aspect of that meeting? That is just a lack of transparency and accountability and, frankly, an abuse of the notion of cabinet in confidence.

Senator Cormann: I disagree with that. You are making all sorts of assertions that I don't necessarily accept. Is there is an attempt within government to rely on the broadest possible advice, including from our backbench members and senators who have particular expertise, as appropriate? Yes. Do we conduct these discussions to help inform cabinet deliberations on these topics? Yes. Does that help deliver good decisions, better decisions, and good public policy outcomes? Absolutely.

Senator WONG: Can I read to you your answer to question on notice 942. Senator Kitching asked a range of questions about the deep dives and which officials and backbenchers participated in this. These are all public interest questions: have Liberal Party officials attended and have Crosby Textor staff members participated? Do you know what you said?

Senator Cormann: You remind me.

Senator WONG: You said:

The Cabinet Office Policy Committee is a committee of Cabinet and it is longstanding practice not to disclose the operation and business of the Cabinet, as to do so could potentially reveal the deliberations of the Cabinet.

You just use these conventions to cover up blatant political decision-making—

Senator Cormann: I completely reject that proposition.

Senator WONG: And it's extraordinary that you can sit here after coming into the parliament saying how much you respect the parliament and pretend to us that this answer is nothing more than yet another Scott Morrison cover-up.

Senator Cormann: I completely reject that. Did you ever do deep dives when you were in government in relation to specific issues?

Senator WONG: We didn't have cabinet committees of one, no—that's true.

Senator Cormann: You never did a deep dive. Maybe you should have; you might still have been here.

Senator WONG: Can I yield to Senator Kitching?

CHAIR: You may.

Senator KITCHING: Can I ask a very simple question: will the budget be in surplus in '19-20, as the Prime Minister promised?

Senator Cormann: The most recent budget forecast released in the half-yearly budget update in December was that the 2019-20 budget would be in surplus to the tune of \$5 billion. You know that we don't provide ad hoc commentary around the budget bottom line in between budget and budget updates. Everybody knows that a series of events has happened since the release of the half-yearly budget update mid-December, not least of which is the ongoing impact of the coronavirus—the impact on the economy and ultimately, over time, the impact on the budget. It would be premature to quantify that impact as I sit here today, but we do expect an

impact. As is usual practice, the impact of the coronavirus on the economy, on the budget, and the impact of other developments in the economy, in the community, and indeed the impact of decisions, will be reflected in the budget to be released on the second Tuesday in May.

Senator KITCHING: So it might have been premature for the Prime Minister to issue a meme and the Liberal Party to issue a mug?

Senator Cormann: Based on what we knew back on 2 April 2019, that was entirely appropriate. Indeed, last financial year we returned the budget to balance as a result of the hard decisions that we made, the difficult and hard work that we pursued to repair the budget, compared to what we had inherited. So it was appropriate at that time. But since then events beyond our control obviously have occurred, and the economic and fiscal impact of those events will ultimately be reflected in the next budget.

I should say that, if the government had not done everything we could to help repair the budget, we would be going into this challenging period in a much weaker position. The fact that we have worked as hard as we have to bring the budget back to balance last year and into the position it was in at MYEFO, with a forecast \$5 billion surplus for 2019-20—we would be in a much less resilient and weaker position now to deal with the inevitable challenges that are coming our way and that we will have to deal with. The government is consequently in a much better position to deal with what is coming our way.

Senator KITCHING: While we're on the Prime Minister's office issuing memes et cetera, in relation to question on notice 944 and the spend by the department of more than \$1.2 million on the Prime Minister's office, given Finance pays the salaries of the Prime Minister's staff and the cost of travel for both the Prime Minister and his staff, could I get a breakdown of those costs? What I want to know is how we get to the \$1.2 million.

Senator Cormann: We might have to provide that on notice. We've got the answer here to the question on notice—

Senator KITCHING: Can I get a breakdown of those costs?

Ms Foster: We will certainly take that on notice, Senator.

Senator KITCHING: Could I also have an update on how expenditure in the office is tracking in this financial year?

Ms Foster: Yes, I will provide that if that's available.

Senator KITCHING: While I'm still on the Prime Minister's office, I'll refer to questions on notice 24 and 168 in relation to the official photographer. Is he or she a public servant or a political staffer?

Senator Cormann: A staffer under the MOP(S) Act. I don't agree with your characterisation. We've got permanent public servants or we've got people appointed under the MOP(S) Act. I'm not sure that I'd describe them the way you have.

Ms Foster: Senator, I think I can confirm that it's not a PM&C staff member, but I'll have someone correct me if I'm wrong. As to the provisions under which the Prime Minister has employed the photographer, I'm not aware.

Senator KITCHING: So, if it's not a PM&C person it would be a political staffer.

Senator Cormann: It would be a staffer on the same basis as all of us have staff under the MOP(S) Act, but we're happy to clarify that for you.

Senator KITCHING: What makes the staffer official? The title is 'official photographer'.

Senator Cormann: He works for the Prime Minister.

Senator KITCHING: Does that person do anything other than go with the Prime Minister to take photographs?

Senator Cormann: Personally I'm not aware of his full job description, but if you're interested in his full job description I'm happy to provide you with further information on notice.

Senator KITCHING: Thank you. I asked a chamber question, No. 1052. It states that the Commonwealth retains copyright over photographs taken by members of the Prime Minister's staff in the course of their employment. What does that mean in practice?

Senator Cormann: Well, I think it means what it says.

Senator KITCHING: Which Commonwealth official therefore approves the publication of those photographs?

Senator Cormann: I'd have to take on notice. the approval process for the use of photographs taken by the official photographer in the Prime Minister's office. I have never myself sought permission to publish any such pictures.

Senator KITCHING: If the copyright's vested in the Commonwealth, have any of the photographs been used in material authorised by the Liberal Party? And I'm happy for that to go on notice.

Senator Cormann: I'll take it on notice.

Senator KITCHING: Is the department aware that a photograph taken by the Prime Minister's photographer was used to promote an announcement by the Liberal candidate for Lindsay during the last election campaign? And did you seek to protect the copyright vested in the Commonwealth?

Senator Cormann: I'm not aware, but I'm happy to take that question on notice.

Senator KITCHING: And maybe also on notice: was this the only occasion during the election campaign that photographs like this were used to promote the Liberal Party?

Senator Cormann: I'm happy to take that on notice.

Senator KITCHING: The Prime Minister's office has quite a large array of photography equipment, including two cameras, each valued at over \$7,000, purchased months after Mr Morrison became Prime Minister. Was any of this equipment used to support the Liberal Party during the 2019 election campaign?

Senator Cormann: I'll take that on notice, but I would observe that I think you'll find that at the respective levels most if not all members of parliament have relevant equipment, which they use in the course of their duties. I would be very surprised if Mr Shorten, as the then Leader of the Opposition, or Mr Albanese now, did not have access to some sort of equipment of that nature, which I'm sure would be used for the operations of the opposition in a way that is consistent with the way this sort of equipment is used by the government.

Senator KITCHING: Just going back—and I'm happy to table this meme: it's the Prime Minister with 'back in black: the first budget surplus in over a decade'—did the official photographer take this photograph?

Senator Cormann: I'm not aware.

Senator KITCHING: Did the department assert any copyright in these photographs if they were used by—

Senator Cormann: Well, I think we've already ascertained that the official photographer in the Prime Minister's office is not an employee of the department. That's already been made clear. What the processes are in relation to copyright and related matters I have taken on notice. So it's difficult to answer the question that you're posing there, which assumes that an answer has been received, and it's been taken on notice.

Senator KITCHING: Could I ask how many overseas trips the photographer went on, accompanying Mr Morrison? And I'm happy to have that on notice.

Senator Cormann: Yes, you can ask, and I'm happy to provide the answer on notice.

Senator KITCHING: Thank you.

Senator RICE: I want to return to the sports rorts issue and the ANAO report. It refers to representations received by Minister McKenzie's office, including indirectly by the Prime Minister's office. Did the Department of Prime Minister and Cabinet play any coordinating role, in relation to those representations?

Ms Foster: No.

Senator RICE: So it was a purely political process, then, from the Prime Minister's office.

Senator Cormann: Which process was a 'purely political process'?

Senator RICE: The representations that were received by Minister McKenzie from the Prime Minister's office. The ANAO report refers to them, including indirectly via the PMO.

Senator Cormann: It was a process, which is consistent with practice since time immemorial between the Prime Minister's office and relevant ministers' offices. Of course there are communications, and the Prime Minister has explained the involvement of his office in passing on representations. The Auditor-General has been very clear that the decision-maker was Senator McKenzie and that he did not believe that representations were material in determining what decisions were ultimately made. Subsequent to the decisions made on 4 April, any communications between the minister's office and the Prime Minister's Office were in relation to announcement arrangements, which is also something that you will, of course, expect. That doesn't involve the department. It happens at a minister's-office-to-Prime-Minister's-office level.

Senator RICE: We're talking about the reference to the representations, and if there was no involvement of PM&C then it was purely a matter between the Prime Minister's office and Minister McKenzie's office, which I then interpreted as a political process rather than involving the department.

Ms Foster: We wouldn't have expected it to involve the department, because the program was being administered by Sport Australia and the decision-maker was Senator McKenzie. So there was no role for the Department of Prime Minister and Cabinet in that process.

Senator RICE: There was a role for the Prime Minister. The ANAO identified nine special projects that were given an opportunity to provide late or resubmitted applications. Did PM&C provide any advice in relation to those applications?

Ms Foster: No, we didn't, but I'd add the same rider as I did before: it's not a program that PM&C was administering nor was our minister the decision-maker.

Senator RICE: Is PM&C aware of any instances of projects being moved between funding programs, including between the community sports initiatives, the community development programs or the stronger communities programs?

Ms Foster: I'm not—I'm hesitating because there's been a lot of information in the public domain—

Senator RICE: There were some heavily redacted emails that seemed to indicate that projects were being shifted between grants projects.

Ms Foster: but in terms of knowledge—

Senator Cormann: That's not right. That assertion you're making is not right. There can be some overlap, in terms of eligibility, for certain community or sports organisations projects, which may be eligible for one or the other, and, in the course of making representations, pointing out the fact that if a particular project is not able to be successful in this round, under this program, that they may be eligible to participate in other grants projects that may be on foot. That is just consistent with the way the Prime Minister has characterised his involvement and the involvement of his office to facilitate representations where and as appropriate.

Senator RICE: All would be clearer if the emails were released in a form that wasn't so heavily redacted, and then the community could see. But you are not aware of any projects actually having been approved under one program—as you know, there were the recommendations from Sport Australia, and then the minister approved a whole different lot of projects being shifted from one program to the other.

Ms Foster: All I'm aware of, and I can't remember through what piece of evidence, whether it was evidence of one of the people presenting to the inquiry, is that if a project was being considered in two different programs then, clearly, it wouldn't be funded by both. So there could be some level of transfer as a result of that anomaly.

Senator RICE: Yes, which enables some juggling between programs, effectively, doesn't it? You could choose to fund it in this program rather than the other to fit other programs into that other grants program.

Ms Foster: I think the—

Senator Cormann: Projects can be eligible to participate in different programs, and if a project is unsuccessful in one particular program because it's oversubscribed it's obviously helpful to point out what other opportunities there may be to still participate.

Senator RICE: Or the minister is choosing programs that have scored very lowly on the Sport Australia criteria.

Senator Cormann: No. The minister exercised her discretion. Legal advice to Sport Australia, again, made clear that the minister had the right to exercise her discretion in order to ensure there was an appropriately fair distribution of the limited funds available under this program based on geography and based on the different sports putting forward grants applications. Indeed, as a result of the decisions the minister made compared to the recommendations of Sport Australia, the proportion of projects funded in Labor-held seats went from 26 per cent to 35 per cent. So, arguably, the minister, through her decision, reduced the level of bias against Labor-held electorates.

Senator RICE: That's not the question I'm asking.

Senator Cormann: You're not interested in that. I know. You're alleging political bias, but you're not interested in the fact there is evidence to the contrary.

Senator RICE: We've heard it many times before—the whole interconnected set of rorts. I move on to the special envoy for drought and away from sports rorts. Was the member for New England offered a salary for his role as a special envoy?

Ms Foster: I believe not, Senator. The answer is no.

Senator RICE: You believe not. Are you certain of that?

Ms Foster: No, I'm—

Senator Cormann: I'm sure we have gone through this in previous estimates.

Ms Foster: Yes, so am I.

Senator Cormann: I'm confident that he was not.

Senator RICE: You're confident that he was not. What framework was he appointed as a special envoy under?

Ms Foster: I'm not quite sure what you mean by 'framework'.

Senator RICE: Was there a framework? Was there something that says, 'If you do these things, you get to be a special envoy,' or was it just a role that was invented to be given to the member for New England?

Ms Foster: The Prime Minister appointed the special envoy.

Senator RICE: Yes. So, if the Prime Minister wants to employ a special envoy on anything, they can get extra staff and a travel budget without any restrictions, guidelines or limitations? It's just as the Prime Minister sees fit to employ a special envoy?

Ms Foster: The Prime Minister obviously will make decisions about where he needs to place emphasis and obviously, in this case, wished to place some additional emphasis on the issue of drought at the time that he appointed the envoy.

Senator RICE: But there were no guidelines and no framework under which he was engaged as the special envoy? It was essentially made up by the Prime Minister: 'Here's a job for Barnaby'?

Senator Cormann: The Prime Minister asked the member for New England to support and assist him in relation to a very important challenge at that time, and Barnaby Joyce did an outstanding job in relation to that and reported back to the Prime Minister as appropriate.

Senator RICE: I understand we haven't been given Mr Joyce's commissioning letter because, we are told, that it relates to cabinet deliberations. How does Mr Joyce's commissioning letter relate to cabinet deliberations given that he wasn't in cabinet?

Senator Cormann: I have to take that question on notice.

Senator RICE: The Prime Minister's first cabinet was announced on the same day as Mr Joyce's appointment.

Senator Cormann: I have to take that question on notice. I'm not aware of the context that you are raising. I know that we've gone, to some length, through these issues at previous estimates. I'll just have to refresh my memory.

Senator RICE: We had the first cabinet announced on 26 August, sworn in on 28 August, and his special envoy role was announced in the same media release as that of the cabinet, on 26 August, so it's a bit hard to see how it could be the subject of cabinet deliberations.

Senator Cormann: Firstly, the cabinet was actually continuing. Let's just be clear that there wasn't ever a situation without a cabinet. The cabinet was continuing and the Prime Minister was sworn in, obviously after he had successfully contested the leadership of the Liberal Party. These are events that are now about 18-plus months ago, so, in order to ensure that I provide you with accurate information, I will check it.

Senator RICE: We still haven't received any clarity. It goes to the point of the obscurity of anything that's declared 'Not available for public knowledge because of cabinet deliberations'.

Senator Cormann: I don't think it's obscure. That's your characterisation.

Senator RICE: Given that it's clear that the special envoy position was made up by the Prime Minister, it's just very hard to see how it could relate to cabinet deliberations when Mr Morrison's first cabinet was appointed only on the same day as the special envoy position was created.

Senator Cormann: The Prime Minister, as part of putting his team together, asked Barnaby Joyce to do a job for him in relation to a very important challenge for Australia at that time, and that was how best to respond to the drought situation and how the drought was impacting on rural communities, in particular across the east coast. Mr Joyce did provide advice to the Prime Minister and the cabinet as part of his responsibilities, which clearly was then the subject of decision-making in relation to the support measures that we put in place as a government to support drought-affected communities.

Senator RICE: Can you please, and I'm sure you'll have to take it on notice, get us a full list of the files created by the department in relation to the role and the work of the special envoy on drought.

Senator Cormann: We have to take that on notice.

Senator RICE: Thank you.

Senator WONG: Just quickly going back to this COPC, can you tell me when it was first established? Was it before or after the election?

Senator Cormann: Instinctively, my recollection is that it was established after the 2019 election, but in an abundance of caution I will check it on notice.

Senator WONG: Now, Senator Cormann, you have previously, in budget estimates April 2019, given dates of the ERC meetings. I'd like to have the dates on which the COPC has met since the election.

Senator Cormann: I will take that on notice.

Senator WONG: Thank you. I will turn now to bushfires. I know the agency is coming later, but I have some questions about the advice, the process of what engagement the Prime Minister and the Department of the Prime Minister and Cabinet had in relation to these issues prior to the summer. From March last year until the end of the year, can you tell me how many briefings the Prime Minister received on Australia's bushfire preparedness, the bushfire crisis and recovery?

Ms Foster: Senator, while Ms Miller is getting to the table, I think we're going to have to take that level of detail on notice.

Senator WONG: Thank you. I'd like that time frame, and then the time frame for this year as well.

Ms Foster: So from March to the end of this year—

Senator WONG: End of last year.

Ms Foster: end of last year—and then this year?

Senator WONG: Correct. And in each case the dates on which those briefings were provided and who provided them. Can you tell me on which dates the National Security Committee of cabinet has met in relation to bushfires?

Ms Foster: Again, we'll take that on notice.

Senator WONG: There's correspondence, which is in the public arena, which the Prime Minister received from former commissioner of fire and rescue in New South Wales Mr Mullins on behalf of 22 other former fire and emergency chiefs. It is reported that Mr Mullins wrote to the Prime Minister in April of last year, in May of last year and in September of last year seeking meetings to discuss how Australia could prepare for growing natural disasters. In their correspondence, the former fire and emergency chiefs warned of, amongst other things:

... our concern over climate change and the increasingly catastrophic extreme weather events putting lives, properties and livelihoods at greater risk, and often overwhelmingly our emergency services.

I want to know: can you confirm that the Prime Minister did receive correspondence from Mr Mullins and, if so, on which dates?

Ms Foster: Senator, Ms Wilson is going to come up and assist us on this.

Ms Wilson: I can confirm that the Prime Minister's office received those letters, but I'll have to take on notice the exact dates.

Senator WONG: The public reporting say April, May and September; are you in a position to at least broadly confirm those dates?

Ms Wilson: Yes, I can.

Senator WONG: Can you tell me, in relation to the April correspondence, do you have a record of the handling of that when it was received?

Ms Wilson: No, I don't. I'll have to take that on notice.

Senator WONG: How are you aware of it? Is it in the—sorry, what was that called?—PDMS? Is that what it's called?

Ms Wilson: Yes, it is called PDMS. I'm aware of the existence of the letters following publication by the ABC, and then we did search our records. I'm aware they were received by the Prime Minister's office, but I'm not aware of the dates. I'll take that on notice.

Senator WONG: But was the April letter provided to the department for advice and response?

Ms Wilson: I'll have to take that on notice.

Senator WONG: Really?

Ms Wilson: I can check with one of my staff members. My understanding—but I will take it on notice—is that some of these letters were received to a very specific inbox that is overseen by the Prime Minister's office.

Senator WONG: This has been, as you have rightly said, reported more than once, and quite a bit: three sets of different correspondence. You've made the effort to confirm that they were received at the Prime Minister's office, but you're not in a position to tell me which, if any, were sent to the department for response?

Ms Wilson: I'll check with my staff and we'll come back to you, but I'll get an answer to that for you.

Senator WONG: Thank you. I would like the details of that, on all three of them. The fire and emergency chiefs were also reported as saying they—

Senator Cormann: Former—

Senator WONG: You think that matters?

Senator Cormann: Well, you just described them as 'fire and emergency chiefs'—

Senator WONG: I assume that you don't think that, because they were former fire and emergency chiefs, that makes their opinion less valid—correct?

Senator Cormann: Well, no. The reason I make the distinction is: as a government, we are working with and acting on the advice of current fire and emergency chiefs, and indeed we have been.

Senator WONG: But the Prime Minister never met with this group, did he?

Senator Cormann: The Prime Minister engaged as appropriate with current fire and emergency chiefs.

Senator WONG: Does the Prime Minister have any regrets about not meeting this group?

Senator Cormann: The Prime Minister—

Senator WONG: Twenty-two former distinguished—

Senator Cormann: The Prime Minister was fully engaged, fully focused on making sure that the Commonwealth acted as appropriate, and we're fully engaged with state and territory governments as appropriate. There were clearly some issues that arose which will be the subject of the royal commission, in terms of what will trigger, in the future, Commonwealth involvement, because there was a question mark around it. Traditionally, the Commonwealth would act at the request of relevant state governments, but that clearly became an issue. There ought to be capacity, we believe, for the Commonwealth to take action on its own initiative in certain circumstances, and these are issues that obviously will be assessed through the royal commission report, to ensure that relevant processes are going to be improved into the future.

Senator WONG: None of this is responsive.

Senator Cormann: It is being 100 per cent responsive, but—

Senator WONG: I asked you—

Senator Cormann: in an emergency situation, it is obviously incumbent on the government to work through state governments and state government authorities, including fire and emergency chiefs that have got current operational responsibility.

Senator WONG: But I'm not asking about when the bushfires started. I'm asking about preparedness for them and I'm asking you, as the Prime Minister's representative, whether the Prime Minister regrets refusing to meet with a group of distinguished former fire and emergency chiefs who wrote to him on no less than three occasions on the issue of preparedness?

Senator Cormann: I believe there was an opportunity for them to meet with the government, but, in terms of the Prime Minister, his focus was very much on engaging with those that have current responsibility in this area.

Senator WONG: Who did they meet with, then? You just said they had an opportunity to meet with the—

Senator Cormann: The opportunity and the offer was available for them to meet with the government.

Senator WONG: Who? And when was that provided?

Senator Cormann: I actually made that point in answer to a question in Senate question time. From memory, I believe that there was the opportunity to meet with Minister Littleproud at the time—

Senator WONG: But when—in April, May or September?

Senator Cormann: But I don't believe that the opportunity was taken—

Senator WONG: April, May or September?

Senator Cormann: I'll have to refresh my memory.

Senator WONG: Ms Wilson, how long will it take you to at least determine from your PDMS whether response was generated to any of the three letters?

Ms Wilson: I can confirm that the department did conduct a search of our system and that we did not receive the April letter.

Senator WONG: What about May or September?

Ms Wilson: We did receive the May letter, and we did not receive the September letter.

Senator WONG: So the office only sent one of the three to you?

Ms Wilson: My understanding is that the May letter was received to a particular system, and that was automatically entered into our PDMS system; the other two letters were received by the Prime Minister's office, and they were not passed on.

Senator WONG: Why didn't the Prime Minister pass them on?

Senator Cormann: I'm not aware, if you are looking at me. So, if you want me to obtain an answer to that question, I'm happy to take it on notice.

Senator WONG: It just seems odd that you would have a letter which goes to the preparedness of the nation for bushfires from some pretty eminent Australians with experience in this and that you wouldn't even pass it on to your department for advice and action not once but twice.

Senator Cormann: Again, the Prime Minister was fully engaged with relevant state governments and state authorities that have got current responsibility—

Senator WONG: No, no, this is before that. This is April, May and September. We're not talking about what is occurring after the fires have started; we are talking about in the lead-up

to it. Of the three letters from these former emergency and fire chiefs, two sit in the Prime Minister's office, ignored, and are not even passed on to the department. I am asking you why.

Senator Cormann: We rely on advice from current officials with current responsibilities in this area all the way through.

Senator WONG: I'm sorry, Ms Wilson, you said—which of the three—May was responded to?

Ms Wilson: May was responded to.

Senator WONG: And what was the response in May?

Ms Wilson: I'll have to take that on notice.

Senator WONG: Is that the response where they are asked to go to Mr Littleproud, as per Senator Cormann's—

Ms Wilson: I do understand that the Prime Minister did request that Minister Taylor meet with the fire chiefs—

Senator WONG: Mr Taylor or—

Senator Cormann: I have got advice, since making that comment earlier, that Minister Littleproud reached out and organised to meet with relevant leaders for climate change—this is towards the end of last year. A meeting took place on 3 December and Minister Taylor also attended this meeting. In a radio interview after the meeting, the leader of the group, Greg Mullins, praised the ministers for the meeting and the hearing they were given.

Senator WONG: It just seems really strange that you wouldn't even pass the letter on to your department for advice and action.

So they requested a permanent increase to aerial firefighting. When did PM&C first become aware of a December 2017 business case from the National Aerial Firefighting Centre requesting a permanent increase of \$10.774 million to their base funding from the Commonwealth government?

Senator Cormann: Before I ask the official to answer: Stuart Ellis, as head of the nation's council of fire chiefs, said on television back in November when he was asked if Australia had enough water-bombing aircraft: 'Our assessment is we do. We have got more large air tankers coming into the country this year than we've ever had before. We have got very good systems in place.' Obviously this is a matter that the royal commission will further assess, but that is the advice that the head of the nation's council of fire chiefs provided as late as November 2019.

Senator WONG: Now that you have read your defence, can I have an answer to my question?

Senator Cormann: This is just a statement of fact.

Senator WONG: My question had nothing to do with that. My question was: when did the department first become aware of the December 2017 business case from the National Aerial Firefighting Centre requesting a permanent increase of \$10.774 million to the base funding from the Commonwealth government?

Ms Foster: No-one at the table is aware of that request. We have asked people to see if they can find out.

Senator WONG: So the department has never been aware of it?

Ms Foster: I said that no-one at the table is aware of it and that we have asked our staff if they can confirm that or come up with better advice.

Senator WONG: So the department has never been asked by the Prime Minister's office to look at—I have got a copy here of the brief from the National Aerial Firefighting Centre, which is very clear about the base increase that is requested and one-off additional funding. It goes through the loss and value of Commonwealth contribution. It is headed, 'Brief on NAFC business case for additional funding to support national capability'. Are you saying you're not aware of that?

Senator Cormann: We have at various times provided additional funding. That is a matter of public record.

Senator WONG: No, I am just asking about this.

Ms Foster: Is the brief addressed to the Prime Minister or a department?

Senator WONG: That's what I'm asking: has it ever been provided to you or are you not aware of it?

Senator Cormann: What are you holding?

Senator WONG: I am holding a copy of a brief.

Senator Cormann: To whom?

Senator WONG: I think it is a brief from the NAFC; it's their business case. I think it's publicly available. I am just asking: does PM&C have any knowledge of this?

Ms Foster: We don't, and we are checking.

Senator Cormann: What I can say, though, in being additionally helpful, is that at various times proposals come to the ERC, and the ERC did decide to provide additional resources when it came to this sort of capability.

Senator WONG: The NSW RFS chief, Mr Fitzsimmons, in response to the Prime Minister's announcement, which I think you've referenced, said:

We haven't seen a positive response to the business case—

and he's referring to the business case I've just asked you about—

The business case has been with the federal government for 18 months at least.

... ..

What we have seen is the equivalent of annual injections of funding over the last two seasons.

And he went on to talk about the need for a locked-in budget, to:

... secure more long-term arrangements around funding and leasing.

This is for the aerial fire fleet. So Mr Fitzsimmons made public comments which made it clear that, from his perspective—and he is one of the existing fire chiefs that you say you're being advised by, Senator Cormann—the business case had been provided to the government. Does this jog anyone's memories about this business case?

Senator Cormann: We've taken these questions on notice and we'll provide whatever other further information we can provide on notice.

Senator WONG: Has the Prime Minister or anyone from government, to your knowledge, responded to the National Aerial Firefighting Centre and their request for a permanent increase to base funding?

Senator Cormann: We provided additional resources in the terms as publicly announced, and on notice we'll provide you with whatever additional information we can provide you with. I point you again to the head of the council of firefighting emergency chiefs, who made clear that the relevant resources were adequate.

Senator WONG: The \$11 million was announced by the Prime Minister on 12 December—if I may say, somewhat belatedly, given you'd had the business case for two years requesting more funding. Can you tell me, Senator Cormann: is that intended to be a one-off or an ongoing increase to base funding?

Ms Patterson: The announcement on 12 December was for an \$11 million funding boost, but on the 4 January, in the context of the announcement of an extra \$20 million for four additional aerial firefighting assets, the Prime Minister also announced that that \$11 million would be provided on an ongoing basis.

Senator WONG: Okay, so the original 12 December announcement was a one-off, and the government then expanded that decision and then on 4 January it became an ongoing, permanent increase in funding?

Ms Patterson: Yes.

Senator WONG: Can you tell me why there was the delay? What happened between the 12th and 4th? The announcement on the 12th is in response to an ongoing request that's been around for two years for an increase to the base funding. Why did the government choose to do a one-off initially, and then only go to a permanent increase later?

Ms Patterson: I'd have to take that on notice. I wasn't in the department when the initial decision was made.

Senator WONG: I think probably it wasn't your decision, either. On what date did the government write to the National Aerial Firefighting Centre?

Ms Patterson: I'd need to take that on notice, if formal correspondence was provided or whether notification to the NAFC was done in some other way ahead of those announcements.

Senator WONG: Could you say that last sentence again, please?

Ms Patterson: In terms of the manner in which the Aerial Firefighting Centre was notified, I would need to take on notice whether that was done through formal correspondence by the relevant minister.

Senator WONG: The Leader of the Opposition wrote to the Prime Minister requesting an urgent meeting of COAG to discuss a number of matters in relation to disaster preparedness. The Prime Minister replied, saying that he would give consideration to using COAG as a forum to discuss natural disaster preparedness, should the need arise. Given the circumstances that the country was facing, every state at that stage had already experienced bushfires or warnings of dangerous bushfire conditions. Can you explain why there was no need for a discussion about natural disaster preparedness?

Mr Duggan: I think the Prime Minister in his public comments has talked about the extent of the engagement that has been taking place between the Commonwealth and the states since

the bushfires started back in September. I think the comments that he made publicly were that there'd be a COAG meeting as planned on 13 March and that bushfire preparedness—

Senator WONG: When was that meeting first scheduled?

Senator Cormann: At the last COAG meeting, I think.

Senator WONG: Is that right, Mr Duggan? Was the March COAG already determined at the previous COAG?

Mr Duggan: I'll have to take on notice the precise timing. My recollection was that it was broadly round the August-September period.

Senator WONG: No. Please listen to the question. When did the government determine that the COAG would meet in March?

Mr Duggan: The Prime Minister calls COAG meetings—

Senator WONG: I understand that.

Mr Duggan: through sending letters to premiers.

Senator WONG: No kidding! So when?

Mr Duggan: I'll need to find out when he sent those letters.

Senator Cormann: If I may give you context—because the next COAG meeting will be in the Pilbara—

Mr Duggan: In July.

Senator Cormann: in July.

Senator WONG: When did you first become aware that COAG would be meeting in March?

Mr Duggan: As I said, my recollection is sometime around September, but I'll need to take on notice when the Prime Minister issued the invitation to the COAG meeting to premiers.

Senator WONG: Does anyone else know?

Senator Cormann: The officer who is responsible has taken it on notice, so we'll provide that response on notice.

Senator WONG: Hang on. Originally there was a COAG meeting scheduled for December, was there not?

Mr Duggan: No, there wasn't. We were, as officials, exploring potential dates for a COAG meeting with officials from the states and territories. The Prime Minister never issued an invitation to a COAG meeting in December.

Senator WONG: So you did some work but the Prime Minister decided not to issue—

Senator Cormann: No. That is a mischaracterisation of what the officer just said. It is not unusual for there to be an attempt at diary coordination to ensure that a relevant date suits a maximum number of participants. Just because there are some exploratory discussions about dates which might work involving a whole range of different people from all of our states and territories doesn't mean that the Prime Minister did what you just wrongly asserted he did.

Senator WONG: But officials were involved in some preparations for a December COAG. Correct?

Senator Cormann: Exploring potential dates for when a COAG meeting might—

Senator WONG: Why are you so worried about this?

Senator Cormann: I'm not worried. Just because you say I'm worried doesn't mean I'm worried.

Senator WONG: Why jump in? Let the bloke answer the question.

Senator Cormann: I'm so not worried it's not funny.

Senator WONG: Yeah, you look it! Why don't you just let Mr Duggan answer?

Senator Cormann: Because you are verballing him, and I'm not going to let you verbal a senior officer of the department.

Mr Duggan: The inquiries that we were making were exactly as the minister described.

Senator WONG: Of course they were.

Mr Duggan: We do explore different dates.

Senator WONG: I love the department under Mr Gaetjens. Everything is as the minister describes it.

Senator Cormann: Again, that is a reflection on the officer—

Senator WONG: Yes, it is, and I have noticed it from this side of the table—

Senator Cormann: and that is completely and utterly inappropriate.

Senator WONG: including from him and her.

Senator Cormann: That is completely inappropriate. Senator Wong will see a conspiracy—

Senator WONG: Set from the top.

Senator Cormann: in anything.

CHAIR: Senator Wong, I think that's unreasonable towards officials.

Senator WONG: Well, he could—

CHAIR: You have made plenty of points about your political opponents.

Senator WONG: restrain himself from making partisan comments.

CHAIR: Senator Wong, I think that—

Senator Cormann: I reject that. He did not make a partisan comment.

CHAIR: Thanks, Minister. I—

Senator WONG: He doesn't have to echo you just to get brownie points—or does he?

Senator Cormann: If I say something that is accurate, there's nothing wrong in actually confirming that it's accurate.

Senator WONG: What involvement did you have?

CHAIR: Senator Wong, just before—

Senator Cormann: He doesn't have to talk the Labor talking points.

CHAIR: Order! Minister! Hang on.

Senator WONG: Well, you'd probably get rid of him if he did, like you have got rid of others.

CHAIR: Senator Wong, I think it would—

Senator Cormann: That's ridiculous. We've got senior former Labor staffers—

CHAIR: Order! Both Minister and Senator Wong—

Senator WONG: Because we definitely want David Gruen in the ABS! We definitely do.

CHAIR: Order! Senator Wong, I think that was a reflection on the official.

Senator WONG: Which one?

CHAIR: We can ask for Hansard to produce an exact transcript, and I can quote it back to you if you like.

Senator WONG: Which one do you want me to withdraw?

CHAIR: We can wait in the meantime. I think you well know what you said.

Senator WONG: I actually don't know which bit you want me to withdraw.

CHAIR: Because there was so much of it. Senator Wong, I think your general attitude towards officials today has been extremely hostile.

Senator WONG: Yes, and I am so disappointed that, since Mr Gaetjens's appointment, the attitude of this department has not been as I would have hoped—

CHAIR: Order! Senator Wong, I don't think you really believe that.

Senator WONG: and other senators would have hoped.

CHAIR: I don't think you really believe that.

Senator WONG: That's my honest opinion; that is my honest view. It is disappointing.

Senator Cormann: Because, of course, you come to this in a very objective, non-biased, non-politically motivated way!

Senator WONG: Some of us do care about the democracy and the independence of the Public Service. We think that is important for the Australian nation.

Senator Cormann: Either way, you're not the objective judge of what is—

CHAIR: Be that as it may, normally we restrain ourselves from making reflections like that about officials—

Senator WONG: Alright. I will ask Mr Duggan a straight question. You tell me what knowledge you had of the planning of a December COAG.

Senator Cormann: There was no December COAG, so don't frame it as a December COAG.

Senator WONG: Oh, my goodness. Seriously!

CHAIR: Senator Wong, don't object to the minister taking a question. You know very well—

Senator WONG: I just asked a very straight question: how can he know what Mr Duggan knows.

Senator Cormann: No, you're making an assertion that is false.

CHAIR: Order! Minister. Senator Wong, as you well know, no matter how mundane you think your questions are, the minister is entitled to take all of them, if he wishes, and the officials can just sit there and say nothing. It would assist if you allowed the minister to respond.

Senator WONG: Democracy in action.

CHAIR: I'm sure officials will add if they feel it's necessary.

Senator Cormann: Your assertion completely ignores the evidence that was given. There was no December COAG meeting. There was an exploratory discussion around potential dates.

Senator WONG: What knowledge did you have about a potential COAG meeting, Mr Duggan?

Mr Duggan: What we do after each COAG meeting is start to map out the potential dates for the following COAG meeting. Some of the dates that we were exploring were in December; others were in early this year. As I said, there was never an invitation issued so there was never a COAG meeting planned.

Senator WONG: The exploratory discussions occurred with whom in PM&C?

Mr Duggan: I led those discussions as the deputy—

Senator WONG: When did you first become aware of the March COAG possibility as a date?

Mr Duggan: As I said earlier, my recollection is some time around September, but I will need to take that on notice because—

Senator WONG: As an option.

Mr Duggan: Yes.

Senator WONG: Did you provide advice to the Prime Minister that he should decline the Leader of the Opposition's suggestion, about a COAG meeting about preparedness?

Mr Duggan: There was no advice requested of the department.

Senator WONG: I can imagine. Can you tell me—

Senator Cormann: The Leader of the Opposition does not run the government. That is as a function of the result of the last election.

Senator WONG: I know. Sure. You know what? We had the worst bushfires on record. We weren't prepared. It might have been a good idea to have a chat. The fact that someone else comes up with an idea doesn't mean it's the wrong idea.

Senator Cormann: We are running the affairs of the nation consistent with our judgements—

Senator WONG: That much is obvious. That's right.

Senator Cormann: and there'll be an opportunity at the next election for people to pass judgement on that.

Senator WONG: Of the meeting on 13 March, when were premiers and chief ministers informed of that meeting?

Mr Duggan: I'll have to take the precise date on notice.

Senator WONG: Approximately?

Senator Cormann: He said, previously, around September.

Senator WONG: No, that's not what he said. His evidence was he thought that in September. I've asked a different question, which is when ministers were advised.

Mr Duggan: Again, I'll have to take on notice when the correspondence went out.

Senator WONG: You don't remember at all?

Mr Duggan: I don't remember when that correspondence was issued.

Senator WONG: Can you ask someone to text you? Surely that's not very hard to find.

Mr Duggan: We can find out, yes.

Senator WONG: I appreciate that. When did you first become aware, Mr Duggan, that response capabilities for future disasters would be on the COAG agenda?

Mr Duggan: My recollection is that that was put on the agenda for COAG very late last year, once it became apparent that the Prime Minister had made public statements about having that as part of the discussion COAG.

Senator WONG: So what does that mean?

Mr Duggan: My recollection is that it was added to the potential agenda for COAG towards the end of 2019.

Senator WONG: Towards the end?

Mr Duggan: That's correct.

Senator WONG: Before or after Christmas?

Mr Duggan: Well before Christmas.

Senator WONG: By whom?

Mr Duggan: The Prime Minister determines the agenda for COAG.

Senator WONG: That is a general answer. I'm asking a specific question: on this occasion, by whom were you advised that this had been added to the COAG agenda?

Mr Duggan: I was advised by the Prime Minister's office that the Prime Minister had added it to the COAG agenda.

Senator WONG: Thank you. Do you know how you were advised? Was that on your WhatsApp group that we previously discussed?

Mr Duggan: No. I wouldn't exchange that sort of information by that messaging app.

Senator WONG: Do you know how you were advised?

Mr Duggan: I would have been either advised in person or over the phone, would be my recollection, or potentially via email. Again, I'll have to check precisely.

Senator WONG: By which adviser?

Mr Duggan: The Prime Minister has a senior policy adviser that handles COAG issues, so it would have been from that adviser.

Senator WONG: I always get nervous when people say 'would', because it either is or it isn't.

Senator Cormann: If you want an absolute statement, we will have to provide that on notice, because—

Senator WONG: He can say, 'I'll check.'

Senator Cormann: obviously, the evidence is provided on the basis of his best recollection.

Senator WONG: On 24 December, the PM announced increased volunteer leave allowances for public servants. On 29 December, he announced payments for volunteer firefighters. Can you tell me when PM&C first became aware of that decision being made?

Ms Patterson: Just to clarify: that was the decision in relation to the volunteer firefighters, not the APS leave?

Senator WONG: You can do both. When did you first become aware of the former and the latter? Was it before they were announced?

Ms Patterson: In relation to the APS leave, I understand that was progressed by the Public Service Commissioner.

Ms Foster: That's correct, and so we did know before it was announced.

Senator WONG: And what about the other one—the volunteer firefighter payment?

Ms Patterson: Yes, we were aware of that before the announcement.

Senator WONG: How did you become aware of it?

Ms Patterson: The department was asked for some advice.

Senator WONG: When were you asked for advice?

Ms Patterson: I'd need to take that on notice.

Senator WONG: About how long before the announcement?

Ms Patterson: Within the week before.

Senator WONG: Right. And was the decision made by the cabinet process or by the Prime Minister?

Ms Patterson: I'd need to take that on notice.

Senator WONG: So within a week of the 29 December announcement of payment for volunteer firefighters PM&C was asked for advice, and you're going to come back to me about how government actually made that decision.

Ms Patterson: Yes.

Senator WONG: Was there an ERC meeting, Senator Cormann?

Senator Cormann: I'll have to take that on notice.

Senator WONG: Was that the first occasion on which you provided any advice about payments to volunteer firefighters?

Ms Patterson: I understand that the first formal advice was provided—

Senator WONG: Around that time?

Ms Patterson: Around that time, yes.

Senator WONG: I just want to check leave arrangements. The Prime Minister took a holiday in Hawaii in December last year. Can you tell me the date on which the department was advised the Prime Minister would be on leave and how you were advised?

Ms Foster: Certainly, Senator. The first indication we had was on 11 November 2019, when the AFP contacted our Protocol and International Visits Branch and asked for a point of contact at the post in the United States.

Senator WONG: Sorry, asked for a—

Ms Foster: Point of contact at the relevant post in the United States—

Senator WONG: In Hawaii?

Ms Foster: Yes.

Senator WONG: And what were the dates, on that occasion when you were advised that he would be on leave?

Ms Foster: I don't have those dates with me. The second advice we had was in relation to the formal arrangements for the PM being on leave, so our—

Senator WONG: Sorry—the second?

Ms Foster: We got the heads up on 11 November by being asked for a point of contact.

Senator WONG: Yes. That would be the AFP asking about security arrangements in Hawaii, right?

Ms Foster: That's right. And, as you know, that's quite standard—

Senator WONG: It's not unremarkable.

Ms Foster: And then on 9 December we provided the PMO with draft emails to send to the official secretary and the Deputy Prime Minister's office.

Senator WONG: That was nine December?

Ms Foster: It was 9 December, advising that the Prime Minister would be on leave from the afternoon of the 15th to 23 December?

Senator WONG: And documents were drawn up in order to enable the Deputy Prime Minister to act as Prime Minister?

Ms Foster: That's correct, and that's the extent of the department's involvement.

Senator WONG: Were those documents put into place?

Ms Foster: They were.

Senator WONG: And was the Deputy Prime Minister advised?

Ms Foster: Yes. I'm advised that the DLO sent those emails both to the official secretary and the DPM on 10 December.

Senator WONG: Okay. So the dates were 15th to 23rd, correct?

Ms Foster: That's what was in the correspondence we drafted.

Senator WONG: Right. So the shortening of leave was from the 23rd to the 22nd. Is that right?

Ms Foster: That's my recollection.

Senator WONG: So when did the Deputy Prime Minister cease to be the Acting Prime Minister?

Ms Foster: Can I take that on notice? I'll just get someone to check.

Senator WONG: It's just a legal question actually. My recollection is that you need some instruments to enable someone to act, but do you then have the kind of stand-down instruments, if you know what I am saying? If the Prime Minister comes back earlier, is there a legal document which gives effect to terminating the acting arrangements at that point?

Ms Foster: Mr Reid can help.

Mr Reid: There's a standing instrument that is in place to allow the Deputy Prime Minister to act as Prime Minister on any occasion when the Prime Minister is not available. So, when the notification was passed on that the Prime Minister's leave would be from the 15th to the 23rd, the Deputy Prime Minister was aware that they were the dates on which he would be Acting Prime Minister because the Prime Minister wasn't available. When the Prime Minister returned early, the Prime Minister was then available. It was simply a matter of practice then that the Prime Minister was then available and the Deputy Prime Minister was no longer Acting Prime Minister. There's not a separate instrument that's put in place each time.

Senator WONG: I have a time frame question which would be of assistance. The Prime Minister gives an interview just before 9 am Sydney time on 20 December. He says, 'I'll be coming back as soon as I can,' but he doesn't actually come back until, I think, the 22nd. Why the delay between giving that interview and returning to Australia? Maybe there's another explanation.

Ms Foster: Senator, we don't have any information relating to that.

Senator Cormann: I can only assume that it's related to the logistics of international travel, but I will see whether we can provide you—

Senator WONG: It's an 11-hour flight.

Senator Cormann: And obviously different time zones are involved.

Senator WONG: Sure.

Senator Cormann: But I'll see whether we can provide you some useful information on notice.

Senator WONG: I want to ask a question about the reporting that Mr Morrison's team was seeking to background media against the New South Wales coalition government and its handling of the bushfires. A question to you, Senator Cormann: has the PMO, the Prime Minister's office, or any member of the government briefed any media critical of the New South Wales coalition government's handling of the bushfires?

Senator Cormann: Not that I am aware of.

Senator WONG: I didn't ask whether you were—

Senator Cormann: I can only answer on the basis of what I'm aware of. I'm not aware of any such actions.

Ms Foster: No, Senator.

Senator WONG: I didn't even ask the Public Service that. I'm asking you to get advice on that. Does the Prime Minister know?

Senator Cormann: I'm happy to take it on notice.

Senator WONG: It seems that at least one journalist who's been prepared to say so publicly is just making it up, which would seem odd.

Senator Cormann: So you're saying that no journalist has ever made anything up?

Senator WONG: No. I'm interested to know whether there was backgrounding in an attempt to try and divert the criticisms of Mr Morrison and an attempt to criticise Premier Gladys Berejiklian and her government? I think that's reasonable to ask.

Senator Cormann: I'm not aware of any such actions, but I'm happy to see whether, on notice, I can provide you with any further information.

Senator WONG: Did you want to go to the crossbench, Chair, for a period? I'm happy to keep going.

CHAIR: If you're moving onto another topic, I'll give the call to Senator Steele-John.

Mr Duggan: Senator, I'm able to just clarify some evidence I gave earlier. The date of the 13 March COAG meeting was decided by the Prime Minister on 12 December and he sent letters to premiers and chief ministers that day to invite them. Thank you, Chair.

CHAIR: Thank you. Senator Steele-John.

Senator STEELE-JOHN: Thank you very much. I've been advised that these questions are best directed to Mr Matthew Roper in addition to Ms Patterson. In providing some context to this first line of questioning, I want to quote directly from the disability abuse royal commission website page under the heading 'Protecting your confidentiality'. I will quote directly from the relevant paragraphs.

If you do not want your information or your identity to be shared with anyone outside of the Royal Commission, we can protect your identity and the information you share with us until the Royal Commission ends in April 2022 (when its Final Report is due).

This is because under the current law, the Royal Commission can only guarantee confidentiality while the Royal Commission exists. However, the Royal Commission intends to ask the Government to amend the law so that your information is protected indefinitely, even after the Royal Commission ends. This, however, is a matter for the Australian Parliament to decide.

Over the last few months, indeed, since November of last year, there has been increasing community concern in the advocacy sector and the disability community generally around the lack of clarity in this area. I've had a number of organisations come to me and flag that the absence of this clarity is creating a chilling effect on people coming forward and giving their evidence because they're unsure of the protections that are afforded to them under the law. So my question to you is: can the department confirm that it has received the request mentioned in the above quotation on the website, and, if so, when did it receive the request from the commission?

Mr Roper: I'm not aware personally, but I think Mr Reid may be able to assist you.

Mr Reid: I can confirm that we received a request from the chair of the commission to look at legislative amendments in relation to this for that royal commission. We received that request on 15 February. It was a letter dated 14 February.

Senator STEELE-JOHN: It was provided as a letter.

Mr Reid: That's right.

Senator STEELE-JOHN: Can you table the letter?

Mr Reid: I can certainly take that on notice.

Senator STEELE-JOHN: I am particularly concerned, as you can imagine, because we are now three hearings into this royal commission process and we have a schedule for the royal commission out to June, and it is becoming, as I flagged earlier, particularly clear that the absence of this clarity is leading to people not coming forward and telling their stories. Is it the intention of the government to introduce the relevant amendment in time for the March sitting?

Mr Reid: That's a matter for government—both the question as to whether it will be introduced and what timing there might be around that.

Senator STEELE-JOHN: Apologies, Mr Reid. Can I direct that to you, Senator Cormann?

Senator Cormann: I'd have to take advice on this particular topic, which is not in my direct area of responsibility. I'll provide whatever information I can to you on notice.

Senator STEELE-JOHN: I'm a little bit concerned about that, as you can imagine, because this was flagged as a problem by the chair in a public statement in November, and we are now in February of the new year and we haven't seen a piece of legislation from you in the two sittings that we've had in the subsequent period.

Senator Cormann: I'll seek advice and provide you with whatever information I can on notice.

Senator WONG: You've said that at quite a few estimates already.

Senator STEELE-JOHN: Yes, this is not the first time I've flagged this. I really would like to put on the record the extreme concern that is now felt. There have been public forums in my state of WA in which families have come forward. This is a very scary thing to consider doing, and they've got stories about how their kids have been treated, stories about how they've been treated and they fear telling their story. At the same time there is advice being given from New South Wales Legal Services not to include certain pieces of evidence until this legislative question is settled.

Senator Cormann: I believe it is the first time this issue has been raised with me. I stand corrected but I believe it is the first time—

Senator STEELE-JOHN: It's not the first time it has been raised with your government.

Senator Cormann: I understand, but I believe this is the first time it has been raised with me, and I'll follow that issue up.

Senator STEELE-JOHN: Okay. My following question is in relation to the commission composition itself. I assure you before I ask this question that it is indeed relevant to PM&C. In announcing the commission, the Prime Minister stated it would include 'those with a lived experience of disability as well as judicial and policy expertise, and including Indigenous leadership'. It was noted at the time that the commission composition included only two commissioners with a lived experience of disability, and it was also noted that that was an interesting compositional choice given the importance of lived experience in relation to the focus of the commission's field of inquiry. Can I get some assurance—again, probably from you, Senator Cormann—that the commissioners are considered independent and equal in their conducting of the inquiry by the government?

Senator Cormann: Well, of course the commissioners are independent, and they are appointed as independent commissioners. They fulfil their responsibilities as independent commissioners in the appropriate way, consistent with normal practice.

Senator STEELE-JOHN: And also considered by the government to be equal?

Senator Cormann: What is your definition of 'equal'? You've got a chair of a—

Senator STEELE-JOHN: Of equal standing among each other.

Senator Cormann: Well, you've got a chair of the inquiry, and you've got individual commissioners. Obviously the chair has particular responsibilities, but beyond that they are all independent commissioners. But I think Ms Foster can add to this.

Mr Reid: The letters patent were amended to ensure that there were particular powers available to the chair in directing the internal machinations of the commission. But obviously all commissioners, but for those roles given to the chair, are equal.

Senator STEELE-JOHN: Thank you. I wonder whether you could now, just very briefly, enlighten me as to the process by which letters patent of a royal commission—any royal commission—are amended.

Mr Reid: At the end of the day, letters patent can be amended only by the Governor-General, and the Governor-General will do that on advice from the Prime Minister. In the case of these letters patent being amended, or any other letters patent being amended, advice is provided to the Prime Minister, and the Prime Minister makes recommendations to the Governor-General.

Senator STEELE-JOHN: Excellent. Thank you. And the initial letters patent in the terms of reference were signed on 4 April 2019. Is that correct?

Mr Reid: I don't have that date in front of me, but I'll—

Senator STEELE-JOHN: I believe that is the date, to my knowledge.

Mr Reid: It sounds right.

Senator STEELE-JOHN: And then they were subsequently amended, as you stated, on 13 September 2019. Is that correct?

Mr Reid: That's correct.

Senator STEELE-JOHN: I'll just quote from the fourth paragraph of that amendment, to give some context:

AND, without limiting the generality of the immediately preceding responsibility and as required during the conduct of your inquiry, We further direct that, other than making recommendations arising out of the inquiry and reporting on matters within these terms of reference, the Chair is authorised to give binding directions to, assign duties or functions to, or restrict the duties or functions of, other appointed Commissioners.

Is that a correct quotation of that passage, to your knowledge?

Mr Reid: I don't have it in front of me, but that sounds accurate.

Senator STEELE-JOHN: It sounds about right. So, can I ask: if the Prime Minister requested this change, which is what you seem to have told me about the process of how a letters patent is advised, who advised the Prime Minister, between 4 April and 13 September, that this change was needed?

Mr Reid: From memory, that change arose after a series of conversations between the Attorney-General and the Prime Minister's office and between the Attorney-General or the Attorney-General's office and the chair of the commission or the staff of the commission.

Senator STEELE-JOHN: Can you clarify as to whether it was the chair or the staff?

Mr Reid: I don't have that to mind at the moment. I'd have to take that on notice.

Senator STEELE-JOHN: Can you please take that on notice?

Mr Reid: Yes.

Senator STEELE-JOHN: Thank you very much. Senator Cormann has previously spoken on the government's belief that they are independent. You have alluded, apart from this particular change, to there being consideration of equality between commissioners. Doesn't it seem that, given we have a situation where we have a non-disabled chair of a disability focused royal commission, with two commissioners that then sit under that chair, this amendment empowers the non-disabled chair particularly to assign duties or functions to, or restrict duties or functions of, other commissioners? Does this amendment not put us in a position where a non-disabled chair can direct the workflows, for instance, of his disabled colleagues?

Mr Reid: I think all I'd say to that is that matters for the internal management of the commission are matters for the commission. The commission's established.

Senator STEELE-JOHN: I do understand that, but I'm just confirming with you functionally what the effect of this amendment to the letters patent is, which is to empower a non-disabled chair 'to assign duties or functions to, or restrict the duties or functions of, other appointed commissioners'—in this circumstance, disabled commissioners.

Mr Reid: In practice, the chair of a commission has always maintained a level of control over the internal behaviour or internal role of the commission, if you like. I'm not sure that this amendment does anything more than that.

Senator STEELE-JOHN: This is the first time an amendment of this type has been put through, to anybody's knowledge.

Mr Reid: That's right.

Senator STEELE-JOHN: If you are saying to me that this arose out of a conversation between the chair, the A-G and the PM's office then what you're potentially elucidating for us is that the chair asked to be given these powers.

Mr Reid: As I said, I'd have to take on notice how those changes came about.

Senator STEELE-JOHN: Yes, you will. But again—I'm sorry to circle back to this point—the material reality of this amendment is to empower a non-disabled person to direct the work of disabled commissioners in relation to an inquiry into the abuse of disabled people. That is the material function of this amendment.

Ms Foster: As Mr Reid has indicated, it's not uncommon for chairs of commissions to take a role in assigning work, ensuring that there's not overlap et cetera. I take your point that this is the—

Senator STEELE-JOHN: It's the first time, though, that it's been codified in this way, as you would know. If it wasn't uncommon then he didn't really need the power to do it in the first place. Again, I'm not sure what problem this was trying to solve, quite frankly, if it was standard practice. Alright; let's move on.

Finally—Chair, so you know, I'm coming to the end of my list of questions.

CHAIR: Thank you.

Senator STEELE-JOHN: I want to preface this question, for the benefit of yourselves but also of anybody watching at home, by saying I'm pursuing this line of questioning to seek clarification around the transparency of process, not as a reflection on the appropriateness of any appointment to the commission in particular. It's particularly valid in the context that we

have quite a few royal commissions going on at the moment. In the last estimates hearing you provided me with an answer to a question on notice in relation to the selection of the chair. The reference number for that question is 060. Have you got that at your disposal?

Ms Foster: We're just trying to get it, Senator; just a moment.

Senator STEELE-JOHN: No worries. It was a question asked, in fact, by my colleague Senator Waters. I'll just give you a moment to locate it.

Ms Foster: While we're looking, would you like to give us the essence of the question?

Senator STEELE-JOHN: Would I like to actually ask you the question? I'm more than happy to do that. The fourth paragraph of the answer that you provided was:

Any discussions with potential Commissioner appointees are personal in nature and necessarily conducted on an understanding that communications are confidential.

I just want to draw your attention to the question that Senator Waters asked, which was:

Could you also take on notice whether anyone else was approached and perhaps declined, or if no-one else was approached and he was the first pick.

This was in relation to whether or not Mr Ronald Sackville AO was the government's first pick for the role of commissioner. I want to rephrase that question: can you answer me the simple question of whether or not Mr Sackville was the government's first pick for the role of chair of the commission?

Ms Foster: Senator, unfortunately none of us can put our hands on the answer to the question on notice. It, for some reason, isn't in the package of material we brought. Was it at the last estimates?

Senator STEELE-JOHN: It was at the last estimates, in October.

Ms Foster: We'll keep looking—we have a summary here.

Senator STEELE-JOHN: That is still my question, whether or not you can locate it.

Ms Foster: Senator, I think there's nothing we can add to the answer to the question on notice: that any discussions with potential appointees are confidential.

Senator STEELE-JOHN: No; I'm not asking about the detail of a discussion; I'm asking about the—

Ms Foster: Similarly, Senator, approaches to appointees, whether or not they happened, would be confidential.

Senator STEELE-JOHN: I'm not even asking about approaches; I'm asking about whether or not this individual was the first person the government went to to fill this position. I don't want to know the details of conversations. I don't want to know anything like that. I just want to know: was he the first person that the government asked?

Senator Cormann: We might need to take that on notice to see what we can do to assist you.

Senator PATRICK: I have some questions that relate to FOI. On 27 February this year *The Guardian* produced an article that talked about some findings delivered by the Office of the Australian Information Commissioner to the department in relation to FOIs. Can you confirm that the department did in fact receive a report or findings from the OAIC?

Ms Foster: Yes, we did.

Senator PATRICK: Could those comments—those findings, that report, or it may be a letter—made by the Office of the Australian Information Commissioner be made available to the committee?

Ms Foster: It's my understanding that the commissioner is, shortly, planning to publish that information and that that's the normal manner in which the material is released. We could walk through the outcomes, if that would be helpful.

Senator PATRICK: Sure. There's an irony in you not disclosing information about freedom of information performance!

Ms Foster: Senator, it was more that we didn't want to pre-empt the Information Commissioner in her—

Senator PATRICK: Does she get extra points if she discloses it versus you? Is there any reason why you can't provide that to me?

Ms Foster: We are going to walk you through the outcomes, Senator.

Mr Reid: We understand the OAIC intends to publish some information about the findings.

Senator PATRICK: Sure. I'm after the report that came to you. Is she intending to publish that report?

Mr Reid: I'm not sure exactly what she will publish.

Senator PATRICK: Perhaps could you take that on notice: I'd ask that you provide a copy to the committee.

Ms Foster: Sure. And so, essentially, the complaint alleged that we had failed to provide decisions within statutory time frames, particularly in relation to requests made through the Right To Know website, and that we had failed to meet statutory processing time frames in about 50 per cent of FOI requests. That was the complaint that was lodged. In November, the commissioner found that in relation to the complainant's particular matter we had not complied with the statutory time frames, and, for the 2017-18 financial year, they were not met for the majority of requests.

Senator PATRICK: In just 35 per cent of cases is what's been reported in the media: is that correct?

Ms Foster: That's correct. The commissioner did accept our argument that the receipt of 87 individual requests on the second-last day before the Christmas-New Year shutdown period had had a substantial impact on our ability to comply with the time frames. So my memory was that was about a third of the total requests that we received for the year and—as I think I've given evidence about before—our system was under some strain, and the receipt of 87 requests simultaneously with, essentially, knocking out 10 days, unless we called all our officers back in from leave, put the system into crisis for that period. The commissioner made five recommendations to us, all of which have been implemented, and we have, I think, written back to the commissioner articulating all of the things that we have done.

Senator PATRICK: What were the five recommendations?

Ms Foster: That there be an all-staff statement highlighting the department's obligations under the FOI Act and drawing attention to the pro-disclosure emphasis in the act—that was done in accordance with the time line that the commissioner set out for us; that the objects of the act continue to be promoted through general FOI training during the induction process for

new employees and refresher training for existing employees at least annually—we have done that; that the department develop or continue to develop policies and procedures for providing administrative access to information and to make those policies publicly available; that, within three months of receiving advice, we review and update our FOI processing guidance material to address the findings in this investigation and provide clear guidance consistent with the objects of the act on the search and retrieval timeliness, steps to be taken by the FOI team where there is a delay in receiving the documents from line areas—which include appropriate escalation—and keeping applicants updated on the progress of their requests where delays are being experienced and seeking extensions of time; and the second part of that recommendation 4 was that we conduct an audit and report to the OAIC on compliance with statutory time frames under the FOI Act and on the completion and delivery of the centralised suite of online training modules for SES decision-makers.

We, as I said, have put all of those things in place. We issued the staff statement last week, which was the deadline that had been set for us. We have either Mr Reid or his staff speak to each induction program. We have specialised training for the SES officers who are the decision-makers. We hired some external expertise to ensure that we were really upskilling the level of the decision-makers. We have reviewed and updated all of our guidance material. We have additional staff assigned to the FOI area. We have also introduced an online management system for our FOIs so that we have a much better system for identifying when we're coming up to deadlines so that we can work with the line areas and assist them. We have made a range of both documentary and behavioural changes. As you know, Senator, since that very bad time when we were not meeting our obligations, we've now achieved over a significant period very high levels of meeting the time lines. For this calendar year we are 100 per cent compliant; we have no overdue at the moment. For the last financial year I think it was 90.2 per cent meeting timeliness. So we have made huge progress in the two years since then.

Senator PATRICK: When will the audit you referred to be carried out?

Ms Foster: That's been done.

Mr Reid: We carried out an audit to confirm that the department is meeting our statutory time lines; they are the figures to which Ms Foster refers. For the current financial year to date—that is, 1 July 2019 to 23 February 2020—90.2 per cent of FOI requests finalised by active decision were finalised on time. For the January to December 2019 calendar year, 86.1 per cent of FOI requests finalised by active decision were finalised on time. For the current calendar year to date, it is 100 per cent.

Senator PATRICK: There was a report that was carried out internally, at the cost of \$110,000, in relation to a whistleblower-related allegation about FOIs, that appears to have found differently to the Information Commissioner. Can you respond to that?

Ms Foster: I certainly can. As you say, there was a *Guardian* article in June 2019. It was relating to a PID investigation in a delay of processing FOI requests. The principal officer, the person who led the internal investigation, assessed the 24 allegations of disclosable conduct—disclosable conduct being not meeting our statutory time frames—and the principal officer found five instances of disclosable conduct—that is, where there was no valid reason for failing to meet those timelines. He noted that over the period that was being reviewed, observed, there were 1,268 FOI applications, so those five instances of disclosable conduct were a tiny percentage. He also provided a number of recommendations to the department, to the FOI area,

to address the things that he found as he went through his review—that the business rules should be amended to provide greater clarity for decision makers; that further training be provided for decision-makers; and that we reconsider the manner in which decision-makers are appointed to take into account both the expertise and capacity of the officer. I will come back to that in a moment. They were the three recommendations. We have implemented all of those plus the five—there is a bit of overlap.

The issues around both expertise and capacity were because, when we assign the decision-maker in our internal process, we look at the person with the greatest subject matter expertise, if I can put it that way. Some of the cases where he found disclosable conduct were where that decision-maker was either absent for periods of time and we didn't transfer the process or where a particular individual got swamped, if you like, because we just happened to get 10 or 20 FOIs for which they were the most logical officer. We now make a conscious decision unless they are batched—if they are all on one topic—to actually spread them more broadly and provide the decision-maker with expert support.

Senator PATRICK: I want to go to a couple of other questions related to FOI's. In 2018-19, how many matters were referred to the AAT either by the applicant or by the department?

Ms Foster: We've had very few. We will have a look for that particular financial year but my memory is that—

Senator PATRICK: And also this year to date. I don't mind if you take that on notice.

Ms Foster: overall we have only had three referred to the AAT.

Senator PATRICK: I think two of those are mine.

Ms Foster: There are two of them where we have been the respondent and one where we have been the applicant.

Senator PATRICK: In one of those you were the applicant. Actually you dropped the matter, went to mediation or—

Ms Foster: I think we settled the matter rather than dropped it.

Senator PATRICK: But that involved a cost of the Commonwealth. Can you provide me with the details of the cost of that particular matter.

Ms Foster: We can take that on notice.

Senator PATRICK: You would have been represented by the AGS. The other matter—I declare that I am the applicant in this particular instance—you will know it as the section 37 matter, which relates to, in my contention, the censoring of the parliament, which is why it is relatively important. I note today there was an AAT hearing and that matter has now been listed before a judicial officer, such is the significance of it. What is the Commonwealth's cost to date in relation to that matter?

Ms Foster: Again, we can take that on notice.

Senator PATRICK: I might make an offer. I'm not speaking as the applicant in that manner but in the context of this FOI originated because the Attorney-General issued a section 37 certificate under the under the Auditor-General's Act that prevented the parliament from seeing the contents of an Auditor-General's report. So I am not referring to the AAT; I don't want to litigate that here. But my question goes to whether or not there's a possibility for the Auditor-

General or for the government to, potentially, reverse that decision in circumstances where the facts have changed.

In the court proceedings that took place in 2018, in the court documents—this is between the company of Thales and the Auditor-General—it was clear that one of the issues was related to whether or not the procurement by the government was value for money. The issue centred around that. The Commonwealth's argument—and also their argument before the JCPAA—appeared to be that harm would be caused to the Commonwealth and to the company, in terms of revenues. I've spoken to some very senior people inside the company who say that the damage has already occurred because of, perhaps, the controversy that flowed from issuing the certificate. It's now well known and publicised, and it appears in the media on a regular basis.

In circumstances where the harm that the Attorney-General was trying to prevent—and I don't accept that, and obviously that will be sorted out in the AAT—if it's established that the harm has occurred, is there the possibility that the Attorney-General could then reconsider and retract the certificate such that the Auditor-General could then provide the parliament with an unredacted version of his audit?

Ms Foster: Clearly, we'll have to take that question on notice.

Senator PATRICK: It may also be a question for the Attorney, I don't know. But, if you're unable to answer it, could you refer it to the Attorney?

Ms Foster: Certainly.

Senator Cormann: I've got time for some further information in relation to the issue raised by Senator Jordan Steele-John. I'll just put it on the record. I'm advised that Commissioner Sackville wrote to the Prime Minister and the Attorney-General on 13 February 2020 requesting the law to be changed so that information provided by submitters is predicted indefinitely and a response to that correspondence is currently under consideration.

CHAIR: Senator Patrick, are you finished with your line of questioning for now?

Senator PATRICK: I'm finished, thank you.

Senator WONG: Mr Hayhurst, we had a long discussion, I think, on the last occasion, about the call between Mr Morrison and Mr Trump, and you told me that you didn't take any notes of the readout of that call. On 20 December, Mr Martin, from the department, wrote to the committee to correct the evidence, advising that you had advised that you had since found a short handwritten note of that readout. Can you tell me when you found that?

Mr Hayhurst: I don't remember the exact date, but it was just before 19 December.

Senator WONG: You did give me a definitive answer. Did you just not recall it?

Mr Hayhurst: That's correct.

Senator WONG: Who did you advise that you had found it?

Mr Hayhurst: A colleague of mine was undertaking an FOI review, examining the scope of documents in relation to a particular FOI inquiry. Because it was a review of the decision, he asked me to undertake a thorough search of all of my documents and my safe, which I did, and, in so doing, found the handwritten note.

Senator WONG: What does it say?

Mr Hayhurst: It's consistent with the testimony I gave to you before.

Senator WONG: Do you have it here?

Mr Hayhurst: I don't have the note with me, no.

Senator WONG: Can you provide it?

Mr Hayhurst: The note goes to the conversation the President had with the Prime Minister. It is consistent with what I told the committee—namely, that the call was focused on the Barr inquiry and that follow-up in relation to that matter for the Australian government was for DFAT to undertake.

Senator WONG: I'm asking for a copy of the note.

Senator Cormann: We have previously, in relation to this matter, claimed public interest immunity because it goes to Australian foreign relations, but I believe that Secretary Adamson has been very, very helpful. DFAT were taking the lead—

Senator WONG: Yes, they've been quite professional.

Senator Cormann: in terms of government assistance to an inquiry in the US, and I believe that Ms Adamson has been extremely helpful in answering all the questions. But I'm not in a position to release a document that—

Senator WONG: Senator Cormann, I'm just going to ask you later today to come back to the committee and provide a statement in accordance with subparagraph (3) of the Cormann order: the statement of the grounds for the conclusion that specifies the harm to the public interest that could result from the disclosure of the information in the document.

Senator Cormann: I believe that the harm was spelled out when we last discussed this broader topic. But, of course, I will provide a response—

Senator WONG: Thank you.

Senator Cormann: consistent with the 'Cormann order', as you refer to it, in providing that answer on notice.

Senator WONG: In answer to question on notice No. 16, Mr Hayhurst, you said, or the department said—let me check. I asked from whom the download of the call was received, and you said it was the Senior Adviser International in the PMO; is that correct?

Mr Hayhurst: That's correct. I can't find the exact question, but that's the answer to the question.

Senator WONG: But I also asked a question subsequently—these appear to all be question on notice No. 14. I asked: was any member of the Prime Minister's staff on the call? You, Mr Hayhurst, said: 'Not to my knowledge,' and Senator Cormann said, 'I'll take that on notice, to be precise.' And the answer was no. So, given we're talking about the same call, the readout from the Senior Adviser International was not on the basis of his or her presence on the call but was on the basis, presumably, of the Prime Minister's advice as to what was in the call?

Mr Hayhurst: I know that that individual was not on the call, but I'm not sure of the basis on which they relayed it to me. I assume, like you do, it was a direct account of what had transpired.

Senator WONG: Is there any other explanation? If there's no-one from PM&C—

Senator Cormann: I think it is fair to assume that the Prime Minister would have reported back to his relevant adviser.

Senator WONG: So only the Prime Minister and the President were on the call; is that right?

Mr Hayhurst: I'm not aware if anyone was on the call or not with the Prime Minister.

Senator WONG: No. You have to be aware because the department has provided a notice saying no-one was on the call—unless it's another official from another department. The two answers to the question on notice, Mr Hayhurst, are, 'No-one from PM&C—tick,' and then, 'No-one from PMO—tick.' Is that right?

Mr Hayhurst: That's—

Senator WONG: Therefore, unless there is some other Australian official, the only person on the call from the Australian government side is the Prime Minister; correct?

Mr Hayhurst: That seems to be the case.

Senator WONG: So the advice you gave and the advice the Public Service is working on about what was included in the call is only on the basis of what the Prime Minister has told someone?

Mr Hayhurst: According to the sequence you've outlined, that has to be the case, yes.

Senator WONG: I'm not trying to be difficult—

Mr Hayhurst: I don't have any direct knowledge of the circumstances, but I draw the same inference as you do.

Senator WONG: Have you ever spoken to the Prime Minister directly about the call, Mr Hayhurst?

Mr Hayhurst: No.

Senator WONG: I'm sorry, Mr Hayhurst, I keep forgetting who is above you. Ms Millar?

Ms Foster: Ms Millar.

Senator WONG: Has Ms Millar ever spoken to the Prime Minister about the call?
Ms Millar?

Ms Millar: No, I haven't.

Senator Cormann: I might provide some further information. The Prime Minister was, in fact, travelling when the call was received. The Prime Minister was in his car and he subsequently did provide a debrief to his adviser, in relation to what was discussed.

Senator WONG: Right. Mr Hayhurst, can you explain why you and two PMO staff were present when the PM spoke to Secretary Pompeo but no-one was present when the Prime Minister spoke to the President of the United States?

Mr Hayhurst: That call took place during the Prime Minister's official visit to Fiji. I was present and so were his advisers, and so we joined the call.

Senator WONG: I'm just asking the difference in—

Senator Cormann: It was circumstances. In one, the Prime Minister was travelling in his car; in the other, relevant officials were travelling with him.

Senator WONG: Have the Australian government made any more requests for assistance, in connection with the Barr inquiry, since the September phone call?

Mr Hayhurst: The government has received such requests, yes.

Senator WONG: And I am assuming you don't want to tell me what they are.

Mr Hayhurst: I think it best to direct those inquiries to DFAT, which is leading the government's response.

Senator WONG: That's never been a basis on which we can't ask questions here.

Senator Cormann: But you can ask—

Senator WONG: I actually have been—

Senator Cormann: If I may; I'm responding to your question.

Senator WONG: I'm actually being helpful here. That is not a basis—

Senator Cormann: If I may; we haven't finished.

CHAIR: I'm sure everyone is trying to help each other. Minister.

Senator Cormann: It is a fact that the Department of Foreign Affairs and Trade is taking the lead, in relation to this, on behalf of the government and has direct line of sight in relation to what is and isn't happening, and, as Secretary Adamson has done in the past, I am very confident that Secretary Adamson will be incredibly helpful in providing information. But if you want to insist on asking questions of officials—

Senator WONG: I have asked one question.

Senator Cormann: If I may. If you want to insist on asking questions of officials that are not directly involved, do not have direct line of sight, then there will be a limit to how helpful we can be. And I wouldn't want you to wrongly categorise that as not wanting to be open and transparent. The best way of getting open and transparent answers is by asking the questions where they belong.

Senator WONG: First, Mr Hayhurst, that is a tactic that officials do use.

Senator Cormann: It's not a tactic.

Senator WONG: I want to be clear.

Senator Cormann: You're reflecting on—

Senator WONG: Let me finish, please! I am asking about your involvement. I will certainly ask these questions in DFAT. If you choose, at any point, to not answer on the basis of a public interest immunity claim, that is open to you, but you have to refer it to the minister. Alright? I'm asking you: have you had any involvement in receiving those requests?

Mr Hayhurst: I have been kept informed by DFAT of its cooperation with the United States government, in relation to that inquiry.

Senator WONG: Is there an IDC or similar formed in relation to the Barr inquiry?

Mr Hayhurst: No.

Senator WONG: How are requests or engagement on that auspice all dealt with by the government?

Mr Hayhurst: The matter's being handled by the Department of Foreign Affairs and Trade. It occasionally provides an update, either by email or by telephone, to the Department of Prime Minister and Cabinet.

Senator WONG: They provide updates to you?

Mr Hayhurst: They have provided, on occasion, an update to me.

Senator WONG: Decision-making, in relation to those requests, may not reside entirely in the portfolio of Foreign Affairs and Trade. For example, they may reside in the PM&C portfolio if they involve ONI matters or other matters. I'm not asking yet what decision-making goes to, but who makes the decisions about the government's response to those requests?

Mr Hayhurst: Decisions in relation to requests received by DFAT are made by the relevant minister, I assume the foreign minister.

Senator WONG: Has the Prime Minister—

CHAIR: This will have to be the last question, Senator Wong, before the break.

Senator WONG: Has the Prime Minister had to make any decisions in respect of such a request?

Mr Hayhurst: The Prime Minister has been consulted on a decision relating to the inquiry. I'm aware of that.

Senator WONG: What decision?

Mr Hayhurst: This is in relation to the release of material.

Senator WONG: When was he consulted on that?

Mr Hayhurst: To my knowledge it was on or around 7 December.

Senator WONG: Mr Hayhurst, can I ask you to look at question on notice No. 23? The answer in it is not an accurate answer in terms of what the practice of committees is. If there are other reasons for the answer to not be given, there are avenues open to you. But I do want you to look at the allegation of longstanding practice, which is inaccurate, and I'll return to it after the break.

Proceedings suspended from 15:45 to 16:01

Senator WONG: Ms Foster, I don't want to ask questions about it because we haven't got time, but I just would make the point that, in relation to question No. 883, you provided dates on which the department briefed the Prime Minister on drought. There have been other question times where I or other senators have been advised when the Prime Minister has been briefed. I don't accept an answer that it is longstanding practice not to publicly disclose the specifics of briefings to the Prime Minister. That's not an accurate reflection, so I would raise that with you. If PII claims are made, they ought to be made in the appropriate way. And, even in this round of questions on notice, there's not consistency in that response.

Senator Cormann: In response to this, context is everything. Specifically in the context of the order that you've now referenced a number of times, the questions on notice that you referenced previously go to Australia's international relations—

Senator WONG: That's not what was said in the answer.

Senator Cormann: You've got to look at the answer in the context of the questions that were asked. The questions that were asked went to Australia's international relations. They're classified briefings, I've been advised. Indeed, to publicly release advice to the Prime Minister to inform him of conversations with a foreign head of government would damage Australia's international relations. That is the basis—

Senator WONG: You're on the wrong question.

Senator Cormann: I'm looking at both questions that you referenced before.

Senator WONG: I'm talking about question No. 23. It's about internal briefings to the PM. If they are classified, that should have been said. I'm just making a point for Ms Foster so we don't have an argument in the future. I would accept an answer that said, 'These briefings involved classified material et cetera,' or I would accept a PII claim being made, but I don't accept a general answer that says, 'It's longstanding practice not to publicly disclose the specifics of briefings,' which is demonstrably not correct, including in the answers provided in the same round.

Senator Cormann: I'm looking at three questions and answers—

Senator WONG: It's No. 23.

Senator Cormann: which go to the relationship between Australia and the United States—

Senator WONG: But that's not the basis on which the answer was given. That's all I'm saying.

Senator Cormann: I have actually had a private conversation to suggest that, in future in the answer to questions on notice, the grounds on which information is withheld should be made more explicit. I agree with that.

Senator WONG: I appreciate that, because what I don't want is officials seeing this and thinking that they can just say 'longstanding practice not to answer', which is not correct. Thank you.

Senator Cormann: It is only correct in the context of the subject matter.

Senator WONG: Correct. I will go to coronavirus. Can you tell me what role PM&C is playing in the government's response to coronavirus?

Ms Foster: I will ask the relevant officers to come up to the table, Senator.

Senator WONG: Who is answering?

Ms Patterson: Senator, it depends a little on what the question is.

Senator WONG: I just asked the question: what role is PM&C playing in the government's response to the coronavirus? Who do you want me to direct questions to?

Ms Millar: I might kick off. The parts of our response to the coronavirus go across a number of different areas of the department, which is why you've seen three of us come up to the table. I might just make a couple of points and then I'm very happy for us to answer whatever specific questions you have.

We work very closely with relevant agencies across government to support a whole-of-government response. As you know, the Chief Medical Officer and the National Incident Room in the Commonwealth Department of Health are coordinating the response and working closely with Commonwealth, state and territory counterparts. We ensure that the Prime Minister is briefed appropriately, including in his capacity as chair of the National Security Committee of cabinet. I think that if you could ask us something more specific that any of us would be happy to answer.

Senator WONG: Okay. What day did the department first provide a briefing to the Prime Minister on the coronavirus? And what prompted that briefing?

Ms Millar: We're just checking our exact records for you. I don't have it right in front of me. But I would say that from a very early stage, the Department of Health, as the lead agency

on this issue, ensured that a whole-of-government briefing was provided to the Prime Minister and to a whole range of stakeholders.

Senator WONG: Does that answer mean that the first briefing to the Prime Minister was a whole-of-government briefing from the Department of Health, or is that in addition to a PM&C briefing? Ms Patterson is shaking her head—

Ms Millar: No, we're just not certain, because so much of the information has gone directly from the Department of Health.

Senator WONG: To whom?

Ms Millar: To ministers, including the Prime Minister.

Senator WONG: So you have no role in receiving that and advising on it, or in providing—

Ms Millar: It depends on the situation. For example, in the context of deliberations of the National Security Committee of cabinet—

Senator WONG: Yes, I'll come to the NSC.

Ms Millar: we would provide briefings to the Prime Minister.

Senator WONG: Alright. So you're not able to tell me when the Prime Minister was first briefed on coronavirus? Is that what your answer is?

Ms Millar: I don't have that information in front of me, but we can certainly take it on notice.

Senator WONG: Thank you. You mentioned the NSC, and certainly the Prime Minister has regularly referenced—he's made repeated public references to them—the meetings of the National Security Committee in connection with the coronavirus, somewhat unusually. But, given that he has put it into the public arena, and from what you've just said, can you tell me when the NSC first met to discuss the coronavirus and on what dates it has met since then?

Ms Millar: We're just checking that for you, Senator.

Senator Cormann: We might need to take that on notice. I can confirm that the Prime Minister has also indicated publicly that there have been very, very regular meetings of the National Security Committee. I understand your previous reminder that I've previously provided relevant dates, and so I will endeavour, on notice, to provide the information that you seek.

Senator WONG: So you can't tell me the first date of the NSC and you can't tell me when he was first briefed?

Senator Cormann: I can't specifically recollect the first meeting—

Senator WONG: Well, no-one at the table can—

Senator Cormann: and I'm on the NSC. I can't specifically recollect the first time that this went to the NSC, but I—

Senator WONG: What can you tell me about? You can't tell me any of those dates, Ms Millar?

Senator Cormann: I have some information that I can provide. The NSC has discussed the coronavirus on 14 occasions since 27 January.

Senator WONG: That was 27—

Senator Cormann: It was 27 January.

Senator WONG: Was the Prime Minister briefed prior to that, Ms Millar?

Ms Millar: The Prime Minister would have received information prior to that. The exact nature of that briefing is, as I said, something I need to take on notice. I don't have it in front of me.

Senator WONG: Mr Duggan, has the government assessed the economic impact of the coronavirus on the domestic economy?

Mr Duggan: Yes. Treasury is looking into the economic impacts of the coronavirus and providing updates through NSC to the government.

Senator WONG: Have you been involved in that as the senior economic person in PM&C?

Mr Duggan: Yes, I've been involved in discussions with Treasury about the economic impacts.

Senator WONG: When was the first briefing provided to the Prime Minister in relation to the economic impact?

Mr Duggan: That would have coincided with the NSC getting its advice on the coronavirus.

Senator Cormann: I mean, this is obviously a rapidly evolving situation.

Senator WONG: Sorry, can I—

Senator Cormann: No, if I may—

Senator WONG: I just didn't hear his last answer. Can I just hear his—

Senator Cormann: From the beginning is what he said.

Senator WONG: No, he said it would have been—would have been—at NSC. Was it the first NSC, about which evidence has been given, or another NSC?

Mr Duggan: My recollection is that it was provided right from the outset. We're looking at both the health impacts and the broader economic impacts of coronavirus.

Senator Cormann: But, if I might add to this, even just over the last few days the economic dimension, in terms of the impact in Australia, with coronavirus has continued to evolve, and evolve quite rapidly. In the first instance, you wouldn't be surprised to hear me say, the focus was on seeking to protect Australians from the spread of the virus to Australia. In more recent times, obviously, with the spread of the coronavirus globally, the way it has evolved, the response has inevitably also evolved and the focus on the economic implications is foremost on our mind as we speak today.

Senator WONG: I'm actually just trying to get process questions here. We've given, I think, very good bipartisan support to the government's actions, alright?

Senator Cormann: I'm not criticising you; I'm just—

Senator WONG: I actually am trying just to understand the process. There have been statements made about the economic impact. Having been part of this, I know that people throw around words like 'modelling' a lot, but has there been any quantitative assessment undertaken in government about the impact on the domestic economy?

Mr Duggan: As the minister said, this is a situation moving very quickly—

Senator WONG: Mr Duggan, can you please not preface your answers with 'as the minister said'. I'm asking it of you as the public—

Senator Cormann: He's allowed to say that.

Senator WONG: He is allowed. I'm just saying to him it looks really bad.

Senator Cormann: That's just wrong. If I say something that is factual, the officer is quite within his rights to confirm that what I have said is factual.

Senator WONG: Okay. I've asked a very specific question about whether or not there's been any quantitative assessment, modelling or similar—because I know 'modelling' has a particular meaning—about the economic impact upon the domestic economy.

Mr Duggan: There has been no economic modelling that I've seen.

Senator Cormann: The assessment of the economic impact is ongoing in the context of a rapidly evolving situation that we're dealing with.

Senator WONG: Yes, I appreciate that, but modelling has a particular term; it has a particular meaning. Mr Duggan, I think, has answered that—as yet no modelling has been done. There has been an ongoing assessment of the economic impact, correct?

Mr Duggan: That's correct.

Senator WONG: Can you tell me, then, the basis—and we will ask this of Treasury, but I would like to understand the basis—of the Treasurer's advice to the country that the impact of coronavirus will be more substantial than the bushfires. Can you tell me what informed that?

Mr Duggan: We're expecting the economic impact of the coronavirus to be very significant, obviously, in this quarter internationally. It's hit our trading partners very hard. That will have implications for us. Obviously, the measures that the government has taken in the restriction of movement of people will also have some pretty significant impacts. Add to that, as Senator Cormann mentioned, the impacts that we've seen in recent times around the market responses to that. When markets are uncertain they tend to get volatile, because they tend to think through what the risk implications of certain circumstances are. So, when you add all that together, I think that would have informed the Treasurer's judgement about the economic impacts.

Senator WONG: Is it intended for there to be any separate modelling, or will this simply be fed into the usual macroeconomic parameters work that precedes a budget update or the budget actually?

Mr Duggan: I'd have to refer that one to Treasury.

Senator WONG: Yes, okay. Has PM&C been provided with, or have you helped prepare, any quantitative assessment of the economic impact?

Mr Duggan: No, we haven't prepared anything quantitative.

Senator WONG: Okay. Can I go now to Christmas Island. Did PM&C play any role in the decisions associated with sending the first contingent of evacuees from Wuhan to Christmas Island?

Senator Cormann: That was a decision of NSC, and PM&C would have provided input into that NSC process in the usual way.

Senator WONG: The Australian Health Protection Principal Committee is made up of various chief medical officers from the different jurisdictions, correct?

Senator Cormann: Yes.

Senator WONG: Are there ex-officio Commonwealth members other than Professor Murphy?

Senator Cormann: The Chief Medical Officer of the Commonwealth is chairing it.

Senator WONG: Yes, so it the CMO. I wondered if there were other Commonwealth officers involved.

Ms Patterson: We'd need to take that on notice—if there are other people participating in a secretariat role et cetera.

Senator WONG: Yes. And the secretariat for that is in the Department of Health, is that right?

Ms Patterson: Yes.

Senator WONG: And there's is no PM&C involvement in that? Okay. Do you know if Christmas Island was specifically recommended by that committee? Was that considered as part of your briefing for NSC?

Senator Cormann: I think you're going to the content of advice informing the deliberative processes of cabinet. We received very clear advice around the need to put in place measures at our borders, in the way that that was done. Subsequent to that, NSC made certain decisions, which were publicly announced. In terms of the deliberative processes around options, that is a matter that is subject to cabinet confidentiality.

Senator WONG: So you're not prepared to tell us if it was recommended by—

Senator Cormann: I'm not prepared to breach cabinet confidentiality, that's right.

Senator WONG: No; I'm not asking for who said what in cabinet. I'm just asking whether or not the Australian Health Protection Principal Committee recommended the use of Christmas Island.

Senator Cormann: I'll take on notice whether we can provide you any further information.

Senator WONG: Are you able also to tell me why it was necessary to send the first lot of evacuees to Christmas Island but not later arrivals from Wuhan nor evacuees from cruise ships?

Senator Cormann: In the context of keeping people who might be infected segregated, there are logistical limits to how many people you can have in one location at any one point in time—because, obviously, if you have too many people in one location together and one or two get infected, then you would have to force everybody to remain in quarantine over the subsequent 14-day period. So it was, essentially, an attempt to minimise the risk that people had to be unnecessarily detained in quarantine for extended periods of time.

Senator WONG: Does that answer pertain to the distinction between the first lot of evacuees and then the subsequent evacuees?

Senator Cormann: With the capacity of accommodating further arrivals at Christmas Island, at a particular point the limit of that capacity was reached, given the particular requirements to segregate small cohorts of people through that quarantine process.

Senator WONG: Does that answer mean it was primarily driven by numbers on Christmas Island and the viability of that interval?

Senator Cormann: That's right.

Senator WONG: Perhaps you can direct me to it, but what was the cost of Christmas Island being used? Are you aware of that?

Ms Foster: It's probably Home Affairs.

Senator WONG: You don't have that information?

Ms Foster: No, we don't.

Senator WONG: Turning to the travel restrictions, at least China and Iran, I think, are the two countries—is that right?

Senator Cormann: Yes.

Senator WONG: Can you tell me when and how the government of China was informed about the travel ban?

Senator Cormann: It would have been—using the words 'would have been'—prior to the announcement; after the decision but prior to the public announcement.

Senator WONG: I want to give PM&C the opportunity to countervail this, but I thought the public evidence was that, in fact, the Chinese government was not informed prior to the Prime Minister's press conference.

Senator Cormann: That doesn't sound right to me, but the area that is best equipped to answer that question would be the Department of—

Ms Millar: We can get that information. I'll just need to check it quickly, but we should be able to get that to you.

Senator WONG: It's the Prime Minister, not the foreign affairs minister.

Senator Cormann: I know, but I remember the conversations at various times, and we were always very focused on making sure that appropriate private advice was provided prior to public announcements.

Senator WONG: When was the NSC decision on the travel ban? That was on the day of the announcement, is that correct? I think that's what the Prime Minister said publicly.

Ms Foster: The Prime Minister made a public announcement, I think on the 29th, that he was upgrading travel warnings to reconsider all travel to China, and that Christmas Island would become a quarantine area.

Senator WONG: No; this is about the incoming travel—I have moved from the evacuees to the other point, which was the ban on non-citizens entering from China. That was the question.

Ms Foster: I think that was a 1 February announcement. The PM announced, again, travel warnings to China were increased; non-Australian residents arriving from mainland China no longer permitted entry to Australia; Australian residents required to self-isolate for 14 days.

Senator WONG: Right. And I'm asking whether that decision was taken by NSC on the same day as the announcement.

Senator Cormann: I've actually got some direct advice which will help deal with this. I'm advised that officials tried to inform Chinese embassy officials in advance—called several times and got through to the embassy only a few minutes after the PM's conference had started—and the Prime Minister has already confirmed that publicly.

Senator WONG: Yes, so I am asking about the sequence of the day. I'm asking: was that decision made at NSC on the same day as it was announced, which was 1 February?

Senator Cormann: In order to ensure that our response is 100 per cent accurate, I'd just take that on notice. We believe so, but—

Senator WONG: And why, given what you have said, Senator Cormann, and given the diplomatic sensitivity of these announcements, which we support, did the Prime Minister not wait until the Chinese had been informed before standing up?

Ms Foster: That's what we're trying to find out—exactly how the sequence worked.

Senator WONG: Well, I think Senator Cormann has given evidence now that the Prime Minister has conceded publicly that he did stand up before the Chinese government were informed, and I'm asking why.

Senator Cormann: The Prime Minister has made that point, in one of his public announcements.

Senator WONG: And I'm asking why.

Senator Cormann: As I've said, officials tried to inform the Chinese embassy officials in advance—called several times but got through to the embassy only a few minutes after the PM's conference had started.

Senator WONG: When did they start calling?

Senator Cormann: In terms of the specific time, I'd have to take that on notice.

Senator WONG: Was that you?

Ms Millar: No, it wasn't. It was DFAT.

Senator Cormann: And the decision was made that day. I just got confirmation of that.

Senator WONG: I want to know when DFAT was tasked with that.

Senator Cormann: We'll have to take that on notice.

Senator WONG: I'll ask DFAT, and I'm sure they're going to make sure they prepare, because they always do. But I want to understand the time line. I want to understand when this went to NSC, when they were tasked with it and when the Prime Minister stood up.

Senator Cormann: I can confirm for you that the decision by NSC was made that day as part of the announcement.

Senator WONG: How long between NSC and the announcement?

Senator Cormann: I don't know.

Senator WONG: What about the government of Iran? Was PM&C involved in informing them?

Ms Millar: No, we weren't. Again, it was the Department of Foreign Affairs and Trade.

Senator WONG: This might be a policy question for Health, but if you look at the number of confirmed cases—and I appreciate that the datasets are not consistent, necessarily, across countries—in the Republic of Korea and the number of confirmed cases in Italy, they are more than the number of confirmed cases in Iran. I'm assuming that there is a health policy reason that Iran was chosen as the subject of the travel ban. I was just wondering whether you could throw some light on that.

Senator Cormann: Your observation there is not correct. At the time the decision was made, our advice was that there was a higher number and a higher concentration in Iran than in any of the other jurisdictions you've just mentioned.

Senator WONG: So, just remind me of when the decision on Iran was made.

Senator Cormann: Just this weekend—Saturday.

Senator WONG: I'll check that, because I thought these numbers were what was in the public arena. Again, I prefaced this by saying that it is correct to say that data across countries is not equivalent, so I understand that, if that's the answer. I just wanted to know whether that's the case. If the answer is that the judgement of the Australian government is that there's likely to be more cases in Iran, which grounds the public health argument for the ban, as opposed to the other nations, which have indicated quite a high number—I just wondered whether we could get that—

Senator Cormann: We acted on the advice of the medical experts, and the medical experts were making a very specific recommendation in relation to Iran. They did not make that recommendation in relation to any other jurisdiction at that point.

Senator WONG: Okay. Thank you. So, you're prepared to tell me that, but not whether or not they recommended Christmas Island. Is there a possibility of further travel restrictions?

Senator Cormann: I think the Prime Minister has made comments in relation to this and it is on the public record.

Ms Millar: Yes, that's right. The travel restrictions are the same as those for China.

Senator WONG: I think the answer is yes.

Ms Foster: The answer is we would have to respond to the situation as it emerges.

Senator WONG: The Prime Minister's announcement—was that on Saturday?—in relation to the coronavirus emergency response plan and the indication of the likelihood of a pandemic phase: can you tell me what that will mean in practical terms for Australians?

Ms Patterson: Yes, the Prime Minister has noted that there is every indication that we will be entering a pandemic phase. For that reason, as the Prime Minister announced in a press conference at the end of last week, the government has activated the COVID-19 plan, which is specifically for the response that needs to be undertaken by health systems, both at the Commonwealth level and the state and territory level, and also endorsed the activation of the communicable diseases plan, which is the plan that guides Commonwealth and state action in non-health sectors. In recognition of what the data is tending to indicate, it was time to start to activate those plans so people can start to do the preparedness that would be needed for an increase in the number of cases.

Senator WONG: Thank you for that answer. I am sure my colleagues will ask this of Health, but are you able to give us some sense of what that means on the ground for Australians? How will that manifest for people in relation to access to services, access to particular medical products and services, changes to hospitals et cetera? I am trying to get a sense of what the practical effect of it will be.

Ms Patterson: The officials from the Department of Health will probably be able to provide additional detail.

Senator WONG: Sure. If I promise not to use it against you, are you happy to give me a high-level kind of summation of it?

Ms Patterson: I will endeavour to give you a high-level sense in relation to, in particular, the COVID-19 plan, which is available publicly on the website, with a very nice green picture. It means that states and territories and the Commonwealth start to do more epidemiological monitoring and contact in case management, which is, as you have seen, that as cases have emerged it is trying to do that containment. The states and territories will be moving to look at alternative models of care—what they would do, which hospitals would be designated hospitals and if they were to set up a fever clinic where they would do that—and sectors start to refine their particular plans, whether that is in aged care, primary care or education, and also work around supply chains to make sure that there are sufficient masks and other PPE. That is the sort of thing that comes when you activate that initial stage of the COVID-19 plan.

Senator WONG: I appreciate that. Professor Murphy, who inspires a lot of confidence in how he has handled this, has been announced as the secretary of the Department of Health as of, I think, 29 February. What will happen to the CMO position consequent to that? Do we know?

Ms Foster: That will have to be filled. There's a process—

Senator WONG: Is there someone who's acting? Or is the deputy acting at the moment?

Ms Foster: At the moment, the CMO remains the CMO. That's why Caroline Edwards has gone across to act as secretary. So for the next month—

Senator WONG: That's a much more sensible arrangement.

Ms Foster: so that the CMO can stay focused.

Senator WONG: Got it. So, you've given Ms Edwards to act as secretary of health until—

Ms Foster: Yes.

Senator WONG: That makes sense.

Senator STEELE-JOHN: Senator Cormann, I'm told that, while I was absent from the room, you had an additional piece of information to provide to me.

Senator Cormann: The advice I provided was that Commissioner Sackville wrote to the Prime Minister and the Attorney-General on 13 February 2020 requesting the law to be changed so that information provided by submitters is protected indefinitely. As a result of his letter, this issue is now under consideration in preparation for a response.

Senator STEELE-JOHN: Thank you. Given that we're in a situation now where we've had a good couple of months of organisations and individuals flagging their concerns about this, and there is a general feeling—just so that you are aware—that disabled people are currently not given the protections we need in order to tell our stories to this vitally needed commission, does addressing that response in a legislative sense constitute an urgent priority for the government?

Senator Cormann: We're urgently considering the letter. I can't pre-empt the response, but I take on board what you have told me here today and, as I have committed to you, I will be following this up to ensure it is followed through properly.

Senator STEELE-JOHN: Do you think that it is possible that we have a response in the chamber in time for the March sitting?

Senator Cormann: I'd like to think so but, because I'm not the decision-maker in relation to the letter, I can only offer best endeavours on my part.

Senator STEELE-JOHN: Okay. Can we have Mr Reid back to the table for two final questions? Mr Reid, I want to come back to a question that I was pursuing with you previously, because I want to get myself a satisfactory answer. Let's go again to the amendment made to the letters patent on 13 September 2019. I want to confirm with you that my understanding of the practical effect of this amendment is correct. The practical effect is to empower the chair to shape the workflows or restrict the activities of the other commissioners who are part of the commission—correct?

Mr Reid: The practical effect of the amendment will be a matter for the chair as to how he wishes to deploy the commissioners.

Senator STEELE-JOHN: I understand that, but it technically empowers the chair to direct the work of his fellow commissioners?

Mr Reid: That is correct.

Senator STEELE-JOHN: You understand, don't you, that Mr Sackville does not himself identify as a disabled person?

Mr Reid: I understand that's the case.

Senator STEELE-JOHN: So that is your understanding?

Mr Reid: That's my understanding.

Senator STEELE-JOHN: And you understand also that Commissioners Galbally and McEwin identify as people with disability, disabled people?

Mr Reid: Yes.

Senator STEELE-JOHN: So the practical effect of this amendment is that a non-disabled person is empowered to direct the work of disabled commissioners—correct?

Ms Foster: Of all commissioners on the commission.

Senator STEELE-JOHN: Yes, indeed, but I just want to make sure that you understand the implication of that. Am I correct in what I have said to you?

Mr Reid: I don't have the letters patent in front of me, but certainly the general practical outcome of that amendment will be to provide the chair with the power to direct the other commissioners.

Senator STEELE-JOHN: And you have acknowledged that he himself is not a disabled person.

Mr Reid: Absolutely.

Senator STEELE-JOHN: And that Commissioners Galbally and McEwin are.

Mr Reid: Yes.

Senator STEELE-JOHN: Therefore a non-disabled person has the power to direct the two disabled commissioners. That is the logical conclusion of what we have just discussed.

Ms Foster: The only reason that I am putting it differently is—

Senator STEELE-JOHN: Because you don't want to answer the question.

Ms Foster: No, it's not at all.

CHAIR: Senator Steele-John, that's not fair.

Ms Foster: It's because the logical conclusion of the change is that it gives the chair directive responsibility over the whole operation of the commission, which includes the two commissioners who identify with disability. I just don't want to single them out.

Senator STEELE-JOHN: Yes, but including those two that do identify—

Ms Foster: I'm very comfortable with us saying, 'Yes, that's correct for the whole commission—all commissioners, including the two commissioners who identify with disability.'

Senator STEELE-JOHN: Okay, thank you. Finally, I've taken the opportunity during the break to go back and have a look at the letters patent arrangement, in relation to the aged care royal commission, where no such powers were granted to the chair; to the child abuse royal commission, where no such powers were granted to the chair, even though this was a very similar area of investigation; and the banking royal commission, where letters patent were, in fact, amended—however, no such powers in those amendments were granted to the chair. So can you identify for me a case in which such powers have been invested in a chair, previously, by an amendment to the letters patent?

Mr Reid: I would say that in relation to the banking royal commission there was only one commissioner. There was no chair and other commissioners. So I don't think that's a relevant comparison.

Senator STEELE-JOHN: Yes. However, there were amendments made to the letters patent.

Mr Reid: There were. I am not aware of any letters patent issued that identified the powers that have been identified for the chair, in this case.

Senator STEELE-JOHN: So in that case they are unprecedented?

Mr Reid: I would need to go back and look at records to see whether or not they are unprecedented. I am comfortable saying I am not aware of any case.

Senator STEELE-JOHN: Thank you.

Senator AYRES: I want to ask a few questions about the Collinsville feasibility study. Could I have somebody in a position to help us with that? Thanks, Ms Wilson. In late March of last year, the Prime Minister announced—I think the announcement was that the government would conduct detailed evaluation in feasibility of projects in North and Central Queensland. It goes on to say:

These projects include but are not limited to a new HELE coal project in Collinsville ...

Given the Prime Minister announced the project in March of last year, are you able to advise of work that's been completed, say, up until February of this year?

Ms Wilson: Those questions are best asked of the Department of Industry, Science, Energy and Resources. I don't have that detail, I'm afraid.

Senator AYRES: So the Prime Minister has made the announcement.

Senator Cormann: With the portfolio minister.

Ms Wilson: That's right.

Senator AYRES: With the portfolio minister. There's no information available about what work has been undertaken in PM&C?

Ms Wilson: No. I know that on 8 February the Minister for Energy and Emissions, Minister Taylor, did announce some of the support, but the detail of the sorts of studies that are being undertaken are best directed to the department.

Senator AYRES: I'll come to that announcement, of 11 months later, in a moment.

Senator Cormann: We're fulfilling an election commitment that we made in the lead-up to the election.

Senator AYRES: It's a long time, isn't it?

Senator Cormann: These things need to be properly prepared to make sure that they deliver value for money.

Senator AYRES: I'm not sure that anybody in the marketplace thinks it's going to provide value for money.

Senator Cormann: That's what the feasibility study will assess.

Senator AYRES: So there's no work completed between the announcement being made and the reannouncement in February?

Senator Cormann: As Ms Wilson has indicated, these questions are best addressed to the industry estimates. They have direct line of sight in managing this project.

Senator AYRES: I want to know what the Prime Minister's office and PM&C know about the announcement that the Prime Minister made in March and whether they're aware of any work, any time line, any material—

Senator Cormann: And the officer has answered that question.

Senator AYRES: Is the answer, 'No, we don't have anything,' or, alternatively, 'We'd rather you asked somebody else'?

Senator Cormann: No. The answer is that there is an agency of government that is directly responsible for this, and holds all of the information, and we will be able to assist you in great detail with questions of this nature.

Senator AYRES: Perhaps I'll ask it differently, then. Do you have any information at all about what work was undertaken between March and February?

Senator Cormann: This is the estimates for Prime Minister and Cabinet, which doesn't undertake this work. This work is undertaken through the department of industry, which will have all this information. The best way of getting answers to those questions—which I would like you to get—is by asking the question in the relevant estimates process.

Senator AYRES: Presumably, the Prime Minister and his office, beyond making the announcement and putting out the advertorial—you want to know that there's work been undertaken. Presumably somebody reports back and says, 'You made that big announcement. We've done some things,' or is it all about the announcement and that's the end of the interest from the Prime Minister's office?

Senator Cormann: The Prime Minister is supported in his responsibilities by his ministers. In relation to this particular project, he's supported by his Minister for Energy and Emissions

Reduction, who has a department that supports his work. That department has detailed knowledge—the sort of knowledge that you are seeking—and will be able to provide you with lots of answers.

Senator AYRES: I haven't asked questions about the department. What I want to know is: what does the Prime Minister's office know about this announcement?

Senator Cormann: The Prime Minister's office doesn't appear at these estimates. It's the Prime Minister's department that appears at these estimates.

Senator AYRES: Yes. Thank you for that.

Senator Cormann: If it assists you, I'm happy to take on notice what detailed knowledge the Prime Minister and his office have in relation to the specific work that was undertaken during that period.

Senator AYRES: I would be interested to know whether it's: 'Make the announcement and then leave it to Minister Taylor.' The timing of the next announcement is a bit curious, isn't it? It was announced on 8 February—the reannouncement of the proposition. Was there any difference between—

Senator Cormann: The Labor Party these days thinks there is a conspiracy when water is wet!

Senator AYRES: Senator Cormann, I notice you're in the habit of intervening in the middle of people's questions. I'm trying to efficiently work my way through a series of questions here. Was there any difference between the announcement on 29 March 2019 and the reannouncement on 8 February?

Senator Cormann: Before the election, there was an election commitment and, subsequent to that, there was an announcement that the specific work that we flagged in the election that we would be undertaking has, indeed, been kicked off. That process is now underway and the minister and the department will be able to provide detailed answers to these sorts of questions. It's the department with responsibility for this project, and that is the department of industry.

Senator AYRES: I understand the politics of not wanting to answer the question, but is the only difference—

Senator Cormann: There's no politics in this. You're just asking a question to the wrong committee.

Senator AYRES: If I can help you: is the only difference that there's a four-and-a-bit-million-dollar amount allocated to a specific feasibility study?

Senator Cormann: If you keep asking questions in the wrong committee, you will get unhelpful answers. If you genuinely want answers to those questions—

Senator AYRES: I don't think that's the only way you get unhelpful answers here, Senator Cormann!

Senator Cormann: If you were genuinely interested in getting answers to those questions, you would be addressing them to the right committee.

Senator AYRES: Why was the announcement made on 8 February? It just happened to be over the same couple of days that the National Party was involved in a brawl for the leadership.

Senator Cormann: This is now your latest conspiracy theory.

Senator AYRES: Isn't it just a reannouncement of an old package to placate and shore up the Deputy Prime Minister's position?

Senator Cormann: No.

Senator AYRES: No politics at all; just a reannouncement?

Senator Cormann: No. It's progressing, in an orderly fashion, the commitments that the government has made in the lead-up to the election—

Senator AYRES: Perhaps I can bring it back to Prime Minister and Cabinet, then. There's a report in *The Daily Telegraph* dated 14 February. The article says.

... it was actually Turnbull himself as prime minister who first signed off on funding for a coal-feasibility study.

The proposal for a \$4.8 million "clean coal" power station feasibility study first went to Cabinet in October 2017. It then gathered dust for more than six months before it finally got the tick of approval in 2018 at ERC, Cabinet sources confirmed.

Has the Prime Minister requested an investigation from both cabinet and the ERC into that leak?

Senator Cormann: I'm not aware of any such investigation.

Senator AYRES: It hasn't been referred to Federal Police for investigation?

Senator Cormann: Maybe the serial letter writer, Mr Dreyfus, is about to write another letter. I'm not aware that so far he has. He's of course been unsuccessful on the nine occasions that he has written letters of referrals, so I look forward to his next letter.

Senator AYRES: Does the Prime Minister and Prime Minister and Cabinet only investigate embarrassing leaks?

Senator Cormann: That's just commentary. I take that as a comment, not a question.

Senator AYRES: So no investigation, no work done because it happened to embarrass one of your political opponents?

Senator Cormann: I completely reject the characterisation that you're putting on this.

Senator AYRES: I'll leave it to Senator Kitching.

Senator KITCHING: Could I ask some questions about the luncheon held to honour His Excellency Mr Joko Widodo. Mr Martin, did the Department of Prime Minister and Cabinet organise the function on the Monday, the lunch function—which, I think, actually most senators here attended?

Mr Martin: Yes, Senator.

Senator KITCHING: Who drafted the guest list?

Mr Martin: The guest list was put together by the Department of Foreign Affairs and Trade. Those suggestions were provided to PM&C and cleared by the PM's office.

Senator KITCHING: So the PMO was involved?

Mr Martin: Yes.

Senator KITCHING: Did you have a copy of the end guest list?

Mr Martin: Yes, Senator.

Senator KITCHING: What's the consultation process for settling on the final guest list?

Mr Martin: The size of the venue obviously dictates, largely, what the number of invitees is going to be. We seek input from the Department of Foreign Affairs and Trade on a range of categories of invitees. It might be—they form them up into categories for us—into business, academia, diplomatic corps; those sorts of categories—and provide those to us. PM&C might have a few additional nominations to put there, and we provide to the PM's office a draft guest list for those sorts of events.

Senator KITCHING: That's in this case, obviously because it was the President of Indonesia. But if it was, say, an Industry function, it might be that department with whom you would liaise—yes, okay.

Ms Foster: Except, Senator, typically, Mr Martin and his staff would only be involved in organising foreign heads of state.

Senator KITCHING: Yes, I take your point. Who in the Prime Minister's office was consulted? Is there a standard area?

Ms Foster: There's an office within the Prime Minister's office which deals with such events.

Senator KITCHING: Are you able to table the guest list?

Mr Martin: Yes, I'm sure we can do that.

Senator KITCHING: Thank you. Who coordinated the seating arrangements, and who ultimately signed off on them?

Mr Martin: The department coordinates the seating arrangements. We have an IT tool that puts together seating arrangements for us, based on the round tables that are set up in the Great Hall, and we then do a little bit of adjustment to that: We try to put together like with like—for example, if there are Indonesian delegates, to put them together.

Senator KITCHING: I'm only smiling because Senator Molan and I were on the same table and I'm wondering what your IT tool is saying about us! Sorry; I interrupt.

Mr Martin: I hope it was successful in your case!

Senator KITCHING: It was all good. It was a very lovely lunch.

Mr Martin: We certainly do try and put together, particularly for our visiting delegates, like with like, so that they can have an appropriate engagement at lunch.

Senator KITCHING: So the department does that through the IT tool. Does that go to anyone else? Does that go back into the PMO?

Mr Martin: Yes, we would always put that back to the PMO for any final clearance.

Senator KITCHING: And then they give you back any changes to the seating plan?

Mr Martin: Yes.

Senator KITCHING: Are you able to table the seating plan?

Mr Martin: Senator, I probably don't have it with me. If I can take that on notice, I can provide that.

Senator KITCHING: That's fine.

Senator Cormann: Your photographic memory doesn't recall?

Senator KITCHING: Well, I do actually have a little bit of a memory, because I saw one of the pages of the list.

Senator Cormann: It was a great lunch.

Senator KITCHING: So the Prime Minister's office was provided with the seating plan in advance of the event. Is that right?

Mr Martin: Yes.

Senator KITCHING: And that included the names of the guests on the head table?

Mr Martin: Yes.

Senator KITCHING: There was some commentary that former Prime Minister Turnbull had to phone up to receive an invitation. Was former Prime Minister Turnbull on the first draft of the guest list?

Mr Martin: Senator, I'd have to take that on notice, but—

Senator KITCHING: I'm happy if you take it on notice.

Senator Cormann: I believe that former Prime Minister Turnbull spoke to Prime Minister Morrison in relation to the lunch and Prime Minister Morrison immediately organised for an invite to be issued.

Senator KITCHING: So former Prime Minister Turnbull received an invitation from Prime Minister Morrison?

Senator Cormann: Everyone was technically invited by the Prime Minister I believe. But former Prime Minister Turnbull, I am advised, spoke to Prime Minister Morrison in relation to the lunch and Prime Minister Morrison ensured that an invite was issued, which is of course highly appropriate. Former Prime Minister Turnbull has an excellent relationship with the President of Indonesia and it was very good for Australia to have him at the lunch.

Senator KITCHING: It was reported by Sky that Mr Turnbull actually rang up for an invite. Is that correct? He phoned Prime Minister Morrison?

Senator Cormann: I am not going to put that characterisation on it. Malcolm Turnbull as Prime Minister had an unbelievably positive relationship with President Widodo and the relationship between Australia and Indonesia went from strength to strength under Prime Minister Turnbull. I am aware that former Prime Minister Turnbull had a conversation with Prime Minister Morrison in relation to the lunch and Prime Minister Morrison ensured that an invitation was issued to former Prime Minister Turnbull, which is of course entirely appropriate.

Senator KITCHING: I agree. So he did receive an invitation. You are going to take on notice the seating arrangements et cetera. You might have a list now or at some point if you can—

Mr Martin: I will certainly take that on notice. To correct the record, I've just been advised that we only provided the head table to the PM's office for clearance, not the rest of the tables.

Senator KITCHING: At that point did the Prime Minister's office add anyone to that head table? Who was seated at the head table?

Mr Martin: I don't know. I'd have to take that on notice. It's reasonably usual for the head table to go through a few iterations before it's finally settled—sometimes that's due to availability of guests and other things.

Senator KITCHING: I will ask some questions very briefly on the FIRB. What is PM&C's engagement on FIRB decisions? Has the Prime Minister asked for any advice on FIRB decisions? I am asking about alinta and alinta's compliance with FIRB conditions. Just to go back to the first one, what is PM&C's engagement on FIRB decisions?

Mr Duggan: PM&C will provide advice to the Prime Minister on my sensitive FIRB cases where the Treasurer decides to take a decision to NSC because it's a particular import. PM&C will advise the Prime Minister in that context.

Senator KITCHING: Has the Prime Minister asked for any advice on any FIRB decisions? I guess self-starting questions.

Mr Duggan: Typically, because we are working constantly with the Treasury department we'll have a line of sight on FIRB decisions from the point of application. We will be working with Treasury through that process, along with a number of other agencies. By the time it is ready for consideration by the National Security Committee we are well placed to brief the Prime Minister on each of those matters.

Senator KITCHING: Did you already have a brief ready on alinta?

Mr Duggan: Senator, that's going to a specific deliberation of the NSC.

Senator KITCHING: Did the Prime Minister or the Prime Minister's office ask for any advice on alinta and its compliance with the FIRB conditions?

Senator Cormann: That goes directly to deliberative processes of government.

CHAIR: Okay. If there are no further questions for PM&C, I thank you for your attendance and your evidence here today.

National Bushfire Recovery Agency

[16:56]

CHAIR: I welcome Senator the Hon. Zed Seselja, Assistant Minister for Finance, Charities and Electoral Matters, representing the Prime Minister; Mr Andrew Colvin, Coordinator of the National Bushfire Recovery Agency; and other officers. The committee notes the establishment of the agency on 6 January 2020 and welcomes you all to estimates, although I know that, certainly in your case, Mr Colvin, this is not a new experience. Senator Seselja, do you wish to make an opening statement?

Senator Seselja: No, thank you.

CHAIR: Mr Colvin, do you wish to make an opening statement?

Mr Colvin: Good afternoon, committee members. Thank you for the opportunity to make a brief opening statement and for your interest in our work. As this is my first appearance at estimates in this role and the first for the National Bushfire Recovery Agency, let me begin by acknowledging the tragic loss of 33 lives and the enormous loss and destruction in the 2019-20 bushfire season, an event the scale of which we have not seen in this manner before and which has obviously led to the creation of this agency. On behalf of all members of the NBRA, let me pay my respects to family and friends of the deceased. I acknowledge that over 3,000 homes have been lost and over 12.6 million hectares have been burnt. More than 7,000 facilities and outbuildings have also been lost. We've seen a devastating impact on our wildlife and with our environmental losses more broadly, including potentially many millions of native animals and plants lost. It's been estimated as many as 100,000 head of livestock have been lost, but certainly

more than 80,000 have been confirmed as euthanised or lost in New South Wales, Victoria and South Australia alone. The 2019-20 bushfire season has been distinguishable by its scale and the concurrency of multiple major bushfires at once.

I want to acknowledge the extraordinary volunteer response during the fires and afterwards. This includes, of course, the firefighters, who have been at the forefront of this for more than six months, but also the amazing work of volunteers, who have manned recovery centres, cooked meals, provided respite and shelter, saved injured wildlife, repaired fences, cleaned homes—and the list goes on. This is all a very relevant part of the recovery process. I also want to acknowledge the ongoing work of the ADF colleagues who have, in many ways, kickstarted the community's recovery process. Everywhere I go, the ADF are singled out for special attention and thanks. Their efforts are not just the physical work they do and the tangible benefits that we see from it, but the words 'hope', sometimes even 'confidence' and 'safety' are used by communities when they see the ADF uniform.

The National Bushfire Recovery Agency was established—as you say, Chair—by the Prime Minister on 6 January 2020. We are an operationally independent agency within Prime Minister and Cabinet. Our task is to lead and coordinate a national response to the rebuilding efforts of communities impacted by these bushfires. We have a focus on connecting people, communities, businesses and primary producers with services and assistance to rebuild and recover. While the major levers at our disposal are of course at the Commonwealth level, a core task of this agency is to work with federal, state and local governments and non-government agencies as well as the local communities.

It is now eight weeks since the NBRA was established. In this time, members of the NBRA have travelled across New South Wales, Queensland, Victoria and South Australia. Firstly, I visited the Southern Highlands, the Blue Mountains, Central Queensland, the New South Wales South Coast, East Gippsland, Kangaroo Island, the Adelaide Hills and the Snowy Valleys. Each visit has been too quick to do the community and the devastation justice, but I'm committed to visiting as many communities as possible, and of course our visits will be regular and ongoing. I've heard harrowing stories of loss and inspirational stories of survival. I've spoken to volunteer firefighters who've lost their own home while protecting the homes of others. We've seen environmental destruction and regeneration, and we've witnessed the hope that this regeneration has provided for communities.

While the NBRA is still very new and we are developing our internal guidance and policy, it is clear to me that a number of principles will define our work. Firstly, our work will be locally informed. This has been the lesson from every disaster that we have previously studied. Our work will have an enduring benefit for the long term of communities. We will focus very much on betterment to improve the future resilience of communities. Our work will be aligned with our stakeholders and our partners, and it will be focused on the ease of access that the communities and individuals need to get access to the services provided.

In the eight weeks to date we have been very busy working with our partners, listening to the communities and working with our government colleagues to ensure the measures are well designed and can achieve the needs of the communities. We have worked hard to help communities and local governments with the immediate relief they need and more than 109,000 individuals have received payments and allowances totalling more than \$160 million; \$60 million has been provided to bushfire affected LGAs for immediate relief in the form of local

infrastructure and community strengthening projects; and a \$76 million package to provide mental health support to services and firefighters, emergency personnel, individuals and communities impacted by the ongoing bushfire disaster. It is something I am personally very focused on—and some of you would be aware from my previous role—and pleasingly something that has been raised with me almost everywhere I travel by the local community.

In total so far, we assess—and I've pulled these figures today in preparation for this hearing—that over \$380 million has been rolled out under a range of measures. These efforts have so far been focused on providing the immediate relief but recovery is a marathon, not a sprint, and our minds are clearly focused on the longer-term needs economically, physically, socially and in terms of our environment and habitat.

There's no doubt in my mind, as we begin the process to fully understand the impact this fire season has had, that this event has tested all levels of government and stretched our well-entrenched frameworks to manage the recovery. The duration of this event lasting six months alone has challenged the nature of the impacts in a manner that will now test our recovery efforts going forward, but we look forward to that challenge.

My deputies and I will do our best to answer the questions that you will have of us today. I'm aware that a series of questions were notified to us at the end of last week, and we were told to expect from one of the members, Senator Watt. We are ready to answer those questions of course, noting that many of the measures that we have stewardship of are actually administered by other departments. I'll leave it at that.

CHAIR: Thank you, Mr Colvin.

Senator WATT: Thanks, Mr Colvin, and to your team. I know that you've all been working very hard since the time of your appointment to help people who very much need our help. Thanks also for the private briefings you've provided to the opposition to date. You mentioned that I'd sought a range of information prior to the hearing. Are you able to take us through what you do have? It's basically setting out what's been allocated in dollar terms to whom; what's been spent?

Mr Colvin: I can. If it pleases the chair, I'll put a few things on the record and hand up to the committee as well. So, Senator Watt, you asked for us to give you a sense of the structure and reporting responsibilities of the agency, the staffing profile and our terms of reference. We are an independent agency under the Prime Minister and Cabinet's banner. I report to Minister Littleproud—I report to the Prime Minister via Minister Littleproud would be the way it's been described. I will put on the record an organisational structure. Effectively, I'm joined by my two deputies and we have a number of branch heads that sit under that, covering the main areas of the department. Head count as at 24 February: the agency has 64 staff. We're working on what our total ASL will be. As I said, we're only two months old, but over a full financial year we will have an ASL of 80.5.

The funding for that staff comes from a variety of departments. Only 16 of that staff are actually funded at this stage by the NBRA, but as time goes by that will increase. Most of the staff, in fact 48 of the staff, are funded by home agencies. We have approximately 30 vacancies as we start to build up to what we think we need to arrive at, and I'm pleased to tell the committee that there's been no shortage of interest in wanting to join the Bushfire Recovery Agency. Again, I will put that on notice. You also asked for the profile, in terms of what band

level. I'm not sure if you want me to read that out but I think it's probably better I just give it to—

Senator WATT: If it's in the information you've got at the table, that's fine.

Mr Colvin: Yes. It's the same for the roles and functions of the agency. I'm happy to make that available to the secretariat.

Senator WATT: While you're at it, are you able to table your opening statement as well?

Mr Colvin: I did make a few changes to it. I'll get those changes put into an email and send to it the secretariat.

Senator WATT: That's fine. Thanks for that. I obviously also asked a range of questions about funding and how it's been spent and allocated.

Mr Colvin: What I would like to do—there are, in fact, approximately 30 measures that have been announced by the government in one form or another. I don't want to slow the committee down and go into intricate detail on each and, as I said, these are administered by other departments. Chair, if you're happy, if the senator's happy, I'll quickly touch on those measures, what's been announced, what we believe has been funded to date, where I can and take it from there.

Senator WATT: You don't have that in a form that can be tabled, just to save us time?

Mr Colvin: No, I'm not happy with the form that it's in. I don't think it meets the requirement of what you asked for.

Senator WATT: Okay.

Mr Colvin: Going through them quickly, you would be aware of the disaster recovery allowance. This is a demand-driven program. There is no figure, in terms of a total figure, allocated to it. It's an ongoing program so it wasn't announced specifically. As of 27 February there have been 4,439 claims received of which 2,285 have been finalised. There were 1,962 granted for a total of \$4,323,635 paid out—that is, the disaster recovery allowance.

Senator WATT: So the 2,285 finalised, 1,962 granted—that means the balance of those have been rejected.

Mr Colvin: No, I'd say that that's 300 that are either rejected or still going through the granting process.

Senator WATT: Right. I suppose I just thought that if they're finalised that would suggest that that's the end of the matter.

Mr Colvin: That could be right. We can take that on notice.

Senator WATT: Do you want to just come back to us with how many have been rejected?

Mr Colvin: Yes. The disaster recovery payment is an ongoing measure that's well established under the DRFA—so not announced per se although there have been changes to broaden the criteria and eligibility for the disaster recovery payment. As of close of business 27 February—and you'll have the same question for me here, I think, Senator—there were 133,819 claims received, 122,653 claims finalised and 116,030 claims granted, for a total paid out of \$136,919,200.

Senator WATT: Just to be clear, that is the \$1,000 per adult payment—

Mr Colvin: Yes.

Senator WATT: I think it's now been lifted to—

Mr Colvin: It was \$400 and now it's \$800 per child.

Senator RICE: Can you repeat that last figure, how much has been paid out?

Mr Colvin: Just short of \$137 million. To your point, Senator, about the back-to-school support, the additional payment for children and the additional \$400 to every school aged child, it was announced on 15 January. A figure of \$7.9 million was announced as an estimate but, of course, it's demand driven by how many people apply. As at the close of business on 27 February, \$21,105,200 has been paid out, so significantly more than what was initially estimated.

I'll keep going, Senator. You tell me if you would like me to stop. On 29 December, the Prime Minister announced the volunteer payments measure. He announced that for New South Wales. South Australia announced it shortly after. Tasmania, Queensland and the ACT all have made this available now to their volunteers. Victoria has not made the volunteer payment to fire service authorities available at this stage. The most recent figure I have, which totals \$6.5 million, has been paid out, the vast majority of which has gone to New South Wales.

Senator, unless you need me to, I won't go through all of the things like the tax-free measures that are not costed.

Senator WATT: No. A couple that I am interested in—the mental health support.

Mr Colvin: Let's go to that.

Senator WATT: Can you remind us what was announced by the government and how much has actually been paid out?

Mr Colvin: Yes. There are a couple of measures that I'll talk about. The support for mental health for Australians affected by the bushfires was announced by the Prime Minister on 12 January. It was a total package of \$76 million. There are a range of contracts still in play as at 22 February, so, admittedly, this is a week-old figure: \$10.455 million has been paid. I'm aware though that there's a range of contracts that are currently through various stages of finalisation for the rest of that.

Senator WATT: Again, to be clear—

Mr Colvin: Yes.

Senator WATT: what that means is that about \$10½ million has been paid out from the Commonwealth to, probably, non-government agencies—

Mr Colvin: I think it's the Primary Health Network—

Senator WATT: who then coordinate mental health support?

Mr Colvin: Correct.

Senator WATT: Do we know anything about whether any mental health support is actually being provided on the ground as a result of those funds?

Mr Colvin: I am confident that—from going to the communities, I know they are accessing mental health support but to give you a metric, the Department of Health would need to do that.

Senator WATT: So the PHNs receive the money; they then contract service providers—

Mr Colvin: Yes.

Senator WATT: to provide mental health assistance—

Mr Colvin: Yes.

Senator WATT: and if I want to know anything about what's happening on the ground that's really for Health.

Mr Colvin: In terms of the metrics of how much has been reported back to them, of how many have accessed those services, the Department of Health would be the best.

Senator WATT: Okay. The tourism funding?

Mr Colvin: Yes. Tourism funding is actually broken down over about five separate programs, which is best that I quickly take you through them. Hang on one moment.

Senator WATT: I think it amounted to about 70-something—

Mr Colvin: It was \$76 million all up: \$20 million of that was for a domestic marketing campaign, and I don't have data on what's been spent so I'll have to refer you to Tourism Australia. The same is for \$25 million that was the international marketing campaign. Again, Tourism Australia will give you a figure; I don't have that. A regional tourism campaign, \$10 million of that \$76 million, is Austrade who will have the figures on that. There was a broader tourism package about hosting trade measures: \$9.5 million. That is Tourism Australia as well. There was \$6.5 million put aside for the Australian Tourism Exchange and, again, Tourism Australia have the numbers on that.

There is more on this—it is a big program. The final bit is the diplomatic network. There was funding made available, \$5 million, for DFAT to assist with our overseas marketing and, frankly, correction of inaccurate reporting. Again, DFAT will be able to give you the figures on that.

Senator WATT: Thanks for that. While we are on tourism funding, that's how much has been allocated for each of those purposes to particular agencies—

Mr Colvin: Correct.

Senator WATT: but you don't have any figures to hand about how much has actually been used on a tourism marketing campaign.

Senator WATT: I don't as yet. That is part of our agency's remit, to make sure we are comfortable and satisfied that the money is going to where it needs to. But, as I said at the start, we are in the early stages of establishing and I don't have those figures with me.

Senator WATT: Okay. Just while we are talking about tourism funding, you and I have both been to a lot of bushfire areas. We are both aware that the impact on the tourism industry is immense.

Mr Colvin: It is huge, yes.

Senator WATT: It happened at peak season. Lots of tourists went home or weren't able to get to their holidays. There were massive business impacts. Are you aware that the government has announced that \$25 million of the \$76 million it had allocated for tourism promotion, to assist bushfire regions, has now been redirected for tourism promotion in areas affected by coronavirus?

Mr Colvin: I know that coronavirus has certainly come and now has been a bigger impact on the tourism sector, probably, than the bushfires, in a broad sense. But I want to be very

careful saying that, because it wouldn't be the case consistently across all of the bushfire affected areas. I did see some reporting this morning about this in the media and, frankly, when I looked at it, it wasn't consistent with what I understood the funding had been allocated to, which is why I think we need to ask Tourism Australia the specific question if you want to get the detail of that. It is not consistent with what I understand.

Senator WATT: Okay. In the *Cairns Post* last Thursday, last week—and Cairns is an area that's been really impacted by coronavirus, its impact on tourism—had an article that included this quote:

The Morrison Government will invest \$25 million into a marketing effort with a significant focus on Far North Queensland—money directed from a \$76 million crisis package already announced for areas struggling in the wake of bushfires.

Have you been formally advised by the government that it's redirected some of this tourism funding towards coronavirus?

Mr Colvin: Firstly, I'm not sure of the veracity of that comment, who made it and whether it is an authorised comment. On the back of seeing that media this morning, I caused some questions to be asked. It's not consistent with our understanding and I'm not aware of bushfire money being diverted for coronavirus. What I will say is I do know that Cairns has suffered an impact from the bushfire event, and this is the unusual nature of the event. Cairns is probably 1,000 kilometres from its closest bushfire, but that's not the way the international media have portrayed this. But I'm not aware of funding allocated for bushfire relief or recovery being diverted to coronavirus.

Senator WATT: To be clear, I'm not critical of the government—

Mr Colvin: No, I understand.

Senator WATT: putting funding into supporting parts of the tourism industry that have suffered from coronavirus—in fact, I've been calling for that—but I would have a very great concern if the government is directing funding that was announced for bushfire regions and is needed by bushfire regions for any other purpose.

Mr Colvin: That's not something that we've been made aware of, and I would want to seek a lot more information about that if that was the case.

Senator WATT: So you certainly haven't been consulted about any decision to redirect tourism funding away from bushfire affected regions?

Mr Colvin: Even if a decision has been made, and I'm not sure that it has been made, no, I haven't been consulted on that.

Senator WATT: You wouldn't know anything, then, about what that \$25 million will be used for. To the best of your knowledge, there's still \$76 million available to support tourism promotion in bushfire affected regions.

Mr Colvin: That was the measure. Certainly, coronavirus has had a big impact—and now a double impact, if not a triple impact—with other measures on the tourism industry, but I'm not aware of funding being diverted from that \$76 million, no.

Senator WATT: I accept what you are saying, that you're not sure these statements are correct that have been reported. I take it, then, that there's been no advice to tourism providers

in bushfire affected regions that money is being diverted away from tourism in bushfire regions to support tourism in coronavirus regions.

Mr Colvin: I would find that unusual, if that was the case, that I or my agency wouldn't be aware of that.

Senator WATT: Are you aware of any funding that has been announced to support bushfire affected regions—whether it be tourism, mental health or anything else—that has been redirected in response to the coronavirus outbreak?

Mr Colvin: No, I'm not aware.

Senator WATT: You were taking us through how much has been spent. I suppose the other area where there's a lot of interest is the various payments to primary producers and small business. Can you take us through the figures on that?

Mr Colvin: I can; stand by. I will give you figures as of 28 February. I think that will be last Friday. You are talking about small business grants, primary producer grants and concessional loans?

Senator WATT: Yes. And the concessional loans are available to both small businesses and primary producers, aren't they?

Mr Colvin: That's correct, they are.

Senator WATT: You don't break them down by small business or—

Mr Colvin: No. If I start with concessional loans, they have been variously available across New South Wales, Victoria, South Australia and Queensland starting from 31 January, but the most recent jurisdiction, Victoria, only came online on 18 February. There have been, nationally, 104 applications received. Five have been approved—worth a total of \$400,000—to date.

Senator WATT: There are parts of the country that experienced bushfires several months ago—

Mr Colvin: Correct.

Senator WATT: but as of today, or as of last Friday, only five loans have been approved.

Mr Colvin: Noting that the actual loans have only been available for—in the longest jurisdiction, Queensland—just over a month or right on a month.

Senator WATT: So \$400,000 in loans so far?

Mr Colvin: Yes. For the primary producer grants, there's \$75,000 that's available. Again, this was opened and made available from, in large part, 20 or 21 January, with the exception of Queensland, who opened their primary producer grants on 21 February. If I give you a national figure, 1,381 applications have been received, worth \$70.9 million in total. So, for 1,381 applications received, that's 736 approved, worth a total of \$43.5 million.

Senator WATT: Can you break that down by state for me?

Mr Colvin: I can. In New South Wales, which opened on 21 January, it's available in 49 local government areas, which is a relevant factor. In total 1,117 applications have been received and 576 have been approved for a total spend of \$32.6 million. Victoria opened on 21 January. It's available in 22 local government areas. One hundred and forty-four applications have been received and 88 grants have been approved, worth \$6.1 million.

Senator WATT: What was the number received in New South Wales again?

Mr Colvin: 1,117 applications have been received to date.

Senator WATT: What about in South Australia?

Mr Colvin: South Australian opened on 20 January. It's available in nine local government areas. One hundred and sixteen applications have been received and 72 grants have been approved, worth \$4.7 million. And in Queensland the primary producer grants were made available on 21 February, so just over a week-and-a-half ago. It's available in 11 local government areas. Four applications have been received and, at this stage, no grants have been approved. I take it they're all under consideration.

Senator WATT: What about the small business grants?

Mr Colvin: These are the \$50,000 grants. I will give you state by state figures and then a national figure.

Senator WATT: Just before you do that, going back to the concessional loans, you said there were five that have been approved. Which states are they in?

Mr Colvin: Four of them are in New South Wales and one is in Queensland.

Senator WATT: And none are in Victoria at this point?

Mr Colvin: None are in Victoria and none in South Australia at this stage.

Senator WATT: When do they become available in South Australia?

Mr Colvin: They opened in South Australia on 12 February, and in Victoria they opened on 18 February.

Senator WATT: What about the small business grants?

Mr Colvin: For the small business grants, state by state, New South Wales opened on 3 February. It's available in 49 local government areas. Six hundred and fifty-four applications have been received and 108 grants have been approved, worth \$1.8 million in total. In Victoria it opened on 10 February. It's available in 22 local government areas. Twenty-three applications have been received and four grants have been approved, worth \$74,000. South Australia opened on 28 January. It's available in nine local government areas. Sixty-one applications have been received and 35 grants have been approved, worth \$960,000. And in Queensland the small business grants have not been activated at this stage. The total figure is: 738 applications received, with 147 approved for a total of \$2.9 million.

Senator WATT: Are the small business grants only available for businesses that have suffered fire damage to their premises or equipment?

Mr Colvin: The guidelines that sit around the small business grant vary very minimally across jurisdictions because they have cost shared and are administered by the states. It is available to small businesses who can demonstrate a direct impact from the fire event, and the definition of 'direct' in general terms is 'damage to property as a result of the fire'.

Senator WATT: So the grants, whether they be for small business or primary producers, are available to people who have suffered fire damage?

Mr Colvin: That's correct.

Senator WATT: And the loans are what's available to people who didn't suffer fire damage but whose business might have collapsed through lack of custom and—

Mr Colvin: It's a concessional loan that is interest free with repayment holidays for people who need to generate cash or take certain measures to make sure that their business remains viable. The numbers between the primary producer grants and the small business grants are stark and different, but it's not unexpected when you think that many of these fires touched on the outskirts of community, so they impacted the rural areas. But, thanks to some good work by the firefighters, with notable exceptions of course—and we don't want to forget that—we're stopped from actually impacting into the main streets of communities.

Senator WATT: Let's just focus on these concessional loans for a moment. What we know now is that there have only been five approved across the whole country. Minister, I'm not sure that you remember this, but when the Prime Minister announced this support—it was 20 January this year—he talked a lot about how the government was going to make support for small business available immediately. He was very, very clear about that. And now we find that, several weeks later, only five loans have been approved across the whole country. Is that really immediate support?

Senator Seselja: There's a range of measures that are immediate support, as you know.

Senator WATT: But the ones he was talking about on 20 January included the concessional loans?

Senator Seselja: Sure. As has been outlined, we're working through a process with the states, who administer those, and that money is being made available as those applications are processed. Obviously there is a range of different supports that can be accessed, with the concessional loans being one of those. The others are being—

Senator WATT: You say that you're working through it with the states and they are being processed. There have been 104 applications submitted across the whole country and only five have been approved, and this is seven weeks or so since the Prime Minister promised immediate support. Is that good enough?

Senator Seselja: We are certainly encouraging the states to make sure they're able to process them as quickly as possible, but we are not responsible for the processing of those applications. In all of these areas, we are working and we are endeavouring to work with the states. We are putting forward, obviously through the recovery agency and other parts of government, as much assistance as we possibly can, but we don't actually process those applications.

Senator WATT: No, but the Prime Minister's responsible for the words he chooses to use in a press conference and a press release, and he's gone out to small businesses assuring them that he would provide immediate support and there's only five loans approved several weeks later. Some of these people had fires back in August or September last year.

Senator Seselja: As I said, you're identifying one part, and I've talked through some of what's happening there, but there is a range of supports for people in these areas and some of those have been outlined by Mr Colvin. If you want to go into more detail on those, we're happy to. Yes, we would like to see it move more quickly. We're working with the states. We've put the money forward and, on a range of these areas, we are working as well as we can with the states. But, in terms of the actual decision-making process, it is a matter for states rather than for the Commonwealth.

Senator WATT: That was what we heard from the Prime Minister all through the bushfire crisis: that various things were the responsibility of the states. Any time there was a problem, he wanted to blame the states. Isn't that what's going on again here now?

Senator Seselja: No. I'm just explaining to you the division of responsibility.

Senator WATT: Yes, but it always seems to be the states' fault whenever there is something that the government doesn't want to take responsibility for.

Senator Seselja: Well, I don't accept that. No-one's looking to blame anyone. All we're looking to do is to get support in a range of areas and Mr Colvin has outlined a number of those. You've looked at the loans. There are obviously grants. A number of payments have been outlined quite significantly, and we can go through those chapter and verse if you'd like, but this is simply pointing out the fact that, whilst we work very closely with the states, we are putting the money on the table, but we are not responsible for the assessment of those applications. Yes, we would like to see them move as quickly as possible.

Senator WATT: Doesn't this really just show that what the Prime Minister's mostly concerned about is the announcement that he makes or the marketing that he gets to do, and he's not so interested in the follow-through?

Senator Seselja: No. That's a ridiculous statement.

Senator WATT: It's not ridiculous if, six or seven weeks later, people are still waiting.

Senator Seselja: It's why we've got the National Bushfire Recovery Agency. Mr Colvin has outlined the massive response from the Commonwealth in setting up this recovery agency and getting support in a whole range of areas. As I say, we can go through each of those areas if you'd like, but that statement is simply false.

Senator WATT: Mr Colvin, have you, or has the agency, engaged with bushfire affected communities as to how these loan approvals can be sped up?

Mr Colvin: We have, and we work very closely with the states and territories, who are the people who are receiving the applications. I think there are a few things at play here. The experience from other disasters tells us it does take time for communities to begin the process of seeking the advice they need before they go forward with things such as loans and grants. We also have heard very clearly from communities that in many cases—and we have to remember we're only a month post some of these fires having a direct impact on some communities, particularly the hardest hit communities down the South Coast of New South Wales—people just aren't ready yet to start that process. We have streamlined the applications with our state counterparts to the best extent we possibly can, remembering, of course, that these are potentially largish loans. But we are hearing that some communities, small businesses and primary producers are still counting the cost of the damage and are not yet ready to step forward and seek some of that government assistance.

Senator WATT: Minister, if it's the state government's fault that these loans aren't being approved more quickly, why is it that the New South Wales Deputy Premier, Mr Barilaro, has been in the media complaining about the restrictive criteria for these loans and asking the federal government to reconsider those criteria?

Senator SESELJA: What Mr Barilaro has to say is obviously a matter for Mr Barilaro. If you want to go into the detail of that, some of it I'd probably have to take on notice, in terms of the detail, the criteria, or we've got many officials who could answer in relation to those criteria.

Mr Colvin: If I may, Senator. I'm not interested in the commentary around that, but I can say that Mr Barilaro wrote to the minister, Minister Littleproud, on Thursday of last week outlining his concerns and the measures. We as an agency have that and we'll be working through what he suggested as of Thursday last week.

Senator WATT: You, like me, will be aware that there are many people in these bushfire affected regions who have been saying that the criteria, whether they be for grants or loans, are too restrictive, that the process is too cumbersome.

Mr Colvin: Yes.

Senator WATT: What steps has the agency taken to improve any of that?

Mr Colvin: I'll be careful on matters of policy. What's been announced is the policy of the government as it stands now, but we're working very hard with peak bodies, as well as with our state and territory partners and the government, to look at how we respond to whether these measures are meeting the needs of the community and having the impact that the Prime Minister has asked for them to have. We're working on that at the moment. I think both the minister and the Prime Minister have said publicly that we are considering what options are available, and we are doing that.

Senator WATT: I'm not sure if you've seen this, but you'd probably also be aware that not only have the businesses in these areas been affected but many businesses have had to lay off staff or cut back on their staff's hours. There's a whole bunch of hospitality workers and other workers who have lost out as a result of these fires as well. Is the government giving any consideration to some form of additional support for those workers?

Mr Colvin: I'm very much aware of that anecdotal material, absolutely. And it's probably more than anecdotal; I don't want to dismiss it in that way. But what we're trying to do is seek some hard data that we can make smart policy decisions on, and we're working with government and a range of non-government and state government agencies on exactly that at the moment to see what additional measures might be appropriate. Again, these are decisions not yet considered and certainly not yet taken by the government, and I think I need to be careful with what I say.

Senator WATT: You might be aware that today the Labor leader, Mr Albanese, called on the government to provide wage subsidies to businesses who've lost their custom due to these fires. That's something there is a precedent for. It happened after Cyclone Yasi. Those sorts of wage subsidies were provided to small businesses in an effort to help them keep on their workers.

Mr Colvin: Yes.

Senator WATT: Is that something that you're giving consideration to?

Mr Colvin: Again, we're giving consideration to a range of measures. But what I would say is that after Cyclone Yasi the subsidies that I think Mr Albanese is referring to were actually indoctrinated into policy in the form of the disaster recovery allowance. We have the disaster recovery allowance, which is a weighted subsidy of the nature that was used after Yasi, as I

understand it. The question of whether that goes far enough, is large enough and reaches enough people is something that the agency is working through with government.

Senator WATT: Just to close off this line of questioning: the figures that you are giving me for the number of loans and grants that have been paid out are curiously similar to figures that were in an article in the Fairfax papers this morning—in fact, identical in some cases.

Mr Colvin: Yes. They will be. I report those figures every Friday. I'm not sure where the *Herald* got that from, but I report our figures at the end of the week.

Senator WATT: So you provided those figures to the minister's office on Friday?

Mr Colvin: I provide them to the minister, yes.

Senator WATT: To the minister personally?

Mr Colvin: To the minister's office.

Senator WATT: And a couple of days later they show up in the Fairfax press with a quote from the minister saying that the New South Wales government has got to lift its game. You don't know anything about how those figures were provided to the newspapers?

Mr Colvin: I'm not going to speculate on what's in the media. I've learnt that over a very long period of time.

Senator WATT: Minister, do you know anything about how these figures ended up in the media this morning?

Senator Seselja: No, I don't.

Senator WATT: Would you like to take on notice whether the figures were provided by the minister's office to this journalist?

Senator Seselja: I'm happy to.

Senator WATT: Again, it seems a little bit strange that, on the day of estimates, the minister is out there trying to blame the New South Wales government. It's been a bit of a constant through this bushfire season, hasn't it?

Senator Seselja: I don't accept that characterisation at all.

Senator WATT: You don't accept that federal ministers have been backgrounding against ministers in the New South Wales government throughout this crisis?

Senator Seselja: No. I don't accept your characterisation at all. We've sought to work with the states on this, and I think we will continue to endeavour to do that.

Senator WATT: Wouldn't it be better for federal ministers to just cooperate with New South Wales government ministers rather than spraying them in the media?

Senator Seselja: Again, I don't accept your characterisation.

Senator WATT: The quote from the minister is that he is concerned about the states being able to deliver the money they've already put on the table. The implication is that the states aren't doing their job.

Senator MOLAN: It's still cooperation, though.

Senator WATT: Is it cooperation to leak figures to the media?

Senator Seselja: Again, I don't accept your characterisation. We work with the states. We will put forward what we are doing and we'll seek as much cooperation as we can possibly have.

Senator WATT: I'm happy to come back later.

Senator Seselja: Can I just clarify, in relation to earlier questions on corona and bushfires, that my advice is that no bushfire funding has been diverted for corona.

Senator WATT: So you don't know why that's appeared in *The Cairns Post*?

Senator Seselja: I don't, but that's my advice.

Senator RICE: Mr Colvin, I just want to clarify that, in terms of the total amount that your agency is looking after, it's still \$2 billion.

Mr Colvin: The Prime Minister announced an initial allocation of \$2 billion, correct.

Senator RICE: You went through a range of different programs and the amounts that have currently already been allocated. Have you got a total as to what of that \$2 billion has been allocated so far?

Mr Colvin: What's been announced of that \$2 billion is approximately \$550 million worth.

Senator RICE: About 25 per cent or so of the \$2 billion?

Mr Colvin: Yes.

Senator RICE: Do you have an expected time frame as to when the remaining \$1½ billion is likely to be allocated?

Mr Colvin: No. We're still in the early stages of understanding the complete assessment. I would say that we are in a relief phase still, trying to get cash into communities to help them make the decisions they need to make immediately, while we also work at a more macro level with governments and local government areas on what the longer term needs of the community might be.

Senator RICE: Do you expect that you'll still be disbursing money in a year's time, two years time, five years time?

Mr Colvin: When the Prime Minister announced the establishment of this agency and my role as the coordinator, it was given a sunset of 31 December next year. Of course, it is subject to government to make decisions on what happens beyond that. However, my and the agency's lens is far more than two years, so we'll be looking at measures that are about the long-term recovery, which could be five, 10 or more years.

Senator RICE: Would you expect, though, that those measures will be covered with this \$2 billion or would you expect that there will be \$2 billion to be disbursed in the next two years and further funds which would be required for the years after that?

Mr Colvin: I wouldn't put any caveat on it. The Prime Minister has said that that is an initial allocation. I'm not in a frame that I would go back to him just yet and ask for more or say that we're not going to spend it. We're still making those assessments, and that'll be a decision for government.

Senator RICE: You said in your opening statement that you were working to ensure that decisions were locally informed.

Mr Colvin: Yes.

Senator RICE: What consultation are you undertaking, and what further consultation is planned, to ensure that local communities in regional areas are actively involved in the response rather than just being told by a centralised agency that this is what's going to happen?

Mr Colvin: That's a good question. There's a range of forums that we have, and the major general can list some of those in a minute. But we are working with the state government, who obviously have regional development plans. They have a range of measures that they are also considering. We are working with our local government counterparts. We also work with the local government to organise themselves as a collective. For instance, in the Canberra region 13 local governments came together last week. They act as a forum in some ways. But we also work with the local community—it might be the local chamber of commerce or it could be the local small business community—as well as the peak bodies, such as the Australian Chamber of Commerce and Industry and the Council of Small Business Organisations Australia, COSBOA. So, there is a range of inputs, and we are in the very early stages of bringing all that together and obviously meeting with the local community and talking to them face to face. At this stage we aren't in a position where we can necessarily make coherent sense of all of that. We're still receiving information.

Senator RICE: How do you propose to work through any differences of opinion from these various agencies as to what the money should be spent on?

Mr Colvin: I guarantee that there will be difference of opinion.

Senator RICE: I know there will be.

Mr Colvin: There are a range of principles, which I mentioned in my opening statement, that will guide the work we do, and we'll have to make judgements based on those principles and what we're hearing. But I'm confident that working with our state partners and all the various local and peak bodies we'll be able to come to a conclusion.

Senator RICE: Is your agency responsible for the \$50 million to protect wildlife and the environment?

Mr Colvin: The Department of Agriculture, Water and the Environment has direct responsibility for that, but we're certainly aware of it, and I think it's a very good measure.

Senator RICE: At the moment we've been told that there's \$25 million earmarked for an emergency intervention fund to use for critical intervention. Is it the environment department that's looking after that?

Mr Colvin: It is, and \$25 million has been earmarked for that, and \$25 million has also been earmarked, on the advice of an expert panel, and I know that money is starting to be disbursed as well.

Senator RICE: Okay, so it's Environment rather than you, as to where that \$50 million is being spent.

Mr Colvin: It was announced on 14 January. It's a \$50 million wildlife and habitat package and \$25 million allocated for an emergency intervention fund, and allocation of this funding is informed by the advice of the Wildlife and Threatened Species Bushfire Recovery Expert Panel. And \$25 million has been allocated for immediate support to wildlife rescue organisations and zoos to carry out activity, and I know that quite a bit of that has already been allocated to the natural resource management groups around the country; \$7.5 million has been allocated to on-the-ground practical wildlife rescue, protection and care; \$5 million has gone to Greening Australia; \$1 million each has gone to Taronga Zoo, Zoos Victoria and Zoos South Australia; and \$2.5 million has been allocated for Conservation Volunteers Australia. So, money is hopefully in the right places.

Senator RICE: And you said it was the environment department that's looking after that.

Mr Colvin: Yes, it is.

Senator RICE: Is there any interaction in terms of regional jobs and regional businesses and employment of people in environmental rehabilitation and pest management programs? What's the interaction between you and that fund that's being administered by Environment?

Mr Colvin: We'd have to check with the Department of Agriculture, Water and the Environment as to exactly how that money is rolling out to local communities, as you say. But an overriding principle that we have for engagement with any department—or, for that matter, any non-government organisations—is that no funds should displace local professional expertise and wherever possible should actually enhance or build on local expertise. So, I'd have to take advice or take it on notice and in fact the department would be the better agency to answer the question. But I would be hopeful and expectant that wherever possible that money is going into the hands of local organisations.

Senator RICE: Okay, but my question went more to that money being managed by Environment—and I could foreshadow that some of it may be for employing people to go out there and manage weeds et cetera. You also have funds potentially available for local employment programs.

Mr Colvin: Yes.

Senator RICE: So, it's the interaction between those two.

Mr Colvin: Absolutely. We'll make sure that we're not overlapping at the point that we've got measures that we think we want to roll out into the local community. but it would be unusual that the NBRA—I'm not a delivery agency, per se. I'd be working with the departments who would be the delivery agencies.

Senator RICE: But would there be extra money that would be potentially available through your \$2 billion in addition to the \$50 million that has been allocated under this program?

Mr Colvin: We will consider all good applications that give us a sense, using the guiding principles that I mentioned before, of what recovery might look like in the community—yes.

Senator MOLAN: Mr Colvin, do you agree these fires were unprecedented?

Mr Colvin: In the nature and the scale—absolutely, they were unprecedented.

Senator MOLAN: So we were facing an unprecedented situation. Would you consider that, if the fires were unprecedented, then the government's reaction to them had to be unprecedented as well?

Mr Colvin: I agree, yes.

Senator MOLAN: Are you able to produce a time line of the announcements? I have tried to do that myself and I find it difficult, but many of the actions that this government has taken have been very, very timely. For the education of the committee, would it be possible to produce a time line of the major activities and the announcements that match them?

Mr Colvin: I have that; I just don't have it in chronological order. What I can say is that, from the moment that my feet hit the ground, there have been a rolling series of announcements and measures by government.

Senator MOLAN: And the announcements, I believe, were almost on a daily basis or every second day—

Mr Colvin: In that initial two weeks, they were daily, if not every other day.

Senator MOLAN: When I added them up, I got roughly 30 items covering areas like agriculture businesses, small businesses, wildlife and mental health, and the list just went on and on and on. Is there a good summary that you have of that? Maybe I missed that, Chair, when I was away. Is there a good summary of that that we could make available to the committee?

Mr Colvin: We will make that available to the committee. There are two ways to cut this. One is to look at those measures that come out of the \$2 billion fund that the Prime Minister has announced. I think the more appropriate way is to look at the totality of the measures announced by government, because not everything will come from the \$2 billion. There are existing measures and appropriations. But, on our estimation, there are 34 measures announced by government to this date and we can make those available in a different form.

Senator MOLAN: A summary form would be very, very handy, I think.

Mr Colvin: We can do that.

Senator MOLAN: We could match that with the time line and I think we could see the scale of the reaction and that, in fact, the reaction to the recovery was pretty well unprecedented. Do you consider, Mr Colvin, that we as a nation have learnt from the 2009 fires? And, if we have learnt from 2009, which was an extraordinary event, what do you think the main lessons from 2009 were?

Mr Colvin: I think we have learnt an enormous amount from the 2009 fires. In fact, I think we learn from every disaster, whether it is a fire or otherwise. It is stark to me that, while any loss of life is one life too many, when we look at the loss of life in 2009 and in this bushfire event, I think we have learnt a great deal about how to prevent loss of life. Again, I'm stepping outside of my lane here in terms of expertise, but I think we've learnt a lot about how to protect structures and we've also learnt a heck of a lot about the speed and nature of what the response needs to be and how it needs to be community led.

Senator MOLAN: Certainly, from my observations, in terms of the effectiveness of the states' firefighting activities during the firefighting phase of this—the immediate phase—if someone has lost their house or lost a loved one or lost their income, to them it's a disaster. But my memory is that something like 178 people died in 2009 or maybe it was 174—

Mr Colvin: I'm just told it was 173, so your memory is pretty good, Senator.

Senator MOLAN: How many casualties did we have?

Mr Colvin: In this event?

Senator MOLAN: In this event.

Mr Colvin: There were 33 lives lost.

Senator MOLAN: Of course, that was a day and a bit from my memory. This has gone on since September of last year, hasn't it?

Mr Colvin: Correct. Over four major states. But I am always careful when I say that because we have seen fires in Western Australia, Northern Territory and Tasmania as well.

Senator MOLAN: There are certainly many hotspots down in the border areas that are still—

Mr Colvin: Correct—as you know well.

Senator MOLAN: I am trying to understand whether the response was adequate from a governmental sense. I am very disappointed that we seem to be hearing only from the opposition in this committee pointing out perceived inadequacies. How fast was your organisation put together? Were there any obstacles put in your way in putting the organisation together?

Mr Colvin: No. I can speak from my own experience. From a phone call on Friday afternoon to commencing operation on Sunday, being announced on the Monday and being in a position—here we are eight weeks later to have put a number of measures in place. As I said in my opening statement, \$380 million is our calculation of what has already rolled out the door in recent time. We know that the government have expanded the eligibility of disaster recovery payments, for instance. I think that Services Australia have done a remarkable job of processing and getting cash into affected individuals' accounts very quickly. There are little things in there that we have done differently through experience. Disaster recovery payments were only available to those who had suffered fire damage to a major asset, so their home. That was quickly expanded to include other assets—so sheds, water tanks—to make sure that money was flowing. Having been a part of this for the last eight weeks all I can say is it has been a pretty hectic time in terms of keeping up to speed with the number of measures and the response of various governments.

Senator MOLAN: And certainly the community has responded extraordinarily. I lost my house in 2003 in the ash Wednesday fires in the Adelaide Hills. It took me 12 months of absolute gut-wrenching fighting to get a dollar. I have heard nothing but good about NRMA insurance on any number of occasions. My understanding is that the government has assisted the insurance companies to understand that they should be very sensitive to people's needs. Is that your belief?

Mr Colvin: That's a very nice way of putting it. The minister has been a part of some of those discussions I believe.

Senator MOLAN: Okay.

Mr Colvin: Absolutely. The Australian insurance industry, and Australian insurance council, have been a key interlocutor for government to make sure that their actions meet the expectations of government and the community. Likewise, we have heard many positive things about the insurance industry processing claims quickly, working co-operatively with affected individuals. It's very tricky. It's a very complicated insurance regime we know. But I think we have seen an extremely positive reaction from the banks, for instance, and from the Insurance Council and the insurance industry. We have seen a positive reaction, not without some challenges, though, from our major critical infrastructure suppliers: our energy sector, our telecommunication sector. Has it been perfect on every occasion? No. But I think we have seen a remarkable desire to want to step forward and do what needs to be done for the community.

Senator MOLAN: Are you familiar with an organisation called BizRebuild?

Mr Colvin: BizRebuild with the Business Council of Australia—

Senator MOLAN: Correct.

Mr Colvin: have been unbelievably supportive.

Senator MOLAN: For the committee, could you describe BizRebuild for us?

Mr Colvin: The Business Council of Australia acted very quickly to establish BizRebuild under the direction and guidance of former Governor-General Sir Peter Cosgrove. They have been working to connect big business with small business, with the understanding that in most of these fire affected zones we are dealing with largely small business. There is big business there, of course, but it is largely small business. The way they will recover is through big business helping them. They have put some amazing programs in place. The most recent one that has received a lot of attention is the pop-up marketplace—

Senator MOLAN: Where was it?

Mr Colvin: Mogo. The major general went down. It was incredibly positively received by the community. It has led me to a view, that my deputies and my colleagues and I talk about a lot, that our role as an agency in some ways is to connect people and get out of the way and let organic support occur, because these communities will recover when they are helped by other communities. Businesses will recover when they are helped by other businesses. We can do a lot to, obviously, connect people and we can do a lot in terms of government levers that we can pull, but it's been remarkable to see how communities have helped each other.

Senator MOLAN: Sometimes I get the criticism that organisations such as charities, BizRebuild, Team Rubicon or BlazeAid operate faster than governments. Why is it that a charity can act faster to distribute funds than perhaps governments can?

Mr Colvin: That's a good question. I think we have acted pretty quickly to get money out the door, quite frankly. But we are still dealing with public moneys and taxpayer dollars, and we need to make sure that that's done in an appropriate way. But my experience from this event is that we have done that in a way that I haven't seen before from government. Organisations like Team Rubicon, BlazeAid and BizRebuild are very, very good at putting troops on the ground and focusing on what they do well. BlazeAid are remarkable at building fences. Again, please jump in, Andrew, if I've got these numbers wrong, but we are estimating that there is in excess of 80,000 kilometres, probably closer to 100,000 kilometres, of fence line that has been damaged as a result of these fires. That's fences that border crown land, fences that border roads, internal fences, property fences and the like. BlazeAid, I think, have already done 500-plus kilometres of fencing. I saw a figure. Please jump in, Andrew.

Major Gen. Hocking: The latest figure for fencing, for example, is over 100,000 kilometres just in external fencing. That doesn't account for internal fences on farms and other areas. But as Coordinator Colvin expressed, our partnership with the charities, and equally with business, as we go forward and engage together with communities is to look to see how not only the agency can support in that regard but equally how charities and business can support in that regard.

Senator MOLAN: That's an amazing achievement because my understanding is it's \$10 to \$15 a metre of building a fence, and that's a fabulous amount of money those people are doing. Has the military contributed to that as well?

Major Gen. Hocking: The military has. One part of their role is not only cleaning up fences that have been pulled down but also, to some extent, re-erecting them where it's within their capacity. I think BlazeAid has done a lot of the heavy lifting in that regard.

Senator MOLAN: How long has the military now been involved in the fires that started right at the end of August?

Major Gen. Hocking: My previous job was as a brigade commander up in Brisbane, and we were involved in supporting firebreaks and other things in Queensland right back in October. So the military is always there to provide support under the defence assistance to civil communities, but the military obviously has been substantially committed since the new year.

Senator MOLAN: It certainly has been, and I think the biggest change was in the call-out of the Reserve, wasn't it?

Major Gen. Hocking: Yes.

Senator MOLAN: Have you seen that before?

Major Gen. Hocking: Late last year we did, through the military, a practice call-out in anticipation of what could have been a challenging fire season. So there was a practice call-out at the end of last year on a very small scale, but I've not seen—

Senator MOLAN: So this was an unprecedented fire but the planning was already there in place?

Major Gen. Hocking: Yes.

Senator MOLAN: And that's what we would expect from the military, isn't it?

Major Gen. Hocking: Yes.

Senator MOLAN: And from the government. I think that's about all I've got, thanks. I think one of the issues that I might come back to later is the National Aerial Firefighting Centre and the magnitude of the aerial firefighting activities that have been conducted.

Senator WATT: For Senator Molan's benefit, and he's obviously entitled to ask questions wherever he wants to, I was advised that it might be better to take questions about aerial firefighting to the Home Affairs estimates, where Emergency Management Australia is appearing. I'll see you down there later, Senator Molan! I just want to go back to issues around the bushfire recovery fund. You might remember that, at the very peak of the fires, on 6 January the Prime Minister did a media conference. This is one quote from that media conference:

Today we agreed that we would support the National Bushfire Recovery Agency by establishing a National Bushfire Recovery Fund which will be administered by that agency led by Mr Colvin.

There's obviously been a range of references to a national bushfire recovery fund ever since. Can you point me to where this national bushfire recovery fund is in the Portfolio Additional Estimates Statements? I've had a look and I can't find it.

Mr Colvin: I'll ask my deputy.

Ms Bradshaw: The \$2 billion fund is a notional fund. As matters are agreed by cabinet or ERC, agencies fund those measures. In the event they're unable to fund, then the normal process would be that those agencies would be topped up in the budget process.

Senator WATT: It's a notional fund?

Senator WONG: Has it been identified in the CR—the contingency reserve?

Ms Bradshaw: That question would be better directed to the Department of Finance.

Senator WONG: You should know what sort of funding allocation you have.

Ms Bradshaw: We operate on the basis of the identified and announced \$2 billion fund.

Senator WONG: But the fund is notional only and you can't tell me if there's actually been any money appropriated and contained in the contingency reserve. Is that the evidence?

Mr Colvin: We'll take it on notice as to whether it's in the contingency reserve or how Finance have actually treated it.

Senator WATT: So the Prime Minister's announcement on 6 January, when he was under a lot of pressure, was that he had established a national bushfire recovery fund, but there is no fund, is there? It's not anywhere within the budget statements.

Mr Colvin: We'll take it on notice, Senator.

Senator WATT: You know, yes or no, whether there's actually a national bushfire recovery fund with \$2 billion, which is what the Prime Minister has been saying for last few weeks.

CHAIR: Senator Watt, I think witnesses have helped you as much as they can. Probably, the most appropriate place to ask this is with Finance tomorrow.

Senator WATT: No. This is the agency that is allegedly administering a \$2 billion fund, and I just want to see where it is.

CHAIR: As I said, Senator Watt, they've helped you as much as they can and have taken on notice what they can't help with. I'm sure, if you ask this question of Finance tomorrow, they will be able to assist.

Senator WONG: Could I ask this way: can you just confirm that there is no additional appropriation in the additional estimates statement for this portfolio for the \$2 billion?

Mr Colvin: Correct.

Senator WATT: And you've described it as an notional fund. What do you mean by 'notional fund'?

Mr Colvin: I'm going to take it on notice because I don't want to misrepresent how the Department of Finance have treated this. I'll take it on notice.

Senator WATT: Okay. I've had a look at how other people define 'notional'. The Merriam-Webster dictionary defines 'notional' as theoretical, speculative, existing in the mind only, and imaginary.

Mr Colvin: If 'notional' is not the right word, we'll withdraw and take it on notice so we can give you the exact answer of how it's been treated.

Senator WONG: If it was the Oxford dictionary, you wouldn't have complained!

Senator WATT: The Collins dictionary says:

Something that is notional exists only in theory or as a suggestion or idea, but not in reality.

So is the national bushfire recovery fund notional in the sense that it doesn't exist in reality?

CHAIR: Senator Watt, the witnesses have answered the question as best they can and have taken the balance on notice.

Senator WATT: The Prime Minister has had who knows how many media conferences where he's been out there assuring bushfire victims that he has a \$2 billion fund, but it doesn't exist.

Senator MOLAN: It's been spent.

Senator WATT: It hasn't been spent. You haven't spent \$2 billion, have you, Mr Colvin?

Mr Colvin: No, we haven't spent \$2 billion.

Senator WATT: No—thank you. You haven't spent it.

CHAIR: Order! I think the evidence was that \$550 million had been spent.

Mr Colvin: Five hundred and fifty million dollars has been—

Senator WATT: So every time the Prime Minister goes out there and tells bushfire victims that he's got a \$2 billion national bushfire recovery fund, it's actually not true. It's imaginary; it's speculative; it doesn't exist. What do you think, Minister?

Senator Seselja: No. I mean, this is a ridiculous line of questioning.

Senator WATT: It does exist? If it exists, you'd be able to point me to it.

Senator Seselja: You've had Mr Colvin outline money that is going out the door and you are saying that is imaginary because you're trying to find—

Senator WATT: It is. There's no fund.

Senator Seselja: some accounting treatment.

Senator WATT: Bushfire victims have been led to believe there is a \$2 billion fund, and it's rubbish; it's just more spin.

Senator Seselja: Mr Colvin gave evidence of \$380 million going out the door, and you're saying that that money doesn't exist when it's gone out the door.

Senator WATT: \$2 billion hasn't gone out the door.

Senator Seselja: That's what you are now putting to the Senate. This is absurd.

Senator WATT: No, no, no.

Senator Seselja: This is absolutely absurd.

Senator WATT: What I'm putting is that the Prime Minister's repeated claims that he's got a \$2 billion fund are as believable as every other marketing announcement that he is going on with. The guy is full of it—

Senator Seselja: You are now just absolutely twisting.

Senator WATT: and we're holding him to account.

Senator Seselja: You are absolutely twisting it. You are now trying to claim—you are coming into this committee and you are saying that money that actually has gone out the door and has been received is imaginary.

Senator WATT: I'm not saying the money—no, no, no. You're misquoting me.

Senator AYRES: Let's be very precise.

Senator Seselja: No, I'm not. That's what you said. You said it's imaginary.

Senator WATT: No. That is not what I'm saying.

Senator Seselja: You said it doesn't exist—

Senator WATT: You are misquoting me.

Senator Seselja: and it's money that's gone out the door.

Senator WATT: No, that's not what I'm saying.

Senator Seselja: You're getting into an accounting argument which the Department of Finance—

Senator WATT: It's not an accounting argument—

Senator Seselja: will be—

Senator WATT: it's about whether the Prime Minister—

CHAIR: Order!

Senator Seselja: And Mr Colvin has taken it on notice. Is this really the best you guys can do?

Senator WATT: You might want to dismiss this as an accounting argument. What this is about is the Prime Minister misleading bushfire victims.

Senator Seselja: You're saying that the money was never actually received, is not real. This is ridiculous.

Senator WATT: This is about the Prime Minister misleading bushfire victims—

Senator Seselja: You are misleading; you are absolutely misleading.

Senator WATT: and leading them to believe that there is a fund that doesn't exist.

Senator Seselja: You are now being fundamentally dishonest.

CHAIR: Order!

Senator AYRES: I think it would assist the way the committee works instead of operating in a post-fact environment. The Senator asked a series of questions—

Senator Seselja: Which have been taken on notice.

Senator AYRES: that go to the existence or otherwise of a \$2 billion fund that the Prime Minister announced. The question really goes to: does the fund exist? Now, Senator Seselja has tried to divert the question away to where the money that's been spent has been spent. We acknowledge the money's been spent. I'd like a straightforward set of answers to what are a straightforward set of questions.

Senator Seselja: And they've all been taken on notice.

Senator AYRES: That'd be right, because that's what you lot do.

Senator WATT: Exactly.

Senator Seselja: Take questions on notice. Wow, what an—

Senator AYRES: All of the time.

Senator Seselja: extraordinary attack, Senator Ayres.

Senator AYRES: Anything tricky, off you go—questions on notice.

CHAIR: Order!

Senator Seselja: What an extraordinary attack.

CHAIR: Order!

Senator AYRES: Any heat, anything difficult—questions on notice.

CHAIR: Where the questions really—

Senator AYRES: We've have seen you lot before.

CHAIR: Order! Where the questions go to, Senator Ayres, is outcome 1 of the Department of Finance who'll be with us at 10.45 am tomorrow morning and I'm sure will look forward to these questions.

Senator WATT: On the day of that announcement, 6 January, the Prime Minister tweeted: We're putting an initial \$2 billion into a new bushfire recovery fund to ensure the families, farmers and business owners hit by these unprecedented #bushfires get the support they need ...

So the Prime Minister told people via a tweet that he was putting an initial \$2 billion into this fund. How much money has actually been put into a new recovery fund?

Mr Colvin: I'm going to take all of these questions on notice.

Senator WATT: No, no, you can't. You are administering—

CHAIR: Senator Watt, it is not up to you to direct witnesses what they can and can't take on notice.

Senator WATT: Mr Colvin—

CHAIR: You've now asked this question in various different ways—multiple times.

Senator WATT: No, I haven't asked that. I asked initially about the existence of a fund. I'm now asking for confirmation that the Prime Minister's statements that he has put \$2 billion into a fund are correct. Mr Colvin, with great respect—

CHAIR: I don't think that's an accurate quote by your own admission anyway.

Senator WATT: you should be able to tell us how much money has been put into this fund.

Mr Colvin: Senator, I'm going to take it on notice because I want a precise answer of how Finance are treating the allocation of the fund, of the money—whatever you want to call it. What I am responsible for is making sure that the money that is agreed by government as measures is rolling out the door and hitting the communities. As I said at the start, we've come to a figure of \$380 million just on what we've put together in preparation for this estimates hearing today. The existing appropriations will be—

CHAIR: Senator Watt, we were due to proceed to the Office of the Official Secretary of the Governor-General at six o'clock. How much more time do you need?

Senator WATT: I think I can be done by 6.15. Senator Gallagher, the shadow minister for finance, wrote to Minister Cormann, the Minister for Finance, seeking clarification of this fund that we can't find any evidence of and was told that it is the government's intention to provide an initial \$2 billion as part of the bushfire response. So why is it that, when he's under pressure, the Prime Minister is happy to go out and make press statements that he's created a fund, that he's put money into the fund; however, now when we ask a few questions about it we find that the whole thing is just a mirage? No money has been put into this fund, has it, because there is no fund.

Senator O'SULLIVAN: That is ridiculous.

Senator WATT: What's ridiculous about it?

Senator O'SULLIVAN: The Prime Minister has—

Senator WATT: What's ridiculous is the Prime Minister going out and making marketing announcements to get people off his back and then we ask a few questions in here and everyone's stumbling around because there's nothing to show for it. That's what's ridiculous.

Senator MOLAN: The money is available and is being distributed.

Senator O'SULLIVAN: The money is flowing.

Senator WONG: Chair—

CHAIR: Thank you, Senator Wong; I know the point you're about to make. Senators, let's not have exchanges between each other. Let's just restrict ourselves to questions to the witnesses and answers from them.

Senator WATT: How much money has the government actually provided? You gave us some figures earlier about the Disaster Recovery Allowance and the AGDRP, which, as I understand it, are amounts outside this \$2 billion fund. How much money has actually been provided by the government so far, in total?

Mr Colvin: As I said before, \$554.9 million has been announced, as costed against the bushfire recovery fund. There are a range of measures that the government, as you just pointed out, have that do not come from the fund, such as the DRP and DRA payments and other measures that departments may be absorbing in their appropriations, but \$554.9 million has been announced as coming from the bushfire recovery fund.

Senator WONG: I assume, against this notional fund, that you must account for it by thinking 'announcement, expenditure'—actual expenses. How do you account for actual money out the door?

Mr Colvin: Some of it will be demand driven, of course.

Senator WONG: No, I'm asking how you account for it. You keep an internal record. Obviously you've got this notional \$2 billion. You say \$550 million has been announced in respect of that.

Mr Colvin: Yes.

Senator WONG: How much has actually gone out the door?

Mr Colvin: From the bushfire fund itself?

Senator WONG: Yes, this is only in relation to the \$2 billion I understood in Senator Watt's question.

Mr Colvin: The figure I put on the record before was \$380 million, but that included matters outside the bushfire recovery fund.

Senator WONG: Correct, I'm only asking about—

Mr Colvin: I'd have to narrow it down to get that.

Senator WONG: With respect, you should be able to come to estimates and give us this so we can have the argument about the notional. But you should be able to come to additional estimates and give Senator Watt and this committee details and particulars of expenditure against the \$2 billion.

Mr Colvin: I'm happy to walk through this, as I started to before. There are 34 measures announced by government. I can step through them all.

Senator WONG: No, please do not come back with announcements. I'm asking you about expenditure. I'm asking what's actually gone out the door. So you've got a \$2 billion notional fund announced. You have \$550 million announced. How much have you actually provided to

recipients, whether they are state or local governments, whatever the delivery mechanism is? You must have a record of that—

Mr Colvin: I do.

Senator WONG: and, if you don't, someone behind you must.

Mr Colvin: What I will need to do is remove those measures that aren't out of the fund and give you a figure. It wouldn't take us very long to do that.

Senator WATT: Maybe you could come back to us on that.

Senator AYRES: When would you be in a position to do that, Mr Colvin?

Mr Colvin: It won't take us very long. I don't know how long I'll be here at the hearing.

Senator WONG: We could return to you after the dinner break.

Mr Colvin: We could get that over the dinner break.

Senator WONG: Thank you.

Senator AYRES: Thank you.

Senator WATT: What discussions have occurred to date with either central agencies or line agencies about redirecting existing funding to the bushfire recovery fund?

Mr Colvin: No discussions have been had with me about redirecting existing funding to the bushfire recovery fund. There are certain measures that departments are implementing, which come from existing appropriation, but not in a diversion to the bushfire recovery fund.

Senator WATT: Just in the remaining time, one of the announcements the agency has made is the \$17 million for local government areas. That was announced on 13 February.

Mr Colvin: It was \$60 million in total, yes. There were two announcements. There was an announcement on, I think, 10 January and then a further announcement on 13 February.

Senator WATT: So, thinking about the 13 February one, was any consultation undertaken with affected councils prior to that announcement?

Mr Colvin: Yes, we spoke to councils a number of times—not about the quantum of the funding, but that funding certainly followed the initial allocation on 10 January for many of the councils. So there have been ongoing discussions.

Senator WATT: With regard to the point that I was asking about before, the claims that tourism funding for bushfire regions has been redirected, I might table a copy of the article from *Cairns Post* that I was quoting from before. It says—and this is from 27 February:

The Morrison Government will invest \$25 million into a marketing effort with a significant focus on Far North Queensland – money directed from a \$76 million crisis package already announced for areas struggling in the wake of bushfires.

You've already told us that you're not aware of such a decision having been made.

Mr Colvin: To divert bushfire money to coronavirus? No. But I am aware that in the tourism package there is money for domestic tourism marketing campaigns.

Senator WATT: The member for Leichhardt, Mr Entsch, is quoted in this article. He said: ... the Federal Government had committed to invest more funds as marketing activity ramped up and more markets were targeted.

... ..

"We have listened and we have acted," he said.

Then he goes on to talk about the international marketing campaign that's going to be funded, allegedly, by redirecting tourism funding for bushfire areas. Is this the first you've heard of it?

Mr Colvin: Again, I know there is money in the \$76 million that was allocated. Money has been allocated for an international marketing campaign as well. The article refers to it as a diversion; that's not my understanding at all.

Senator WATT: As I said, I'll table this so you can have a look at it as well.

CHAIR: If there are no further questions for the agency, I thank you very much for your attendance.

Senator WONG: Hang on. No, no. We asked for them to return after the dinner break on the expenditure point.

CHAIR: You're proposing that we go to the Office of the Official Secretary to the Governor-General now and dispense with them in the remaining time?

Senator WONG: Yes. If he's able to get it to us before the dinner break, it's up to Senator Watt whether he wants to— We just want that figure.

Senator WATT: This has reminded me of, genuinely, one question. I've forgotten their official titles—Prince Harry and Meghan, the Duke and Duchess of Sussex or somewhere. It has been reported they're going to be visiting bushfire affected regions. Is that tour going to be funded from any of the \$2 billion recovery fund?

Mr Colvin: That's not a discussion that's been had with me or my agency. I'm sure that will be worked through at some point, but it's not a discussion that we've been a part of to this date.

Senator WATT: Could you take that on notice please.

Mr Colvin: Of course.

CHAIR: Senator O'Sullivan has one question.

Senator O'SULLIVAN: I did ask the question earlier and I think, Mr Colvin, you did answer it. But, just for *Hansard*—I'm not sure if we picked it up; there was a bit of an exchange across the tables—could you confirm to me that the \$2 billion is designated to be spent over the life of the agency, which is two years.

Mr Colvin: It's an initial allocation of \$2 billion that is to be administered by the agency. The existence of the agency is for two years, yes.

CHAIR: As I understand it, the committee would like to move to the Official Secretary to the Governor-General now. We will dismiss the bushfire agency for now for the purposes of moving on with the program, but, Mr Colvin, you'll come back to us after the dinner break with an answer to that question, unless you already have it.

Mr Colvin: We'll come back to you with an answer to the specific question of how much from the Bushfire Recovery Fund, as opposed to the other measures, has already been implemented.

CHAIR: Thank you. Thank you very much for your attendance and your evidence here today. We look forward to seeing you just after the break, briefly.

Office of the Official Secretary to the Governor-General

[18:19]

CHAIR: I welcome Mr Paul Singer, Official Secretary to the Governor-General, and other officers. Mr Singer, do you have an opening statement?

Mr Singer: Just a brief one. Since last appearing before the committee, my office has been focused on supporting the Governor-General and Mrs Hurley through a period of extensive community engagement. Much of this engagement has come in response to the devastating bushfires, which saw Their Excellencies playing a very visible and important role comforting and consoling those most affected. Since September last year, the Governor-General and Mrs Hurley have visited bushfire affected communities in 30 towns across Queensland, New South Wales, Victoria and South Australia. As I am sure the committee can appreciate, these visits have been emotional. The Governor-General and Mrs Hurley will typically spend as much time as possible speaking privately to those directly impacted by the fires. They listen, comfort and, as best as they are able, assure people that they are not alone.

The visits have also been an opportunity for Their Excellencies, on behalf of all Australians, to recognise and thank those involved in the immediate response and the recovery. This has included spending time with emergency services personnel, the Australian Defence Force, volunteers and members of the community, including local councils. The Governor-General has sought to shine a light on the remarkable response by communities and the outpouring of support right across Australia. As he said in his annual Australia Day address, adversity not only builds character; it reveals it. In coming months Their Excellencies will continue visiting fire affected communities and support however they are able the recovery and the rebuild.

These visits are only part of what has been a busy and effective program. In his first eight months in the role, the Governor-General has participated in over 600 official engagements and, together with Mrs Hurley, hosted over 30,000 visitors to Government House in Canberra and Admiralty House in Sydney. Almost half of their events have been in regional and remote areas across each state and territory. The Governor-General has also represented Australia overseas on three occasions, including, since I last updated the committee, attending the World Holocaust Forum in Israel alongside 40 heads of state. It has been a busy, challenging and productive time.

In other aspects of the office's responsibilities, I acknowledge the committee's ongoing interest in the project to stabilise the Kirribilli Point Battery precinct. Further to my earlier updates to the committee on the initial remediation works, the next stage, which includes stabilisation and restoration works, will commence in the last quarter of this financial year and be completed by the end of the calendar year.

I am joined this evening at the table by Jo Tarnawsky, who was appointed Deputy Official Secretary on 9 December last year following a merit based selection process. I look forward to answering the committee's questions.

CHAIR: Thank you, Mr Singer. So you don't need to do so, I will correct Senator Watt: it's Prince William and Kate, I believe, who are coming, not Harry and Meghan.

Senator WATT: I defer to your superior knowledge of the monarchy.

Senator WONG: We are republicans. Thank you very much, Mr Singer. I have some questions, perhaps unsurprisingly, about the Order of Australia. First, in terms of the consideration of nominations, I had a look at the website. There is a secretariat. Can you tell me how many staff work in that.

Mr Singer: The secretariat contains 31 staff as a headcount which equates to an FTE of 28.8.

Senator WONG: Where are they located?

Mr Singer: At Government House, Yarralumla.

Senator WONG: Are there specialist research skills amongst that staffing cohort?

Mr Singer: Government House, over a number of years, has implemented what we call a case officer trainee program, where people with a variety of skills are employed generally at the Government House level 3 position and are trained as case officers, which of course includes research training.

Senator WONG: I presume secretariat staff conduct research. That's what's said. Then nominations are presented to the council for consideration. Is it practice for such nominations to be presented with a recommendation?

Mr Singer: Nominations are not presented by Government House staff with a recommendation. The details and the consideration of a particular nomination are entirely a matter for the council.

Senator WONG: I understand that, but I just wondered when you provide them with that information whether or not there is any recommendation associated with the paperwork from the secretariat staff to the council

Mr Singer: For administrative purposes, there might be an allocation of either a high or low award, but there would be no recommendation for a specific award.

Senator WONG: I don't want to get into semantics. Is there an assessment of the merit of a nomination? If so, how is that indicated to the council?

Mr Singer: The nomination will be accompanied by a recommendation as to whether it might notionally fall within the high or low category. The reason for that is that the secretariat are well based, for comparative reasons, to provide relativity with other nominations.

Senator WONG: Is it the case that there are many people who are nominated who are not then presented to the council?

Mr Singer: No, that's not correct. All nominations received by the secretariat are put to the council for their consideration.

Senator WONG: Are there options for recommendation other than high or low—for example, that someone is not recommended for any award?

Mr Singer: That's right. There may well be a characterisation of a 'no award'.

Senator WONG: What are the levels: no award, low and high?

Mr Singer: For administrative purposes, when they're put to the council, they're the three categories: no award, high or low. I should also add that there's a category which essentially allows certain nominations which might be seen to be spurious to be treated as such.

Senator WONG: Does that mean they don't go before the council?

Mr Singer: They'll go before the council, but they'll be treated as a job lot, if I can characterise it that way.

Senator WONG: How are they described?

Mr Singer: They're referred to as 'marginal'. It might be that they don't have enough detail accompanying them or—

Senator WONG: Basically, it's no award, high, low and marginal. Are they the only categories?

Mr Singer: That's correct.

Senator WONG: What's in the high category? I know there's a whole hierarchy that people care about, but I don't actually remember it.

Mr Singer: For the purposes of this, that might include consideration around a Companion of the Order of Australia, referred to as an AC, or an Officer of the Order of Australia, referred to as an AO, and then, when we're talking about lows, it might mean the Medal of the Order of Australia or, conceivably, a Member of the Order of Australia.

Senator WONG: I assume all recommendations from the secretariat to the council are confidential?

Mr Singer: Yes, and I should provide some additional context here. Senator, you will appreciate that the Australian honours system has always operated on the principle of confidentiality and, of course, that's necessarily so to protect the nominators, the nominees and any referees involved in the system.

Senator WONG: Can you tell me how the council members are chosen? Are they simply chosen by the Prime Minister?

Mr Singer: There are eight community members—

Senator WONG: Let's start with Mr Stone. What was his political position previously?

CHAIR: Senator Wong, I'm sure you don't need to be reminded.

Senator WONG: I do! I don't remember every Liberal Party politician.

CHAIR: He was Chief Minister of the Northern Territory.

Senator WONG: Was he the bloke that talked about 'mean and tricky'? Is that him? I'm asking: is that him?

CHAIR: I don't think that's within Mr Singer's expertise.

Senator WONG: I'm asking you, Chair; you seem to know! Who recommends Mr Stone?

Mr Singer: Mr Stone was recommended as a community member, and the eight community members on the 19-person council are recommended by the Prime Minister.

Senator WONG: They're all recommended by the PM?

Mr Singer: That's correct.

Senator WONG: And Senator Cormann and Ms Foster are ex officio members.

Mr Singer: There are three ex officio members, one being Senator Cormann, in his capacity as the Vice-President of the federal Executive Council or his deputy, which, at the moment, is Assistant Minister Morton. So either Senator Cormann or Assistant Minister Morton may attend the meetings.

Senator WONG: Who are the other two ex officios?

Mr Singer: Ms Foster and CDF.

Senator WONG: Just to confirm, there's no process for the community representatives, is there? That's just the Prime Minister's choice; correct?

Mr Singer: The Prime Minister makes a recommendation to the Governor-General.

Senator WONG: Are you aware of any process around choosing these community representatives?

Mr Singer: Not within Government House. That would be a matter for Prime Minister and Cabinet.

Senator WONG: I assume the council does not always accept the recommendation of the secretariat?

Mr Singer: I should make it very clear that the recommendations are not treated as recommendations per se. It's an administrative treatment.

Senator WONG: So what would you like me—I don't want to—

Mr Singer: I don't want to engage in semantics either.

Senator WONG: No. What would you like me to call them? Categorisation?

Mr Singer: I think that's a better representation.

Senator WONG: So the council doesn't have to accept the categorisation?

Mr Singer: No. The decision lies entirely with the council.

Senator WONG: Does the Governor-General always act on the advice of the council?

Mr Singer: In matters relating to the honours system the Governor-General always acts on the advice of the council.

Senator WONG: I should have said in relation to that; that's all I was asking about. Can you give me the dates on which the council met to consider the Australian Day 2020 awards?

Mr Singer: I can. The date of our council meetings are published in our annual report. Whilst I don't have the date for the Australia Day list immediately to hand, it would have been in August last year.

Senator WONG: Is the citation drafting done by the secretariat?

Mr Singer: It is.

Senator WONG: Are there ever any changes engaged in by the council?

Mr Singer: No. They're produced by the secretariat after the council has made a recommendation to the Governor-General.

Senator WONG: I want to ask some questions in relation to Ms Bettina Arndt, who was made a member of the Order of Australia on Australia Day. Did the secretariat or council review her service in conducting a campus tour since 2018?

Mr Singer: I reiterate my earlier point that the effectiveness and the integrity of the Australian honours system relies on the principle of confidentiality. Therefore, I'm unable to talk about individual nominations.

Senator WONG: There's a campus tour which she describes on her website as a fake rape campus tour. Was that something you were aware of at the time the nomination was put before the council? Did the researchers realise that this was one of the things about her service?

Mr Singer: Again, I won't speak to an individual nomination, but I will provide the general advice that the research and due diligence for any nominee includes referee checks, including independently sourced references; internet and social media checks; checks of whether there are any legal proceedings involving that nominee; general and targeted online searches; and the follow-up of information of concern that's provided by referees or as a conduct of those searches.

Senator WONG: In the citation this is referenced. It says that other services include 'campus tours since 2018', which is something she regards as a fake rape campus tour. Why did someone regard that as appropriate service for the purposes of this award?

Mr Singer: Again, I will not be drawn into individual nominations or into talking about the specifics of an individual recipient.

Senator WONG: I'm asking you to be accountable for public monies, which you are funded by in performing this. I'm asking you to be accountable for what is written in a public citation that you and your staff agreed to. I want to understand why it is reasonable for a fake rape campus tour to be part of a citation as to someone's service to the Australian community.

Mr Singer: I appreciate that there are some strong views in relation to Ms Arndt's appointment. Given it has been publically—

Senator WONG: I haven't gotten to that point. I'm asking why it was in your own documents. Why is her 'campus tour since 2018', which she calls a fake rape campus tour, service to the Australian community in your document for the purposes of her being a member of the Order for Australia?

Mr Singer: I'd have to look at the citation and assure myself as to how and what information was included.

Senator WONG: I'm assume you're not going to tell me whether or not there was any consultation with members of the Liberal Party in relation to Ms Arndt's appointment?

Mr Singer: No, I won't, Senator, on the basis that, again, I'm not going to speak about individual nominations, but nor would I know what conversations occur outside of council.

Senator WONG: I think you've said this, but just to confirm: has the Governor-General received requests for Ms Arndt's award to be terminated?

Mr Singer: The Governor-General, as has been publicly reported, has received a number of items of correspondence requesting reconsideration of her appointment.

Senator WONG: Is the Governor-General aware of the Senate resolution from last week that Ms Arndt's comments, which she has not withdrawn, are inconsistent with her retention of her award?

Mr Singer: The Governor-General was aware of the Senate motion.

Senator WONG: It has been reported that whether or not Ms Arndt should retain her award has been referred to the council. Is that correct?

Mr Singer: Yes, that is correct.

Senator WONG: When did that happen?

Mr Singer: There were a number of items of correspondence, all of which were immediately referred to the council for their consideration, and I note that the chairman of the council released a statement on Thursday of last week—

Senator WONG: I'm asking when this was referred to the council.

Mr Singer: It was referred to the council on receipt of each of those items of correspondence.

Senator WONG: By whom?

Mr Singer: By the Governor-General to the council.

Senator WONG: I understand the Terminations and Cancellations Ordinance provides a couple of mechanisms for consideration of the termination of an award. Section 3(1) of that ordinance provides that the Governor-General may terminate an award without reference to the council. Could you explain to me why the decision has been made to refer the matter to the council rather than utilising that provision?

Mr Singer: In practice, that provision has never been exercised, Senator, and that's not to say that it can't be or shouldn't be. But I think it is important that the council have the opportunity to methodically work through this and consider the circumstances around this appointment, which will be done by the council in the fullness of time.

Senator WONG: So it wasn't considered. There was no consideration of that provision being utilised.

Mr Singer: Not at this stage, Senator, because in practice the Governor-General does always act on the advice and recommendations of council.

Senator WONG: I'll turn now to a Dr Liang Joo Leow, who has received an OAM. There is a *Sydney Morning Herald* article referring to what is described as 'stealth rape'. Are you aware of this?

Mr Singer: I'm aware of the reporting, Senator.

Senator WONG: He was committed to stand trial in the County Court of Victoria on one count of rape and one count of sexual assault in July last year. Was the Governor-General or the council aware that this doctor had been charged with rape prior to the Medal of the Order of Australia being awarded?

Mr Singer: Senator, again, I won't speak to the individual circumstances of an award. But what I will share is that all legal proceedings need to have concluded before the council would make recommendations to the Governor-General around the cancellation or termination of an award.

Senator WONG: You're telling me that the legal proceedings had been concluded?

Mr Singer: In relation to that case, I'm not aware that they have.

Senator WONG: I'm sorry; I think those two answers are inconsistent.

Mr Singer: No, what I'm saying, Senator, in general terms, is that legal proceedings around the consideration for a termination or a cancellation need to have been exhausted before such time as the council will make a recommendation.

Senator WONG: But the question is not about a determination. Given that he was facing criminal charges, can you tell me: was that not a relevant consideration, or was that not something the council considered at a time they were deciding to give him an OAM?

Mr Singer: Senator, this is very difficult territory because I will not—

Senator WONG: It's about the integrity of the honours system.

Mr Singer: I appreciate that. That's something that I hold very dear as well—

Senator WONG: So does the Senate.

Mr Singer: but it's a longstanding custom for the integrity of the system that individual nominations not be discussed in this way.

Senator WONG: All right. I'm interested in an explanation as to why someone facing these proceedings nevertheless had an honour proceeded with. I make no judgement about those proceedings; obviously, the courts will deal with them. But why would the honour have been proceeded with while those criminal proceedings were on foot?

Mr Singer: Could I be permitted to speak in general terms again, Senator?

Senator WONG: Sure.

Mr Singer: From time to time with these types of nominations, there is information that comes to hand after the council has made a recommendation to the Governor-General, and there are provisions within the Constitution of the Order of Australia and the ordinances to be able to deal with that in the appropriate way.

Senator WONG: Speaking of that, I think you're familiar, because there's been a lot of correspondence about this, with the case of Mr Graeme Russell Lawrence, a former Anglican Dean of Newcastle who was convicted and sentenced to eight years for the rape of a boy. He is a Medal of the Order of Australia recipient. I understand that Mr Stephen Smith has repeatedly written to the Governor-General urging that this award be cancelled. Can you tell me what is occurring in relation to that award?

Mr Singer: Senator, this is a similar circumstance and I'm unable to speak about the individual nature of this nominee.

Senator WONG: This guy has been convicted of the rape of a boy.

Mr Singer: I appreciate the circumstances, Senator, and I won't comment on those specific circumstances.

Senator WONG: You're in receipt of correspondence from at least one individual, if not more, from that community requesting that there be consideration of terminating his honour. Is the Governor-General or the council considering that request?

Mr Singer: What I can say is that matter will be addressed in exactly the same way as any correspondence that's received in relation to an individual awardee and dealt with once legal proceedings have been completed and all avenues of appeal have been exhausted.

Senator WONG: He's been convicted of raping a child. So we just wait. Do you think that people might look at that and think, 'That's a problem'?

Mr Singer: I understand and appreciate your observations, and I note that there is a range of views within the community in relation to all of these matters, and I think it's important that we allow the council to deal with them in a methodical way.

Senator WONG: Well, are they? I think what you're saying to me in relation to Mr Lawrence is that, because he could still appeal that criminal conviction, you're not going to do anything about it until the appeal period has been resolved?

Mr Singer: These things are under constant consideration by both the secretariat and the council.

Senator WONG: What does 'constant' mean? 'Constant' is one of those words people use at the table when they're trying to give an impression with respect to doing something. Nothing is constant. What is happening with it?

Mr Singer: I think it's fair to say that these matters, like similar matters within the secretariat's purview, are under regular review and are constantly being monitored.

Senator WONG: Is Cardinal Pell still a Companion of the Order of Australia?

Mr Singer: He still holds his AC. That's correct, Senator.

Senator WONG: Is that the highest honour?

Mr Singer: That's correct.

Senator WONG: And he's in jail currently?

Mr Singer: Yes, Senator.

Senator WONG: Are there any other Companions in jail?

Mr Singer: Not that I'm aware of, Senator.

Senator WONG: Again, there'd be no consideration about that honour until the appeal has been dealt with. Is that what you're telling me?

Mr Singer: That is part of the due process—yes.

Senator WONG: The CEO of Domestic Violence NSW, Ms Yates, has urged the honours secretariat to review its systems, including how it reviews referee reports. Have you seen that, Mr Singer?

Mr Singer: No, I haven't, Senator.

Senator WONG: Maybe you should. Can you tell me how many awards have been terminated or cancelled in the past two years?

Mr Singer: I can gather that information, but I can say that, since the Order of Australia was constituted in 1975, there have been 46 cancellations.

Senator WONG: Forty-six since—

Mr Singer: Since 1975.

Senator WONG: Can you, on notice, give me the last two years?

Mr Singer: I have that information.

Senator WONG: Okay, and tell me the reasons, or do you not give reasons?

Mr Singer: No, we do not give reasons, but you'll understand that, under the six provisions of the ordinance, they largely attribute to legal proceedings having been exhausted. But two in the last two years have been terminated or cancelled.

Senator WONG: Are you going to give me who they are, or not?

Mr Singer: Yes, I can give you who they are. That's a matter of public record because after a termination or a cancellation, it is gazetted.

Senator WONG: Just remind me who it is. They don't know?

Mr Singer: We do have that information. In the interests of time we can either identify that in the time that we're together or take that on notice.

Senator WONG: I understand the Governor-General attended the World Holocaust Forum on 23 January—correct?

Mr Singer: That's correct.

Senator WONG: When was the decision made for Governor-General to attend that?

Mr Singer: It would have been approximately November last year.

Senator WONG: I think the Governor-General has made public comment that Australia should discuss banning Nazi symbols. Can I just ask if that suggestion has been raised with the government?

Mr Singer: I'm not aware.

Senator WONG: I've got a couple of very quick questions. On coat of arms maintenance, there's a contract published on AusTender on 14 January to the value of \$23,965. The description is 'Government House coat of arms and sculpture maintenance'. Can you tell me what that's for?

Mr Singer: Yes. That relates to a series of coats of arms around the property that have been stripped back, maintained and repainted.

Senator WONG: How many? You said a range—how many?

Mr Singer: I would have to take that on notice.

Senator WONG: And is it just cleaning or is it actually being refurbished—

Mr Singer: No, it's actually quite detailed reconditioning and refurbishment of these coats of arms.

Senator WONG: There's also—and it's not my fault, but the contract is \$25,000 for mould cleaning. Can you tell us what that is?

Mr Singer: Yes. This refers to Admiralty House and some of the climatic conditions that we have to deal with, being adjacent to the harbour, and the rising damp that is a consequence of the climatic conditions there. Sometimes that results in mould spores in the walls. We have recently undertaken a comprehensive cleaning of each of those affected walls to ensure that that mould is eradicated and removed.

Senator WONG: And then the \$630,000 contract for construction and building?

Mr Singer: That's part of our administered capital program. That relates to works undertaken at Admiralty House, including a refurbishment of the gatehouse. That was significantly dilapidated in terms of its structural integrity. The \$630,000 applies to re-roofing—

Senator WONG: There has been quite a lot of work at Admiralty House. I remember the former secretary showing me all of that. What is your annual capital budget?

Mr Singer: It's in the vicinity of \$3 million.

Senator WONG: Has that been bumped up recently?

Mr Singer: No, there was money that was appropriated in MYEFO last year for the removal of the Moreton Bay fig at Kirribilli Point and for the restabilisation of that point, but that was above our standard annual capital budget.

Senator WONG: Sorry, that was above the standard?

Mr Singer: That was in addition to our annual capital budget.

Senator WONG: Which is?

Mr Singer: Which is notionally \$3 million. It fluctuates from year to year.

Senator WONG: And the \$630,000 is part of the additional or—

Mr Singer: No, the \$630,000 is part of that \$3 million. It's spent between the two properties.

Senator WONG: Thank you very much, Mr Singer.

Senator DEAN SMITH: Just going back to Senator Wong's question about cancellations, how many awards have been surrendered by recipients as opposed to cancelled?

Mr Singer: There have been 16.

Senator DEAN SMITH: That have been surrendered?

Mr Singer: That's right.

CHAIR: As there are no further questions for the Office of the Official Secretary to the Governor-General, I thank you very much for your attendance and your evidence here this evening.

Proceedings suspended from 18:51 to 20:19

Mr Colvin: Before the break, we took on notice to bring back an answer specifically on what funds have been expended directly from the \$2 billion bushfire recovery fund. I can advise the committee that \$205 million to date has rolled out, and now those measures are continuing to roll out. I have a document that I can table. What I would say is that we are expecting significant costs to occur before the end of the financial year around debris removal, for instance. Preliminary estimates in New South Wales alone put our contribution being as much as \$400 million—of course, this is demand driven. In Victoria it is \$37½ million, and we are not in a position to estimate the cost for South Australia yet. So I caveat the \$205 million out the door at the moment with the very clear expectation that that number will go up significantly. I am happy to table that.

CHAIR: That would be helpful, thank you.

Senator WONG: That would be very helpful if you could table that. Whilst that is being circulated to senators, could I ask a couple of other questions—

CHAIR: You may, Senator Wong.

Senator WONG: on the legal basis of the entity. I note from the additional estimate statements that Senator Watt was asking questions on that you are not identified as an agency.

Mr Colvin: Correct.

Senator WONG: And I don't believe—I think there have been some searches—that you have been gazetted as an executive agency; correct?

Mr Colvin: Correct.

Senator WONG: So what are you?

Mr Colvin: We are effectively a division under Prime Minister and Cabinet. There is no legislation that establishes the agency and there is no legislation that establishes the role of coordinator. These are all questions that have been asked of me to consider as the agency goes forward—what the correct structure and arrangement should be—but at this stage that's not been my focus.

Senator WONG: I should have asked Ms Foster this. I didn't understand the difference between what was announced and what you actually are. So you are an agency in name only but simply a division, at this stage, of Prime Minister and Cabinet?

Mr Colvin: That's correct.

Senator WONG: Why do you not appear on the organisational chart, then? Do you know?

Mr Colvin: No, I wouldn't know that. We have only been in existence for a pretty short period of time.

Senator WONG: Just explain to me why you're called an agency when you're not one.

Mr Colvin: The Prime Minister announced the creation of this agency—

Senator WONG: Sure, but you're not an agency.

Mr Colvin: At this current time, we're not an agency by legislation; that's correct, yes.

Senator WONG: Mr Colvin, I'm not trying to get you into the middle of a political argument. You're not an agency, as you have said yourself; you're a division of PM&C at this stage. There's no separate entity that's been gazetted. There's no separate appropriation in the additional estimate statements. Was it the Prime Minister's announcement where he decided that you'd be called an agency, even if you weren't one?

Mr Colvin: I think that is the policy intent of the Prime Minister and the government.

Senator WONG: Is that right?

Mr Colvin: That is my understanding, that it's the policy intent of the government, yes.

Senator WONG: That you're going to become an agency?

Mr Colvin: I have been asked to consider, and I am considering, what the future construct of this agency should be in relation to statutory independence or the independence of the head of the agency in future. But, given that my focus has clearly been on trying to get measures out the door and funding to communities, that has not been the pressing nature of what I have wanted to do so far.

Senator WONG: Can I ask about these footnotes, then. Thank you very much for providing us with the reported-money-paid-out-of-date table. When you say 'payments made by states', I assume that means you, from Commonwealth funds, have paid this money to the states for payments they've made? Is that what that first footnote means?

Mr Colvin: That relates to the volunteer payments, yes. That is money directly appropriated via the states to go to the volunteers, yes.

Senator WONG: No, sorry. It says 'volunteer payments, \$7.1 million'. Footnote 1 says 'payments made by states'. My understanding is that the \$7.1 million has been paid from the Commonwealth to the states.

Mr Colvin: Correct.

Senator WONG: Thank you. And, in footnotes 3 and 4, you've already attributed the part-cost sharing in that amount. So we are getting the Commonwealth contribution of 43.5 and 2.9?

Mr Colvin: This is where it becomes complicated and why I was being careful before with how I answered this. If we take the primary producer grants under the DRFA arrangements, which are a fifty-fifty cost share, the grants are up to, depending on which state you are in, \$15 million—a fifty-fifty share between the state and the Commonwealth.

Senator WONG: But this is your contribution, correct?

Mr Colvin: Correct.

Senator WONG: Can I just be clear, though: this is against the \$2 billion, not the other programs?

Mr Colvin: This is against the \$2 billion.

Senator WONG: Okay—so \$205 million to date. Just remind me: was the profile \$500 million for this financial year?

Mr Colvin: The profile of the \$2 billion is \$500 million this financial year, \$1 billion for next and then \$500 million for the first half of the remaining year.

Senator WONG: I'm sure that Senator Gallaher will probably go into this tomorrow with Finance, but can you just confirm with respect to the monies paid out, has there been an additional appropriation to the various portfolios that are listed here equivalent to that amount against this notional \$2 billion, or are these portfolios paying out of their existing appropriation for the monies we see on this table?

Mr Colvin: I understand that they are paying out of existing appropriation that will be reconciled in the budget process. That is why I defer the questions to the department.

Senator WONG: Okay, but your understanding is that Education pay this out—\$21.1 million back-to-school support—but, in the budget bids, they'll be replenished for whatever they currently pay?

Mr Colvin: In reconciliation of that, yes.

Senator WONG: I appreciate that. Thank you for your assistance, Mr Colvin.

Senator AYRES: On a small question of detail: is the \$400 million for debris removal Commonwealth money?

Mr Colvin: That would be our share of a total cost. That is an estimate only, yes.

Senator AYRES: So the total estimated cost to be spent in New South Wales is \$400 million, or is that the total Commonwealth expenditure of what is estimated to be whatever the cost-share arrangement is?

Mr Colvin: It's a demand-driven measure. We don't know what the final cost will be. The New South Wales government have entered into a contract arrangement with a provider. So I want to be careful, because we are talking about a contracted arrangement with the state and the provider, Laing O'Rourke. We are estimating that the Commonwealth share will be in the order of \$400 million.

Senator WONG: I've just been told that you actually do appear in the org chart. So I apologise for that.

Mr Colvin: Thank you—I exist.

Senator HUGHES: I want to ask a question about the \$25.6 million that has been paid out to charities. I was wondering which charities that might have been paid out to.

Mr Colvin: We'll get the exact figures, but the money was dispersed to the Salvation Army, St Vincent de Paul and Anglicare. And, more recently Minister Rushton has announced funding available for Foodbank and other—

Senator Seselja: OzHarvest.

Mr Colvin: OzHarvest was one.

Senator Seselja: And SecondBite.

Mr Colvin: And SecondBite—\$1 million. The Salvation Army received \$10 million on 21 January; St Vincent de Paul received \$10 million on 20 January; and Anglicare received \$1.6 million on 28 January. Additionally, \$4 million has been made available for Foodbank, \$2 million; OzHarvest, \$1 million; and SecondBite, \$1 million.

Senator HUGHES: Have we established how much of that they might be keeping for admin costs versus how much has been distributed on the ground?

Mr Colvin: I can give an indication of what has been made available and distributed on the ground. The Department of Social Services will have more detail, but what I can say is that, of the funds made available to St de Vincent, \$10 million, the Salvation Army, \$10 million and AngliCare, \$1.6 million—so \$21.6 million—\$4.7 million has been expended to 4,833 people by those charities.

Senator HUGHES: Has there been any consideration given to some of the much smaller charities that are closer to the ground? There are a lot of smaller charities that are doing a lot of work within the communities on a much more immediate basis. Rather than looking at larger overheads, larger administration costs and looking at this for the longer term, these charities are working with families in the very immediate term. Has there been much examination of some of these smaller charities? I am aware of some of the smaller charities that are doing a lot of work at the behest of some of the larger organisations, and when those larger organisations have been asked to contribute to the logistical costs, for example, they have been rebuffed.

Mr Colvin: I'm not aware of that particular issue. I think that the department would be best placed to say what consideration they've given to other charities, but there are further funds available—I think about \$14.4 million is still available—under that emergency relief measure for the minister to allocate according to needs. So I'm sure that other charities would be considered in those needs as well.

Senator HUGHES: I want to go back to Senator Ayres' point about the removal of debris. There have been some reports, particularly from the New South Wales government, about using bobcats instead of bulldozers to remove debris to avoid upsetting a frog living in a particular tree. Are these sorts of issues being looked at to make sure we are getting the best debris removal outcomes as opposed to potential over-consideration of whether we might be upsetting a particular lizard living in a dead tree?

Mr Colvin: The operationalisation of the debris removal is being done by the states. The way it is generally working in New South Wales and Victoria is that there is a peak contractor—in New South Wales it is Laing O'Rourke—and with the encouragement of us and New South

Wales and Victoria, they work to get local contractors involved. We want this to help the local community as well. The detail of how they go about doing it is something that we will leave to them to operationalise. I haven't heard of there being any issues of that nature arising. If there are, I'm sure they will deal with it on the spot. Having seen a number of these sites that they have to clean up, I would imagine that the type of equipment they have to use—be it a DC-9 or something smaller—will be about the practicality of the physical environment. Many of these buildings are on slopes; they are not nice, clear flat blocks. I think that that, more than anything else, will be the challenge for the local contractors.

Senator HUGHES: There is a considerable difference in price between Victoria and New South Wales—and obviously a difference in the scale of the fires—but also—

Mr Colvin: Approximately 3,080 homes have been lost across the country, and about 2,800 of those are in New South Wales.

CHAIR: I thank the National Bushfire Recovery Agency.

Office for Women

[20:34]

CHAIR: I welcome Senator the Hon. Marise Payne, the Minister for Women; Ms Cath Patterson, Acting Deputy Secretary; Ms Catherine Hawkins, First Assistant Secretary; and officers from the Office Of Women within the Department of the Prime Minister and Cabinet. Minister, do you wish to make an opening statement?

Senator Payne: No, Chair.

CHAIR: Ms Patterson or Ms Hawkins, would you like to make an opening statement?

Ms Patterson: No thank you, Chair.

Ms Hawkins: No.

CHAIR: Okay. Senator Smith.

Senator MARIELLE SMITH: Can the Office for Women confirm how many media releases have been distributed by the Minister for women since her appointment that are in regard to the women's portfolio specifically?

Ms Hawkins: I'd have to take that on notice.

Senator MARIELLE SMITH: Did the Office for Women draft a media release for the minister following the release of the latest ABS average weekly earnings data that showed a 0.1 per cent reduction in the gender pay gap over six months?

Ms Hawkins: What I can say is that we give the minister regular updates through a range of means in terms of reporting to her on such things, particularly when we have a development such as that where we've narrowed the gender pay gap to 13.9 per cent.

Senator MARIELLE SMITH: Sure, but I'm asking a very specific question about that issue and whether or not you drafted a media release.

Ms Hawkins: To my recollection we did not. Whether or not we do a media release is on a case by case basis. But in terms of going to the heart of it, we definitely passed such information on to the minister.

Senator MARIELLE SMITH: How many times has the Office for Women met with the Minister for Women?

There Ms Hawkins: Quite a number of times. I wouldn't be able to tell you off the top of my head.

Senator MARIELLE SMITH: Do you have a regular meeting scheduled weekly, fortnightly, monthly?

Ms Hawkins: We have absolutely regular meetings with the minister's staff. We work extremely closely with the Minister for Women's staff. We have very regular meetings with them, and we have meetings as appropriate with the minister.

Senator MARIELLE SMITH: How regularly would you meet with the minister's staff?

Ms Hawkins: With the minister's staff at least weekly face to face, but we are in constant contact. Going to a question about the number of times we meet with the minister, for example, Minister Payne has initiated a national series of roundtables. She has done ten of those in the time of being Minister for Women, and I have personally attended seven or eight of those, maybe eight. The minister's memory is better than mine, but about eight of those 10. I would meet with the Minister always at those and on other occasions.

Senator MARIELLE SMITH: Would you be able to take on notice for me how many times you've met with the Minister for Women, say over the last six months?

Ms Hawkins: Yes, I could do that.

Senator MARIELLE SMITH: Has the Office for Women met with the Prime Minister?

Ms Hawkins: The Office for Women has indeed met with the Prime Minister.

Senator MARIELLE SMITH: When was that?

Ms Hawkins: I would have to—

Senator Payne: Late last year.

Senator MARIELLE SMITH: Is that the only time?

Ms Hawkins: I will correct the record if this is wrong, but it would be the key time that I have had a meeting with him.

Senator MARIELLE SMITH: Can you provide a list of meetings the Minister for Women has had with stakeholders such as women's groups or service providers over the past six months?

Ms Hawkins: We can absolutely take that on notice. As I said, Minister Payne has initiated this new national series of roundtables since taking on the women's portfolio, so there is an extensive list of stakeholders that she has met with through those roundtables across the country.

Senator MARIELLE SMITH: Have the meetings just been through the roundtables, or have them in separate meetings outside the roundtables?

Ms Hawkins: I understand that there have been separate meetings outside of the roundtables. We can take it on notice. Why I'm mentioning the roundtables is because there is such an extensive number of stakeholders who have come to those across the country.

Senator MARIELLE SMITH: Does the Office for Women plan on making a submission to the Joint Select Committee on Australia's Family Law System?

Ms Hawkins: At this stage we are not intending to make a submission to that.

Senator MARIELLE SMITH: Why is that?

Ms Hawkins: Because we are aware that others of our colleagues in other agencies are covering the issues.

Senator MARIELLE SMITH: Which colleagues and which agencies?

Ms Hawkins: I understand that our colleagues in the Department of Social Services and the Attorney-General's Department have appeared before the committee or are going to appear. I will take it on notice to correct that. But I know they're engaged.

Senator MARIELLE SMITH: And they consulted you about their submissions?

Ms Hawkins: I would have it take on notice as whether or not they consulted us about the exact submission, but we are in contact in the Office for Women, as you can imagine, because it is a cross-cutting issue that we support the minister and the Prime Minister on. We do a lot of our business by consulting and collaborating with other departments and stakeholders.

Senator MARIELLE SMITH: If you could take that on notice—I'm specifically interested to know whether you were consulted by both the agencies you mentioned on that submission.

Ms Hawkins: We can do that.

Senator MARIELLE SMITH: Is the Office for Women concerned that the Australian Law Reform Commission family law system review's 60 recommendations have yet to receive a government response?

Ms Hawkins: The response to the ALRC report into the family law system is a matter for the Attorney-General and the Attorney-General's Department.

Senator MARIELLE SMITH: But the Office for Women is obviously quite a significant stakeholder in that.

Ms Hawkins: We're very interested in it, but the timing of any response is a matter for the Attorney-General.

Senator MARIELLE SMITH: Has the Office for Women or the Minister for Women met with Legal Aid Queensland regarding the Commonwealth's Family Violence and Cross-Examination of Parties Scheme?

Ms Hawkins: I'd have to take that on notice. That's quite detailed. I might ask my colleague to help you.

Ms Bogaart: The Office for Women has not met with Legal Aid Queensland on that particular scheme, although I note that a representative from Legal Aid Queensland was at the Minister for Women's stakeholder roundtable in Brisbane.

Senator MARIELLE SMITH: Has a meeting been requested?

Ms Bogaart: Not with the Office for Women, to the best of my knowledge.

Senator MARIELLE SMITH: But you are aware of the issues that are currently causing them concern around the funding for Legal Aid?

Ms Bogaart: I am aware of the issues, but they are a matter for the Attorney-General's Department.

Senator MARIELLE SMITH: On 20 November 2019 there was a media release regarding the Minister for Women's visit to Republic of Korea and Japan. That references meetings with stakeholders. It said:

I will also focus on our common experiences and efforts in promoting gender equality and women's economic empowerment—

—as part of the visit. Can the department provide a list of the women's groups that the minister engaged with during that visit?

Ms Hawkins: Senator, in terms of that trip, we would talk to our colleagues in the Department of Foreign Affairs and Trade.

Senator MARIELLE SMITH: Minister, is that something you can answer?

Senator Payne: Yes, we can provide you with a list.

Senator MARIELLE SMITH: Is there anything you can recall and share with me at the moment, or do you need to take all of that on notice?

Ms Hawkins: In terms of Minister Payne's role, as she is dual-hatted as Minister for Foreign Affairs and Minister for Women, that particular trip would have been handled through the Department of Foreign Affairs and Trade and hence the minister is suggesting that DFAT would provide that list.

Senator MARIELLE SMITH: I'm supposing that with minister here, the minister might have been able to share that.

Senator Payne: You weren't really asking me. If you wish to ask me, that is something I could respond to.

Senator MARIELLE SMITH: I did ask. Can you advise which women's groups you met with during your visit to the Republic of Korea and Japan?

Senator Payne: I can in part. As I said, we'll provide further details on notice. I had a counterpart minister in the Republic of Korea. I met with her and her senior team for a working lunch on issues of mutual interest in relation to the status of women. In terms of the broad discussion, I recall particularly discussion around the impact of social media on women, young women in particular, and not necessarily from a positive standing point. There are a number of women's groups, I think four or five in total, who attended an afternoon discussion held in the post in Seoul that same day. I would have to provide you with the detail on notice of their respective agencies, particularly a couple of academics. We also took the opportunity to meet with several Australia-Korea entrepreneurs in Seoul, two of whom were amazing Australian-Korean women who have a real interest in driving business relationships between Australia and the Republic of Korea. One in particular is interested in very select elite skin care, which is an enormous field in the Republic of Korea. She is a huge proponent with a massive social media following in a corporate sense on that.

In relation to Japan, I would have to seek further detail from DFAT records on that, but similar sorts of interests and issues were raised. I hope that's helpful.

Senator MARIELLE SMITH: That is helpful, and if you could take on notice any further remaining meetings, as you mentioned at the beginning, I would appreciate it. Has the Office for Women or Our Watch provided briefings on how to discuss and report on the family law inquiry at the moment which can contain highly sensitive issues?

Ms Hawkins: Sorry—can you just repeat the start of the question? What was the lead in?

Senator MARIELLE SMITH: I'll start with a different question. Has the Office for Women provided briefings, written or otherwise, to participants or ministers regarding the family law inquiry?

Ms Hawkins: I'm not sure what you mean by participants, but, in terms of taking the question about—

Senator MARIELLE SMITH: Members of the committee.

Ms Hawkins: Okay. In terms of briefing the minister, I think we were asked a question on notice last time; we were asked whether or not we had briefed the minister about a specific issue about concerns that women's groups had made about witnesses appearing before that committee, and we answered that question, yes, that we had, and then there was a follow-up process—I think, from memory, there was an FOI process after that, and we provided some input there. What we had provided to the minister was a statement that had been made by AWAVA, one of the national women's alliances that the minister's portfolio funds.

Senator MARIELLE SMITH: I'll come to International Women's Day. Do you believe that International Women's Day is an important day for the Minister for Women to acknowledge?

Ms Hawkins: I would say that International Women's Day is of course an important day for Office for Women; for a minister for women, I would say it's an important day.

Senator MARIELLE SMITH: Was the minister approached to attend any International Women's Day events this year?

Ms Hawkins: I'm sure that you could expect that the minister is approached to attend many, many International Women's Day events. It's an embarrassment of riches of events.

Senator MARIELLE SMITH: Were there any scheduled for this week?

Ms Hawkins: There are a number of International Women's Day events this week, yes.

Senator MARIELLE SMITH: Was the minister invited to any International Women's Day event at the National Press Club this week?

Ms Hawkins: I would have to take that on notice, actually.

Senator MARIELLE SMITH: Minister, are you aware of an invitation which might have been extended to an event at the National Press Club?

Senator Payne: I am.

Senator MARIELLE SMITH: What was the proposed date for that event?

Senator Payne: I think it started as being Thursday of this week and moved around the week. Finally, we were able to suggest that I might be able to attend today. That did not work for the National Press Club. So we won't be proceeding with that this week, but that doesn't mean I won't be able to take the opportunity on a future occasion.

Senator MARIELLE SMITH: Do you recall when you were invited to that event, Minister?

Senator Payne: No.

Senator MARIELLE SMITH: Did you accept that invitation initially or did you decline that invitation?

Senator Payne: No, I think we discussed the opportunities, and the timing, particularly, with the National Press Club. As you might appreciate, doing an event of that nature in a sitting and estimates week when I have obligations in relation to this committee and in relation to the Legal and Constitutional Affairs Committee, in two portfolios, and in relation to my own committee as Minister for Foreign Affairs, then it's not as clear-cut as you might expect.

Senator MARIELLE SMITH: I appreciate that. Can I clarify: did you originally accept that invitation or did you decline that invitation?

Senator Payne: I'm not aware of the status, during the discussion. I think probably our undertaking was to see what we could do, in the context of the estimates program. Today was, I think, the day of the estimates week where I did not have estimates during the full length of the day. We suggested Monday. That did not work for the National Press Club. We came to an agreement that we would not do it this week and would do it on another occasion.

Senator MARIELLE SMITH: Are you aware if the event is going ahead this week?

Senator Payne: I'm not.

Senator MARIELLE SMITH: Are you aware if it's going ahead at all?

Senator Payne: I'm not, no.

Senator MARIELLE SMITH: I've got some further questions. Have we got everyone from the Office for Women here? I'm sorry; I've been in another committee where I'm calling people forward and back, but—

Senator Payne: When you say 'everyone'—

Senator MARIELLE SMITH: Not everyone, no! I'd hope that there were a few more in the agency! That was not quite what I meant.

Senator Payne: I'm sure we have officials who would be able to answer your questions.

Senator MARIELLE SMITH: I want to come to some questions regarding domestic violence, that's all. Were the Office for Women consulted about the 1800RESPECT contract being opened this month?

Ms Hawkins: As I was saying before, we work really closely with a number of departments and we work very closely with the Department of Social Services so we have been in discussion with DSS about that matter.

Senator MARIELLE SMITH: Is the Office for Women aware of any measures being considered to improve the handling of 1800RESPECT complex cases?

Ms Hawkins: 1800RESPECT is driven out of DSS, so DSS is responsible for it so they'd be better to talk to about those kinds of detailed questions about how it operates.

Senator MARIELLE SMITH: Right, because I was interested in whether the Office for Women was concerned with the way Medibank Health Solutions has managed 1800RESPECT? Is that something you can provide me an answer for.

Ms Hawkins: As I say, the management of 1800RESPECT is a matter for DSS.

Senator MARIELLE SMITH: Has the Office for Women had discussions about a second national action plan, given the current national plan expires in 2022?

Ms Hawkins: The National Plan to Reduce Violence against Women and their Children, Senator?

Senator MARIELLE SMITH: Yes.

Ms Hawkins: There are discussions about that, yes.

Senator MARIELLE SMITH: And will there be a proper independent evaluation of the National Plan to Reduce Violence against Women and their Children prior to expiring in 2022?

Ms Hawkins: I'll ask my colleague Esther Bogaart to talk to you about that question.

Ms Bogaart: There is funding in the fourth action plan funding measure to evaluate the fourth action plan. Evaluation of the national plan overall, I would have to take on notice.

Senator MARIELLE SMITH: If you could take that on notice and, if it is the case that there will be an independent evaluation, I'm also interested in the timetable and the budget for that. So if you could take that on notice as well, please. In light of the recent tragic murder of Hannah Clarke and her children, is the government considering further measures to reduce violence against women and their children?

Ms Hawkins: As you might have heard last week, the Prime Minister announced that he was going to put the issue of reducing violence against women on the COAG agenda when they meet on 13 March, and indeed Minister Payne as one of the co-chairs of the women's safety ministers meeting is convening a meeting of the women's safety ministers on Friday. At that meeting there will be discussions about implementation of existing fourth action plan initiatives. As you'd probably be aware, the fourth action plan was just announced by COAG in August last year and so there is quite a raft of measures in that. Part of those discussions will be looking at how those measures are going in the fourth action plan and hearing whether or not jurisdictions around the table have got ideas to bring to the table.

Senator MARIELLE SMITH: But is the government considering further measures beyond what's already within the action plan?

Ms Hawkins: As the minister has said in a number of media interviews since this incredibly sad event in Camp Hill, the government is open to hearing new ideas and looking at what else can be done.

Senator MARIELLE SMITH: Has the department provided advice to the Minister for Women on options to progress this or on potential further measures?

Ms Hawkins: In terms of preparing for this women's safety ministers meeting ahead of COAG, we are having conversations with key partners. We will be bringing to the minister's attention a range of issues around what could be done, what is being done, given that it is such an important issue to be looking at how we can continue to reduce violence against women and their children in this country.

Senator MARIELLE SMITH: But that hasn't happened yet? That's something in train.

Ms Hawkins: We are doing it, yes.

Senator MARIELLE SMITH: In terms of emergency accommodation, what is the government doing to progress safe places for women fleeing violent relationships now?

Ms Hawkins: Thanks for the question. As you know, that's a key part of the fourth action plan initiatives, and again I'll ask my specialist Esther Bogaart to talk to you in some more detail about that.

Ms Bogaart: Thank you. The government, under the \$340 million of the fourth action plan funding, committed several measures, for women, to provide safe places for accommodation. The safe places emergency accommodation grants, which are \$60 million, will build up 450 safe places for people affected by domestic and family violence, benefiting up to 6,500 women and children escaping family and domestic violence each year. In addition, the government provided funding, \$18 million, for the Keeping Women Safe in their Homes package, which includes funding for security upgrades so that women can remain in their own homes following domestic violence situations.

Senator MARIELLE SMITH: Has the Office for Women met with the Attorney-General's Department, the Australian Federal Police or any other policing agencies regarding the enforcement of apprehended violence orders?

Ms Bogaart: The enforcement of apprehensive and domestic violence orders are a matter for state and territory governments. They exist under the state and territory criminal justice and civil justice system. We haven't met with any sort of Commonwealth agency on that because it is a matter for the states and territories to enforce.

Senator MARIELLE SMITH: Does the government plan on releasing another women's economic statement?

Ms Hawkins: The government has said that it plans to release another Women's Economic Security Statement, yes.

Senator MARIELLE SMITH: When would that be?

Ms Hawkins: The timing of that is a matter for the government.

Senator MARIELLE SMITH: Given the women's budget statement has ceased being published, to what extent is the Office for Women consulted on budget measures that directly affect or go to gender equality?

Ms Hawkins: We've talked about this to the committee, and the answer to that is that the role of the Office for Women is focused on four particular areas of priority for the Minister for Women and for the Prime Minister. One of those is women's safety, that we've been talking about. Another is promoting women's economic security. Another is about improving women's leadership choices. The fourth part of our key role is about doing targeted international work. They're the major things that we do and work on, for the Minister for Women and the Prime Minister, on gender equality.

We also work with government departments, in terms of working with them on proposals. We do not look at every proposal, but we do work with other government departments on a targeted basis to give advice and support, from a gender equality prospective.

Senator MARIELLE SMITH: But you're not consulted on budget measures that directly affect gender equality specifically?

Ms Hawkins: It's the role of all departments and all ministers to make sure that they are developing policy and programs for the benefit of all Australians, men and women. What the role of the Office for Women is to do is to assist in a targeted way on some, in addition to the

work that we do on those four key priority areas. At last estimates I mentioned that one of the things that we are doing in Office for Women is preparing some guidance material for government departments so that they can better identify the gender impacts of their policy and programs. It's very important to be able to be doing good analysis, to see what the impacts are, particularly when the impacts might be less obvious to people. That guidance material is something that we are working on at the moment and that we think will be a really important additional tool, to help other departments be able to do that kind of gender impact analysis to feed into their advice to their ministers.

Senator MARIELLE SMITH: When did the Office for Women last meet with the Workplace Gender Equality Agency CEO?

Senator Payne: This morning.

Ms Hawkins: Indeed, this morning, as the minister reminds me.

Senator MARIELLE SMITH: Okay. That's an easy one. Just to go back to the budget measures question, you said that you are providing guidance material for agencies. Can you just give me an example of what you mean by that. What does that look like? Where in the process of policymaking and program delivery will that guidance be received, and how are they meant to use it?

Ms Hawkins: It's a work in progress this work that we're doing on the guidance material. It is something that we hope to have out this year. We are working with partners internally in government at the moment to make sure that we're getting the questions right. We'll probably do some testing of it within government before we release it to make sure that we're on the right track and it is actually a user-friendly and practical tool for government departments.

Senator MARIELLE SMITH: But is it your expectation that that tool will go directly to budget measures?

Ms Hawkins: We would foresee that it would be broader than going to budget measures. Budget measures would definitely be part of it, but we would absolutely see it as a generally applicable tool to help policymakers ask themselves some pertinent questions so that they can turn their minds to the gender impacts of their policies.

Senator WATERS: Thanks for joining us tonight. Senator Smith has had a great range of questions, but I've got a few more that touch on similar topics. The first is on the meeting of the women's safety ministers meeting on Friday. You mentioned that that was to do with the implementation of the fourth action plan commitments. Is that the breadth of the agenda, or are there any other elements of the agenda?

Ms Hawkins: As I was saying to Senator Smith, that is one of the issues that will no doubt be discussed. As I was saying before, and as Minister Payne has said in the media in the last couple of weeks, the government is open to ideas. It wants to hear ideas and suggestions about what else could be done. So there will be discussion about ideas that the states and territories will bring to the table as well.

Senator WATERS: Will the meeting be considering a national approach to DVOs or AVOs, depending on what jurisdiction you're from, or even a national approach on coercive control offences?

Ms Hawkins: I have been talking at a general level on what the meeting will consider. I probably can't go into much more detail than that at this point.

Senator WATERS: Sorry, why not?

Ms Hawkins: One of the reasons is that we are still working through the agenda. So nailing down everything that will be talked about is a work in progress.

Senator WATERS: Is what I just mentioned likely to be on the agenda or not, or are you not sure?

Ms Hawkins: It will be subject to where we end up with it.

Senator WATERS: I'm quite interested. I understand that it's a state jurisdiction, but the Commonwealth can play a role. Often there's a harmonisation approach that's pursued through these sorts of meetings. Minister, do you have anything to add on that point? I think it would be really good—

Senator Payne: That's why we have a national implementation plan for the fourth action plan. The implementation plan was released on 25 November. It is a comprehensive jurisdiction-by-jurisdiction, item-by-item register of work that has been done and continues to be done. So you could go to your jurisdiction, Senator, and note what progress has been made so far on key issues like that. The applications in Queensland are, I think, called DVOs. In my jurisdiction, they are called AVOs. The approach that has been taken on coordinating their application has been on the COAG agenda for a long time, and it has taken a great deal of effort to come to a national register of them.

Senator WATERS: I think that's valid and I support that work being done. I think everyone would. But I'm more interested in whether or not there could be a national approach to the enforcement of DVOs.

Senator Payne: The Commonwealth doesn't have an enforcement role in that context.

Senator WATERS: Not directly, but—

Senator Payne: It's the states and territories.

Senator WATERS: there are resourcing issues that could—

Senator Payne: States and territories are responsible for the enforcement of their own laws, as they should be. This implementation plan is a very impressive piece of work, I have to say. Think about how difficult it is from time to time in the Federation to bring all the parties to the table and to agree on matters such as this. It's fair to say that I inherited this as a process part-heard, if you like, but through the course of three meetings of the women's safety ministers council last year—one in July, one in October and one face to face in November—we achieved a very impressive outcome.

I think it is worth those members of the Senate who are interested in the work that is being done in this area reviewing it, because it does show you quite how much is being achieved in the implementation underneath the fourth action plan. That said, we know that there is more to do and we know that the propositions that have been put in recent days and the last week form part of that agenda, and determining what we are able to advise COAG next week is some of the work that we have underway.

Senator WATERS: Yes, I'll go back and re-read the implementation plan. But, in the spirit of saying that the government's open to ideas, my question went to whether or not a national

approach—whether that be a funding focus, whether that be a training focus, whether that be some other focus—is going to be on the table.

Senator Payne: I don't think the Commonwealth is going to take over the enforcement of state and territory criminal law, no. But the purpose of having an implementation plan underneath the fourth action plan, which, I must say, has extended since 2010, is to bring as much of this approach together as we are able to do and to make sure that the states and territories are working if not in concert then, at the very least, in parallel on issues which affect their communities and which are important for addressing perpetrators and their behaviours.

Senator WATERS: So is additional funding on the table or not?

Senator Payne: When you say, 'Is additional funding on the table?', we are working from the premise that the Commonwealth made the largest ever commitment and contribution—\$340 million—last year in this area. My personal view, if I may say, and I have heard others who are practitioners in this policy area say the same in recent weeks, is that this is not all about money. Certainly, appropriate funds have to be directed to the policy areas that we are talking about, but this is about community, it is about individuals, it is about governments, it's about non-government organisations, it's about leaders and how we speak and how we behave and how we lead. But the Commonwealth has made a very, very significant commitment, which we are in the process of implementing, that includes the commitments around safe spaces and crisis accommodation. It includes the commitments around 1800RESPECT, around the domestic violence alert training program, including the ability of women to, if they wish to, remain in their homes, to make their homes more secure. It is a very practical approach. There's also the Stop It At The Start Campaign and a number of others.

Senator WATERS: So is new funding on the table in this 'open to new ideas' summit on Friday?

Senator Payne: We're at the beginning of a discussion, which is based on an agenda being planned for a ministers' meeting this week and a COAG discussion next week. I'm not going to pre-empt or predict that discussion.

Senator WATERS: But you are open to ideas?

Senator Payne: Senator, I presume you would criticise me if I was not.

Senator WATERS: I'm just asking a few specific questions and I'm yet to get an answer.

Senator Payne: I don't think that's a specific question.

Senator WATERS: I did ask a specific one and you've given me a very detailed response, which I appreciate, but it didn't answer my specific question.

Senator Payne: No, it's not a specific question. It's a broad question that says, 'Is there more funding available?', to which my response is—in my view, quite reasonably—that in 2019 this government made a commitment of \$340 million, the largest commitment made by a Commonwealth government to address this absolute scourge in our community. Part of that is in process now—for example, particularly around the new or expanded emergency accommodation propositions, the work on 1800RESPECT and the DV-alert training program. But we know, from practitioners, from survivors with whom I speak, particularly in the context of the roundtables that we have been holding, that this is not just a question for governments; it's a question for our country. It's a question for men and for women, for families and for

communities, for non-government organisations and for all those who wish to see the back of this extraordinarily appalling scourge that we are dealing with.

Senator WATERS: When the Women's Legal Service says they can't answer 40 per cent of calls that come to their service, because they don't have the resourcing that's required, is something like that going to be on the agenda for Friday's meeting?

Senator Payne: There'll be a number of items on the agenda, Senator. As Ms Hawkins said, the agenda is not yet finalised. States and territories are also contributors to these agendas. As I said to, I think, you in the chamber last week, I had spoken with my Queensland counterpart, in particular after the horrific events in Camp Hill, about where her thinking is at on these things. So, this is, Senator, an important meeting, yes. It's not the only meeting. It's not the only discussion—far, far from it—but it is a discussion which we will make as productive as we can in the lead-in to the COAG meeting next week.

Senator WATERS: Since the Office for Women officers are here perhaps I'll go back to directing my questions to them. Which stakeholders will attend Friday's meeting, if any, or will it just be Commonwealth, state and territory ministers?

Senator Payne: It's a meeting of the women's safety ministers council, Senator.

Senator WATERS: So no stakeholders?

Senator Payne: Not on this occasion. It is a meeting of the women's safety ministers council.

Senator WATERS: Have the Office for Women consulted with any stakeholder groups following the murder of Hannah Clarke and her children?

Ms Hawkins: We regularly have conversations with stakeholders and, yes, indeed I have had conversations as no doubt have my team.

Senator WATERS: Which stakeholder groups have you spoken with?

Ms Hawkins: I would have to go back and check, but a number of key people who you would expect me to have spoken to I've spoken to. To use some examples, I've spoken to Our Watch and the Sex Discrimination Commissioner.

Senator WATERS: Did you speak to any frontline services about funding constraints?

Ms Hawkins: I have not reached out to frontline services at this point, Senator, no.

Senator WATERS: Is that something you'd normally do?

Ms Hawkins: In terms of where we are at the moment, I cannot underline enough how seriously we take the issue of reducing violence against women. We have been working extremely hard to be supporting the minister and the Prime Minister over the last couple of weeks, including preparing for this meeting coming up.

Senator WATERS: Sure, but does that mean you do normally speak to frontline stakeholders or you don't?

Ms Hawkins: My colleague, Ms Bogaart, will add to things.

Ms Bogaart: I meet on a monthly basis with AWAVA, which is the Australian Women Against Violence Alliance, which the Office for Women funds provide advice to government on behalf of frontline women's services. I meet with them monthly and I have a meeting with them on Thursday.

Senator WATERS: Have they raised funding constraints? We regularly heard the government mention its funding commitment last year. We don't dispute that, but I'm continuing to hear from frontline services that it's still not enough. Is AWAVA raising those concerns with you in your meetings or at any other time?

Ms Bogaart: We speak to AWAVA about a range of issues, and funding for frontline services comes up from time to time, yes.

Senator WATERS: Are they happy with the funding levels, or are there requests for more to service the sadly increasing demand for those services?

Ms Bogaart: Generally, the conversations are productive and focus on policy issues, so we haven't had detailed conversations about the need for more et cetera, but I suppose it's always an issue that AWAVA raises particularly through media releases and other communications.

Ms Hawkins: Can I just add to my answer before: I am recalling that Ms Bogaart has been away for work and last week some of our team were meeting with the head of AWAVA. So there have been conversations since Camp Hill with them and, as I walked past the meeting room and saw them in there, I did go in and have a quick chat with them in-between other meetings that I was at. Indeed, I encouraged her to give us any suggestions or ideas they had about continuing to improve the system. I just wanted to add that to my previous answer.

Senator WATERS: Thanks. I'll move quickly to the family law inquiry. AWAVA, and others in fact, had written to that committee—the family law inquiry—asking about how witnesses could be protected when they give evidence. Has the Office for Women been asked to provide any advice to the committee about those requested safeguards?

Ms Bogaart: We haven't been asked to provide advice to the committee, no.

Senator WATERS: Obviously, I'll take it up with the other folk, but are you aware of any work that's being done to implement those requested safeguards?

Ms Bogaart: I understand that the committee has considered the requests by AWAVA and other organisations about the safety of people providing evidence. I understand also that the committee will enact safeguards to protect witnesses, particularly those who have experienced family violence, including that they can receive some evidence in camera. That means that the identity of the witness and the information they provide will only be made available to members of the committee. So I do understand that some mechanisms are being put in place.

Senator WATERS: Thank you, but the Office for Women hasn't steered that process or had any involvement in it?

Senator Payne: It's a parliamentary committee, Senator.

Senator WATERS: I'm on the committee, Minister, I understand that. I'm seeking to understand—

Senator Payne: So it would not be the role—

Senator WATERS: the role of the Office for Women in the drafting and development of those safeguards.

Senator Payne: of the agency to do that.

Senator WATERS: That's why we have the officials here, so we can clarify with them the scope of their involvement.

Ms Bogaart: We haven't been involved. Those types of decisions are a matter for committees.

Senator WATERS: Okay, thank you. I'll move to the retirement income gap. Is the Office for Women involved in that retirement income review?

Ms Hawkins: Yes.

Senator WATERS: What's the nature of your involvement in that?

Ms Hawkins: We are involved in it. My colleagues meet with Treasury about the review. Indeed, I'm happy to ask my colleague, Ms Thomas, to provide some more information about that, as that falls within her team.

Senator WATERS: Yes, please.

Ms Thomas: As Ms Hawkins just stated, I can confirm that we do meet with Treasury about the retirement income review. As you're aware, there are specific questions in the public consultation paper about the effects that career breaks and other things like that can have on women's retirement incomes. I can also confirm that the review is undertaking gender disaggregated analysis across a range of fields.

Senator WATERS: You said you had meetings; are they consulting you? What's the nature of your involvement with that retirement income review?

Ms Thomas: There are two main parts to it: we receive updates on some of their analysis, which they test with us and, additionally, we're able to provide them with updates in terms of what we're hearing from our stakeholders.

Senator WATERS: Could you provide on notice for me, perhaps, just some examples—if you can. I still have difficulty understanding the role sometimes in these sorts of processes. I'll just move on to economic security. Within your economic security purview have you done any analysis of options to address the disproportionate amount of unpaid care work being done by women and, if so, are you proposing any policy reforms? If so, what are they?

Ms Hawkins: To start off, in terms of our answer on that: a raft of the measures in the Women's Economic Security Statement, which was put out in 2018, go to addressing exactly that issue about unpaid work. One of the highlights of the measures that we introduced in the 2018 Women's Economic Security Statement is the reintroduction of the ABS time use survey. I think we mentioned that last time we spoke.

Senator WATERS: Yes, I was very pleased with that also.

Ms Hawkins: Yes. That's going to give the government much more detail about how people spend their time and it will give much more granular detail about what people are doing. It will go down to: say, with unpaid work, at the moment, data that is captured about unpaid work doesn't, for example, distinguish between flexible childcare and inflexible childcare time use. For example, as I understand it, with the new time use survey, you will be able to say whether or not you are doing child drop-offs and pick-ups from school—inflexible time use for unpaid caring work—and distinguish that from maybe going to the park on a Sunday afternoon, which is more flexible—

Senator WATERS: So we'll have a better description of the problem, but my question went to policy solutions.

Ms Hawkins: Why I'm going into detail explaining how we get more data is because that will actually help the government inform policy solutions because we'll get a better sense of what is actually happening.

Senator WATERS: So you're waiting for that data before you can develop those policy solutions?

Ms Hawkins: Not so much waiting for the data; I'm just letting you know that that is one of the measures in the Women's Economic Security Statement.

Senator WATERS: My question was about any policy reform work in this space—I'm sorry I'm a bit short on time. Is there any being done, and what is it?

Ms Thomas: There are quite a number of projects that are aimed at supporting women's return to work, particularly after long career breaks.

Senator WATERS: No, about valuing unpaid care work?

Ms Thomas: Yes, certainly. Things like the Career Revive program actually do value women's breaks and support them in their return to work after they've had long breaks.

Senator WATERS: I consider that unpaid work to be work. I'm interested in whether there's any policy work to value that work? Perhaps you can take that on notice, because it seems that the clock is still ticking. On the national DV toll—which I've written to the minister about several times and I'm still keen to hear back—I had asked some questions also on notice of you about establishing such a toll. You said that the National Homicide Monitoring Program has a 12-month data collation phase and updates the records every two years. I asked: why does it take so long? You said it's because you're waiting on data from state and territory police, waiting on the uploading of coronial data and the third point was sufficient internal resources to process the data. So, has the Office for Women undertaken any analysis of what additional internal resources could be allocated to allow that data to be published more regularly than once every two years?

Ms Bogaart: Their internal resourcing is the internal resources of state and territory organisations that provide that data to the Australian Institute of Criminology, so that—

Senator WATERS: No, it's the statement that you gave me was that it was the internal resources to process the data of the National Homicide Monitoring Program. My interpretation of what you told me was that it was resource constraints at the national level that were slowing it down.

CHAIR: Senator Waters, we're really out of time.

Senator WATERS: Can you take that on notice and clarify that for me. If it is a national constraint, what sort of resources are needed to speed that up? Thanks, Chair.

Senator Payne: I didn't read it the same way, Senator, so I will do that.

CHAIR: Senator Hughes, I'll ask you to brief—I know it's not your fault. You've been waiting patiently, but we are a bit over time. If you could be quick, that'd be great.

Senator HUGHES: Thank you, Chair, and I might, if I could ask both questions that I was going to ask you, even ask them together to try and expedite the process. I'm particularly interested in national women's alliances and bringing those groups of women together. It's often very difficult when you are dealing with disparate groups to get a harmonised voice and to try and bring those voices together. I'm interested to know what groups you are bringing together

and how bringing those groups together is actually helping to crystallise the voices of those groups. That was originally two separate questions, but perhaps maybe in the interest of time you might be able to give us those answers together.

Ms Hawkins: Because of the interests of time, in terms of us being able to help you, you want us to talk to you about how the alliances operate?

Senator HUGHES: Even just briefly: what are the groups that you're bringing together and how is that helping to crystallise those voices so that we get a much clearer idea of what those groups are representing, rather than trying to listen to multitudes of voices simultaneously?

Ms Hawkins: Absolutely. There are six national women's alliances that are funded by the Office for Women, with the Minister for Women being the decision-maker. The great impact of these alliances is, as you say: instead of having a whole lot of individual groupings, who might be communities or sector organisations, you can amplify the voice of all of these very many community organisations across different sectors so that the government is better able to hear their voice. I might ask one of my colleagues to maybe go into more detail—

Senator HUGHES: Or maybe even quickly run through the six?

Ms Hawkins: Sure. We have AWAVA, which is the organisation whose purpose it is to look at reducing violence against women. I'm probably not going to be able to remember them all, but there is NATSIWA, the National Aboriginal and Torres Strait Islander Women's Alliance. We have Harmony Alliance, for women from culturally and linguistically diverse backgrounds.

Ms Thomas: There's the National Rural Women's Coalition.

Senator HUGHES: That's four.

Ms Thomas: We have economic Security4Women and the Equality Rights Alliance.

Senator HUGHES: Are you finding that it's making a tangible difference in ensuring that those voices are heard in a more crystallised way?

Ms Hawkins: We find it very valuable to have these alliances, yes.

Senator HUGHES: If I may, I'll direct the question to the minister on whether or not she finds it more effective to hear from those sorts of alliances rather than hearing from a multitude of voices overwhelmingly.

Senator PAYNE: We're always happy to hear from the multitude! At the first set of roundtables we held in Sydney we had representatives from each of the alliances participating, and it was a very good jumping-off point for the rest of the consultations that we have done in capital cities and some regional areas so far. There are more to go, I hasten to add to colleagues that I have not yet visited. Having them with us was key to really starting that ball rolling.

Senator HUGHES: Excellent. Thank you.

CHAIR: Thank you very much for your evidence and attendance here this evening.

Workplace Gender Equality Agency

[21:26]

CHAIR: I now welcome the director and officers of the Workplace Gender Equality Agency. Do you wish to make an opening statement?

Ms Lyons: I do.

CHAIR: Could you make it brief given the time?

Ms Lyons: Yes. I'd like to provide a brief update on the work of the agency. Since our last appearance, we have released our sixth year of gender equality data. Again, it is showing some positive progress towards gender equality over the 2018-19 reporting period and also the whole six years of reporting. Progress continues to be positive. Some change has been modest. The exception to this was a significant increase in the number of organisations that have a strategy or policy on family or domestic violence. This year we saw an increase of 13.3 percentage points, taking the total to 60.2 per cent of organisations having a policy or strategy in place around family or domestic violence.

The gender pay gap has continued to drop. However, for total remuneration, it still sits at 20.8 per cent, and pay gaps persist across every industry and occupation. Overall, employer action on gender equality has increased, with over three-quarters of all organisations in our dataset now having a policy or strategy on gender equality. We would, however, like to see more improvement in the areas of flexibility and parental leave so that we can create more equitable workplaces for all employees—women and men.

We've told you before, in previous hearings, about our new online reporting and data management system. The current one has reached the end of its useful life. We have a new project in place that is progressing very well and is on track to meet key milestones. We have completed the discovery, architecture and design phases of the project, and we are finalising the procurement process and the vendor selection. That has also been finalised. The build commenced at the end of January. We continue to constantly consult with employers to identify their priorities for the new system and to incorporate their feedback. The agency is also progressing to ensure the design allows for public sector voluntary reporting. We are working to make sure that we have a pilot project around voluntary reporting of government agencies. The current system is due to be in place by the reporting period for 2021.

Lastly, we have just announced the latest lists of Employer of Choice for Gender Equality. This year we saw 119 employers receive the citation, despite the fact that we had significantly strengthened the criteria from the previous year. In conjunction with this, we also released some research from The University of Queensland, which examined the actions taken by employers of choice over the five-year period. The key report findings were that citation holders saw a faster reduction in gender pay gap than other reporting organisations, and there was a 9.2 percentage drop in EOCGE organisations' total rem pay gap compared to a 3.7 per cent decrease for other reporting organisations. They are very pleasing results.

Senator MARIELLE SMITH: Should the government be doing more when it comes to closing the gender pay gap?

CHAIR: That sounds like a policy question. I might jump in there and assist the witness.

Senator MARIELLE SMITH: I thought the witness was about to answer, actually.

Ms Lyons: The gender pay gap is a symptom of a broader problem—that is, about gender equality—and we're tackling it through collecting the data. The data really helps us there.

Senator MARIELLE SMITH: I note in the last round of estimates you stated that there has been no data or modelling available on the time frame for closing the gender pay gap. But the Chifley Institute have estimated it will take 50 years to close the gap. Would you agree with that modelling?

Ms Lyons: I find it difficult—based on our data, we don't have the modelling and we don't have the resources to do the modelling. What we do do is we work with research institutions. What I can tell you is things like we currently have, and this all affects the gender pay gap: 39.3 per cent of all managers in our dataset are now women and 43.8 per cent of all promotions into management went to women last year. Based on that data, and based on work that Bankwest Curtin Economics Centre have done with us, if that trajectory continues we will see gender balance at most manager levels within the next 20 years. All of that impacts on the gender pay gap. But in terms of actual modelling, we don't have it. The data changes every year, so it's very hard to say whether it's going to be 50 years or 40 years or 20 years. It's changing all the time.

Senator MARIELLE SMITH: If the Chifley Institute's able to do that modelling, why are you not able to do that research?

Ms Lyons: Because we collect data. That is the basis of what we do. With that data, we are then tasked with educating, informing and supporting employers to achieve better gender outcomes in their organisations. We focus on doing that core business. Anything that we do over and above that is a bonus.

Senator WATERS: Thank you, once again, for your ongoing work, and it's a credit to the dedication of your agency that the gap is closing, albeit very, very slowly, but well done. I'm interested in—a whole lot of stuff, but I'll put that on that notice—the superannuation contributions. Would you have done any analysis of whether the exemption for employers making super contributions for staff earning less than \$450 disproportionately affects women?

Ms Lyons: We haven't done any specific work on that.

Senator WATERS: That would not normally fall within your remit.

Ms Lyons: No.

Senator WATERS: You mentioned the increase in DV policies, voluntary policies. Is there any analysis that you do on the implementation of those policies as opposed to their mere existence?

Ms Lyons: One extra: in 2015, we started collecting data on the number of organisations who are providing access to paid domestic violence leave, and that increased from 21.4 per cent in 2017-18 to 30.3 per cent in 2018-19. They are the only two data points we collected.

Senator WATERS: About implementation, thank you. Have you done any analysis on the impact of pay transparency on the gender pay gap?

Ms Lyons: Over the years, we have constantly looked around the world for research and learnings around whether pay transparency does have an impact on lowering the gender pay gap. To date—and correct me if I'm wrong, Ms Bredehoeft—there is no substantive evidence or research that suggests that it does.

Senator WATERS: I'll ask you for more details of that on notice. That certainly wasn't my understanding, and I'm keen to hear a bit more background on that in due course.

Ms Lyons: I will correct myself if I am incorrect, but certainly all the work we have done—and we've done it a number of times and we keep looking, which is why we have been watching very closely and continue to watch and speak with our colleagues in the UK about what's happening there.

Senator WATERS: Thank you. I'll read about it in due course. You mentioned in your opening statement, as did the scorecard, that employer funded PPL was at the highest level yet. But we've still got one in two workplaces that don't have access to paid parental leave provided to their employees.

Ms Lyons: Correct.

Senator WATERS: Is WGEA doing anything to address that?

Ms Lyons: The importance of paid parental leave for women and men is always part of our communications, and we certainly believe that the same amount of paid parental leave should be offered to both women and men. So it's always in our communications. We've also, through Bankwest Curtin Economics Centre, been looking at the impact that paid parental leave has on recipients coming back to the workforce. So I can, on notice, provide you with that information that we've collected through that research.

Senator WATERS: Thank you; that'd be great, particularly if you've looked at any of those more progressive models in other jurisdictions. Lastly, is there any policy work being done to consider applying WGEA to the public sector?

Ms Lyons: As I mentioned in my opening statement, there has been a lot of interest from the public sector in reporting to us, which is why we're in the throes of investigating a pilot project to ensure that voluntary reporting works wells with our new data and reporting system.

Senator WATERS: I see. Can you give me a bit more on notice on that also.

Ms Lyons: Certainly.

Senator WATERS: Thanks very much.

CHAIR: As there are no further questions for WGEA, I thank you very much for your attendance and your evidence here this evening. The committee will now break.

Proceedings suspended from 21:37 to 21:42

National Drought and North Queensland Flood Response and Recovery Agency

CHAIR: Welcome to the National Drought and North Queensland Flood Response and Recovery Agency, which is the biggest mouthful I've had to say all day! I'm sure you get sick of it! I welcome Senator the Hon. Zed Seselja, Assistant Minister for Finance, Charities and Electoral Matters, representing the Prime Minister; the Hon. Shane Stone, coordinator general; and officers of the agency. Senator Seselja, do you wish to make an opening statement?

Senator Seselja: No, but I think the coordinator general does.

CHAIR: Mr Stone, do you wish to make an opening statement?

Mr Stone: Yes, I do, please. Thank you, Mr Chairman.

CHAIR: Could I ask that it be brief given the time?

Mr Stone: Certainly. As many of you know, I was recently appointed as the coordinator general. So I included drought in the portfolio together with flood. In the last few years, we've seen the devastation of fast-moving bushfires and floods in addition to the ongoing slow-moving and insidious impact of the drought across our nation. There has been much heartbreak, and there has been a great deal of loss—loss of homes, stock, fences, sheds, buildings and water supplies—leaving people in many cases without their homes and livelihoods. You've had the

benefit of hearing from Andrew Colvin, the coordinator general for bushfires, who has spelled out for you just exactly what has transpired.

I spoke to you in my last estimates meeting about the flood and the devastation that occurred. The estimated loss was \$5.68 billion in economic costs, and stock losses were as high 100 per cent on some properties. It wasn't just livestock losses; it also included cropping, horticulture and critical infrastructure losses. The other casualties in all of this, of course, are small businesses, which sustain many of these communities. They are in a symbiotic relationship with these farming communities.

The impact on families has been quite profound. In the case of flood, where you watch your homestead washed off the stumps and all you are cattle are dead or, in the case of sugarcane farmers, your crops have been wiped out, have regard to the children who lose their ponies, saddles and everything else that goes with the lifestyle that they engage in in these parts of Australia, remote as they are.

You're well aware that we commenced our recovery in the flood zone by way of grants. There were the initial grants of \$75,000, which effectively put food on the table and gave people a chance to catch their breath and then to go forth from there. Then there is the \$400,000 restocking, replanning and on-farm infrastructure grants that are progressing as well. In terms of the \$75,000 grants in the flood, most of that has now been exhausted, although we have, in cooperation with the Queensland government, recently extended that for a little while to make sure we mop up anyone who has missed out. All up, there is \$3.3 billion across a range of measures, but we can never quite put people back the way they were. We have made an important contribution in terms of helping people get back up. It is all about a hand up; it's not about a hand out.

The agency continues to grow. Now that we have drought, for those of you who were here at the last estimates meeting, you know that I demand of my agency members that they must be prepared to go into the field. It is only when you have got dirt under your fingernails and mud on your boots that you understand what remote and rural mean. You can't gauge that simply by being a city dweller—not that I take anything away from urbanites, but that's the harsh reality of it.

The drought is very complex. I work off a simple principle: turn up, listen and act. Whilst there are localised issues, some themes certainly are emerging. Drought means a different thing in Queensland than it does in NSW. I was recently in Tasmania, and quite clearly there is a different impact there. I won't get into that detail, because I suspect that you probably will have questions in terms of how we measure drought, how we assess drought and how funding flows.

Ours is a truly regional agency, and we're currently establishing a national network of regional recovery officers who will be located in rural towns across all states. We're pleased to be able to report to you that we have received just short of 500 applications for 15 positions. For people who want to join the agency, based either here in Canberra or in Brisbane, we also measure those applications in the hundreds. People come from other departments and say: 'We like what we see. We like what you do. We'd like to be part of it.'

We continue to improve upon existing drought measures. They are not perfect by any means, but, quite apart from helping people survive the drought, let's be very clear about this. This is not the last drought. You're going to have more droughts in this country. You're going to have

bushfires and floods because that's Australia. The real challenge is what we put in place so that people know what the rules of racing are next time round and we get rid of ad hocery in government decision-making and announcements. Regardless of political colour, everyone does it because they're trying to do the right thing by their fellow Australians. We can get some commonality in terms such as, if you're in a flood, know that this is what will come your way or, if you're in a drought, know this is the support that you'll be able to tap into and that there is a general agreement across the political divide that, yes, we will commit to that regardless.

I've made it as short as I can, Mr Chairman.

CHAIR: Thank you, Mr Stone; that's very restrained by your standards! Senator Ayres.

Senator AYRES: I'm going to try to walk you through a series of questions that are truncated because of the time. Normally I'm very polite, but I'm going to ask these very bluntly so we can whistle through them. When the Prime Minister announced the expanded agency, he said that Mr Stone will lead the new National Drought and North Queensland Flood Response and Recovery Agency, providing national leadership a whole-of-government response to support our farmers and regional communities as they respond to and recover from the drought. Can you confirm whether the agency was provided any additional funding to undertake this role?

Mr Stone: The first thing to understand is that it's a coordinator-general role in terms of drought. I'm trying to manage measures across—what is it?—14 different departments and agencies. It's different from flood, where I had allocated funds which had been appropriated; I had a commitment of 3.3. For drought, I've got these bits and pieces across departments and it's hard yards—seriously hard yards.

Senator AYRES: This was an issue that Mr Colvin alluded to in the context of the bushfire stuff, in a different way. It's the complexity of trying to work out what it is that the agencies have. Put aside your bit about the floods part of it, where there is an allocation—I appreciate that, and I don't want to put words in your mouth but I think this is what you're saying: that you're working across 12 or 13 different Commonwealth government agencies and working with the states. Is there a specific allocation for you for the drought work?

Mr Padovan: Do you want me to answer this?

Mr Stone: Just before you do: it's worse than operating across 14 federal government departments. I also chair the group that tries to draw together the threads at the state and territory level, and they're as different from each other as Commonwealth departments can be. So this is a mammoth task, and I have enormous sympathy for Andrew Colvin in what he's dealing with. My chief operating officer can add to my answer.

Mr Padovan: In regard to additional resourcing: we did get quite a sizeable increase both in the number of staff and operating funds for the agency. Originally we had 34 ASL at the agency in this financial year. That was increased by 26.5 ASL. In terms of funds, we had \$9.49 million in operating funds for the flood related work and that has increased by a further \$11 million to cover the work around drought, keeping in mind that with the floods we were looking across 14 local government areas, essentially, and with the drought we're looking nationally. That equates, roughly, to around 180 local government areas, so it's quite a sizeable increase in terms of the relative size.

Senator AYRES: So in simple terms, there's an increase in allocation that covers your staffing and the budget footprint for the agency itself. In terms of flood: you have \$3.3 billion, I think you said?

Mr Padovan: The amount associated with flood programs is \$3.3 billion.

Senator AYRES: Associated with flood. But there's no specific allocation on the drought side. Why—

Mr Stone: No, there is.

Mr Padovan: I'll come to that, Senator, and I will hand over to Ms Hallam in a moment. On the drought side, the total government outlay is around \$8 billion for drought related programs. There are 26 measures in total, and Ms Hallam is well placed to go through those in detail. There are a number of measures that were announced since 5 December. One of those, the drought outreach program, we will administer directly. The other programs are all run through other agencies, as Mr Stone mentioned earlier.

Senator AYRES: Okay. You might take these questions on notice—

Mr Stone: Would you like to see the list of the Commonwealth measures?

Senator AYRES: If that could be provided on notice, that would be helpful.

Mr Stone: Yes, we can provide you with that. We've brought that for you.

Senator AYRES: Thank you. And, on notice, can you provide a breakdown of travel costs and a breakdown of operational costs for the agency?

Mr Stone: I'm not sure that we actually have that detail.

Mr Padovan: In terms of travel costs, we can perhaps answer that question now—if that would help?

Senator AYRES: Certainly.

Mr Padovan: Since the inception of the agency through to the end of February we did 277 trips at a total cost of \$466,000. Of those, 28 trips were post 5 December, so specifically around the drought related work.

Mr Stone: I've travelled 32,000 kilometres in the course of those trips. By car.

Senator AYRES: Thanks, Mr Stone. How much of the \$3.3 billion has gone out the door for the flood component of the agency's work?

Mr Stone: Are you talking about the \$75,000 grants and the 400—

Senator AYRES: I'm talking about the totality of the \$3.3 billion—how much of that has been spent?

Mr Stone: Yes, we've got those numbers.

Mr Padovan: Out of the \$3.3 billion, and keeping in mind that a sizeable portion of that is loan related funds, \$626 million has gone out the door as at the end of January.

Senator AYRES: And some of that is for loans and some of it is expenditure?

Mr Padovan: The \$630 million that has gone out the door is principally for grants and direct payments to individuals. Around \$47 million of that is loan money that has gone out and the remainder is for direct payments to individuals, businesses and state governments.

Mr Stone: Let's just elaborate on \$1.3 billion, which was in anticipation of the banks perhaps not being cooperative and helpful. Go from there.

Mr Padovan: Of the \$3.3 billion, \$1.75 billion was loans that were to go approved deposit-taking institutions. This was the Commonwealth essentially providing discount funds that could then be on-lent to primary producers and small business. Because of the response from the banks very early in the piece in terms of negotiating much more favourable terms, agreeing not to foreclose and so forth, since the outset of this agency, we haven't seen a need to invoke—

Senator AYRES: Yes, I think we had a good discussion about that last time.

Mr Padovan: And that situation hasn't changed.

Senator AYRES: I'm interested as well in these \$500 vouchers. Whose idea was that?

Mr Stone: Vouchers have long history in natural disasters. They go back as far as the Katherine floods. The not-for-profit organisations that we have been dealing with in the flood zone have enthusiastically embraced vouchers because the vouchers are confined to the community in which they have done their fundraising, and the idea is that it can only be spent locally, for example, in Cloncurry, if you are part of Sisters of the North. I think they might go to Julia Creek and Hughenden. It keeps the money local. I know what you're referring to; you're wondering about the CWA and—

Senator AYRES: I was going to get there.

Mr Stone: Of course you were and that's fine.

Senator AYRES: Help me get there faster, Mr Stone.

Mr Stone: I initiated a meeting with them in Brisbane last Friday so I could get to the bottom of what has gone on here. They don't like the idea of the vouchers. They simply want to be able distribute funds in their own way. But I have to point out that the CWA in Queensland has worked with vouchers. So possibly there has been a misunderstanding here, but—

Senator AYRES: Is the misunderstanding that there was an announcement made about the CWA before anybody talked to them? Is that possibly the issue?

Mr Stone: No, we're talking to them all the time.

Senator AYRES: But was the voucher proposition something that you or the agency had discussed with them or was it not prior to the media release going out?

Mr Stone: It would depend on who you talk to in the CWA.

Senator AYRES: If I talk to you, what would your answer be?

Mr Stone: My answer is: here, cop this.

Senator AYRES: It looks a bit like that, yes.

Mr Stone: I'm sure I've got your sympathy, but I'm also looking for—

Senator AYRES: You do.

Mr Stone: an outcome where we can make sure that \$5 million gets distributed into the community. If that means we have to look at a different way of doing it, working with the CWA, who we have a long history with, then we'll get there, but it is early days. I only had the meeting on Friday.

Senator AYRES: So if I can put it gently, it would have been better if somebody had told them first.

Mr Stone: No, that is not entirely true. Di, you know all about this.

Ms Hallam: I can confirm I had a conversation with the president of the CWA prior to the media release being issued.

Senator AYRES: How did that go?

Ms Hallam: Understandably, the president wanted more information, and I indicated we would be happy to work through the details of the system, that no formal decisions had been made about the nature of the vouchers or how they would be provided, only that there are voucher systems in use. Communities appreciate them because they provide local spending. As the Coordinator-General said, Queensland CWA already utilises vouchers. Rotary utilises vouchers. They have proven to be very effective. If both Rotary and CWA were interested in partnering with the government in that respect then we would be very happy to see that happen.

Senator AYRES: When you say 'prior to', was it a fortnight prior to or a week prior to or slightly closer?

Ms Hallam: No, the day before.

Senator AYRES: The day before.

Mr Stone: I'll tell you why we really have this emphasis on vouchers. I will give you an example: I was up at Richmond in Queensland, and this chap had drawn down his \$400,000. He bought a lot of steel and bits and pieces to rebuild his station. He proudly told me that he got a great price on the steel in Newcastle. Seriously, I mean, that's not the spirit in which the government was operating and so that just confirmed with me that somehow you have got to make sure that the local farming community, where they can, will spend the money locally.

Senator AYRES: Just one last question, how much funding do you think will be provided for the \$500 vouchers? Is there an allocation for them at this stage?

Mr Stone: This latest lot was \$10 million—\$5 million to Rotary and \$5 million to CWA if they wanted it. There's another important component in this: the \$3,000 Drought Community Support Initiative. We've just added an extra \$82.75 million.

CHAIR: As there are no further questions for the agency, I thank you very much for your attendance and your evidence here this evening.

Mr Stone: Thank you for asking us.

Australian National Audit Office

[22:01]

CHAIR: I now welcome Mr Grant Hehir, Auditor-General, and officers from the Australian National Audit Office. Mr Hehir, do you wish to make an opening statement?

Mr Hehir: No, thank you.

Senator AYRES: I have a series of questions about the sports rorts affair. In the ANAO's answer to questions taken at the Select Committee on Administration of Sports Grants, you referred to the following correspondence from Minister McKenzie to the Prime Minister:

On 10 April 2019 the minister wrote to the Prime Minister attaching printouts of two worksheets within the spreadsheet—the list of projects she intended to approve for round three funding and the worksheet with the summary tables (of distribution by state, political party and electorate) ...

We asked the Department of the Prime Minister and Cabinet today about that correspondence and they said they had no record of it in their correspondence handling system. Can you provide some more details about how that information was communicated?

Mr Boyd: The letter signed by Minister McKenzie with the two attachments was emailed from the minister's office to the Prime Minister's office.

Senator AYRES: By email?

Mr Boyd: Yes.

Senator AYRES: And the time, famously, was 8.46—was it?

Mr Boyd: No. The 8.46 refers to 11 April, which was when the first list of approved projects was provided to Sport Australia by the minister's office.

Senator AYRES: I'm with you; thank you. What was the time and date of that?

Mr Boyd: The letter of 10 April?

Senator AYRES: Yes.

Mr Boyd: That letter dated 10 April was emailed at 12.21 pm on 10 April.

Senator AYRES: How did you obtain a copy of the correspondence if it wasn't in the DPMC correspondence handling system?

Mr Boyd: Our audit work was focused within the health portfolio—that is, in the Department of Health records and Sport Australia records. The Department of Health provides the email system which is used by the minister for sports' office, so obviously the email being sent from the minister's office to the Prime Minister's office was contained in the Health system emails.

Senator AYRES: So, if you'd only looked at the DPMC correspondence handling system, you might not have—

Mr Boyd: For example, we look at the PDMS, which is what you're referring to, in the health department as well. As part of the audit work, we always look at both the ministerial briefing systems, which include formal briefings, correspondence to ministers and so forth, and the email systems.

Senator AYRES: Did the Prime Minister respond to Minister McKenzie?

Mr Boyd: We haven't seen a response from the Prime Minister himself. We saw further engagement from the Prime Minister's office—that is, staff within the Prime Minister's office—in response to that email correspondence, but not a response from the Prime Minister, no.

Senator AYRES: So there's a response from staff?

Mr Boyd: Correct.

Senator AYRES: Just one response from staff or multiple responses from staff?

Mr Boyd: There were responses both that day and into the following day as well in sorting out what the final list of approved projects would look like.

Senator AYRES: Is it fair to say that the list that was provided by the then minister on 10 April at 12.21 pm was modified and sent back?

Mr Boyd: Yes, it was.

Senator GALLAGHER: By the Prime Minister's office?

Mr Boyd: No. The list was maintained within the minister's office. So one of the things we did as part of the audit report, which was referred to in the answer to the question on notice—and I think we referred to this in our original testimony to the Senate select committee—was track versions of the spreadsheet over time. We looked at what we called substantive versions for those instances where we could see there had been a change from the prior version. Sometimes you might see the same version circulated either within the office or to others a number of times, but to us that was still one substantive version of the spreadsheet. We would still track who it was circulating to and why, but we looked at the substantive changes. For example, we looked at that 10 April version which was attached to the letter that Senator McKenzie sent to the Prime Minister as to what had changed in that version compared to the prior version we saw. That had projects both coming in and going out. We then looked at what happened on 11 April, which was the next day. There was another version which was circulating at 8.46 am which again had projects coming in and going out. Then later on 11 April there was a further version which turned out to be the final version. One project came out and further projects came in.

Senator AYRES: What time was that on 11 April?

Mr Boyd: The final version of the spreadsheet was circulated to Sport Australia at 12.43 pm. Shortly before that, at 12.35 pm, it was sent from the minister's office to the Prime Minister's office.

Senator GALLAGHER: 12.35?

Mr Boyd: That was to the Prime Minister's office.

Senator GALLAGHER: On the 11th?

Mr Boyd: Yes. At 12.43, it was sent to Sport Australia. It was the same version at both those times.

Senator AYRES: But different to the 8.46 version?

Mr Boyd: Yes.

Senator AYRES: When the evidence said 'the projects she intended to approve', that was right, wasn't it, because what was finally approved changed?

Mr Boyd: Correct.

Senator AYRES: On 11 April?

Mr Boyd: That's right, yes. The next version we saw was at 8.46 am. In that version at 8.46 am—I can tell you the numbers, if that helps—we had one project be removed from the list of those being approved for funding and another project coming in as substitution. Later that day, we had one project coming out and nine more coming in.

Senator GALLAGHER: When they were returned to Sport Australia, were they returned with the brief?

Mr Boyd: Both emails on the 11th were returned with the brief but the attachment to the second email was different to the attachment to the first email, as I say, with one of the projects in the list in the 8.46 email coming out and nine others coming in.

Senator GALLAGHER: That's the brief dated 4 April?

Mr Boyd: It's important to draw a distinction between the brief, which was signed on 11 April, which was dated 4 April, and the attachment to that. Then we also looked at what followed in terms of the further adjustment.

Senator GALLAGHER: Sorry, you said the brief was signed on 11 April?

Mr Boyd: No, there's a brief which was provided back on 11 April but was dated 4 April.

Senator GALLAGHER: Yes. It wasn't signed on the 11th, but it—

Mr Boyd: The date on it is the 4th.

Senator GALLAGHER: But it had an attachment which had changed.

CHAIR: Just to clarify, Mr Boyd, how could you know when something has been signed?

Mr Boyd: That is why I am saying the date on it is the 4th.

CHAIR: Indeed.

Senator GALLAGHER: But the attachments had been changed on that day?

Mr Boyd: That is right: the attachments were changed. There was an attachment as at 8.46 and there was a different attachment with one project out and nine in at 12:43 to Sport Australia.

Senator AYRES: Can I clarify this. So, on that day, there were two versions?

Mr Boyd: Correct.

Senator AYRES: What did the staff say in the emails?

Mr Boyd: Which staff—the minister's office staff or—

Senator AYRES: The Prime Minister's office staff.

Mr Boyd: To Sport Australia, each time they said, 'Attached is the list of projects being approved.' That is not quoting directly, but, in essence, that's what—

Senator AYRES: No commentary other than that?

Senator RICE: Can I just clarify what exactly was signed on 4 April compared with this attachment that changed twice on 11 April.

Mr Hehir: It's a brief dated 4 April—

Senator RICE: Which refers to an attachment?

Mr Hehir: which refers to an attachment, because it's a decision sheet. The brief sets out the decisions that were made. As Mr Boyd said, that was sent to Sport Australia twice on 11 April, with small changes between the two.

Senator RICE: Just to clarify, that brief itself is signed on 4 April, but there are two versions of that on 11 April, that are sent?

Mr Hehir: No. There are two versions—

Senator RICE: There were two emails with that brief being sent with different attachments on 11 April?

Mr Hehir: That is right.

Senator AYRES: When you say 'dated 4 April'—there is some importance to that question, of course—the underlying documents keep changing, don't they?

Mr Boyd: That's right. We have a brief with its annotations and a signature from the minister dated 4 April. That doesn't change. The attachment that goes with it does change.

Senator AYRES: It should change, shouldn't it, if it's a new set of proposals?

Mr Boyd: Most of them are the same, but there are some ins and outs.

Senator GALLAGHER: The attachment that was sent to the Prime Minister's office at 12.35 pm on the 11th—and then the same spreadsheet was sent eight minutes later to Sport Australia?

Mr Boyd: That's correct. By spreadsheet we mean a PDF of the spreadsheet, not an Excel itself. It's a PDF of the Excel spreadsheet.

Senator AYRES: Can you tell us which projects were added or removed?

Mr Hehir: I don't think we wish to go into the details of individual projects. The government, in response to questions about providing documents, has said that it sees there are privacy issues around that, so I don't think that's something that we—they're not our documents.

Senator AYRES: We've made a lot more progress with you in four minutes than we did in 40 minutes with—

Senator GALLAGHER: Or in hours with Sport Australia, to be honest.

Senator AYRES: They are very straightforward questions really.

Mr Hehir: As I said, I think we are not going to begin to go to the individual projects, because the Senate has already asked questions about that and we have provided some information.

Senator GALLAGHER: We are pursuing documents in other committees, so I think we'll keep that in one committee.

Senator AYRES: In an answer to a question on notice, the office has advised the parliament that there are 136 emails between the Prime Minister's office and Senator McKenzie's office which cover the Community Sport Infrastructure Program over the period 17 October 2018 and 11 April 2019. It also gave evidence that there were at least 28 versions of the spreadsheet across the three rounds where a substantive change was made. How many of the 136 emails had any version of the spreadsheet attached?

Mr Boyd: I would have to take that on notice.

Senator AYRES: Could you do that and provide dates and times of the emails which attached any spreadsheets?

Mr Hehir: We can take that on notice.

Senator AYRES: And how many of the 28 different versions of the spreadsheet were attached to the 136 emails?

Mr Boyd: Not all of them. We'd have to take that on notice.

Senator AYRES: You could provide us with a table or some format that sets that out?

Mr Hehir: We'll take that on notice.

Senator AYRES: Was there any evidence of text messages being exchanged between the offices about the program?

Mr Boyd: That's not something we examined.

Senator AYRES: So you didn't examine text messages. What about encrypted messages sent through applications like WhatsApp or Signal or Flickr?

Mr Boyd: We're aware that there were groups in operation.

Mr Hehir: We didn't need to look at other sources of evidence. With the emails and the interviews we had with various people involved in the program we felt we had sufficient evidence to form the conclusions that we needed.

Senator AYRES: So you didn't go to the WhatsApp groups or whatever?

Mr Hehir: What we have said in previous committees, I think in the Senate committee, is that a lot of the conversations or exchanges that were happening between the Prime Minister's office and the minister's office and other inputs into the process were around representations with respect to specific projects.

Senator AYRES: Representations for what?

Mr Hehir: Representations from people to the minister or their office with respect to projects. We didn't do an audit of representations; we did an audit of the decision-making process.

Senator AYRES: Were they representations by community groups or party organisations? When you say representations—

Mr Boyd: Generally by members of parliament or candidates in the main. In one case, as we said to the Senate select committee, we saw a political party making a representation.

Senator AYRES: Was that the political party of which Senator Seselja is a member?

Mr Boyd: It was the LNP in Queensland.

Senator AYRES: And that was available just through the email system, or did you have to reach into encrypted messages?

Mr Hehir: We didn't reach into encrypted messages. All of the data that we used in the audit came off departmental IT systems, interviews, but including email servers.

Mr Boyd: But email wasn't the only form of evidence. It was one of the forms of evidence.

Senator AYRES: Can you provide us with any other details about the differences between the 8.46 and 12.43 spreadsheets on the 11th?

Mr Hehir: I think we have described the differences.

Mr Boyd: One project was removed, and nine that hadn't previously been included were then included.

Senator AYRES: For the reasons you set out, you don't want to—and nine projects removed?

Mr Boyd: From the 8.46 version to the 12.43 version, the 12.43 version had one project that was in the earlier version removed from it, and nine projects that were not in the 8.46 version were added in the 12.43 version.

Senator GALLAGHER: Just so that I get this right, the version that was sent on 10 April from Senator McKenzie's office to the Prime Minister's office, and then returned to Sport Australia, had changes made to it?

Mr Hehir: Sport Australia didn't see that correspondence.

Senator GALLAGHER: The version of the spreadsheet that was sent to the PMO on the 10th and then was returned to Minister McKenzie's office then forwarded to Sport Australia at 8.46—that had had changes made overnight?

Mr Boyd: If we compare the version of 8.46 am on the 11th to the version sent the day before, on the 10th, that had one project removed and one added.

Senator GALLAGHER: Then something happened between 8.46 and 12.35 where further changes were made, which included one being removed and nine being included?

Mr Hehir: This wasn't unusual. The same sort of process happened in round 1, which we point out in our report, probably to a bit of a larger extent in that after the initial signoff a number of changes went through until the final version was agreed with the minister or the minister's office, which I assume was the minister making adjustments as the process went along.

Mr Boyd: There is a figure on page 48 of the audit report, figure 4.1. This was the first time it happened. As the Auditor-General was saying, we document the same thing there. On that occasion, on 5 December there were two versions of the projects being approved. So we have a date the brief was signed, but we were seeing, again, changes being made to the list of approved projects right up until 20 December, which was some days after the date on the minister's approval brief.

Senator GALLAGHER: I guess the difference with this one which we are exploring is that the parliament has been prorogued and dissolved, we are in caretaker, and it seems that decisions about allocation of funds are still being made as we have entered that caretaker convention period.

Mr Boyd: The records around this say that the minister's office recorded errors in that there were projects that hadn't been included that they wanted to have included.

Senator GALLAGHER: I'm sure they've got a reason.

Senator AYRES: You've got nothing to say about the caretaker conventions applying after 8.30?

Mr Hehir: It's not a matter that we considered in the context of the audit report. These were administrative decisions being taken by the individual, the minister who in the program was designated as having the decision-making authority for those administrative decisions. Whether the caretaker conventions apply to this or not is not something that we would look at.

Senator GALLAGHER: With the final spreadsheet, on the 11th, could you see that changes to the spreadsheet were being made in the Prime Minister's office?

Mr Boyd: No, the minister's office maintained the spreadsheet at all times. We mentioned, I think when we spoke to the Senate select committee, that there were representations, including sometimes from the Prime Minister's office, and, as we said then, not all of those representations led to a change. Sometimes they did. For example, when I referred to one project coming out and one project coming in, in terms of the 8.46 am version, that was at the request of the Prime

Minister's office. But of the changes made later that day, for the 12.43 version, none were evident as being at the request of the Prime Minister's office rather than the minister's office making the changes.

Senator GALLAGHER: The 8.46 one did incorporate changes requested by the PMO but the later version, the 12.43 version, were changes that appear to have been facilitated just through the minister's office.

Mr Boyd: For example, the ones that changed at 12.43 included bringing in—when we were at the Senate select committee we said there were five new applications. That included bringing in the five new applications for approval.

Senator RICE: So those five new applications weren't in the previous versions?

Mr Boyd: No.

Senator RICE: They were added on the 11th, in the 12.43 version.

Mr Boyd: In the 12.43 version. This is part of the challenge for us, obviously, during the Auditor's tracking. There were substantive changes that weren't always a different day. Sometimes they were within the course of a day.

Senator RICE: Just to clarify, in your audit, even though this project went right up until the election being called and then, clearly, beyond the caretaker period, you didn't at all assess the probity of changes being made after the parliament was prorogued?

Mr Hehir: No. It wasn't something that we focused on in the committee and in the audit. I'm not certain it's an issue that we would make a judgement on, at the end of the day. We were auditing a grant program, not undertaking an audit of timeliness of decisions with respect to the caretaker conventions.

Senator RICE: But it was a grant program, as to whether it was being conducted appropriately.

Mr Hehir: It was a grant program that had been well established for a significant period of time. There was funding announced in the budget for it, for an extension of it, and there were administrative decisions being made about the allocation of it through that process.

Senator RICE: I want to go on to another question about the 136 emails that were sent between the minister's office and the Prime Minister's office. Were the majority of those from the Prime Minister's senior adviser for infrastructure and sport?

Mr Boyd: In terms of what was coming and going from the PMO, yes.

Senator RICE: Were there other people in the PMO who were well represented in the correspondence?

Mr Boyd: I think, as we said in answer to the question earlier, there were two key individuals in the PMO.

Senator RICE: In addition to the senior adviser?

Mr Boyd: Including the senior adviser.

Senator RICE: What was the role of the other person?

Mr Boyd: I can't recall the title, off the top of my head; we'd have to take that on notice.

Senator RICE: If you could, that would be good. And your audit only covered emails—no phone calls or text messages?

Mr Boyd: We covered emails as well as a broad range of other sources of evidence, but we didn't look at things such as WhatsApp and Slack groups and so forth. We're aware there was some existence—in fact, we spoke to the people involved, out of Sport Australia, as to how things were being conducted and an email was, essentially, the main means being used, in terms of the substantive work, to identify which projects.

Senator RICE: You wouldn't know whether there were additional representations or communication via text message or others because you didn't look at them.

Mr Hehir: No, we didn't look at them. We felt we had sufficient evidence to draw conclusions from what we had, rather than going any further.

Senator RICE: In your evidence to the select committee on 13 February, you mentioned the representation made by the Queensland LNP. Are you aware of representations made by other coalition individuals or campaign bodies who weren't MPs?

Mr Boyd: By candidates, yes.

Senator RICE: How many were coalition candidates, or, if they weren't coalition candidates, who were they?

Mr Boyd: The number wasn't large. Off the top of my head, I can think of two or three electorates where that was the case.

Senator RICE: Can you take on notice the electorates, the candidates and who else made representations?

Mr Boyd: Yes.

Senator RICE: Can I clarify what's probably a minor point of discrepancy between your evidence and Sport Australia's. For one of these nine new or amended applications containing 'country club', you call it an amended application but Sport Australia has it as a new application. Can you help us understand why there might be that discrepancy and why there might be confusion?

Mr Boyd: In some of the versions, there was an error in Sport Australia's records.

Senator RICE: An error in Sport Australia?

Mr Boyd: It's an amended application. We can see the original application and we can see what was amended.

Senator RICE: Some of the reporting seems unclear. We had the Pennant Hills AFL club, which was one of the new applications after the deadline. Was that one of the ones approved on 11 April and then added into the list?

Mr Boyd: Added into the list, yes.

Senator RICE: And then in the 12.43 email. What date do you have in your records for when they put in that application?

Mr Boyd: It's difficult for me to answer that. We can take it on notice. The challenge here is that, with the application round, the applications come in through the Sport Australia system, so there is a record of when they are received. The way the new applications worked was that the minister's office obtained application forms from Sport Australia and provided them either

directly to the proponent or to the local member to provide on to the proponent. What we can then see is when it eventually comes back to Sport Australia but we don't necessarily know when the proponent may have submitted it either to their local member or to the minister's office until we see the electronic record. So we don't know in those cases when they came in. All we can see is that they eventually came in and when they were provided to Sport Australia for assessment.

Senator RICE: Talk me through that a bit more. With those blank application forms, you were very confident, despite the evidence from the minister's office, that they were being provided for the nine new applications? Sport Australia were told they were being used for advocacy purposes for the budget.

Mr Boyd: We're aware of what Sport Australia was told, but we could also see for the record what was done with those application forms.

Senator RICE: Were those applications forms sent out to more than those nine new applicants?

Mr Boyd: There are five new applicants.

Senator RICE: Five new ones and four amended ones.

Mr Boyd: Yes. I believe there was a sixth, but that sixth entity did not provide an application.

Senator RICE: So there was that one that didn't provide an application?

Mr Boyd: We're not aware of any others.

Senator RICE: So they then went out from the minister's office to the organisations or to local members?

Mr Boyd: Yes. We don't have a lot of visibility of that process, whereas for the standard application round, because the applications come into the Sport Australia online system, we can see exactly when they are lodged for assessment.

Senator RICE: So, as far as you're concerned, they went out to the organisations or to the members to then forward on to the organisations and then they came back?

Mr Boyd: No, they went to the minister's office. The minister's office ran that process either through the local member or direct. Then, ultimately, Sport Australia would get back a completed—by 'completed', I don't mean necessarily complete—form, with some or all of it filled in for assessment.

Senator RICE: If only some of it was filled in, when was the rest of the form filled in?

Mr Boyd: When they assessed, in some cases the assessment scores were quite low. That would reflect the fact that in some cases Sport Australia felt they didn't have a great deal to conduct an assessment of, because it wasn't what they would have considered a complete application if it had come through the open process run prior to September.

Senator RICE: For all of those new applications, can you take on notice the dates that you have for when they finally came into the system and the amount of money that they were funded for?

Mr Boyd: In terms of coming into the system, coming into Sport Australia for its assessment is the date. We could speak with some confidence on that. Because they are not coming in directly to Sport Australia, we probably can't answer that part of it.

Senator GALLAGHER: Mr Boyd, I have one question: don't the two spreadsheets that were sent to Sport Australia on 11 April, the two different versions, reflect changes to the allocation of funds?

Mr Boyd: Yes, in that in each of them, compared to the prior version, there was a project which was no longer being approved for funding but there were others that were now being approved for funding. So, yes, it is not the same population constituency as before. Most of the projects are exactly the same, but at the margin there are some differences.

Senator GALLAGHER: But there were some changes to the allocation of funds in both spreadsheets?

Mr Boyd: Correct; in both those versions, yes.

Senator RICE: So the total money that was being allocated was different?

Mr Boyd: Overall the money is broadly similar, but it is not the same amount of money.

Senator RICE: So there was a change to the total amount of money?

Mr Boyd: Yes. It wasn't a matter of taking an application for X dollars and putting in an application for X dollars. The dollars differed.

Senator RICE: And that was the case for both spreadsheets—the 8.46 version and the 12.43 version?

Mr Boyd: Yes. That's the same throughout with all the substantive versions. As I was saying before, that's what we consider a substantive version—where there is a substantive difference which essentially means one or more of the projects in there are different to the prior version.

Senator RICE: Thank you.

Senator PATRICK: I will run through a few different topics. Firstly, Mr Hehir, I have been following the procurement of strategic water entitlements audit on your website. I believe it was due at the start of the year, if not December.

Mr Hehir: At the moment we're looking at April.

Senator PATRICK: What's been the delay on that audit?

Mr Hehir: We've had some staffing changes during the audit, which has slowed it down a bit.

Senator PATRICK: Is the website updated or not?

Ms Mellor: I'm not sure, but we are updating a number of delays in a few audits in the next few days.

Senator PATRICK: You said April, did you?

Ms Mellor: It's expected. We're going through where we're at with a number of audits and we are expecting the website to be updated in the next few days.

Senator PATRICK: Okay. Dr Ioannou, I'm sure you're the person that looks after Defence audits; is that correct?

Dr Ioannou: Yes, that's right.

Senator PATRICK: Do you ever do any longitudinal studies looking at your findings? I have been in and around Defence for decades and there is a bit of a groundhog day in some of the stuff that I see coming from Defence. Has anyone looked at your audits over the periods of decades and mapped out a distribution of the errors that are made by Defence as a function of a lengthy period of time?

Dr Ioannou: Sorry, did you say 'errors'?

Senator PATRICK: Yes. You make findings where things could have been done better.

Dr Ioannou: I'll answer it in this way. You'll know that the *Major projects report*, which is done annually, has longitudinal analysis contained in it. That tracks progress against projects year by year. There are over 20 large capital equipment projects in that. That's one type of longitudinal analysis. We do a series of audits; for the future submarine, for example, we're onto effectively the third of a series. We have done a number of audits in the past—for example, a large audit on capability development reform some years ago where we tracked a range of issues relating to capability development and reform within the department over the best part of a decade.

Senator PATRICK: What was that audit called?

Dr Ioannou: It was called *Capability development reform*, in 2012 or 2013. You will find quite a lot of analysis over a period of 10 years of where different reform initiatives landed, if you like.

Senator PATRICK: So that capability development looks at things prior to second pass, doesn't it?

Dr Ioannou: It tracked that series of reforms like Mortimer and Kinnaird—that era of reform.

Senator PATRICK: I'm more particularly interested in how projects track. Whilst I understand you're looking at a longitudinal view of a project within the major projects review, I'm talking about across all projects to see if there's some standard distribution of lessons learned where it actually turns out they weren't learned over the period of the next decade and the same mistakes were being made.

Dr Ioannou: I don't think I could point to a specific product that does quite what you describe.

Senator PATRICK: I might stop there and flick my thoughts on that across to the JCPCAA, unless you want to say something, Auditor?

Mr Hehir: I've been updated. I think it's May for the water, not April.

Senator PATRICK: May?

Ms Mellor: Yes.

Senator PATRICK: Thank you.

Mr Hehir: I think, with respect to the longitudinal stuff and the question you asked, the major projects report is, as Dr Ioannou said, our major product in that area. I think what that report shows is that the movement over the last 15 or so years towards more military off the shelf has seen less projects coming in more on budget and more timely. I think that's what the report points out, doesn't it?

Senator PATRICK: There could be a useful comparison between the Collins class versus the Attack class and whether or not we're actually making the same errors.

Mr Hehir: Certainly they're the types of things we draw on when we do the report. We'll look back at recommendations at similar capability and try and refer back to that.

Senator PATRICK: Do you track recommendations that you have made that Defence has agreed to implement? Do you actually, excuse the double term here, audit to make sure that they follow through with those recommendations that they've agreed to?

Mr Hehir: We have a program of audits that we do which are about that. Have we done Defence?

Dr Ioannou: Yes. We do it in two ways. We do it in the context of individual audits where we go and look at issues again, whether in a follow-up audit or a follow-on audit. We've also had a series of audits where we very deliberately go and look at all recommendation for a period. We did one of those for Defence four or five years ago and we're planning a second series of that sort of audit.

Mr Hehir: My plan at the moment is to do a follow up implementation of recommendations audit every year across three or four agencies. We look at implementation of not just ANAO recommendations but of parliamentary committee recommendations. We put one of those out last year and we'll do another one in the next 12 months as well. We'll do a continually rolling program on implementation of recommendations.

Senator PATRICK: Thank you. That answers that question. My final line of questioning goes to just how you assess value for money in the context of an audit. My understanding is that your audits are in accordance with a standard. I'm just thinking of Hawkei. There was a controversy in relation to that particular audit. I know you can't talk about that audit, but in the context of that you had an Australian-developed vehicle being in some sense compared against a US-developed vehicle and value for money on the Hawkei included, perhaps for the taxpayer, the fact that there were jobs, intellectual property and exports being generated and there were spill-over effects and those sorts of things. I know you can't talk about the Hawkei audit, and I'm not asking you to. I just used that as an example as a comparison. When you approach an audit, do you examine those sorts of things in respect of value for money?

Mr Hehir: We don't define what value for money is at that sort of detail. In the procurement context, value for money is a key component of the Commonwealth Procurement Rules. The definition of 'value for money' is generally set out in the selection criteria or the process within the procurement. So the assessment of value for money is basically done in a procurement when the agency goes out to tender for something. It sets out the criteria that it is going to assess that procurement against, and it's that criteria which determine value for money. So if the criteria have in them elements that you talked about then they would be fed into the value-for-money assessment. We can't go about creating a different definition of 'value for money' from what the entity has or the government has when it decides to do a procurement. So, if those matters relating to economic impacts are set out in the tender guidelines, in the procurement framework for the individual procurement, we'll utilise those to see how the agency undertook the assessment and how the procurement went against the framework.

Senator PATRICK: How often does that get defined by an agency to consider—

Mr Hehir: I couldn't answer that question, I'm afraid. I don't know.

CHAIR: Senator Patrick, we are right up against it. We've got two more agencies to get through.

Senator PATRICK: That was my last line of questioning. I think you've answered that. Maybe that has to be explored at some other stage. I might do that with the finance minister. Thank you.

Senator AYRES: Very briefly, on the procurement of strategic water entitlements, the ANAO report has been delayed twice, from December 2019 to March 2020 and then from March 2020 to May 2020. Is there any reason for the delay?

Mr Hehir: As mentioned to Senator Patrick at the start, it is the staffing issues with the audit which has slowed us down.

Senator AYRES: Do you anticipate any further delays?

Mr Hehir: I'm not anticipating anything. We're expecting May.

Ms Mellor: Late May.

Senator AYRES: Late May. Have there been any discussions with MPs or senators in relation to this matter?

Mr Hehir: We've had correspondence on that issue with—

Senator AYRES: With Minister Taylor?

Mr Hehir: No.

Senator AYRES: No discussions?

Mr Hehir: No, not to my knowledge.

Senator AYRES: Thank you.

CHAIR: As there are no further questions for the ANAO, thank you very much for your attendance and your evidence here this evening.

Australian Public Service Commission

[22:42]

CHAIR: I welcome Mr Peter Woolcott, Australian Public Service Commissioner. Mr Woolcott, do you wish to make an opening statement?

Mr Woolcott: No, thank you Senator.

CHAIR: That's good given the time.

Senator GALLAGHER: I have probably half an hour's worth of questions, but, given the time, I will put most of them on notice. Mr Woolcott, thank you for your letter today in relation to my letter on Friday asking you to look into the matter of the former head of Health, Ms Beauchamp, and her evidence to the Senate Select Committee on Administration of Sports Grants where she indicated that she had destroyed her notebooks and notes of her time as a senior official in the Australian Public Service. To go straight to the issue that's concerning me, how were you able to reach the conclusion in your letter that the matters I raised with you on Friday afternoon don't warrant any investigation?

Mr Woolcott: Obviously I have a statutory duty to uphold the integrity of the APS, and I take these issues very seriously, but I have no powers to investigate under the Archives Act.

That's a matter for the Attorney-General's portfolio. As I said, the administration of the Archives Act falls under the responsibility of the Attorney-General. So that's the first aspect.

The second aspect—you referred to your concern about widespread and ongoing systematic issues in the Australian Public Service over the destruction of records. I've not seen any evidence of that in the time I have been the APS Commissioner. As I also mentioned in my response to your letter, Senator, I will be working with the Attorney-General's Department as part of a broader integrity regime ensuring the proper treatment of documents under the Archives Act is part of that integrity training. But, on the basis of those things I have mentioned, I saw no room to investigate Ms Beauchamp at this point.

Senator GALLAGHER: Did you talk to Ms Beauchamp?

Mr Woolcott: I didn't talk to Ms Beauchamp. She did text me at some stage and said she was sorry if she has caused me any grief.

Senator GALLAGHER: Did you review the *Hansard*, the transcript of her evidence?

Mr Woolcott: I did.

Senator GALLAGHER: Did you take any advice about whether you had any ability to investigate the matter?

Mr Woolcott: We did approach the AGS for advice on that.

Senator GALLAGHER: Did they confirm that you didn't have any powers?

Mr Woolcott: It was clear that it was under the Archives Act and that it was a matter for the Attorney-General's portfolio.

Senator GALLAGHER: So why does the Public Service Commission provide the guidance about what constitutes a record? It basically provides all the information for public servants about the importance of keeping records. It defines a record and defines different classes of records. And I know that low-value notes are included as potentially Commonwealth records. Informal notes and diaries can be considered as Commonwealth records. Why do you have that role but then no other role?

Mr Woolcott: We have an overarching responsibility for integrity, and that is part of the broad suite of materials that we maintain to ensure compliance with the APS Values and the Code of Conduct. The APSC provides guidance material on a range of things, which includes the proper handling of documents. But we are not the authority and we are not the responsible agency under the Archives Act.

Senator GALLAGHER: Is there someone you can refer me to for this matter to be looked at? Who would be the appropriate authority?

Mr Woolcott: It would be a matter for the Attorney-General and his department.

Senator GALLAGHER: We've walked down that path before, I think. So you've had legal advice that basically said you're not able to investigate this matter?

Mr Woolcott: I'd need to double-check that. I might just take that on notice.

Senator GALLAGHER: Okay, if you could.

Mr Woolcott: My clear understanding is that we are not the authority responsible for the act, but I will need to take that on notice to be double sure.

Senator GALLAGHER: So where there are other questions about documents unrelated to this issue, the Public Service Commission doesn't have a role?

Mr Woolcott: That is my view, yes.

Senator GALLAGHER: I raised two issues with you. One was the Beauchamp matter and the other was whether there are widespread or ongoing issues in relation to the destruction of documents. You said in your answer to a question I just asked that you haven't seen any evidence of this. What's that statement based on?

Mr Woolcott: That statement is largely based on—we have an ethics hotline at the APSC, where people ring in and ask us questions about ethical issues, and my understanding is that it has not been raised with us.

Senator GALLAGHER: Not through the hotline or any other way—any matters around the destruction of documents?

Mr Woolcott: No. That is my understanding—certainly in the time that I've been the commissioner.

Senator GALLAGHER: Considering that the secretary of the Department of Health has destroyed years of personal notebooks as we heard on Friday, do you think it's worth the Public Service Commission proactively having a look at the Department of Health to see whether there is an issue there?

Mr Woolcott: I read her transcript. She indicated that she was aware and complied with obligations under the Archives Act. The National Archives of Australia—

Senator GALLAGHER: She also said that she didn't take advice on it. A straight reading of the guidance material that you distribute does include personal and informal notes and diaries, which are, on the surface, what Ms Beauchamp said she had destroyed.

Mr Woolcott: I'm not the authority on the act, as you know. But the National Archives of Australia does provide guidance about the compliance of archiving. There's the AA, under which the Archives sets standards and provides advice to each agency to apply in these circumstances. I do understand that Health has a policy outlining where it is appropriate to destroy records as a normal administrative practise, but, again, I'm not the authority on this.

Senator GALLAGHER: We might ask Health if the secretary was able to comply with the policy and destroy personal notes. You're referring me, basically, to the Attorney-General. That's my only real point for review. Is that correct?

Mr Woolcott: They have the responsibility for the act.

Senator GALLAGHER: I do have a lot of other questions—

CHAIR: I'm sure you do.

Senator GALLAGHER: and I apologise to you and your and officials for getting pushed this late in the program. It means we have to keep our questions short.

CHAIR: We have had a busy day. If there are no further questions this evening for the APSC, I thank you very much for your attendance and your evidence here this evening.

Office of National Intelligence

[22:52]

CHAIR: Mr Warner, do wish to make an opening statement?

Mr Warner: No, I don't. Thank you.

CHAIR: That's very welcome.

Senator KITCHING: I apologise for the late time. I want to go to Huawei and the UK government's decision in January to allow Huawei to participate in parts of the country's 5G network. Obviously there has been quite a lot of press, both here and overseas, about it. While these matters are sensitive, I'll go to one particular article. It was written by Anthony Galloway in Nine newspapers on 29 January. He says:

Australia's intelligence and security agencies will assess Britain's decision to allow Chinese company Huawei into its 5G network, amid uncertainty over what the move means for the "Five Eyes" intelligence-sharing arrangement.

I know these matters are sensitive, but government sources provided quotes for that article. What is the role for ONI in assessing the UK's decision and its impact on our intelligence relationships, and has the ONI made representations to the UK government regarding its decision?

Mr Warner: These are, as you say, very sensitive matters, so I'm not going to go into very much detail suffice it to say that the Five Eyes relationship is as strong today as it was before Britain's decision. We as an intelligence community in Australia continue to work very closely with our British counterparts.

Senator KITCHING: The same article also states:

The Australian government will let the US take the lead in assessing the consequences of the British Prime Minister's decision to defy Washington's warnings in granting the telecommunications giant a limited role in the 5G rollout.

Will the US take the lead in assessing the impact of the UK's decision?

Mr Warner: On?

Senator KITCHING: On allowing Huawei to be a part of their 5G network.

Mr Warner: I'm sure the US government and its relevant agencies will make their own assessments, as we will make ours.

Senator KITCHING: That decision, that assessment, would be communicated—I won't ask that, because you won't be able to comment. Can I go to something else that I've been thinking about in relation to the FIT Scheme. Who is responsible for providing the analytical inputs in the tracking of foreign interference or non-transparent influence risks in Australia?

Mr Warner: That would be both Home Affairs and ASIO.

Senator KITCHING: They help AGD and Home Affairs develop risk based priorities in implementing the FITS and for CFI work?

Mr Warner: As I said, both Home Affairs—

Senator KITCHING: And ASIO.

Mr Warner: in its overall, overarching coordination role and, specifically within Home Affairs, ASIO.

Senator KITCHING: Does the ONI help with that?

Mr Warner: We do look at foreign interference. We're an assessment organisation, so we provide assessments to government on what we're seeing, including on foreign interference.

Senator KITCHING: And do you also provide inputs into countering foreign interference?

Mr Warner: If I'm interpreting your question correctly, you're talking about an operational activity, and that's not ONI's mandate.

Senator KITCHING: I'm also asking about the analytical inputs, not just the operations.

Mr Warner: We provide analytical input. We report to government on what we see, primarily but not exclusively through open source.

Senator KITCHING: Has the Deputy Director-General of Assessments position been filled?

Mr Warner: Not permanently; there are two officers acting in the position on a rotational basis.

Senator KITCHING: When do you expect that to be filled?

Mr Warner: I had actually hoped to fill it quite recently, but, for personnel reasons I won't go into, that hasn't happened. I'm now reassessing and haven't come to a conclusion yet.

Senator KITCHING: I won't ask about time lines. We can discuss next time. Chair, I could ask many questions—

CHAIR: I don't doubt that.

Senator KITCHING: but I note that it is 10.57.

CHAIR: It is indeed. Are there any further questions for ONI? If not, I thank you very much for your attendance late this evening and your evidence. That concludes the committee's examination of the agencies for today. We will continue tomorrow by examining the Finance portfolio as well as Friday for cross-portfolio Indigenous matters. I thank the ministers and officers who have given evidence today. I also thank Hansard, broadcasting and the secretariat.

Committee adjourned at 10:58