

## Chapter 2

### Portfolio specific issues

2.1 This chapter provides an overview of some of the matters raised during the committee's hearings on the Budget estimates 2015–16. The discussion follows the outcome and agency structure.

#### **Environment Portfolio**

##### *Department of the Environment*

2.2 The committee opened the hearing on Monday, 25 May 2015 with general questions to the Department of the Environment. Matters canvassed by the committee included:

- the proportion of women employees in the department (p.5);
- discretionary grant programs managed by the portfolio (pp 6–7);
- the Register of Environmental Organisations (pp 7–11);
- staffing levels in the Compliance and Enforcement Division (pp 12–13);
- environmental assessments conducted under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) (pp 15–16); and
- the number of departmental staff engaged in protected industrial action measures (p. 17).

*Outcome 1: Conserve, protect and sustainably manage Australia's biodiversity, ecosystems, environment and heritage through research, information management, supporting natural resource management, establishing and managing Commonwealth Protected areas, and reducing and regulating the use of pollutants and hazardous substances*

2.3 The committee examined under Outcome 1 on Tuesday, 26 May. In relation to Program 1.1: Sustainable Management of Natural Resources and the Environment, the committee canvassed matters including:

- the department's contribution on the state of the environment to the *Intergenerational Report* (pp 97–98);
- the National Landcare Programme (pp 98–100);
- review of the Australian Biodiversity Conservation Strategy (pp 100–102, 126);
- the Reef 2050 Long-Term Sustainability Plan (pp 102–104);
- projects funded under the Reef Trust (pp 104–105);
- the establishment of the Reef Trust special account (pp 105–106);
- governance arrangements for the management of the Reef Trust (p. 107);
- natural resource management program achievements (pp 109–110);

- the Green Army Programme (pp 110–113);
- the 20 Million Trees Programme (pp 113–114, 123–124);
- projects addressing threatened species (pp 114–116);
- development of a threatened species strategy (pp 116–117);
- conservation of the Leadbeaters Possum (pp 118–119, 121);
- the threatened species summit (p. 120);
- funding for conservation of threatened species (pp 120–121);
- the Spot Tailed Quoll (p. 122);
- regional forest agreements (pp 122–123);
- water quality monitoring under the Reef 2050 Long-Term Sustainability Plan (p. 125); and
- the National Reserve System Strategy (pp 126–128).

2.4 Matters canvassed by the committee in relation to Program 1.2: Environmental Information and Research included:

- development of the next *State of the Environment Report* (pp 11, 13);
- staffing resources (p. 12);
- the International Whaling Commission's scientific committee meeting in San Diego (pp 14–15);
- the status of the Australian Marine Mammal Centre grants program (pp 16–17);
- assessment of Japan's latest scientific whaling permit (pp 18–19);
- the Southern Ocean Research Partnership (p. 20);
- the National Environmental Research Program Northern Australia Hub (p. 20); and
- the National Environmental Science Program (p. 21).

2.5 In Program 1.3: Carbon Pollution Reduction—Land Sector Initiatives matters canvassed by the committee included:

- funding of the Biodiversity Fund and the National Resource Management Planning for Climate Change program (p. 91); and
- the key stakeholders involved in the management of the National Resource Management Planning for Climate Change program (p. 92).

2.6 In relation to Program 1.4: Conservation of Australia's Heritage and the Environment matters canvassed by the committee included:

- processes undertaken with the Queensland government to finalise the Great Barrier Reef report to the World Heritage Committee (p. 47);
- the draft heritage strategy (pp 48–49);

- funding allocated for the Community Heritage and Icons Grants Program (pp 50–51);
- the Protecting National Historic Sites program (pp 51–52);
- possible world and heritage listings in Australia (pp 52–54);
- land clearing in Cape York (pp 56–57);
- IESC advice pertaining to the Shenhua Watermark (pp 57–58);
- the Maules Creek coalmine (pp 58–59);
- the Whale and Dolphin Protection Plan (p. 59);
- the Dugong and Turtle Protection Plan (pp 59–60);
- the transfer of funds in the Portfolio Budget Statement from the Department of Foreign Affairs and Trade to the Department of the Environment for the Giant Panda Program (pp 61–62);
- the draft management plan for the Tasmanian Wilderness World Heritage area (pp 62–64);
- reporting obligations and arrangements in place with the World Heritage Committee (pp 64–65);
- the listing of shark species under the conservation of migratory species (pp 65–67);
- the nomination of the Parramatta Female Factory to the National Heritage List (pp 67–68);
- the importation of dolphins into Australia (pp 68–69);
- the National Heritage listing of the Burrup Peninsula (pp 70–71); and
- the proposed dumping ban in the Great Barrier Reef (pp 72–73).

2.7 In Program 1.5: Environmental Regulation matters canvassed by the committee included:

- the One-Stop Shop for environmental approvals policy (pp 21–26);
- Port Melville (pp 28–31, 45–47);
- the New South Wales major projects offset policy (pp 31–32);
- the risk assessment framework underpinning the One-Stop Shop for environmental approvals policy (pp 33–34);
- the Western Australian government's policy to reduce the risk that sharks pose to water users (pp 35–36);
- approval process under the EPBC Act for the Perth freight link (pp 36–39);
- conditional approval under the EPBC Act for the Kintyre uranium project in Western Australia (pp 39–40);
- the national regulatory framework on coal seam gas (pp 41–42); and

- the regulation of noxious weeds (pp 43–44).

2.8 In Program 1.6: Management of Hazardous Wastes, Substances and Pollutants matters canvassed by the committee included:

- evidentiary certificates issued by the Minister for the Environment under the *Hazardous Waste (Regulation of Export and Imports) Act 1989* (pp 87–88);
- the Hazardous Waste Technical Group (p. 89);
- staffing and funding resources available to undertake functions under the Hazardous Waste Act (pp 89–90); and
- the Australian government's participation and involvement in the Rotterdam Convention (p. 90).

*Outcome 2: Reduce Australia's greenhouse gas emissions, adapt to the impacts of climate change and contribute to the negotiation of an effective global solution to climate change, through developing and implementing a national response to climate change*

2.9 Officers from the department were called on Monday, 25 May, in relation to Outcome 2, Program 2.1: Reducing Australia's Greenhouse Gas Emissions. Matters canvassed by the committee included:

- land clearing under the Emissions Reduction Fund (pp 112–13);
- the Emissions Reduction Fund (pp 113–117, 121);
- carbon accounting (pp 115–116);
- new methods of abatement under the Emissions Reduction Fund (pp 118–119);
- Australia's post-2020 emissions reductions targets (pp 122–124);
- the burning of wood from native forests under the renewable energy target (p. 125); and
- renewable energy certificates (pp 125–127).

2.10 On Tuesday 26 May, the committee canvassed issues in Program 2.2: Adapting to Climate Change including:

- the staff and resources allocated to Program 2.2 (p. 92);
- funding provided to the National Climate Change Adaptation Research Facility (p. 93);
- the coastal climate risk management tool (pp 94–95); and
- draft plans from natural resource management committees funded under the Natural Resource Management Planning for Climate Change program (pp 96–97).

*Outcome 3: Advancement of Australia's strategic, scientific, environmental and economic interests in the Antarctic by protecting, administering and researching the region*

2.11 The committee examined matters on Monday, 25 May, related to Outcome 3, Program 3.1: Antarctica: Science, Policy and Presence. Matters canvassed by the committee included:

- funding for the new icebreaker (pp 78–79);
- the National Environment Science Program (pp 79–80);
- Wilkins runway (pp 81–82); and
- sea ice distribution (pp 82–83).

*Outcome 4: Improve the health of rivers and freshwater ecosystems and water use efficiency through implementing water reforms, and ensuring enhanced sustainability, efficiency and productivity in the management and use of water resources*

2.12 Officers from the department were called on Monday, 25 May, in relation to Outcome 4, Program 4.1: Water Reform. Matters canvassed by the committee included:

- the Shenhua Watermark (p. 96);
- bioregional assessments (pp 97, 108–109);
- supporting more efficient irrigation in Tasmania (pp 98–99);
- reduced funding for the Sustainable Rural Water Use and Infrastructure Program (pp 101–103);
- Commonwealth water buybacks (pp 104–105);
- water recovery strategy for the Murray-Darling Basin (pp 105–106);
- IESC advice on project referrals under the EPBC Act (p. 107);
- the budget for the Office of Water Science (p. 110); and
- the effect of coal seam gas extraction on the Great Artesian Basin (p. 111).

2.13 Officers from the department were called on Tuesday, 26 May, in relation to Program 4.2: Commonwealth Environmental Water Officer. Matters canvassed by the committee included:

- outcomes of the environmental water plan (p. 82);
- the Environmental Water Holding Special Account (pp 83, 87);
- annual cost of managing the environmental water holdings (pp 83–84);
- the current monetary worth of the water held by the Commonwealth Environmental Water Office (p. 84);
- the water recovery strategy (p. 85); and
- the review of the *Water Act 2007* (pp 86–87).

***Bureau of Meteorology***

2.14 Officers from the Bureau of Meteorology (BoM) were called and examined on Monday, 25 May. Matters canvassed by the committee included:

- staff morale (p. 18);
- changes to the BoM's organisational structure (pp 18–19);
- number of staff working on climate-related functions (pp 19–20);
- development of a new strategic plan (p. 21);
- BoM's capital program (pp 21–22);
- staffing reductions (pp 22–24);
- pay negotiations (pp 25–26);
- review of cyclone warnings (p. 26);
- post-event review of Cyclone Marcia (p. 27);
- the latest El Niño declaration for Australia (pp 27–28);
- climate science (pp 29–32);
- work undertaken for the offshore oil and gas industry (pp 32–33); and
- the Environmental Information Program (p. 34).

***Clean Energy Regulator***

2.15 The committee called officers from the Clean Energy Regulator on Monday, 25 May. Matters canvassed by the committee included:

- membership on the Clean Energy Council (p. 64);
- variability of the emissions intensity of fossil fuel generation compared to the efficiency of renewable energy (pp 65–66);
- contract durations under for projects under the Emissions Reductions Fund (pp 67–69);
- the Renewable Energy Target (pp 70–72);
- abatement and sequestration methods (p. 73);
- permits obtained for the purpose of clearing land (p. 74); and
- the Emissions Reduction Fund (p. 75).

***Climate Change Authority***

2.16 The committee called officers from the Climate Change Authority on Tuesday, 26 May. The committee canvassed the following matters:

- inclusion of native forest wood waste in the Renewable Energy Target (p. 74);
- funding and staffing resources of the Authority. (p. 75);
- recommended carbon emission targets for post-2020 (pp 76, 79–80); and
- members of the Climate Change Authority Board (pp 77–79).

### ***Director of National Parks***

2.17 The Director of National Parks appeared before the committee on Monday, 25 May. Matters canvassed with the Director of National Parks included:

- the Bioregional Advisory Panel (pp 58–59);
- the ongoing management of marine reserves (pp 59–60);
- completion of the Commonwealth Marine Reserve review (pp 61–62);
- new draft management plans (p. 63); and
- marine protected areas (pp 63–64).

### ***Great Barrier Reef Marine Park Authority***

2.18 Officers from the Great Barrier Reef Marine Park Authority (GBRMPA) were called and examined on Monday, 25 May. Matters discussed included:

- the GBRMPA's relationship and role in implementation of the Reef Trust (pp 35–36, 39–40);
- funding and staffing reductions (pp 38–39, 50);
- initiatives under the Reef 2050 Plan (p. 41);
- GBRMPA's 2014 Reef Outlook report (p. 42);
- risks to the reef caused by climate change (pp 44–45);
- the *Economic Contribution of the Great Barrier Reef Report* by Deloitte Access Economics (pp 45–46);
- the joint initiative of the GBRMPA and the Australian Institute of Marine Science to produce the *Dredge Synthesis Report* (pp 46–48);
- the ban on the disposal of capital dredge spoil (pp 48–49, 55–56);
- the number of on-ground compliance and enforcement officers (pp 50–51);
- the Turtle and Dugong Protection Plan for an Indigenous ranger compliance enhancement project (p. 51);
- GBRMPA officials meetings with World Heritage Committee members (p. 56); and
- restoration of part of the Great Barrier Reef damaged by the *Shen Neng* shipwreck incident (p. 56).

### ***Murray-Darling Basin Authority***

2.19 Officers from the Murray-Darling Basin Authority were called and examined on Monday, 25 May. Matters discussed included:

- Chowilla wetland (p. 84);
- the cost of implementing the Murray-Darling Basin Plan (pp 85–86);
- measurement of the economic and social effects from the Murray-Darling Basin Plan (pp 86–87);

- the South Australian floodplain project (p. 87);
- staffing levels in the Authority (p. 88);
- water reform funding (pp 88–89);
- the Basin work plan for 2015–16 (pp 89–90);
- the constraint management strategy (pp 90, 92–93);
- the purchase of water licences by superannuation funds (pp 91–92);
- the Living Murray program (pp 93–94); and
- the Basin Salinity Management program (p. 94).

### ***Office of the Supervising Scientist***

2.20 On Tuesday, 26 May, the committee discussed the following matters with the Office of the Supervising Scientist:

- planning and assessment of rehabilitation works at mines and former mines in the Alligator Rivers region (p. 5);
- oversight of uranium mining activities in the Alligator Rivers region (p. 6);
- rehabilitation of the Gulungul and Magela creeks (pp 6–8); and
- the report into the Ranger leach tank incident (pp 9–10).

## **Communications Portfolio**

### ***Department of Communications***

2.21 The committee commenced its examination of the Communications portfolio on Wednesday, 27 May 2015, with general questions to the Department of Communications. Matters canvassed by the committee included:

- the level of engagement with the Department of Infrastructure and Regional Development on the use of cooperative intelligent transport systems (pp 3–4);
- the department's tenders issued by the Bureau of Communications Research for NBN non-commercial services (pp 4–5);
- a possible review into the Australian Communications and Media Authority (pp 5–6);
- deregulation initiatives within the telecommunications industry (pp 7–8);
- the Mobile Black Spots Program (pp 8–9);
- the Spectrum Review (pp 9–11); and
- the integration of the Telecommunications Universal Service Management Agency into the department (p. 12).



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*Outcome 1: Promote an innovative and competitive communications sector, through policy development, advice and programme delivery, so all Australians can realise the potential of digital technologies and communication services*

2.22 The committee called officers on Thursday, 28 May, in relation to Program 1.1: Digital Technologies and Communications Services. Matters canvassed by the committee included:

- detailed rollout information on the National Broadband Network (pp 20–21);
- community television broadcasts (pp 21–24, 48);
- the Community Broadcasting Foundation (p. 24);
- the latest equity profile of the National Broadband Network Co (NBN Co) (p. 26);
- the department's contribution to the government's deregulation agenda (pp 27–28);
- research priorities of the Bureau of Communications Research (p. 28);
- NBN Co's 2014–17 Corporate Plan (p. 29);
- the Telecommunications Legislation Amendment (Access Arrangements and National Broadband Network Measures) Bill 2015 (pp 31–34);
- staffing resources in the Bureau of Communications Research (pp 35–36);
- options for funding high-speed networks in fixed line areas (pp 36–39);
- assumptions contained in NBN Co's draft 2015–18 Corporate Plan (pp 39–40, 42, 52–53);
- the introduction of backhaul charges in greenfield developments (pp 40–45);
- the Digital Transformation Office (pp 45–46);
- Mobile Black Spots Program in Queensland (pp 47–48); and
- the use of very-high-bit rate digital subscriber line 2 (VDSL2) system to provide data speeds equivalent to ADSL (pp 49–50).

### ***Australia Post***

2.23 On Wednesday, 27 May, officers from Australia Post were called and examined. Matters canvassed by the committee included:

- Australia Post's dividend payment to the government (p. 72);
- the sale of a customer operation property in West Melbourne (pp 73–74, 94);
- new parcel sorting machines (pp 74–76);
- the MyPost digital mailbox (pp 76–79);
- consultations with stakeholders regarding reforms to Australia Post (pp 79–82);
- mail volumes (pp 82–84);

- remediation with franchisees and Licensed Post Offices (pp 85–88);
- stamp prices (p. 90);
- reserved service letters and Australia Post's community service obligations (p. 91);
- Saturday trading by corporate post offices (p. 92);
- the introduction of the MyPost platform (pp 92–93);
- improvements to the complaint handling process (p. 93); and
- Licensed Post Offices (pp 95–98).

### ***Australian Broadcasting Corporation***

2.24 On Wednesday, 27 May, officers from the Australian Broadcasting Corporation (ABC) were called and examined. Matters canvassed by the committee included:

- ABC's financial position including efficiency savings (pp 12–13, 18, 36–37);
- ABC's staffing levels (pp 14–16);
- the anticipated cost of termination payments for 2015–16 (pp 16–18);
- the commencement of the regional division from 1 July 2015 (p. 20);
- the resourcing of radio stations in rural and regional areas as opposed to metropolitan stations (pp 20–21);
- the new look ABC Radio application (p. 21);
- reductions to local content (pp 22–23);
- the interviewing style of ABC reporters Ms Leigh Sales and Ms Emma Alberici (pp 23–24);
- appointment of the next ABC Managing Director (pp 24–25);
- ABC's coverage of the National Broadband Network under the current government (pp 25–28);
- the creation of the website *AustraliaPlus.cn* (pp 28–29);
- processes for monitoring impartiality and balance in broadcasts of ABC radio stations (p. 30);
- ABC's *Q&A* television program (pp 31–32, 35);
- the number of ABC media managers (pp 33–34);
- staffing resources and funding allocated to the documentary series *The Killing Fields* (p. 34); and
- potential savings from consolidating the ABC's property portfolio (p. 36).

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***Australian Communications and Media Authority***

2.25 On Thursday, 28 May, officers from the Australian Communications and Media Authority were called and examined. Matters canvassed by the committee included:

- the World Radio Conference (pp 6–7);
- the coordination process for orbital slots required for the NBN satellites (pp 7–9);
- a potential review of the Australian Communications and Media Authority (pp 9–10);
- resourcing requirements to implement the proposals outlined in the Spectrum Review (pp 10–14);
- a complaint made by the Office of the Minister for Agriculture, the Hon Barnaby Joyce MP, to radio station KIIS 106.5, regarding a possible breach of the Commercial Radio Code of Practice following an interview with the Minister for Agriculture by Mr Kyle Sandilands on 15 May 2015 (pp 14–17);
- the Copyright Infringement Industry Code (pp 17–19); and
- the local content rules for regional television broadcasters (pp 19–20).

***National Broadband Network Co***

2.26 On Thursday, 28 May, Mr Bill Morrow, Chief Executive Officer, in his opening statement outlined the results of NBN Co quarterly earnings statements. At the conclusion of the opening statement, the committee canvassed the following matters:

- the next stage of development for the fixed wireless system (pp 55–56, 75, 108);
- the launch of NBN Co satellites (pp 56–57);
- NBN Co 2014–17 Corporate Plan (pp 57–58, 65, 77–78, 87);
- NBN Co draft 2015–18 Corporate Plan (pp 58–59, 96, 101, 113–114);
- the number of premises connected by fibre to the building (FTTB) (pp 59–60);
- the rollout of fibre to the node (FTTN) (pp 60, 80–81, 93);
- the number of connections to the NBN in the constructions trial sites at Epping and Umina (pp 60–61);
- customer migration trials (pp 62–63);
- the NBN Co Strategic Review (pp 63–65);
- short-term demand for fibre to the premise (FTTP) workforce (p. 66);
- information sharing with the United Kingdom's BT (pp 66–67);

- increase in capital expenditure for both FTTN and the hybrid fibre coaxial (HFC) systems in future years (pp 67–68);
- NBN rollout schedule in Tasmania (pp 69–74, 76);
- NBN workforce capability (p. 77);
- the rollout of NBN via the multi-technological mix (MTM) (pp 80, 111);
- NBN Co latest equity profile (pp 82–83, 88–89, 94);
- the number of premises in which NBN passes in greenfields sites (pp 84–85, 112–113);
- projections for capex (p. 85);
- international metrics of cost per premises for broadband connections (p. 86);
- the number of brownfields fixed line activations (pp 90–91);
- the rate of average revenue per user (pp 91–92);
- updates to NBN interim satellite service (p. 92);
- NBN Co 2012–15 Corporate Plan (pp 94–95);
- data speeds of FTTN (pp 98–99);
- profile assumptions for FTTN, HFC, MTM (pp 99–100);
- commencement of HFC construction trials in Emu Plains, Redcliffe, Slacks Creek and Merrimac (pp 100–101);
- phase one of the HFC product release (pp 102–103);
- fibre to the distribution point (pp 104–105);
- the building of the local network distribution network (p. 105); and
- the number of staff working on NBN Co IT system (pp 109–110).

### ***Special Broadcasting Service***

2.27 In his opening statement, Mr Michael Ebeid, Managing Director, provided the committee with an update of the achievements of the Special Broadcasting Service (SBS) since the Additional estimates 2014–15 hearing in February. Mr Ebeid stated SBS's achievements included:

- the broadcast of the 60<sup>th</sup> anniversary of the Eurovision Song Contest (pp 37–38);
- winning a Logie for most outstanding sports coverage for its broadcast of the 2014 FIFA World Cup (p. 38);
- significant public interest in the documentary *Struggle Street* (p. 38);
- winning a Logie for most outstanding factual program for its program *First Contact* (p. 38); and
- the upcoming celebration for the 40<sup>th</sup> anniversary of the establishment of SBS Radio (p. 38).

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2.28 Other matters canvassed by the committee included:

- costs associated with Australia's wildcard entry into the Eurovision Song Contest (pp 39, 41);
- audience ratings for the Eurovision Song Contest program (p. 39);
- suggestions that SBS relocate to Liverpool (p. 40);
- the documentary *Struggle Street* (pp 41–51);
- SBS's status as a hybrid broadcaster (pp 51–52);
- proposed changes to advertising limits on SBS (pp 52–55); and
- the decision by SBS not to broadcast an advertisement that was pro-traditional marriage during its Mardi Gras TV coverage (pp 55–64);
- SBS's coverage of football (pp 64–69); and
- efficiency savings (pp 69–70).

**Senator Anne Ruston**  
**Chair**

