

# 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 2017–18. The discussion follows the outcome and agency structure.

### Environment and Energy Portfolio

#### *Department of the Environment and Energy*

2.2 The committee opened the hearing with the Department of the Environment and Energy. The Secretary, Dr Gordon de Brouwer, noted that the outcome and program structure of the department had changed since the Additional Estimates 2016–17.<sup>10</sup> Other matters discussed included:

- the department's input into the Government's response to the Sustainable Development Goals (SDGs) (pp. 5–10);
- a proposed workshop with the Australian Committee for the International Union for the Conservation of Nature (ACIUCN) (pp. 6–7);
- the department's promotion of the *State of the Environment Report* to key stakeholder groups (pp. 10–15); and
- the Government's renewable energy target (pp. 15–16).

*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 called officers in relation to Program 1.1: Sustainable Management of Natural Resources and the Environment. Matters discussed by the committee included:

- funding for the National Landcare Program (pp. 58–59);
- feral cat eradication programs on Kangaroo Island and at the Newhaven Wildlife Sanctuary (pp. 61–62);
- the Tamar River dredging program (pp. 63–64);

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10 Dr Gordon de Brouwer, Secretary, Department of the Environment and Energy, *Proof Committee Hansard*, 22 May 2017, p. 4.

- the Threatened Species Commissioner's response to *The Conversation* article 'Government needs to front up billions, not millions, to save Australia's threatened species' (pp. 64–66);
- funding for new Indigenous Protected Areas (pp. 66–68); and
- wild dog control activities under the Western Australian Wild Dog Action Plan (p. 69).

2.4 The committee called officers in relation to Program 1.2: Environmental Information and Research. Matters canvassed included the department's progress towards a common approach to environmental economic accounting and nationally consistent reporting on Australia's environment (pp. 69–71).

2.5 Officers were called in relation to Program 1.4: Conservation of Australia's Heritage and Environment. Matters discussed by the committee included:

- the recovery plan and potential delisting of the white shark under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) (pp. 71–76);
- update on sites nominated for the World Heritage Tentative List (pp. 77–80);
- protection of the hooded plover in the Belfast Coastal Reserve in Victoria (pp. 80–81, 89–91);
- Japanese whaling activities under the New Scientific Whale Research Program in the Antarctic Ocean (NEWREP-A) (pp. 85–86);
- recovery plans for forest-dependent species (pp. 87–88); and
- conditions for the export of platypuses to San Diego Zoo (pp. 6–7).

2.6 The committee called officers in relation to Program 1.5: Environmental Regulation. Matters canvassed included:

- land clearing in the Great Barrier Reef catchment area (p. 89);
- the New South Wales shark management plan (pp. 91–93);
- variations to the conditions attached to the Abbot Point Coal Terminal approval (pp. 94–100);
- proposed amendment to section 487 of the EPBC Act (p. 95);
- the Toondah Harbour Project in Queensland (pp. 101–102); and
- marine farming operations in Macquarie Harbour, Tasmania (pp. 105–108).

2.7 The committee called officers from the department in relation to Program 1.6: Management of Hazardous Wastes, Substances and Pollutants. Matters discussed included:

- standard national approaches to container deposit schemes (p. 69 and 75);
- use of labour hire companies and related agreements by the department (pp. 70–71);

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- investigations into the under-reporting of coal-fired power station emissions under the National Pollutant Inventory in New South Wales (pp. 72–74); and
  - the impacts of marine debris on vertebrate marine life (pp. 74–75).

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

2.8 The committee called officers in relation to Program 2.1: Reducing Australia's Greenhouse Gas Emissions. Matters canvassed by the committee included:

- funding levels under the Emissions Reduction Fund (ERF) (pp. 77–80);
- responses to the 2017 Review of Climate Change Policies – Discussion Paper (pp. 80–81); and
- the Government's emissions reduction targets (pp. 82–85).

2.9 The committee called officers in relation to Program 2.2: Adapting to Climate Change. Matters discussed included funding for the National Climate Change Adaption Research Facility (NCCARF) (pp. 85–87, 91–92) and Government expenditure on climate change adaption programs (pp. 92–93).

2.10 The committee called officers in relation to Program 2.3: Renewable Energy Technology Development. Matters examined included:

- costs associated with large-scale battery storage technologies (pp. 88–89);
- the differences between pumped hydro and battery storage (pp. 89–91); and
- staffing levels of the department's Clean Energy Innovation team (p. 94).

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

2.11 Officers from the department were called in relation to Program 3.1: Antarctica: Science, Policy and Presence. Matters discussed included:

- illegal Japanese whaling in the Southern Ocean (pp. 7–8);
- funding for the Antarctic Gateway Partnership and the Antarctic Climate and Ecosystems Cooperative Research Centre (pp. 9–11);
- review of the Australian Antarctic Science Strategic Plan 2011–12 to 2020–21 (pp. 11–12); and
- the Australian National Audit Office (ANAO) report on a replacement Antarctic icebreaking vessel (pp. 13–19).

*Outcome 4: Support the reliable, sustainable and secure operations of energy markets through improving Australia's energy efficiency, performance and productivity for the community*

2.12 The committee called officers of the department in relation to Program 4.1: Energy. Matters canvassed included:

- funding for the development of onshore gas (pp. 102–103, 105–109);
- the proposed expansion of the Snowy Hydro scheme (pp. 103–105);
- the rising cost of electricity (pp. 109–110); and
- the reliability of the electricity market (pp. 110–116).

### ***Australian Renewable Energy Agency***

2.13 The committee called officers from the Australian Renewable Energy Agency (ARENA) and discussed the following matters:

- the proposed expansion of the Snowy Hydro scheme (pp. 19–21, 34–38);
- solar thermal projects in Australia (pp. 21–27);
- wind farm power generation (p. 28); and
- funding for the DeGrussa solar project (pp. 31–32).

### ***Bureau of Meteorology***

2.14 Officers were called from the Bureau of Meteorology (BOM) and matters examined included:

- the decommissioning and automation of weather stations (pp. 45–46); and
- the performance of BOM forecasting and warning systems during Tropical Cyclone Debbie (pp. 46–50).

2.15 On behalf of the committee the Chair acknowledged and thanked Dr Andrew Johnson, Chief Executive Officer and Director of Meteorology, and his staff for their work during Cyclone Debbie. The Chair stated:

I think it is safe to say that I speak on behalf of the entire committee, Dr Johnson, when I formally acknowledge and thank your staff for the amazing work that they did. Quite often we think about emergency services and other organisations but not actually your staff, who are clearly critically important throughout the process. So I hope you do not mind passing on the committee's thanks.<sup>11</sup>

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11 Senator Linda Reynolds CSC, *Proof Committee Hansard*, 22 May 2017, p. 47.

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### ***Clean Energy Finance Corporation***

2.16 The committee called officers from the Clean Energy Finance Corporation (CEFC). Matters discussed included:

- the relationship of the CEFC to the Northern Australia Infrastructure Fund (pp. 55–56);
- proposals for possible coal-fired power stations (pp. 52–53);
- funding under the Clean Energy Innovation Fund (CEIF) for start-up projects (pp. 57–61); and
- the proposed second power interconnector across the Bass Strait (pp. 61–63).

### ***Clean Energy Regulator***

2.17 Officers of the Clean Energy Regulator were called and matters examined included:

- the Government's progress towards achieving the renewable energy target (pp. 63, 65–66);
- funding for the ERF (pp. 66–67); and
- large-scale renewable power generation projects in Western Australia (pp. 67–68).

### ***Climate Change Authority***

2.18 The committee called officers from the Climate Change Authority (CCA) and canvassed the following matters:

- funding and staffing levels over the forward estimates (pp. 50–52 and 55);
- the release of the new issues paper, 'Action on the land: reducing emissions, conserving natural capital and improving farm profitability' (pp. 52–53);
- review of the Carbon Farming Initiative legislation and the ERF (pp. 53–54); and
- the scope of the CCA's joint report, 'Towards the next generation: delivering affordable, secure and lower emissions power' (pp. 55–58).

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

2.19 The committee called the Director of National Parks, Ms Sally Barnes, and the following matters were discussed:

- draft management plans for Australian Marine Parks (pp. 40–41);
- management of the Kakadu Buffalo Farm (pp. 41–43);
- the recovery plan for the Norfolk Island green parrot (pp. 43–44); and
- measures to control yellow crazy ants on Christmas Island (p. 44).

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

2.20 The committee called officers from the Great Barrier Reef Marine Park Authority. In his opening statement, Dr Russell Reichelt, Chairman, outlined some of the challenges facing the Great Barrier Reef:

The Great Barrier Reef has been impacted on by two significant environmental incidents this year: an unprecedented second consecutive year of coral bleaching on a mass scale and Tropical Cyclone Debbie—the tenth severe category cyclone to cross the Reef since 2005. The Great Barrier Reef Marine Park Authority is focused on understanding and responding to the impacts of these events.<sup>12</sup>

2.21 Other matters canvassed by the committee included:

- advice provided by the Reef 2050 Plan Independent Expert Panel (pp. 23–25);
- the crown-of-thorns starfish management control program (pp. 25, 38–39);
- content of the Reef 2050 Plan (pp. 26–28);
- large-scale coral bleaching on the Great Barrier Reef (pp. 30–32);
- impacts of mining operations on the marine park (pp. 33–34);
- permits issued under the Great Barrier Reef Marine Parks Shark Control Program (pp. 36–38); and
- Australia's participation in the International Coral Reef Initiative (p. 39).

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

2.22 The committee called the Office of the Supervising Scientist (OSS) and discussed:

- the tailings deposition strategy for the Ranger Mine site (pp. 94–98);
- monitoring of the Ranger Mine after its closure (pp. 98–100);
- the impact of the department's restructure on the OSS (p.100); and
- the design of the Australian Domestic Gas Security Mechanism (ADGSM) (pp. 100–101).

### ***Snowy Hydro Limited***

2.23 The committee called officers from Snowy Hydro Limited. In his opening statement, Mr Paul Broad, Managing Director and Chief Executive Officer of Snowy Hydro, outlined the proposed Snowy Hydro expansion project. Other matters examined included:

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12 Dr Russell Reichelt, Chairman, Great Barrier Reef Marine Park Authority, *Proof Committee Hansard*, 22 May 2017, p. 21.

- the cost and timeline for the feasibility study on the Snowy Hydro expansion (pp. 40–41);
- potential electricity storage capacity and cost of the project (pp. 41–48); and
- environmental approvals required for the expansion project (pp. 50–51).

## **Communications and the Arts Portfolio**

2.24 As noted in chapter one, the committee conducted its examination of the Communications and the Arts Portfolio over three days: 24 and 25 May 2017 and 15 June 2017.

### *Department of Communications and the Arts*

2.25 The committee commenced its examination of the Communications and the Arts Portfolio on 24 May 2017 by calling officers from the Department of Communications and the Arts. The following general matters were discussed:

- delayed responses to questions on notice from the Additional Estimates hearings (pp. 4–6);
- anticipated release of the Productivity Commission's report into the future direction of a universal service obligation (USO) in the telecommunications market (pp. 6–13);
- the department's use of labour hire companies (pp. 13–15);
- funding under-represented sports on subscription television (pp. 13–17); and
- restrictions on gambling advertising during the broadcast of live sports events (pp. 17–21).

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

2.26 Officers were called in relation to Program 1.1: Digital Technologies and Communications Services. Matters canvassed included:

- the final report of the review of the Australian Communications and Media Authority (ACMA) (pp. 41–46);
- the audio transcription services working group (pp. 61–61, 72–73);
- the mobile black-spot program (pp. 63–72);
- broadband performance monitoring and reporting program (pp. 73–76); and
- the telecommunications competition framework (pp. 76–78).

2.27 Issues related to Program 1.1 were further examined by the committee at the hearing held on 15 June 2017. Matters discussed included:

- the department's procedures for processing questions on notice (p. 2);

- the timing of the provision of National Broadband Network (NBN) Electorate Briefs (pp. 3–9);
- support for users of non-monitored medical alarms as the NBN is rolled out (pp. 9–11); and
- coverage and specifications of the mobile black-spot program (pp. 11–15).

*Outcome 2: Participation in, and access to, Australia's arts and culture through developing and supporting cultural expression*

2.28 The committee called officers in relation to Program 2.1: Arts and Cultural Development and discussed the following matters:

- funding of Creative Partnerships Australia for 2017–18 (pp. 45–47);
- local employment opportunities in the domestic film industry (pp. 48–49);
- impact of the Government's changes to VET Student Loans on the National Institute of Dramatic Art and other elite arts training institutions (pp. 50–52);
- removal of arts occupations from the 457 visa program (p. 52)
- funding for the Indigenous Languages and Arts program (pp. 52–53); and
- funding cuts to the Australian Youth Orchestra (pp. 53–54).

***Australian Broadcasting Corporation***

2.29 The committee called officers of the Australian Broadcasting Corporation (ABC). In her opening statement, Ms Michelle Guthrie, Managing Director, updated the committee on the recently announced changes to the ABC's corporate strategy and structure since the ABC's last appearance at estimates (pp. 109–110). The following matters were also discussed:

- the ABC's iview audio description trial (pp. 110–111);
- controversial comments made by ABC employees (pp. 111–112, 125–127);
- the ABC's policies on Indigenous employment (pp. 112–113, 117–118);
- the ABC's compliance with the Government's Competitive Neutrality Policy (pp. 115–116 and 133);
- redundancies resulting from the announced strategic restructure of the organisation (pp. 121–123); and
- the cessation of shortwave transmission services to the Northern Territory and international audiences (pp. 123–125 and 132).

***Australian Communications and Media Authority***

2.30 The committee called officers of the Australian Communications and Media Authority (ACMA) and discussed:

- recommendations from the ACMA Review (pp. 14, 16–19);



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- the ACMA's preparation for the World Radiocommunication Conference (WRC) (pp. 14–15);
  - social media and gambling advertisements restrictions (pp. 19–22);
  - complaints to the Do Not Call Register (pp. 27–29); and
  - funding for the implementation of the recommendations of the Spectrum Review (pp. 30–33).

### ***Australia Council for the Arts***

2.31 The committee called officers from the Australia Council for the Arts and discussed:

- final round for *Catalyst* and additional funding (pp. 40–41);
- capacity building and engagement campaigns (pp. 42–43); and
- grant applications received from Western Australia (pp. 43–44).

### ***Australian Postal Corporation***

2.32 The committee called officers of Australia Post and invited Ms Christine Corbett, Group Chief Customer Officer, to make an opening statement. In her opening remarks, Ms Corbett updated the committee on Australia Post's recent commercial performance and progress towards a new staff enterprise bargaining agreement (EBA) (pp. 98–99).

2.33 Other matters discussed by the committee included:

- EBA negotiations under the Government's workplace bargaining policy (pp. 99–104, 108–109);
- parcel delivery protocols (pp. 104–107); and
- Australia Post's administration of the Licensed Post Office Agreement (pp.107–108).

### ***National Broadband Network Co Limited***

2.34 On 25 May 2017, Mr Bill Morrow, Chief Executive Officer, made an opening statement and provided the committee with an update on the progress of the rollout of the NBN.

2.35 The committee also canvassed the following matters with NBN Co:

- late responses to questions on notice from Additional Estimates (pp. 57–58);
- deployment of the Sky Muster II satellite (pp. 59–62, 64–65);
- the company's compliance with the Government's Workplace Bargaining Policy (pp. 110–112);

- the Senate Privileges Committee report in relation to leaked NBN documents (pp. 112–118); and
- NBN Co policy on blocking social media comments (pp. 118–119).

2.36 Officers from NBN Co were called to appear before the committee at its hearing on 15 June 2017. The following matters were discussed:

- impact of non-existent premises on the NBN rollout (pp. 15–16 and 23);
- number of 'Service Class 0' addresses (pp. 16–20);
- cost of the NBN to the taxpayer (pp. 20–21);
- forecast take-up rates of the NBN in regional areas (pp. 20–22);
- options for enhancing NBN's future satellite capacity (p. 22);
- the USO and new development sites (p. 23); and
- the number of missed NBN installation appointments (pp. 24–25).

#### ***National Film and Sound Archive***

2.37 The committee called officers from the National Film and Sound Archive (NSFA). Matters canvassed included the NSFA's budgetary position and the impact of the efficiency dividend on the NSFA's capacity to deliver a range of events and programs (pp. 39–41).

#### ***National Gallery of Australia***

2.38 The committee called officers from the National Gallery of Australia (NGA). Matters discussed included:

- the impact of the Government's efficiency dividend (pp. 27–28);
- plans to increase private-sector funding for the NGA (p. 28);
- Stage 2 plans for the expansion of the NGA (pp. 28–29); and
- the lending of artworks to state and overseas galleries (pp. 29–30).

#### ***National Library of Australia***

2.39 The committee welcomed Dr Marie-Louise Ayers, Director-General of the National Library of Australia. Matters raised included:

- the reduction of overseas serials in the collection (pp. 30–31);
- funding for Trove and other digital infrastructure (pp. 31–32); and
- activities to commemorate the anniversary of the 1967 referendum (p. 35).

#### ***National Museum of Australia***

2.40 The committee called officers from the National Museum of Australia and discussed:

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- additional funding and staffing levels (pp. 24–25);
  - the new Cultural and Corporate Shared Services Centre (pp. 25–26); and
  - Australian touring exhibitions (pp. 26–27).

### ***National Portrait Gallery***

2.41 The committee called officers from the National Portrait Gallery. Matters canvassed included:

- staffing and funding levels (pp. 22–23);
- visitor numbers to the gallery (p. 23); and
- re-consideration of the Bald Archys collection material with reference to the gallery's Collection Development Policy (p. 23).

### ***Office of the Children's eSafety Commissioner***

2.42 The committee called the Children's eSafety Commissioner. The Commissioner, Ms Julie Inman-Grant, provided the committee with an update on the recent activities of the office (p. 4). Other matters examined included:

- budget and staffing numbers (pp. 3–4);
- responsibility for cyberspace matters (pp. 6–8);
- the number of complaints to the cyberbullying hotline (pp. 8–12); and
- education and outreach programs for children (pp. 12–13).

### ***Old Parliament House***

2.43 The committee called officers from Old Parliament House and discussed the following matters:

- the impact of the efficiency dividend on the Museum of Australian Democracy (pp. 35–36);
- reduction in the total number of free entry days each year (p. 37); and
- engagement with school groups (pp. 37–38).

### ***Screen Australia***

2.44 The committee called officers from Screen Australia. In her opening statement, Ms Fiona Cameron, Chief Operating Officer, provided a brief overview of recent developments in film, television and online (pp. 35–36). Other matters canvassed included:

- the review into Australian and children's screen content (pp. 35–36);
- update on the Gender Matters initiative (pp. 36–37); and
- funding for the games and digital arts industry (pp. 37–40).

***Special Broadcasting Service***

2.45 The committee called Mr Michael Ebeid, Managing Director and CEO of the Special Broadcasting Service (SBS). In his opening statement, Mr Ebeid provided the committee with an update on the additional funding SBS received in the Federal Budget as well as its programming schedule (p. 79).

2.46 The following matters were also canvassed:

- the impacts of the Government's proposed gambling advertising restrictions on SBS's advertising revenue (pp. 80–81);
- access to SBS's on-demand service platform (pp. 83–85);
- SBS's policies and editorial independence (pp. 85–88); and
- public comments by the Managing Director in relation to same-sex marriage (pp. 90–94, 95–98).

**Senator Jonathon Duniam**  
**Chair**