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Official Committee Hansard

SENATE

ENVIRONMENT, COMMUNICATIONS, INFORMATION
TECHNOLOGY AND THE ARTS LEGISLATION COMMITTEE

ESTIMATES

(Additional Estimates)

TUESDAY, 17 FEBRUARY 2004

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SENATE

**ENVIRONMENT, COMMUNICATIONS, INFORMATION TECHNOLOGY
AND THE ARTS LEGISLATION COMMITTEE**

Tuesday, 17 February 2004

Members: Senator Eggleston (*Chair*), Senator Mackay (*Deputy Chair*), Senators Bartlett, Lundy, Santoro and Tchen

Senators in attendance: Senators Allison, Eggleston, Lundy, Mackay, McLucas, Tchen and Wong

Committee met at 9.04 a.m.

**COMMUNICATIONS, INFORMATION TECHNOLOGY AND THE ARTS
PORTFOLIO**

Consideration resumed from 16 February 2004

In Attendance

Senator Kemp, Minister for the Arts and Sport

**Department of Communications, Information Technology and the Arts
Executive**

Ms Helen Williams AO, Secretary

Ms Fay Holthuyzen, Deputy Secretary, Communications

Corporate & Business

Mr Frank Nicholas, A/g Chief Operating Officer

Mr Mike Hutchings, Ag/ General Manager, Information Technology and Facilities

Legal

Mr Don Markus, General Counsel

Finance & Budgets

Ms Jennifer Gale, Chief Financial Officer

Arts and Sport Division

Ms Lynn Bean, Chief General Manager, Arts & Sport Division

Ms Karen Gosling, Special Adviser, Collections and Governance Branch

Ms Megan Morris, General Manager, Arts and Regional Branch

Ms Sally Basser, General Manager, Sport and Private Sector Support Branch

Mr Kevin Isaacs, General Manager, M2006 Taskforce and Lending Rights

Old Parliament House (OPH)/National Portrait Gallery (NPG)

Ms Kate Cowie, General Manager, Old Parliament House

Mr Andrew Sayers, Director, National Portrait Gallery

Australia Council

Ms Jennifer Bott, Chief Executive Officer

Dr Catherine Brown-Watt, Director, Major Performing Arts Board

Mr Ben Strout, Executive Director, Arts Development

Ms Bronwyn Mason, Executive Director, Finance & Services

National Library of Australia (NLA)

Dr Warwick Cathro, Assistant Director General, Innovation

Mr Peter Rush, Acting Assistant Director General, Corporate Services

National Gallery of Australia (NGA)

Dr Brian Kennedy, Director

Mr Alan Froud, Deputy Director

National Museum of Australia (NMA)

Mr Craddock Morton, Acting Director

Mr Adrian Brocklehurst, Finance Manager

Ms Louise Douglas, Acting General Manager, Public Programs and Audience Development

Australian Film Commission (AFC)

Mr Kim Dalton, Chief Executive Officer

Mr Greg Brown, Director, Finance and Administration

Australian Sports Commission (ASC)

Mr Greg Brown

Mr Brent Espeland, General Manager, Sport Performance and Development

Ms Lois Fordham, General Manager, Business Operations

Australian Institute of Sport (AIS)

Mr Michael Scott, Director

Australian Sports Drug Agency (ASDA)

Mr John Mendoza, Chief Executive

Mr Kim Terrell, General Manager, Operations

CHAIR—I welcome everybody here this morning. I welcome Minister Rod Kemp, Ms Williams and the officers here. This morning we resume the examination of the Communications, Information Technology and the Arts portfolio, specifically its arts and sports programs. Minister, would you like to make an opening statement?

Senator Kemp—Thank you, Mr Chair. I hope that, again, we can conduct our affairs in an efficient manner and get through the program that we have before us. I should mention to the committee that Mark Peters, the CEO of the Sports Commission, will not be here this morning. I think you have been briefed on that, as has indeed Senator Lundy. Unfortunately, it was not possible to change his times. Therefore, we are very happy to have at the table Mr Michael Scott and Mr Brent Espeland.

CHAIR—We welcome Mr Scott and Mr Espeland. We did try to accommodate Mr Peters, but I think there was a misunderstanding.

Senator Kemp—I think there was and I think that was a bit unfortunate. But, having discussed this with you and having received the message that the committee would be happy to deal with this matter on Tuesday without Mr Peters, we decided to proceed on that basis.

CHAIR—Before we move to questions, I remind officers that the Senate has resolved that there are no areas in connection with the expenditure of public funds where any person has a discretion to withhold details or explanations from the parliament or its committees unless the parliament has expressly provided otherwise. I also remind officers that they will not be asked to express an opinion on matters of policy and shall be given reasonable opportunity to refer questions asked of them to superior officers or a minister. Witnesses are also reminded that

the evidence given to the committee is protected by parliamentary privilege and that the giving of false or misleading evidence to the committee may constitute a contempt of the Senate.

Senator LUNDY—In line with what has developed as custom and practice with this portfolio, is it possible to also bring the officers from ASDA to the table? My questions cross a range of issues.

CHAIR—We are more than happy to assist you in every possible way. If you would like that to be done, it will be.

Senator Kemp—I would not go too far, Mr Chair, but on this occasion we certainly accept Senator Lundy's request.

[9.07 a.m.]

**Australian Sports Commission
Australian Sports Drug Agency**

Senator LUNDY—My first questions are to you, Minister.

Senator Kemp—Fire away.

Senator LUNDY—Is the minister aware that the Australian Cricketers Association does not support the introduction of the WADA code, which the ICC is hoping to introduce throughout the cricket world?

Senator Kemp—Like you, Senator, I have read comments in the press on that. I suspect that that has a fair way to travel.

Senator LUNDY—Are you aware that Tim May, representing the Australian Cricketers Association, was going to tell the ICC at a meeting in Bangladesh last weekend that the WADA code is not suitable in relation to cricket?

Senator Kemp—I have not heard whether or not he has done that, nor have I got any feedback from the ICC on that matter. Rather than making some comments and perhaps speculating, the point I will make is that the world antidoping code is a very important initiative in sport. This process has now been going on for quite a while to ensure that we do everything possible to rid sport of drugs and to make sure that all sportsmen and sportswomen can compete on a level playing field, a drug-free playing field. The government is very much committed to the implementation of the WADA code. Others may have views, but I am sure this debate will continue for a while. The government is very much committed to this. It has been quite a battle to get to this stage, to be quite frank. Australia has had a pretty good record, and Australia can arguably say that it has probably been in the leading ranks of trying to implement an antidoping code world wide. We are not there yet, but it is going to happen and we look forward to all sports taking part.

Senator LUNDY—Have you had any discussions regarding the Australian Cricketers Association or Cricket Australia adopting the WADA code, with either of those organisations or any other organisations?

Senator Kemp—The Sports Commission have had some discussions on the implementation of the code. Perhaps Mr Espeland would like to make some comments.

Senator LUNDY—But you have not had any discussions?

Senator Kemp—I have not had direct formal discussions with them. I meet from time to time with the cricket people.

Senator LUNDY—Do you intend to?

Senator Kemp—I am always happy to if that is needed. The truth is that the implementation of our drugs in sport policy is really done through the Sports Commission. If there is a need for ministerial involvement, I will become involved.

Senator LUNDY—But you have had to get involved before.

Senator Kemp—I have been involved from time to time in particular issues and I am never loath to do that where it is appropriate.

Senator LUNDY—You do not think you need to yet?

Senator Kemp—I think we will just see how this pans out. I think that some people will have particular views, but we will be continuing to have discussions with Cricket Australia and the other relevant bodies.

Senator LUNDY—Let us go to those. You cannot continue because you have not started yet, but perhaps the ASC have. So can we hear from them?

Mr Espeland—Yes, Senator, there have been a series of ongoing—and they will continue—discussions between the three parties: the Australian Cricketers Association, represented by Mr Tim May; Cricket Australia, particularly Mr James Sutherland and his staff; and the Australian Sports Commission. These discussions are mirrored by similar discussions between Mr Tim May—as he is also the international players' representative—and the ICC and WADA. So there is a tripartite series of discussions going on at both the national and international level with regard to cricket.

Senator LUNDY—What has been the nature of those discussions? Are you being lobbied by the cricketers associations, both domestic and international, not to enforce the WADA code in cricket?

Mr Espeland—No. It is more a matter of deciding upon what the issues are and then making sure that there is an understanding of those issues so we can work through those issues to come to an agreed position. It is interesting to note that, although the ICC have not really had a drug-free sport policy to the level that we would have regarded as appropriate in the past, Cricket Australia—or the old ACB—have not been in that situation. They have worked very closely with the Australian Sports Commission and the Australian government to have a robust antidoping program in place. The ICC are coming to this issue fairly fresh, but they do understand that the World Anti-Doping Program is just that—it is one that will cover all sports and bring in all governments.

Senator LUNDY—Minister, you obviously have been a strong supporter of the WADA code. We have heard about your role and the previous minister's role in the development of the WADA code. You have pursued it directly in a number of cases. Are you now in a position to take the same strong stand and ensure that Cricket Australia accepts and complies with the WADA code?

Senator Kemp—My position is quite clear: the government expects sports to comply. I take it from the comments of Mr Espeland that there has been regular consultation with Cricket Australia, so Cricket Australia would be in no doubt what the government's position is.

Senator LUNDY—But, in making these statements, the Cricketers Association are saying, 'We don't want to comply with the code.' So they are defying government policy and indeed statements by you.

Senator Kemp—The Cricketers Association, or one particular spokesman for the Cricketers Association, has a view. But that is not the view of the government. We are working very constructively with Cricket Australia. Cricket Australia already have an antidoping code. I understand that those talks are very constructive. The government's position on this is crystal clear. We are encouraged by the constructive talks that we are having with Cricket Australia and we will see how those progress, but I certainly expect that Cricket Australia will comply.

Senator LUNDY—At what point will you think it is necessary to intervene? Is there a deadline by which cricket must accept the WADA code?

Mr Espeland—For Olympic sports that deadline is 13 August, leading into Athens; for non-Olympic sports it will depend upon their international federation, in this case the ICC. From a government point of view, unless the international federation decrees otherwise in regard to time, we have a requirement to come to a position on compliance or otherwise with the non-Olympic sports by Turin—

Senator LUNDY—By when?

Mr Espeland—By the Winter Olympics 2006, but we have brought that forward to 1 January 2005 to make sure that we get a good run at it and that there are no last-minute surprises. So we are expecting to work through the issues by 1 January, but the key party in this is really the international federation, which is very much at the heart of the WADA code, hence the discussions between WADA, the ICC and the international players association.

Senator LUNDY—How does it look, in terms of Australia's position and the strong policy stance that the Australian government has taken, when it is the Australian players organisation—the Australian Cricketers Association—that is leading the charge against the adoption of the WADA code?

Mr Espeland—I do think we have to distinguish between Mr May's two hats in this regard. As I say, he represents the Australian cricketers players association but he also represents the international players association.

Senator LUNDY—That is not going to go unnoticed, is it?

Mr Espeland—That is true, but it comes back really to the process. I have regular discussions with Mr Howman, who is the Director General of the World Anti-Doping Agency, so that we can see that the matter is being discussed appropriately at both the international and the national level. Those tripartite talks at both levels will continue.

Senator LUNDY—What action can you take as the Australian Sports Commission—or, indeed, as the government—against Cricket Australia if the WADA code is not adopted in full by January 2005?

Mr Espeland—The point of leverage for the government is obviously funding. The sports-run sports are in the private sector, but that is obviously a key point. When we say funding, it is not just money we are talking about but also programs. If sports have an AIS program—and there can also be other programs for particular target groups, such as Indigenous programs, disability programs and the like—the government, through the commission, has a considerable stake in those various sports so, at the end of the day, that is the point of leverage.

Senator LUNDY—How much, overall, in funding and support goes to Cricket Australia from the Australian Sports Commission?

Senator Kemp—Senator, there is another point I would add to what Mr Espeland said. There are government funding issues, which Mr Espeland correctly mentioned, and there is also the court of public opinion. One of the things that I think all sports recognise is that the public expect sport to be drug free. The public want that. So we can talk about government use of government funding, but in the end I think you will find that public pressure is significant. The other point I would make is that I do not want to build up a crisis when there is not one. We are working very constructively with Cricket Australia, the government has worked closely with Cricket Australia before and the Sports Commission has good links with Cricket Australia, so I think we want to be careful that we do not build a picture of a crisis.

Senator LUNDY—I have not used the word at all.

Senator Kemp—I think Cricket Australia knows our position and Cricket Australia does have an antidoping code which it enforces. Mr May has made some comments and obviously we will look at those, but I think everyone knows where the government position is. We are looking for Cricket Australia to comply, along with other sports.

Senator LUNDY—On the issue that you raised about public pressure and public opinion, what is your response to the fact that cricketers have listed quite a number of specific major concerns with the wider implementation, including these two points: firstly, if a player accidentally takes a banned drug, there is no avenue for them to gain special consideration when being handed down a penalty—which I think was the scenario in relation to Shane Warne—and, secondly, the banned drugs list is too broad, and drugs which may help archers, for example, may not help cricketers? Given the way the code applies to all sports, can you conceive of any reason why cricket should have any special consideration for not conforming to the very strict regulations?

Senator Kemp—You have raised two specific points, so let us deal with those specific points first. Brent, would you like to comment on those or should I?

Senator LUNDY—Before you do, I will add that they have raised another point about the testing for recreational drugs which are not performance enhancing.

Senator Kemp—Let us go through each of those issues. Brent, would you like to take those questions?

Mr Espeland—I think the first point, from what you have explained, Senator, is not correct. There are provisions within the code that allow for each case to be taken on its merits. This was a particular issue for some larger sports, such as soccer internationally, and there has been some reporting in the press in this respect. I think the code is quite clear that there are certain parameters within which cases are heard, but within those parameters there is flexibility for the arbitral process to take account of particular circumstances, including the one you allude to. It is not totally open; there are some parameters within which the cases are heard, but each one is heard on an individual basis and there are provisions for the issues, such as the inadvertent taking of substances. The basic issue is that, at the end of the day, all athletes look to all other athletes to be responsible for what they ingest.

Senator LUNDY—So do you think that is an unjustified concern?

Mr Espeland—I think it could be worked through. That is why, in the case of all these issues, it is really a matter of making sure that there is an absolute understanding by all parties of the issues concerned. If there are disagreements in working towards an outcome, they are identified and then the parties continue to work in that respect. We are still working through the other issues. There are still a lot of issues in relation to, for example, the treatment of so-called social drugs. It depends on whether it is in competition or out of competition. Those definitions lie with the international federation. So, in honing down definitions in terms of what compliance means, we still have some way to go. We are working on that.

Senator LUNDY—Where does the decision making for that discretion lie? Is it with the ICC, is it identified within the WADA code itself, or is it something that the Sports Commission has the capacity to negotiate with Cricket Australia?

Mr Espeland—The international federation—in this case, the ICC—has a particular role to play, as I said. The harmonisation that is sought through the adoption of the World Anti-Doping Program does turn to a large extent on the international federations, but also on governments through their point of leverage and, as the minister indicated, the court of public opinion, which is part of the government's remit in this regard. I do see that a number of issues need to be addressed, and they can be addressed.

Senator LUNDY—Is the use of recreational drugs permitted currently under the cricket doping guidelines?

Mr Espeland—The recreational drugs issue is one that really does need to be sorted through. I will take that on notice, in terms of the particular provisions of Cricket Australia's policy, and I will get that to you.

Senator LUNDY—Are you able to be a little more definitive than that?

Mr Espeland—I can be very definitive; I will find the information for you. I just do not want to quote the policy from memory. They all have some variance in terms of the level of detail. It is very important that we make sure we get the exact wording of the policies in any forum but particularly this one.

Senator LUNDY—Do you think there might be some wording that could allow the use of recreational drugs?

Mr Espeland—I will get back to you on that.

Senator LUNDY—Are you discussing any provisions or plans to allow the use of recreational drugs in cricket and to formalise that as an acceptable practice in some way?

Mr Espeland—The list which was brought into force on 1 January deals with those drugs that come in under two of the three criteria that would see drugs put on the list. Those criteria are ‘performance enhancing’, ‘of harm to athletes’ and ‘against the spirit of the game or sport’. There is a requirement that any particular drug or an analogue of that drug must meet two of those three criteria. Mr Mendoza can talk in more technical detail to that.

Senator LUNDY—Mr Mendoza, can you fill some gaps for us, please?

Mr Mendoza—Existing Cricket Australia and ICC policies provide for so-called social drugs, which are effectively some of the stimulants—methamphetamine, which is known commonly as ecstasy or MDMA—and the opioids or narcotics. Typically they are tested for in competition, and they are currently banned. They are not tested for out of competition. There is no change to that under the WADA code and list. The most significant change in relation to social or recreational drugs is in relation to cannabis. At the moment, cannabis is not banned in or out of competition in cricket, but it will become a banned substance subject to sanction under the code for in-competition testing.

Senator LUNDY—Is this the implication of the adoption of the WADA code? Does the main difference relate to recreational or social drugs?

Mr Mendoza—For cricket, that is the most significant change.

Senator LUNDY—Are you able to shed any light on what the current Cricket Australia policy is in relation to social drugs?

Mr Mendoza—Only insofar as cannabis is not tested for under the current arrangements and therefore is not subject to any sanction. Cricket Australia may have a code of conduct which deals with matters where there are either allegations or evidence of using illicit substances. I am not aware of that, but a number of sports do have policies that complement their antidoping policies.

Senator LUNDY—So you think that cricket might have a policy that deals with cannabis?

Mr Mendoza—I am not able to clarify that.

Senator KEMP—I think the comment was made by Mr Espeland that he will get back to you on that issue.

Senator LUNDY—Minister, I think it is incumbent upon you to perhaps take a closer look at this, as you did with your timely intervention earlier, with cricket. I would expect that if your rhetoric about your Tough on Drugs in Sport policy matched your actions, you would take a closer look.

Senator Kemp—I do not know why you have chosen to speak in those terms. We are following through an appropriate process and we are working well with Cricket Australia. We will see what develops. If I have to become involved, I will become involved. As far as I am aware, at the moment it is being well handled and Mr Espeland is happy with the work he is doing with Cricket Australia.

Senator LUNDY—A media report on 30 January 2004 indicated that FIFA had agreed to adopt the WADA code. This left cycling as the only Olympic sport outside of the agreement. Has there been any progress on cycling adopting the WADA code?

Mr Espeland—If you are talking about UCI, the international federation, it is really a matter for them and WADA. There are ongoing discussions. My take-out from my discussions with WADA is that they do expect that UCI will sign the code prior to the Athens Games, and in doing so they will bring Cycling Australia under their umbrella.

Senator LUNDY—What is your understanding, given that you have set the deadline at August this year for Olympic sports prior to the Olympics?

Mr Espeland—For the Olympic sports it was a product of the Copenhagen declaration, which saw over 70 governments and many sports—including the Olympic movement, of course—sign up to the code. In the case of the Australian government there are still some processes to work through to formalise that, but there is certainly a commitment by the Australian government in absolute terms to support the code. The date of 13 August came out of that in terms of the arrangements that pertain to Olympic Games. If they are not signed up then there will not be any cycling events at the Athens Olympics.

Senator LUNDY—What about Cycling Australia? How close are they to signing up to the WADA code?

Mr Espeland—It is really the international federation. We are going through a process that is looking to provide a template—to each of the Australian sports—that is based on the WADA code. The WADA code in certain places says that policies, both at the international level and at the national level, have to use verbatim the language of the code. So we are making sure that the sports adopt policies that are based on a template that has those mandatory words. The IOC have certain requirements; we have certain requirements. We have a number of core principles that are based on the government's Tough on Drugs in Sport strategy and Tough on Drugs strategy as a whole, and the WADA requirements. The template is a blend of that. We will be starting a process in the next week or so to work with all the sports to bring their policies into line with that template. We are not mandating a particular form of the template. The template covers all the core principles that are required under WADA and that are also required under the government's policy.

Senator LUNDY—Going back to my question, will the government insist that Cycling Australia and, by definition, Australian cyclists adhere to the WADA code guidelines? How soon will you be in a position to do that?

Mr Espeland—We are working with them now. They are looking for some further direction from UCI. But it is a harmonisation process, as I mentioned before.

Senator LUNDY—Sorry; just go back a step. I certainly appreciate the UCI involvement and the international association's role, but there is absolutely nothing to prevent the Australian government insisting that Cycling Australia comply, is there?

Mr Espeland—Absolutely. And the same date applies: 13 August this year.

Senator LUNDY—And you talk about putting in place templates—

Mr Espeland—The template is really a tool for the sports to put in place policies that we will agree to or not agree to. If we do not agree to them, we will have an issue in terms of funding.

Senator LUNDY—Can you say unequivocally that unless Cycling Australia is fully compliant with the WADA code prior to 13 August they will not be going to the Olympics?

Mr Espeland—That decision is one for the Olympic movement.

Senator LUNDY—No; it is one for the Australian government, because these are Australian athletes. Cycling Australia is an Australian sport funded in part by the Australian Sports Commission.

Mr Espeland—That is really a policy position. I defer to the minister.

Senator LUNDY—Minister, I ask you: are you going to insist that Cycling Australia comply with the WADA code guidelines prior to competing at the Olympics?

Senator Kemp—The advice I have is that in fact Cycling Australia will be signing up for the code, so I think that the need—

Senator LUNDY—But that is not my question.

Senator Kemp—for further action does not apparently present itself. If further action is needed, the government will take whatever action is required. But, again, we are working with these sports. Sometimes these are complex issues. The government's determination is very clear on this process. Our experience—and the officers at the table can correct me if I am wrong—is that the sports are taking a very constructive and supportive role. There are questions that sports want to have answered, and they are quite entitled to have them answered. But this is a process which, as far as I am aware, is going well. I do not want people to be reading the *Hansard* feeling that somehow there are major problems out there. Where there are problems, we will deal with them. But I do not want you intruding into sport and creating issues which I do not think are there at present. If there is ultimately an issue with cycling, we will deal with that.

Senator LUNDY—It is my responsibility to delve into these issues, Minister, as you well know.

Senator Kemp—It is your responsibility to delve into them, but you have other responsibilities too, Senator. You are the shadow minister for sport and I am the minister for sport. The best thing that we can do is to encourage sports to adopt a constructive attitude. My advice is that this is exactly what sports are doing. I think we have to be careful that we do not create problems where problems do not exist.

Senator LUNDY—Minister, I am giving you the opportunity to restate the federal government's policy.

Senator Kemp—I have restated it.

Senator LUNDY—Can I clarify this?

Senator Kemp—The *Hansard* is replete this morning with statements about government policy.

Senator LUNDY—Can you state unequivocally that you will not allow Australian cycling to compete at the Olympics if they have not accepted the WADA code guidelines?

Senator Kemp—Australian cycling will not be able to compete at the Olympics if they have not signed the WADA code. That is the whole point.

Senator LUNDY—There are reports about that. That is what I am asking you. So you confirm that?

Senator Kemp—I can be corrected by someone at the table, but if Australian cycling do not comply with the WADA code they will not be able to compete at the Olympics.

Senator LUNDY—What about competing elsewhere and receiving funding from the government if in fact they do not go to the Olympics?

Senator Kemp—If sports are not compliant with the WADA code and say that they do not wish to become compliant, the government has certain sanctions. This government will use those sanctions and, hopefully, encourage sports to become compliant. Cycling people will read this with some interest, because the advice I have is that cycling will be compliant and is working constructively with us. I do not want you to feel that there is an issue there. Ultimately, if things do not go well, clearly that will be a problem for cycling. If cycling people are not compliant with the code they will not be able to compete.

Senator LUNDY—Cycling is the only Olympic sport that has not agreed, isn't it?

Mr Espeland—At the international level.

Senator LUNDY—What about at the Australian level?

Mr Espeland—It is not really a matter for the individual sports to sign up.

Senator LUNDY—Sure, but we have talked previously at estimates about Cycling Australia and what appeared to be their tardiness in complying with the program that you are managing, which ensures compliance with an antidoping policy. Can you provide the committee with an update on Cycling Australia's performance in relation to your accountability measures for the implementation of an antidoping policy?

Mr Espeland—Those same requirements cover all Australian sports that we fund. The process has been one of education. I should point out that this is a joint process between ASDA and the commission. Increasingly we look for a high standard of acceptance of the obligations and the way that they deal with these matters. There are no sports, including cycling, that are not compliant with this process. The fourth NSO antidoping assessment process is under way and the returns are due in later this month.

Senator LUNDY—Perhaps, Mr Mendoza, I could ask you about the latest round of those compliance reports. When was that due and what were the results?

Mr Mendoza—As Mr Espeland has just said, there is a current round of assessment in progress at the moment. It is progressing according to our requirements. Those reports will be given to me and Mark Peters by about the middle of next month. The completed round that we can refer to is what we would call round 3. That was completed in October 2003. All sports that were required to complete assessments did so in a timely manner. I would reinforce

that over those three rounds we have seen considerable improvements across all sports. With that improvement we have raised the bar, so to speak, in terms of their performance as well.

Senator LUNDY—Were there any sports that sought permission or agreement to put in their returns or submissions late?

Mr Mendoza—I am not aware that there were any issues relating to the timely completion of assessments in round 3. The commission may be able to more accurately answer that question, because the commission put in place a process to follow up any late respondents. I am not aware that there were any in round 3.

Senator LUNDY—You said that they were all in accordance with a satisfactory standard. Were there any issues, in terms of the quality of information or data in those reports, that you needed to seek clarification on or follow up in any way?

Mr Mendoza—There were sports that had issues to address. Those sports were advised what those issues were. I am very pleased to see that all of those sports met with the commission and ASDA to progress those issues. Through this current assessment we will see how effectively they have put in place the strategies and actions that were agreed to following the October assessment.

Senator LUNDY—I do not know if you can give me any more detail about that. Were they issues relating to the number of tests or the policies around the actual testing in and out of competition? Were they questions of process? What sports were involved?

Mr Mendoza—I will add to what I just said, and then I will come to those issues. If I give you an overall status report, that will give you some sense of where all of the sports that were assessed stand. Of the 61 sports that were assessed in round 3, 34 were deemed to be satisfactory in all of the areas—that is, policy, education, provision of athlete whereabouts information and taking, if you like, a proactive approach in terms of dealing with this at the executive level. There were 17 sports deemed to be making progress, so they had some issues to address. But meetings were not held with those 17 sports; they were simply advised in correspondence what the issue was that they needed to improve on. There were nine sports placed on what we call a watching brief and they had issues to address immediately. Those sports had meetings with the commission and with us. There was one sport of concern that had immediate issues that they had to address. Likewise, that sport agreed on an action plan to respond to the issues.

Senator LUNDY—Which sport was that?

Mr Mendoza—The sport was boxing. As I said, that sport has met with the commission and with us and has agreed to the action plan.

Senator LUNDY—You are satisfied that they are able to implement it?

Mr Mendoza—We are satisfied that they understand what their obligations are, but it is a matter for boxing to now demonstrate, in this fourth round, that they have carried out the agreed actions. We will be looking at that with a good deal of interest. We will also be looking at those sports with what I described as watching briefs.

Senator LUNDY—What are those sports?

Mr Mendoza—The nine sports include equestrian, cricket, soccer, triathlon, skiing, rugby union, rowing and cycling. I point out that most of the issues for these sports involve international athletes or athletes who compete a good deal overseas and the difficulties that they have in providing whereabouts information. This is a worldwide problem; it is not merely a problem confined to Australian sporting organisations. We have been working very hard with WADA to formulate solutions, both at a policy level and, if you like, providing systems that enable athletes to provide information more easily. That work is progressing well.

Senator LUNDY—What date are the fourth round reports due?

Mr Mendoza—They are due in the middle of next month.

Senator LUNDY—So we will be able to get an up-to-date report on round 4 at budget estimates?

Mr Mendoza—That would be right.

Senator LUNDY—Thank you. On 24 December last year Rob Parisotto, then Manager of the AIS's Sports Haematology and Biochemistry Laboratory, left the AIS. Are you aware of that, Minister Kemp?

Senator Kemp—I have just been made aware of it.

Senator LUNDY—Are you aware of the reasons behind his resignation?

Senator Kemp—I might ask Mr Michael Scott to speak to the committee.

Senator LUNDY—Reports say that Mr Parisotto left the AIS because he became disillusioned after the federal government banned further work on blood doping tests at the AIS. Is that correct?

Mr Scott—In April 2001, the then minister for sport, the Hon. Jackie Kelly, directed that the AIS confine its participation in antidoping research to intellectual input, in order to avoid any potential conflict of interest. This meant that the AIS could contribute to the scientific design of research studies and assist in the evaluation of research findings but could not conduct any antidoping research on site at the AIS. So the AIS since that time has been involved in antidoping research within those parameters—the scientific design of research studies and assisting in the evaluation of research findings—but the position changed as was the approach the AIS had taken prior to Sydney with the EPO testing.

Senator LUNDY—Mr Parisotto and his team were never given a reason for the ban and, as you have said, this spectre of it somehow being a conflict of interest was raised. The reports that I have seen indicate that an Australian government representative raised his concerns, at a WADA meeting in Cape Town, that the AIS scientists involved in the development of the EPO tests were too closely associated with sports men and women and that this could have given rise to this conflict of interest. Are you able to tell the committee who the Australian government representative was at that time?

Mr Scott—I was not in the position at that time, so I am not aware of who that individual is. I will just correct a statement. The issue is one of perception of a conflict of interest for the AIS. The integrity of the AIS, particularly on matters relating to doping, is paramount, and we will always strive to protect it. The emphasis on this particular issue needs to be the

perception of a conflict of interest, where people may perceive that, if the AIS is doing antidoping research on site, there may be manipulation by the AIS to accrue a benefit to the AIS.

Senator LUNDY—You seem to be creating that perception that there is a conflict of interest. I was going to go back to some of the earlier statements when, indeed, the work by Mr Parisotto and his team was absolutely revolutionary and was praised by the minister at the time and supported by the Director of the AIS at the time. Then, following its shutdown, this perception was raised. I am contending that this perception is in fact incorrect, but you seem to be reinforcing it.

Mr Scott—No. I was just explaining the context in which this perception could arise.

Senator LUNDY—The decision to scrap the research seems to be linked with this issue having been raised by the Australian representative on the WADA board in Cape Town. Was that Minister Kelly or was that you, Minister Kemp? Minister Kemp, did you go to Cape Town as the WADA board representative?

Senator Kemp—No, I was not there.

Senator LUNDY—Who was there?

Senator Kemp—What year was this?

Senator LUNDY—I do not have the date for the Cape Town meeting. Does anyone know when it was?

Mr Mendoza—For the record, it was June 2001.

Senator LUNDY—The course of events seems to be that, leading up to the Olympics, this team did some quite revolutionary work on the development of the EPO test that the IOC accepted for use at the Sydney Games. That research was supported by WADA, the AIS and the minister. Less than nine months after the Olympics, the research was banned and then in the following June this spectre, this perception, was raised that somehow the AIS was conflicted in doing this type of research because it was too closely associated with sports men and women. I want to see if I can get a hold on who the Australian government representative was at the Cape Town meeting.

Senator Kemp—We can find out who that was for you.

Ms Bean—I understand that it was Robert Crick, who was the first assistant secretary in—

Senator LUNDY—Why am I not surprised?

Senator Kemp—I do not know.

Senator LUNDY—I think the danger in creating this spectre is that this is a poor reflection in some way on the capability and expertise of the research effort at the AIS—

Senator Kemp—No, it is not the case. In fact—

Senator LUNDY—I am concerned that it is.

Senator Kemp—you are raising the spectre yourself.

Senator LUNDY—But why was the program cut and why, then, did a government official go to Cape Town and say, ‘We cut it because it was too close to the athletes’? Isn’t that creating a perception? The government created that perception.

Senator Kemp—You are now delving back into history. It is a history I am not fully aware of. This is before my time. You are raising the issue and you are entitled to do it, but I do not think you should blame others if you wish to raise it in this context.

Senator LUNDY—I am blaming a government representative.

Senator Kemp—If you want to raise it in this context, I think you have to understand that it is you who have now brought this to the fore. Mr Michael Scott has explained to you the context in which this decision was made. I am not sure that I can add anything further to that. If any officers at the table feel that they are able to provide a further perspective on the history, they are quite entitled to.

Senator LUNDY—Can someone tell me why the blood doping research funding was cut, not once but twice, when the results being turned out by this group were leading the world in the fight against doping? What on earth possessed this government to cut that funding?

Mr Scott—In regard to the EPO research, there was funding provided by both the IOC and the Australian government for that test to be developed prior to Sydney. That was one-off funding. At the completion of that research which enabled that test to be introduced and the follow-up evaluation, the money had basically been utilised and acquitted back to the appropriate authorities. So, as to the issue of funding being cut, I am not aware of funding being cut once or twice. The funding was provided for a specific project. The AIS, in partnership with a number of other parties, completed that research. Around that time the AIS received the advice from the former minister about a change of its role in antidoping research. It was to be restricted to an intellectual input.

Senator Kemp—Why do you say that the funding was cut, Senator Lundy? What is your information?

Senator LUNDY—The information is that the blood doping research did not continue at the AIS.

Senator Kemp—But it has been explained to you that the money was provided for a particular project and that project was completed. I do not have a brief here, but you have said it was cut. You made a big statement about it being cut—

Senator LUNDY—Just be careful you do not bury yourself and your office. Keep going.

CHAIR—Senator, let the minister continue.

Senator Kemp—The evidence which has been led is that funding was provided for a specific project, which was completed. You are now saying that, somehow, the funding was cut. I do not have the history here, but what I am asking is that you give the evidence for that. Then the conversation and the discussion can continue.

Mr Scott—Senator Lundy, I can certainly check on that, but to the best of my knowledge I am not aware of funding being cut. My recollection is as I have stated. The funding obviously ceased because the project had ceased at that time. But I can take it on notice and check budgetary positions.

Senator Kemp—Perhaps it might help, given that Senator Lundy has asserted that it was cut, if she could just give us the information. What is the back-up to that?

Senator LUNDY—The *Canberra Times* recorded that, despite contacting your office, Minister, with a number of questions including, firstly, whether you knew that a ban on doing research on blood doping had been applied; secondly, whether you expected it to be lifted; and, thirdly, whether you were concerned about the brain drain from the AIS, you did not bother responding to that journalist who was trying to research this issue. Can you tell us why?

Senator Kemp—I will see if I can get some information. It sounds to me that these are matters which are probably handled by my press office, but I will have a look at the issue and see if there is any more information I can give you.

Senator LUNDY—Mr Parisotto is the fifth leading sports scientist to have left the AIS since the government has not allowed further work on blood doping. Do you think that is a problem?

Mr Scott—The loss of any top scientist is a challenge for the AIS. Most of those people have gone on to work in related fields and are still working in antidoping areas in other agencies internationally, so they are still contributing to the research in antidoping fields and most of them have not been lost to that particular endeavour.

Senator LUNDY—Just to Australia.

Mr Scott—Yes.

Senator LUNDY—Do you think that is a problem, Minister?

Senator Kemp—There is a wider issue involved here, isn't there.

Senator LUNDY—There certainly is.

Senator Kemp—There is a wider issue involved and the wider issue is: what is the appropriate role of the AIS in antidoping research? I think, as was mentioned, that the former minister set down some guidelines for that. The reason for this is to avoid what may be seen to be various conflicts of interest there—some problems, perhaps, of perception—and that has been the particular policy in place. You may have come to a different view, Senator, but that is the policy which has been in place. The government has provided very extensive funds to the AIS. The AIS is being significantly better funded than it was by the previous government. The AIS is being expanded by this government. This government has resisted your policy of putting a four-lane highway through the front yard of the AIS. We feel that this government has not given a lack of emphasis to the importance of the AIS, but there are issues about the sorts of research programs which the AIS should conduct and those policy guidelines were laid down, as I said, by the former minister.

Senator LUNDY—Can you tell me why, then, when Science and Industry Against Blood Doping—a consortium originally conceived by AIS scientists—was granted research funds from the US Anti-Doping Agency in October, as I said, this request originally received strong support and was approved but was subsequently withdrawn under the direction of the Sports Commission board? Were you involved in that in any way, Senator Kemp, and what is your knowledge of that organisation and its application for funding?

Senator Kemp—The Sports Commission is an independent organisation—

Senator LUNDY—No, I am asking—

Senator Kemp—No, hold on, you have asked me and you will keep quiet when I respond to your question. That is what you will do.

Senator LUNDY—You scuttled the funding after the ban on blood-doping research.

Senator Kemp—You have the right to ask a question and I have the right to respond to that question. The point I was making to you is that the ASC board is an independent board. You have asked what happened on that particular occasion, so I will now refer that question to Michael Scott to see if he is able to provide some perspective on that.

Mr Scott—At first observation, the initial approach from the science and technology against blood doping consortium complied with the former minister's directive of intellectual input into antidoping research. When the specific details became available, we noted that the research itself also was to examine issues around genetics in sport. As the matter—that is, the role that the AIS should play in genetics research—was already being discussed by the Australian Sports Commission board, the commission board requested that the AIS first develop a policy framework relating to the issues on genetics in sport before it proceeded with research into that area. So the decision to withdraw from that research was based on the fact that it involved research into the area of genetics in sport, and the commission board wanted a policy framework put in place first.

Senator LUNDY—That to me sounds like a reason to scuttle the funding. Funding does not come around very often.

Senator Kemp—No, it does not sound—

Senator LUNDY—What was your involvement?

Senator Kemp—like a reason to scuttle funding; it sounds like a reason to make sure that research is conducted on the basis—

Senator LUNDY—Was the funding ever received?

Senator Kemp—Hold on; I am going to respond to you. Could you kindly keep quiet while I respond. When I finish my response you can then ask a follow-up question. The issue of research and genetics is an important issue, and from my point of view it is important that the AIS has a very clear policy under which that research can be conducted. I for one do not want the AIS to be attacked on its research programs, which—

Senator LUNDY—Attacked by whom?

Senator Kemp—By the public, by you, Senator, by others who may be saying that the—

Senator LUNDY—By the Prime Minister?

Senator Kemp—No. Senator, again you are butting in. I want to make sure that research in this area is conducted under very clear guidelines which are understood both by the government and by the Sports Commission. I certainly do not want the Sports Commission and the AIS, which has an outstanding reputation, to be exposed to attack on research programs. So, from my point of view, on the issue of genetics, it was very important to make sure that appropriate policy guidelines were developed and understood by the Australian

Sports Commission, the AIS and the research scientists, and I understand that is precisely what is occurring.

Senator LUNDY—So was this funding approved for this research?

Mr Scott—I could answer that. The consortium, SIAB, which is Science and Industry Against Blood Doping, received a grant from USADA, which is the US Anti-Doping Agency, to conduct that research. In turn, they were going to subcontract the AIS to have intellectual input into the research program. The recipient of the grant from USADA was the consortium, not the AIS.

Senator LUNDY—What happened to that funding eventually? And what happened with respect to the AIS's involvement?

Mr Scott—The AIS withdrew its offer to be involved—

Senator LUNDY—Under the direction of the board?

Mr Scott—It advised SIAB that it had to develop its policy framework and get that endorsed first. SIAB then proceeded, I assume, with another party.

Senator LUNDY—Let us go through the scenario of events. Firstly, did the previous minister issue a directive in relation to the AIS performing only intellectual property type research?

Mr Scott—To have intellectual input into antidoping research.

Senator LUNDY—At the same time, the government of the day had, I presume, issued some sort of general statement about caution in genetic research, which led to the Australian Sports Commission board making that determination. Can you identify for me what policy the Sports Commission board was operating under in requiring that level of scrutiny associated with genetic research, which led to support for that funding being withdrawn?

Mr Scott—At the same time as the issues that you are talking about were occurring, there was also a release of a report from the Australian Law Reform Commission which had a chapter relating to genetics in sport. So the Sports Commission board was looking at the issue in that context as well at that time.

Senator LUNDY—I appreciate that, but what was the other influence from the government?

Senator Kemp—I have asked the board to—

Mr Scott—In making a presentation to the commission's board on the issue, the board asked the AIS what, if any, involvement it had had in antidoping research in the area of genetics. The board was advised of this potential project—the SIAB project—as well as another project with which it had been involved. That is when the board stated a strong preference that a policy framework be put in place before the AIS continued any work in this particular field.

Senator LUNDY—Minister, what did you advise the board?

Senator Kemp—Having a policy framework in place that provides appropriate guidelines for research at the AIS is exactly what is needed, particularly in this area of genetics that was

mentioned by Mr Michael Scott. My understanding is that that is exactly what is now happening.

Senator LUNDY—Didn't that research have the full blessing of WADA at the time that it was continuing?

Mr Scott—I would have to take that on notice; I am not aware of that.

Senator LUNDY—My understanding is that the work of Parisotto and the Canberra based team was quite exceptional and recognised around the globe. I put to you a scenario that appears to have occurred. For whatever reason, the Howard government has determined that research into genetics is something that they are not comfortable with. At the same time, the law reform report happened to be part of the board's considerations. The board scuttles this particular research project following a number of events, including former Minister Kelly's direction not to get too closely involved in doing research. Once the research was stopped, it seems that Mr Crick took it upon himself to launch into a very unfortunate and naive justification of the dumping of this research by implying at the Cape Town meeting that there was just a little whiff of conflict of interest that meant that that research, without any basis at all, could not be proceeded, and that the funding from the research was in part redirected to the department of industry's laboratories that conduct the tests. In the meantime, the AIS's capability, and Australia's capability, to conduct this research were completely undermined. It seems to be a process of pretty negligent handling, and that an area of global expertise in Australia is now lost.

Senator Kemp—I think your timelines are all over the place, to be quite frank. I think that things you said followed something in fact occurred before. From memory, your scenario would need to be significantly revised.

Senator LUNDY—Let's go through it again.

Senator Kemp—If it is your view that, under a Labor government, there should be no clear policy guidelines on genetic research at the AIS you differ from us.

Senator LUNDY—The Labor government would not ban research on antidoping tests in Australia that are world class, and that is exactly what the Howard government has done.

Senator Kemp—That is a very interesting issue there—

Senator LUNDY—You have prevented our research capabilities from achieving their heights and continuing the way that they should.

Senator Kemp—Do not get excited, Senator Lundy. Every time you are asked to state a clear position you suddenly get very excited and nervous—

Senator LUNDY—You start talking about roads.

Senator Kemp—I regard issues involving genetic research being conducted where the AIS is to be involved as a sensitive area, and I want the Australian Sports Commission and the AIS to develop a very clear policy guideline under which such research can be conducted. That is what I expect. That is now being developed. You want an open slather position. You do not want any policy guidelines into genetic research established—that is your position.

Senator LUNDY—I do not want a ban on it.

Senator Kemp—That is not my position. First of all, my position is that the Sports Commission and the AIS have to develop policy guidelines under which they think genetic research can be appropriately conducted. Once those policy guidelines are developed, everyone will know where they stand.

Senator LUNDY—Have they been developed?

Senator Kemp—Your position is to have open slather. That is not my position. It is a difference between Lundy and Kemp; that is true. It is a very different position.

Senator LUNDY—Have those guidelines been developed?

Senator Kemp—I think it is a very careless position that you are adopting and, frankly, an irresponsible position.

Senator LUNDY—Have those guidelines been developed?

Senator Kemp—That is a different issue. I will ask for an update on how that is being developed.

Senator LUNDY—Have those guidelines been developed?

Senator Kemp—Do not get nervous, Senator. Your position is a very different position to my position. Your position is to have open slather research at the AIS, which may ultimately leave the AIS exposed to attack. My view is different. My view is that the AIS, particularly in highly sensitive areas like genetic research, should operate under very clear policy guidelines, and that is precisely what is going to happen.

Senator LUNDY—Did you authorise Mr Crick to undermine the credibility of the AIS at the Cape Town meeting?

Senator Kemp—Mr Crick is not here, and you are taking advantage to try to get some attacks on an individual on the record.

Senator LUNDY—Did you authorise it?

Senator Kemp—No, that is your view. You think that this is an appropriate forum to attack someone under privilege. This person is not here to defend himself. I am not aware of the history of this particular matter. You are making assertions. If you think that this is an appropriate way to conduct yourself, that is all right, but people will draw their conclusions. We know that much of the information that you have is often ill informed. You have been speaking about cuts in EPO research and the rest of it, and we discovered that the program had in fact been finished. So you make assertions which are not correct, and that is your style. If we can provide any further information on Mr Crick and what he said, I am happy for that to be done. But there is not anyone here to do it, so I do not feel that it is fair to this person for you to be trampling all over them, to be quite frank.

Senator LUNDY—Have the guidelines been developed?

Mr Scott—The guidelines are currently being drafted.

Senator LUNDY—So they have not been developed yet. How long ago was this?

Mr Scott—They are being drafted now.

Senator LUNDY—When was the issue of the guidelines not having been developed used as an excuse to scuttle the funding? Let me see, was it October 2001, 2002, 2003?

Senator Kemp—Senator, again, your time lines are quite wrong.

Senator LUNDY—How long ago was it?

Mr Scott—The latter half of 2003.

Senator LUNDY—How many months is that?

Mr Scott—Again, I do not know the specific board meeting. I would need to check on that but, at this stage, it would be approximately four or five months since then.

Senator LUNDY—What is the time frame for completion?

Mr Scott—I anticipate that they will be submitted to the April board meeting of the Sports Commission.

Senator LUNDY—Will the funding that has now been scuttled be retrievable once those guidelines are established?

Senator Kemp—It has not been scuttled. The truth is that you would treat it as an open slather; I would not. It is perfectly appropriate for the Sports Commission to make sure that research is conducted along lines which they are comfortable with and which they believe are appropriate for the AIS. This is a complex and sensitive area. Frankly, they are not going to be bullied by you, Senator. They are going to get these guidelines right and the guidelines are going to be agreed to and that will provide an appropriate guidance for them. But the Sports Commission are not going to have an open slather approach in genetic research of the type that you want. That is not my view, and I do not believe it is the government's view. I am very keen on appropriate guidelines which are understood by everybody being developed.

Senator LUNDY—Minister, can you tell me whether you think that shutting down blood doping research is consistent with the Howard government's Tough on Drugs in Sport policy?

Senator Kemp—We are now moving away from the issue of genetic research and into a different area. This follows from the concern that the previous minister expressed that any in-house antidoping research may be seen as a conflict of interest. The previous minister said that antidoping research programs should not be conducted within the AIS. That was her view. However, she did make the point that individuals with expertise from within the commission may contribute to the work of or collaborate with external research institutions in relation to antidoping research programs. That was the position adopted. This is another sensitive area, and you may have a different view but that was the policy under which the Sports Commission and the AIS were operating.

Senator LUNDY—Perhaps I should go to the department and ask them this question. In April 2001, were any funds redirected from the AIS to the Australian Sports Drug Agency testing laboratory?

Ms Bean—That sports function was not with our department at that time and I do not have the information. I can take that on notice.

Senator LUNDY—Thank you. I think you will find that that was the case, which just explodes the myth the minister is trying to construct that that blood doping research was a finite project. I think the EPO—

Senator Kemp—That was the advice that was given by Mr Michael Scott.

Senator LUNDY—Wait until I finish, Minister. The EPO test was developed for the Sydney Olympics but, nine months after the Sydney Olympics, the government banned further testing on EPO and blood doping. So I am contradicting you specifically in that—

Senator Kemp—You are not contradicting me at all, Senator. I am just saying to you that there was a finite program—

Senator LUNDY—The EPO developed for Sydney was a finite project.

Senator Kemp—It was a finite program, which you referred to.

Senator LUNDY—Don't interrupt me, please. Mr Scott—

Senator Kemp—I will finish my comments, Senator.

Senator LUNDY—No—

CHAIR—Let the minister say what he wants to say.

Senator Kemp—Senator Lundy has a feeling that she can ask a question—

Senator LUNDY—I have not finished my question.

CHAIR—The minister wants to make a comment, which he is entitled to do.

Senator LUNDY—Well, I am not allowed to interrupt him, so let me finish my question.

Senator Kemp—No, you are not allowed to interrupt me.

CHAIR—Let the minister say what he wants to say.

Senator LUNDY—No, let me finish my question.

CHAIR—No, I am ruling that the minister should make his comment.

Senator LUNDY—You have to be fair about it, Chair. You are being very inconsistent.

CHAIR—I am renowned for being extremely equitable and fair—

Senator Kemp—You are, Mr Chairman. You are regarded as being—

CHAIR—And also quite firm.

Senator LUNDY—You are trying to reconstruct the truth again, minister.

CHAIR—I am being quite firm now, Senator Lundy, and we will let the minister finish his comment.

Senator Kemp—The evidence that was led to the committee was that there was a finite program and that finite program finished. That is what I understood Mr Michael Scott to say. If you are telling me that that is wrong, you had better lead some evidence to show that that is wrong. But that is the evidence that was given.

Senator LUNDY—Nine months after the Olympics—so after that initial EPO research was concluded, the test was created for the Olympic Games—there was continuing testing on

EPO and blood doping. In April that was cut. How much funding did the AIS lose at that time, Mr Scott?

Mr Scott—I would have to take that on notice. I am not aware—

Senator LUNDY—But there was some, wasn't there?

Mr Scott—My understanding is that the funding associated with that EPO test—

Senator LUNDY—No, not the EPO test for the Olympics.

Senator Kemp—Hold on, Senator; just let people finish.

Senator LUNDY—We are taking about April 2001.

Senator Kemp—Let people finish their answer, Senator, and do not butt in.

Mr Scott—I need to take that on notice, Senator. I am not aware of that, so I would like to check to make sure that I am accurate.

Senator LUNDY—Okay. At approximately the same time or soon after that funding ceased at the AIS, it was redirected to the department of industry where the testing laboratories are located, and at the same time Mr Crick went to Cape Town and said, 'We can't do it at the AIS because they're too close to athletes and it is not appropriate.' and created that—

Senator Kemp—I think we had better check.

Senator LUNDY—It created that unfortunate perception—

Senator Kemp—You have obviously been given a scenario. I think the best thing to do—

Senator LUNDY—I suspect that you have given us a scenario here.

Senator Kemp—No, you have given a scenario, Senator.

Senator LUNDY—And it has been played out in a very inappropriate way. It is very unfortunate.

Senator Kemp—Senator, if you want an open slather approach to research, good on you. That is your policy, but it is not the policy of this government.

Senator LUNDY—I mentioned earlier in my questions funding being cut twice. That was the first cut. The second cut was in relation to the withdrawal of funds offered from overseas that the AIS turned their backs on.

Senator Kemp—Well, Senator, I think you are making assertions. Sometimes—

Senator LUNDY—Go back over all of that condescending drivel that you imparted earlier and then check it against those facts and see who is right.

Senator Kemp—I do not propose to be verbally by you, Senator. What I said was that I had repeated the evidence that was led by Mr Michael Scott. The truth is that you have made other assertions. We do not have the information here and we will look at those and see whether we are able to make any comment on those.

Senator LUNDY—Good. We will move on then.

Senator Kemp—But I do make an important point: antidoping research and issues of genetic research should be conducted under very clear guidelines.

Senator LUNDY—We cannot do any of it anymore because they have all left.

Senator Kemp—And particularly—

Senator LUNDY—Congratulations.

Senator Kemp—Well, Senator, that is the point that I am making. There are significant issues here and they should not be portrayed in a trivial manner as you are doing. I do not think you are helping your own standing, to be quite frank, by speaking in this fashion. Genetic research is a very sensitive area, and this government strongly supports the position that there should be very clear guidelines on it. You have an open slather approach; I do not—that is the difference.

Senator LUNDY—Guidelines as clear as you have on antidoping in relation to Australian sport compliance!

Senator Kemp—That is the difference between you and me, Senator.

Senator LUNDY—I do not think so, Minister.

Senator Kemp—You do not think it is? Oh, well.

Senator LUNDY—I think you are trying to find somewhere to hide.

Senator Kemp—I think the evidence that you have left will show that, Senator.

Senator LUNDY—Okay, we will move on. Does ASDA have any knowledge of the funding cut in April 2001 in relation to blood doping research and related research at the AIS?

Mr Mendoza—No, I have no knowledge of any funding cut. My knowledge supports what Mr Scott and the minister have said. The EPO 2000 project, as it was known, was co-funded by the IOC and the federal government. That funding was granted by the IOC. Australian government funding to complete the project was contingent upon the IOC contribution of \$US1 million. The IOC executive board made that decision in December 1999.

Senator LUNDY—So you only have knowledge in relation to the EPO test being developed specifically for the Sydney Olympics?

Mr Mendoza—That is correct.

Senator LUNDY—In different publications produced by the Sports Commission the number of sports in the Targeted Sports Participation Growth Program is identified differently in different publications. Can you tell me the exact number? In one it was 20 and in another it was 22. I think we had a conversation across the estimates table at one point where it was 21. What is the number at this point in time?

Mr Espeland—The Australian Sports Commission board have approved 21 proposals from 22 national sporting organisations. A joint proposal was received—and the program has been implemented—from baseball and softball. We will be considering a further proposal from the Australian Soccer Association in coming months. If you would like the names of those sports, I can provide them to you.

Senator LUNDY—Yes, please.

Mr Espeland—The 21 proposals are from AFL, athletics, basketball, the joint one I mentioned with baseball and softball, cricket—

Senator LUNDY—Can you go slower, please?

Mr Espeland—cycling, gymnastics, hockey, lawn bowls, netball, rugby league, rugby union, surf lifesaving, surfing, men's golf, swimming, tennis, touch, volleyball, women's golf and yachting. As I mentioned, we are expecting a further one from the newly formed ASA in the coming months.

Senator LUNDY—Is \$11.3 million still the amount of funding that you are working with for this program?

Mr Espeland—It is a rolling amount because of the timing of the various programs. The money that I presume you are referring to is for this financial year.

Senator LUNDY—Can you tell me with respect to these sports how much money each has received under the targeted sports program?

Mr Espeland—I certainly can provide that information for you.

Senator LUNDY—Okay.

Mr Espeland—Now?

Senator LUNDY—Yes.

Mr Espeland—For AFL—there is quite a table.

Senator LUNDY—Fine, just do not go too fast—or you could provide that table to the committee.

Mr Espeland—I could provide it on notice. I think it would be—

Senator LUNDY—No, I do not want it on notice; I want it now.

Senator Kemp—Senator, if you want it now, we will read it all out to you and we will take up your time.

Senator LUNDY—I just asked—

Senator Kemp—You are being very difficult, but we will do that—

Senator LUNDY—I asked Mr Espeland—

Senator Kemp—Senator Lundy, would you please keep quiet. Mr Chair, we have been asked to read the table out. We will now do that for Senator Lundy.

Senator LUNDY—Mr Chair, I have a suggestion. Mr Espeland is reading from a table. Can I ask that he provide that table to the committee, and then I do not need to go through the painful exercise of extracting each individual number.

Senator Kemp—That is a matter for the officer at the table. If he feels he is able to put that table down, that is entirely up to him. If he feels that there is other information in the table which is of a confidential nature, I suspect that in that case he will not want to put the table down.

CHAIR—So which do you wish to do, Mr Espeland?

Mr Espeland—I think some explanation is required. Providing the figures without explanation I think could be misleading.

Senator Kemp—I think in that case you would be better to provide the figures with an explanation. I do not want them to be misused by Senator Lundy.

CHAIR—That is what we will do. Please provide the figures with the explanations.

Mr Espeland—Okay.

CHAIR—Please proceed, if that is what you want to do, or do you wish to do it in a written form?

Senator Kemp—That is entirely up to Senator Lundy. We can move on or we can read the figures out with an explanation. What do you want?

Senator LUNDY—I want the figures today. If it is possible for officers to go and produce a table with the explanations today, that would be acceptable. I am not prepared to wait for answers to questions on notice because invariably we get them the day before the next round of Senate estimates. That is not reflecting on you—

Senator Kemp—Mr Chair, again it is a reflection on everybody, as always.

Senator LUNDY—It is a reflection on your office most of all.

Senator Kemp—Senator Lundy sort of attacks people and then backs away as fast as she can. Senator Lundy, we have heard what you have said. We will try to comply. I think it is probably unlikely that we can give it to you today, but we will see what we can do, knowing your interest in this matter.

CHAIR—Questions on notice are due by—

Senator Kemp—We will take this on notice.

Senator LUNDY—No, I will get the figures now, thanks.

Senator Kemp—All right, that is entirely up to you.

Senator LUNDY—You are being obstructive.

Senator Kemp—I am not being obstructive.

Senator LUNDY—I have provided witnesses with a very easy course of action to resolve this. You have chosen to intervene and make it difficult—

Senator Kemp—I have not.

Senator LUNDY—so, if you insist, I will get the figures verbally from the witnesses now.

Senator Kemp—Okay, with an explanation—you can do that. That is okay; it is entirely up to you. Take up as much time as you like.

CHAIR—Yes, exactly.

Senator LUNDY—As you are doing, Minister.

CHAIR—If that is your option, Senator Lundy, then so be it.

Senator LUNDY—I am left with no choice if I want the figures today.

CHAIR—You could have them on notice.

Senator LUNDY—That would not provide me with them today, Chair, as you know.

CHAIR—That is probably true, but they would be here by the next estimates. But as you have now said that you wish to have them read to you with explanations, so be it.

Senator LUNDY—So, Mr Espeland, you were starting with the AFL?

Senator Kemp—In order to save the time, I think that we will do our best to produce them within 24 hours. We may not make that, but we will see what we can do.

Senator LUNDY—I want it today.

Senator Kemp—All right.

CHAIR—Senator Lundy has made her position clear. Remember, there is only so much time today, Senator Lundy. Just bear in mind that you have opted to go through this process.

Mr Espeland—Senator Lundy, can we just return to the question. You are looking for—

Senator LUNDY—Just the dollar figure for this current financial year and, if you do not have that, then the overall figure for each of those sports under the targeted sports program.

Mr Espeland—I cannot break it down at this point by financial year.

Senator LUNDY—The overall figure is fine.

Mr Espeland—For the AFL there is a three-year program: in year 1, \$450,000; year 2, \$350,000; year 3, \$200,000. I am just looking for the ASC contribution. For athletics it is \$300,000 in year 1, \$200,000, then \$100,000; baseball/softball: \$220,000, \$150,000 and \$80,000; basketball: \$300,000, \$150,000 and \$150,000; cricket: \$430,000, \$235,000 and \$235,000; cycling: \$155,000, \$65,000 and \$35,000; men's golf: \$110,000, \$70,000 and \$55,000; and women's golf: \$150,000, \$80,000 and \$45,000.

For gymnastics there are two different programs. One is aeroschools: \$100,000, \$30,000 and \$40,000; the second is gym schools: \$100,000, \$50,000 and \$30,000. Hockey: \$150,000, \$120,000 and \$120,000; lawn bowls: \$300,000, \$250,000 and \$150,000; netball: \$600,000, \$250,000 and \$100,000; rugby league: \$350,000, \$150,000 and \$150,000; rugby union: \$130,000, \$300,000 and \$220,000; sailing: \$450,000, \$150,000 and \$100,000; surf lifesaving: \$115,000, \$85,000 and \$68,000; surfing: \$350,000, \$225,000 and \$125,000; swimming: \$400,000, \$200,000 and \$100,000; tennis: \$200,000, \$125,000 and \$125,000; touch: \$190,000, \$60,000 and \$25,000; volleyball: \$100,000, \$60,000 and \$40,000. For athletics, there is one other program that is being dealt with separately. So, in addition to the money I mentioned before, there is a further \$50,000, \$30,000 and \$20,000 and, similarly, with surf lifesaving, \$60,000, \$40,000 and \$32,000.

These are the program investments. They are obviously spread across different financial years, and they are subject to ongoing review. The money can be suspended or in fact deferred, depending upon how our assessment of the program is going. Those expenditures are not necessarily going to be completed in the fullness of time. It depends upon the veracity of the program.

Senator LUNDY—Can you confirm the financial year for each of the years? Do all the first years correspond with the current financial year?

Mr Espeland—No, they do not. I would need to go away and overlay the financial years. They do not because of the way that they were at introduced. Some sports have taken longer to get their business cases together.

Senator LUNDY—Some of them would be for this current financial year and, presumably, some would start next financial year?

Mr Espeland—As I said, they are all approved, apart from soccer, and in a sense they are all under way. A number of completed—

Senator LUNDY—How much was soccer?

Mr Espeland—Soccer is still to come. We have been waiting obviously—

Senator LUNDY—And you did not give me the yachting figures either.

Mr Espeland—That was the sailing figures. I changed my terminology, I am sorry.

Senator Kemp—Mr Chair, a story that may be of interest—I do not know whether you have the figures there, Mr Espeland—is that quite a few of these sports have been able to secure corporate partners to assist them. Mr Espeland, are there any observations you are able to make on that?

Mr Espeland—This has been a very positive benefit of the program. As you would appreciate, sponsorship marketing is very soft. It has been particularly since 2000. The Targeted Sports Participation Program has been able to attract corporate sponsorship in excess of \$10 million, and that has been a very strong benefit to those sports.

Senator LUNDY—What is the criterion for inclusion of sports in this program?

Mr Espeland—It was by invitation. We are now looking at a review of the program in terms of offering its benefits to other sports. It really was on the basis of the capacity of the sports to develop a business case to be involved in a three-way partnership between the government, the private sector through sponsorship and the sport itself. Capacity is a big issue.

For the first time, many of these sports have actually conducted national programs. It has been a very strong force in driving better synergies down through the sports and their state sporting organisations. At the end of the day, under a federal system, the stakeholders of the governing bodies are the state sporting organisations. But the actual process of running this program and implementing it has brought them together and actually made them look at it from the point of view of running national programs, not just state programs.

Senator LUNDY—So the purpose of it from that point of view is to build the capacity of the sporting organisations?

Mr Espeland—No, it is really to build the national membership.

Senator LUNDY—Were the existence of extensive club infrastructure and at least some level of national organisation criteria in selecting these sports?

Mr Espeland—Otherwise, they just would not have been able to limit it. We have experienced problems with some of the sports.

Senator LUNDY—What do they have to deliver?

Mr Espeland—There is a range of programs. They are all different—they build them on different models. A number of them are related to the very lower ends of what we would call the pathway. For example, Auskick is looking to bring young children into the sport of AFL before they have an opportunity to get involved in the under-age grades. It is the same with—

Senator LUNDY—Specifically on performance measures, I presume the sports have to deliver something for these amounts of money—what specifically do they have to deliver? If you are telling me that every one is different then can you, on notice, provide me with a specific explanation of what each sport has to deliver as a result of receiving all of this money?

Mr Espeland—There are some generic criteria. Obviously, membership is one, in terms of being able to ascertain and prove to us that there has been a membership increase. They need to have a milestone achievement—obviously, if there is a certain roll-out program that has not been delivered and there are claims of membership growth then we are suspicious. If the membership growth numbers correlate with what we know to be the strategy of the roll-out then obviously we have got more confidence in it. They are the first two criteria: membership and a milestone achievement. There is also an issue in relation to recognition and—

Senator LUNDY—Going back to the issue of a milestone achievement, what is that specifically?

Mr Espeland—It might be that they have to run a certain number of competitions in a certain number of places. It might be rolled out in one state initially. Each of the sports is different; it happens according to the business plan that they have provided which we have worked through carefully with them and the corporate sponsor in order to be able to say, ‘Yes, this can work if the sport gets behind it and it is supported by funding from the government and the private sector.’ After membership and a milestone achievement, we also look to recognition and branding. It is most important at the end of the day that the public can see that taxpayers’ money is being provided for these purposes.

Senator LUNDY—What is the branding for this program?

Mr Espeland—It is recognition that it is coming from the Australian Sports Commission—

Senator LUNDY—Like the Sports Commission logo?

Mr Espeland—Yes, that sort of stuff, and acknowledgment. For example, during the World Cup we have a program here—

Senator LUNDY—Do you mean something like, ‘This is a federal government initiative’ like the black spots program?

Mr Espeland—No, it is really to say that we are working in a partnership between the public sector and the corporate sector.

Senator LUNDY—Can you provide me with a specific example of the branding that would occur, say, with touch footy junior development?

Mr Espeland—We would expect to see the Australian Sports Commission logo displayed.

Senator LUNDY—Where?

Mr Espeland—They could put up banners, there are signs—

Senator LUNDY—Do you provide the banners?

Mr Espeland—It depends upon the sport. If the sport is reasonably wealthy then they provide the banners themselves. We assist some of the smaller sports with some banners.

Senator LUNDY—How much are all the banners costing you?

Mr Espeland—I would have to take that on notice.

Senator LUNDY—So some of the sports buy the banners and some of them are given the banners by you?

Mr Espeland—The badging and recognition is not only part of this program; it is part of our overall arrangements.

Senator LUNDY—I am only interested in this for now. So, in terms of recognition and branding, one criterion is how much promotional value the ASC gets out of the exercise?

Mr Espeland—It is a three-way partnership.

Senator LUNDY—I will come to the private sector involvement in a minute, but I am just trying to confirm whether recognition and branding of the Australian Sports Commission is a key performance criterion for these grants.

Mr Espeland—It is one of the criteria.

Senator LUNDY—What are the other criteria?

Mr Espeland—Sponsorship and—probably the most important—sustainability. The concept is that the commission's money is to really kick-start this membership growth drive and that over time, after the three-year program, the combination of corporate sponsorship and increased membership fees will sustain the program going forward.

Senator LUNDY—So you do not just get one hit of membership boosts?

Mr Espeland—That is right.

Senator LUNDY—I notice that the bulk of the funding is in the first year of operation.

Mr Espeland—That is because we are coming off that low membership base, but as the membership starts to increase then the revenue will start to flow to the sport. It is very much part of the business plan that we very carefully work with the sport to make sure that it can deliver at the end of the day.

Senator LUNDY—Can you tell me about the sustainability? How are you being assured through your assessment criteria that these programs are sustainable? What specific measurements do you have to monitor ongoing club membership?

Mr Espeland—Each of the sports is different in terms of its capacity to provide data that can be readily analysed. But we know that for every membership that is claimed there is a name, there is a receipt and they are members of a national sporting organisation under this program.

Senator LUNDY—There is a name and a receipt but what about in six months time?

Mr Espeland—People can come back into the program. They might migrate into an age group.

Senator LUNDY—How do you track that, though? You cannot demonstrate sustainability unless you go back and check to see whether the name is still there in six or 12 months.

Mr Espeland—That is if we are looking to do a total audit, then we go in and make sure that—

Senator LUNDY—I presume you are. You are giving these sports hundreds of thousands of dollars over three years.

Mr Espeland—We do not do an audit of every name; we do an audit of the revenue base that is very much part of their financials.

Senator Kemp—We are slipping back into the old habit of the question being asked, the witness providing an answer and the witness being talked over. I do not want witnesses to be harangued by senators, whether that is the intention or not. I again make the point that Senator Lundy should ask her question; she should then allow the response to be given and, when the response is given, there should be a follow-up. The witness should not be talked over.

CHAIR—I think that is a perfectly reasonable point, Minister. You must give the witnesses the opportunity to answer, Senator.

Mr Espeland—On that last point, Senator Lundy, we do not go in and check name by name but we do have their financials. We can see the revenue stream. It is based on a certain number of new members and we project that into the future and see whether it is the basis for sustainability. If it is not then we reserve the right to make adjustments to the program, put it on hold or readjust the strategy—whatever is needed to continue to work the program towards the membership growth that it is aimed at.

Senator LUNDY—Once you get that, I presume you require the sports to identify their membership growth in their business plan. Can you confirm that you at least do one audit or cross-check with the membership records to make sure that they have met their goals at least in the first year of the operation of the grant?

Mr Espeland—We have a six-monthly interim report and an annual report where we do just that. We do a review. We go through and check against those criteria that I have mentioned. Clearly, membership is the key for sustainability.

Senator LUNDY—How do you check that, for example, in the second year a member has renewed, quite specifically for the purposes of approving the second year's worth of funding?

Mr Espeland—We do not know that they intend to renew. They might have reached an age where they might well move out of Auskick into a local AFL competition.

Senator LUNDY—But you will not know that, so how will you check against your criteria of sustainability?

Mr Espeland—We do know that they are either members who are renewing or they are new members. The base is growing.

Senator LUNDY—But you do not know, because you are just guessing.

Mr Espeland—All we need to know is that the membership is growing, the revenue is coming in. Whether that person is someone who has rejoined the program, is new or has gone off to another grade in the sport, the key thing is that we do know that the revenue is increasing, based on the membership growth.

Senator LUNDY—With all due respect, you keep saying that you are making the assumption that people will join for a year and that if they leave they will go on to a different sport. Do you not think that is a little naive? Why are you so confidently making that assumption?

Mr Espeland—Over time it will be possible in some sports to track the migration from these programs into the other programs. But the point about these programs is that they—

Senator LUNDY—How?

Mr Espeland—Because sports like AFL will have tracking capacity. We are talking about the sports industry. The capacity of a variety of sports to handle data is very different. AFL over time—in fact, probably right now—can tell you who has moved out of the Auskick programs into local grade competition. But from the point of view of the programs, these programs are about fulfilling a need. For example, tennis is about reintroducing tennis to rural Australia; cricket for young girls is about providing a pathway which was never there before—they learnt how to throw, jump and catch, and then there was nothing until they could get into grade cricket. This is providing them with a lead-in competition. They are club members; they are members of the national sporting organisation.

Senator LUNDY—Can you provide the committee with what the criteria will be for each of these sports in their assessments, and specifically the benchmarking data that the Sports Commission is using against which to measure improvements in participation? The way it looks at the moment is that you take the figure of the membership increase at the start and whatever happens after that is anyone's guess. I need to be assured of the measures that you are putting in place to ensure full accountability for these taxpayer funds.

Mr Espeland—Our investment is over a year to three years. Over that period each of the sports is required at critical points to account for their expenditure, to demonstrate that growth, to show that they are appropriately recognising and badging, and also to work on retaining and servicing their sponsors. I can provide that process in terms of those criteria, as you wish, Senator.

Senator LUNDY—Thank you. Could you also provide me with information relating to the financial year start date for each of the grants that you went through.

Mr Espeland—Okay. That will take some time, though.

Senator LUNDY—Why?

Mr Espeland—Because it would mean going through all those sports and putting them together as to where the spend was. It can be done.

Senator LUNDY—I am sure it can be done. I expected that you would have that information at your fingertips.

Senator Kemp—We always try to assist you, Senator, and we will try to assist you this time. The officer has said that he will try to assist, and all he gets is a rather unpleasant retort

from you. From my point of view, we will not rise to the bait; we will see what we are able to do to assist. I just record that, when someone offers to help, I do not think they deserve a response like yours.

Senator LUNDY—Chair, I was going to suggest just a five-minute break.

CHAIR—We were planning to have a break at 11 o'clock but, if you would like, we will have a 10-minute break now.

Senator LUNDY—That would be helpful, thank you.

Senator Kemp—Mr Chairman, I assume it is understood that this section on sport will finish at one o'clock. Officers have made their travel arrangements. My understanding is that the program we have says, unless I have been misinformed—

CHAIR—That is true.

Senator Kemp—that we will move to the Department of the Environment and Heritage at that time. The reason I make that point is that a team of people have been brought here by Senator Lundy, and they are all waiting. Many of them have travelled from interstate and they have booked flights back this afternoon, I assume. I want to make sure that Senator Lundy understands that this comes to an end at two o'clock so that people can conduct their travel plans.

CHAIR—I have mentioned the time factor a couple of times.

Senator LUNDY—Could I also say that I advised the committee through the course of establishing this program that, as happened at the last additional estimates hearings, the day is divided in half, allowing for this program through to 4.00 p.m. I did indicate that to the committee secretariat. Whilst it is my intention to conclude this section by lunchtime, I did request that the committee retain that flexibility. I am working on it, but the minister has filled up a lot of the time this morning with his conversations—

Senator Kemp—No, I have not. I have been responding to your questions—

Senator LUNDY—so I will work as quickly as I possibly can.

Senator Kemp—and you have been going on at tedious length, as you always do—

Senator LUNDY—Minister, you are required to stay here for as long as the committee needs you.

Senator Kemp—about a whole range of issues. You are entitled to do that, but you are not entitled to waste time in the morning and then expect everyone to hang around this afternoon for you.

Senator LUNDY—With all due respect, Minister—

CHAIR—I would like to make a comment as chairman of this committee. There was no information given to the committee when this program was drawn up that this section would be extended to four o'clock. It was regarded as finishing at one o'clock. I must say, Senator Lundy, with respect, what you have just said—

Senator LUNDY—I will find the email for you, Chair.

CHAIR—was not put before the committee when the agenda was drawn up. So the agenda which the committee agreed to was this agenda. I think we have to abide by the arrangement that this section finishes at one o'clock and at two o'clock we move on to the Department of the Environment and Heritage. There will be a different minister here and that minister is scheduled to come here at two o'clock.

Senator LUNDY—My recollection is that, after we set the program, I emailed the secretariat with the view that it was likely to extend through to four o'clock—that it would go for another two hours after lunch. But I am happy to compromise and work through lunch to continue with estimates—

Senator Kemp—I am not working through lunch, Senator Lundy. I am not spending hours upon hours—

Senator LUNDY—You do not have to go to another—

Senator Kemp—trying to cultivate your every whim and then have you say that we can abandon lunch. I actually have meetings at lunchtime. That is when I have scheduled meetings.

Senator LUNDY—It is still within the capacity of the opposition to seek agreement for a spill-over day, which I am very happy to do.

Senator Kemp—Hold on, I am going to finish. We will not be working through lunchtime. People have other arrangements. Officers have other things to do. This is what I have said from the start of this committee. Senator Lundy berates departments and institutions time and time again—

Senator LUNDY—I do my job.

Senator Kemp—for lacking efficiency and not producing information on time and all of those things, but Senator Lundy cannot keep to her own timetable. I am going to insist that the timetable which was given to me—and which, I might say, was given to me without consultation, but nevertheless, it was given to me—

Senator LUNDY—That is not true either.

Senator Kemp—is the timetable that we keep to. We are breaking for lunch at one o'clock and we will then move on to the Department of the Environment and Heritage at two o'clock.

Senator LUNDY—Then I will talk to people—

CHAIR—There is an agreement about the agenda—

Senator LUNDY—about spill-over, if that is what you want.

CHAIR—and the agenda is—

Senator Kemp—You can talk all you like about the spill-over, Senator Lundy, but you have wasted all of this time and, frankly, you had a timetable. Everyone has tried to cultivate to you. We always know that you create these stunts. Frankly, we will finish on time and that is it.

CHAIR—The committee has agreed to an agenda. It also agreed to lunch breaks from one o'clock to two o'clock. Other people have made arrangements in those times and I do not think we can change that, with respect, Senator Lundy. So—

Senator LUNDY—We will have a private meeting and discuss it.

Senator Kemp—Sure; have all the private meetings you want.

CHAIR—It will not be complied with, Senator—the government majority will stick to the agenda, so I suggest that that is how it will be.

Proceedings suspended from 10.58 a.m. to 11.16 a.m.

Senator LUNDY—I will now move to the AIS redevelopment. In the December issue of Ausport, it said that a \$65 million upgrade for the AIS's Bruce facility had been approved by the Public Works Committee, and the Public Works Committee reports that it was \$65.4 million. Can I get the precise figure for the upgrade?

Mr Scott—It is \$65.4 million.

Senator LUNDY—So you were approximating in Ausport.

Mr Scott—Yes, we must have been.

Senator LUNDY—In the proposed works outline provided as part of the Public Works Committee report, it indicates that there is provision for a combat training facility. What exactly is the purpose of that facility and how does it relate to the work of the AIS?

Mr Scott—The combat sports facility will primarily house our boxing program, which is currently based at the AIS campus in Canberra. It will also make provision for if sports like tae kwon do or judo are deemed to have training camps at the AIS in Canberra. It is a broad term, but primarily it is a boxing facility.

Senator LUNDY—Is 'combat training facility' how those types of facilities are normally described? When I saw it I thought that perhaps a joint venture with ADFA or something was going on.

Mr Scott—It is a term that encompasses martial arts and boxing in its broadest context.

Senator LUNDY—So you are not building any dual purpose facilities at the AIS as part of the redevelopment?

Mr Scott—No. This particular one is a specific training facility for elite boxers and martial arts sportspeople who train at the AIS.

Senator LUNDY—Was the AIS rowing centre extension part of the \$65.4 million project?

Mr Scott—Yes.

Senator LUNDY—What was the value of that extension?

Mr Scott—I do not have the exact figure, but I believe it was just under \$700,000. I can take that on notice and provide you with the exact figure.

Senator LUNDY—Thank you. Could you very quickly go through the major components of what the \$65 million will be spent on?

Mr Scott—The proposed work program will provide: new residences and refurbish the existing residences; a new athletes dining hall and associated recreation facility; an AIS service hub, which in effect is a coach service centre, strengthening and conditioning facilities, an indoor testing centre, an indoor training area and new and improved laboratory facilities; upgrading technology and airconditioning at the AIS training halls; an extension of the gymnastics hall; the establishment of an aquatic testing and training facility, which is a 50-metre pool, and improvements to the rowing centre.

Senator LUNDY—Are those the ones that have already been done?

Mr Scott—Yes. The proposed work program will also include the combat sports facility, improvements to the existing pool complex, new working accommodations to replace a number of transportable buildings that are on site—

Senator LUNDY—Finally.

Mr Scott—airconditioning of the AIS Arena, modernising the ASC administration building and an upgrading of campus engineering services.

Senator LUNDY—What dollar figure is attributed to the modernising of the ASC office facilities?

Mr Scott—I will have to take that on notice. I do not have that with me.

Senator LUNDY—Could you provide on notice all of the dollar figures set against each of those initiatives?

Mr Scott—Yes.

Senator LUNDY—I have some questions for ASDA—

Senator Kemp—While we are on the AIS, what is the latest status of the road issue?

Senator LUNDY—Chair, the minister is now asking questions of the witness—not that I have any objection, but you are the one that made the point about time yesterday.

Senator Kemp—I think this is of interest to people. If it is of no interest, we will scrub it. But I would have thought that this was of interest.

Senator LUNDY—You are wasting time.

CHAIR—I think the minister is entitled to get matters of public interest on the record.

Senator Kemp—I simply thought this would be of interest, but if it of no interest to you, Senator Lundy, we will move on.

Senator LUNDY—Go ahead.

Senator Kemp—We will move on.

Senator LUNDY—Go ahead.

Ms Fordham—In January 2003 the ACT government announced that the planning for the road would go ahead to incorporate the eastern alignment. It therefore discarded the western alignment from future planning. Since February 2003 we have been working with the ACT government to finalise the planning for the road.

Senator LUNDY—Does that keep you happy, Minister?

Senator Kemp—I think there are a lot of questions I would not want to ask. As you point out, I am the minister at the table, so perhaps you might like to ask a few.

Senator LUNDY—You could place them on notice, Minister.

Senator Kemp—Yes. I always find I get prompt responses.

Senator LUNDY—Funny, that. I have some questions for the Sports Drug Agency. At our last estimates, ASDA indicated that every Australian athlete competing at the Athens Olympics will be subjected to at least one random out-of-competition drug test. Given that Olympic selections have barely begun and many potential Olympic athletes will not know if they will be going to Athens until much closer to the games, how is ASDA going to achieve this goal?

Mr Terrell—We have been working with sports for six to 12 months to identify potential candidates for the Olympic team. There was a requirement that the AOC promulgated to its members in August last year that sporting bodies identify what they call shadow team members. We have had that information. We have been planning our testing program on the basis that we would use those shadow squads and hopefully make sure that we picked up all of the athletes selected for Athens. As at this point in the program, we are very confident that we will do that.

Senator LUNDY—You can confirm that you have enough resources to conduct the tests to reach that goal?

Mr Terrell—We do.

Senator LUNDY—In December's *Drugs in Sport Update*, the RNE showed that there were three 'failure to comply' entries. Weightlifting is awaiting a sanction outcome, powerlifting received a three-year ban and rugby league received no sanction. Can you outline why the powerlifting infraction received a three-year ban while rugby league received no sanction?

Mr Terrell—I cannot recall the details of both of the tribunal decisions that you referred to, but with the handling of failures to comply and positive drug tests the sport tribunals have the capacity to make decisions as to what sanction, if any, is appropriate for the athlete. The Sports Commission may want to comment in terms of their view as to the adequacy of those decisions, but from time to time there are differences in tribunal outcomes across sports.

Senator LUNDY—And that explains the discrepancy between sanctions applied to what appear to be similar offences.

Mr Terrell—Exactly. One of the prime purposes of the world antidoping code is to start to harmonise the handling of these sorts of sanctions.

Senator LUNDY—There is another example: a three-month ban for cannabis use in motorcycling and a six-month ban for cannabis use in motor sport. They were both reported in the December drugs in sport update. So would that kind of discrepancy again relate to the way the sports themselves manage their application of sanctions?

Mr Terrell—Precisely.

Senator LUNDY—I do not know whether this question is to you or the Sports Commission. Will the implementation of the WADA code mean that there will be a universal sanction code applying to all sports in Australia?

Mr Terrell—The world antidoping code has within it a provision relating to sanctioning. That provision sets out various requirements for sporting bodies in relation to findings and their tribunal processes. There is a clause within that which enables tribunals to make decisions based on particular circumstances, but the thresholds for those decisions are fairly clearly defined, so the intention with the implementation of the code is that sanctions across sports for similar types of offences will be handled in the same way.

Senator LUNDY—I think we covered this earlier. The deadline of 13 August applies to all Olympic sports for compliance with the WADA code and the deadline for non-Olympic sports is January 2005; is that correct?

Mr Terrell—I believe that is the deadline that the Sports Commission is working to. Certainly the deadline of 13 August is something which was agreed through the World Anti Doping Agency processes in putting the code in place.

Senator LUNDY—We heard earlier from the Sports Commission that you are confident that that goal will be met. Is that the case?

Mr Espeland—That is the case.

Senator LUNDY—I will move onto the arts. I have a number of questions remaining, but I will place them on notice.

CHAIR—I thank the officers from the sports programs for appearing today.

[11.27 a.m.]

Department of Communications, Information Technology and the Arts

CHAIR—I now call the arts programs. First of all we have outcome 1. The first questions will be addressed to the department.

Senator LUNDY—My first question is to the minister and it harks back to the mysterious review of cultural agencies. Minister, is it ever your intention to make public this review?

Senator Kemp—The review was done for the budget context. Budget papers of this nature are not something which we would normally make available. I have not turned my mind again to whether I would release it, but the general principle is that it would not be released. That general principle applies because it is a budget document—it was done for the budget.

Senator LUNDY—There have been several reference points back to that review and decisions about budgeting seemed to be linked to whatever the justifications or recommendations were. So it would be helpful, for the purposes of genuine accountability by the Howard government, to have the information on both cuts to and expenditure on the cultural sector and cultural agencies.

Senator Kemp—I think the report is now almost two years old—

Senator LUNDY—So why do you still need to keep it secret?

Senator Kemp—and agencies have been getting on with the job of putting the review into effect. To reiterate my point, it is a very normal government process for the outcomes of cabinet decisions to be announced without releasing the range of documents which have helped inform those decisions. So what we are doing is fully in line with usual government processes.

Senator LUNDY—The minister at the time, who was Senator Alston—

Senator Kemp—A very good minister too—and a great fan of yours!

Senator LUNDY—That gives me little comfort. The review of cultural agencies was the attention of a media release at the time. Why is it still inappropriate for the government to release it given that it is two years old?

Senator Kemp—For the reasons I have just stated. I do not think that I can add any more to that. Documents which are used to inform cabinet decisions, particularly relating to the budget, are regarded as being confidential to the government. At the risk of repeating what I have said, this is not a new procedure.

Senator LUNDY—Going back to the portfolio additional estimates statements of the current financial year, there is a significant variation in the average staffing level against outcome 1 on page 35 of the statements. Are you able to reference that table and provide an explanation as to why the documentation says that the staffing level for outcome 1 starts at 572 but the 2003-04 revised average staffing level is 235, with a difference of 337?

Ms Williams—I think this must concern the movement of ScreenSound and Questacon out of the department.

Senator LUNDY—Out of the department?

Ms Williams—Yes.

Senator LUNDY—Okay. Can you show me where the description is for that further on in the document?

Ms Williams—It is on page 21 in the second paragraph from the bottom. It says:

Questacon will be transferred from the Department to the Education, Science and Training portfolio ...

Senator LUNDY—Which page is that on?

Ms Williams—Sorry, this is in the original portfolio budget statements. Do you have those or the AEs?

Senator LUNDY—I have the additional. I did say that.

Ms Williams—Sorry, we are getting muddled.

Senator LUNDY—I originally referenced the original document and then realised I was looking at the additional estimates.

Ms Williams—It is briefly mentioned in the overview statement on page 25.

Senator LUNDY—How many of the 337 staff are attributed to ScreenSound and how many to Questacon?

Ms Williams—We can give you that, but we can also give it to you on notice quickly. It is just a question of whether you want to take the time now. We can sort it out for you now.

Senator LUNDY—Yes, if you could, because I will come back to the staffing issue relating to ScreenSound when we come to them in the program.

Ms Williams—We will sort it out for you now.

Senator LUNDY—If you could also take that question on notice it would be helpful. In relation to Questacon, it has moved out of the department because it has moved across to Education, Science and Training?

Ms Williams—Yes, it is now part of that portfolio—part of that department, in fact.

Senator LUNDY—And that was effected just over the last—

Ms Williams—From the beginning of the year.

Senator LUNDY—Are there any other major changes to this outcome that you can point to?

Ms Williams—In terms of staffing, no—that is the major change.

Senator LUNDY—What about in terms of resource allocation and funding allocation?

Ms Williams—Starting from page 27 the additional estimates document goes through the issues. You will see that, under the heading ‘Measures’ and, under that, ‘Outcome 1’, there are two variations. They are not major.

Senator LUNDY—We will move on to the Australia Council. On 9 February the Australia Council issued a media release stating:

The Australia Council says it’s awaiting the final text of the Free Trade Agreement between Australia and the United States (AUSFTA) to gain a clearer picture of the implications for Australia’s vibrant cultural sector. It will also seek detailed discussions with the Australian Government about the AUSFTA outcome.

Has the Australia Council received the final text of the free trade agreement? Has the Australia Council had the detailed discussion to which you alluded with the Howard government or the minister so that you are able to determine exactly what the outcomes will be for our vibrant cultural sector?

Ms Bott—We have not yet received the detailed text of the agreement.

Senator LUNDY—So that means that you have not had any discussions?

Senator Kemp—I might say that, for the reasons we went through at some length yesterday, I do not think there is any surprise that they have not received the text. I think that so-called ‘legal scrubbing’ is now occurring.

Senator LUNDY—Indeed. Can I confirm that the Australia Council has not had any discussions with the government as yet because you are going to wait for the text?

Ms Bott—That is correct.

Senator LUNDY—In the same media release, the Australia Council indicated that it and the Australian Film Commission:

... worked together to ensure that the Australian Government ... were informed of important issues regarding the cultural and audiovisual industries.

What were the issues covered in these briefings when you and the AFC were working together? What sorts of concerns did you express?

Ms Bott—Both the agencies together and the industry worked in close consultation with the government over a wide range of issues. The negotiators for the Australian government were keen to get a picture of what the implications of different scenarios would be, and so we consulted on a wide range of issues, particularly to do with our ability to subsidise our own cultural industries and regulate with respect to content on a variety of media. We were also engaged in discussions on the actual way our industry works, in all its complexity, to enable the negotiators to understand those dimensions.

Senator LUNDY—Obviously, subsidies and content regulations were a part of that. Have any of the specific concerns that you raised been redressed or addressed in what you have seen of the free trade agreement so far?

Ms Bott—From what we understand, certainly subsidy and content regulations relating to existing media have been left intact. So the issues that we are waiting for further detail on relate to pay technology and future media developments.

Senator LUNDY—New media.

Ms Bott—Yes.

Senator LUNDY—Apparently there is a new definition of new media in the FTA—it is called interactive audio and interactive visual, I think.

CHAIR—Interactive audiovisual.

Senator LUNDY—What were the concerns expressed by the Australia Council in relation to new media or interactive audiovisual media?

Ms Bott—We believe, and this belief was shared by the government, that Australia should be able to continue to regulate Australian content for new media.

Senator LUNDY—On the face of it, do you think that has been addressed?

Ms Bott—The Prime Minister has said that the government has reserved the right to consult with the US on acceptable levels of local content for new technologies in the future, so we are obviously waiting to see what the detail of that is. But that is the statement that has been made.

Senator LUNDY—Do you have any knowledge about comparable reservations in other free trade agreements around the world that countries have with the US?

Ms Bott—I personally do not.

Senator LUNDY—So you are in the same position as everybody else: waiting for more information.

Ms Bott—Indeed.

Senator LUNDY—Yes, we are all in that situation, unfortunately. What were the details provided to you with respect to local content, new media and the ability for the government to

regulate for the cultural sector now and in the future? In providing advice to the negotiators, what sort of detail, data and resources did you have access to to compile that research in the negotiation process?

Ms Bott—The Australian Film Commission and the Australia Council co-commissioned some research about the impact of a loss of content regulations on existing media and some associated questions, based along different scenarios.

Senator LUNDY—Who conducted that research?

Ms Bott—I am sorry, but I do not know off the top of my head the name of the company.

Senator LUNDY—I presume they produced a report that you then forwarded to the government?

Ms Bott—It was a part of our consultation with the government, yes.

Senator LUNDY—So was that commissioned research provided to the government?

Ms Bott—I believe so, but I am actually not sure. My colleague from the Film Commission may be more aware of the detail of that.

Senator LUNDY—Are you able to provide that research to the committee?

Ms Bott—I will have to take that on notice, if you do not mind. I believe that that research was, as I said, around the dropping of content regulations, which of course has not happened. But certainly the report exists, yes.

Senator LUNDY—Given, I presume, that taxpayers' money was spent on commissioning it, I would expect that you would have no issue in providing a copy of that report to the committee.

Ms Bott—Okay.

Senator LUNDY—Did you prepare any additional briefs for the government in relation to the protection of Australian culture in the cultural industry sector? If so, can you provide them to the committee?

Ms Bott—Certainly; we can present those, yes.

Senator LUNDY—Is the Australia Council at all concerned by the fact that, on the one hand, the Howard government is saying that Australia retains the right to regulate the audiovisual sector into the future—albeit with some consultation exercise that is unclear at this stage—and, on the other hand, the US government's official statements say that this agreement provides for unprecedented provisions to improve market access for US films and television? That is particularly in the context that, for all intents and purposes, the government maintains that the current content rules—that is, for film and television—remain in place?

Senator Kemp—I think it is not particularly fair to ask an officer at the table to comment on some general statement that you are quoting from the US government. You have asked me that question in the parliament and, as usual, I gave a comprehensive response to it. The Americans may well have their particular views and they are entitled to put those views. It is no surprise that the Americans would wish to emphasise what they see as particular matters they want to bring to the attention of their own local industry. I think the key point for Australia is that we have retained the right to regulate local content on our media, including

existing and new media. This has been the subject of a significant debate. Of course, Ms Bott is quite entitled to make any comment she wishes to make—I am not attempting to direct witnesses. I think these are more political debates, Senator. They are not really debates of a nature which I think it is fair to put to officers at the table.

Senator LUNDY—I have asked the question. I would like the witness to respond.

Senator Kemp—Okay.

Ms Bott—Again, we are waiting to see the detail of the text of the agreement before I could comment on that.

Senator LUNDY—You are reserving your right to reflect on it when you know the facts?

Ms Bott—Yes.

Senator LUNDY—As information becomes available—and obviously the parliament is as interested in that as I am sure the Australia Council is—can the Australia Council advise the committee in writing of any major concerns that arise as information comes to light?

Senator Kemp—That is a matter to be determined. You have got the request in. The Australia Council will ultimately determine what they want to say. I think they have heard what you have said; Ms Bott may care to reflect on that.

Senator LUNDY—Minister, you might be helpful here. As information comes to light, I would like to get a briefing from the Australia Council about any concerns or observations they have. I think it would be useful if you could facilitate my meeting with the Australia Council, come that eventuality.

Senator Kemp—We are anxious to make sure you are fully briefed. I will see when a request is made. But I do not think I have ever refused a briefing from any of my institutions—I might say unlike Senator Peter Cook, who refused to allow ministers to get briefed by the CSIRO, if I remember rightly.

Senator LUNDY—We will see how we go with that.

CHAIR—Do you have more questions for the Australian Council, Senator Lundy?

Senator LUNDY—Yes, I do.

CHAIR—Senator Allison also has questions for the Australia Council.

Senator ALLISON—I only want to ask about one area.

Senator LUNDY—Go ahead.

Senator ALLISON—I wanted Ms Bott to go to the Books Alive program. I wonder if there is a breakdown of the \$8 million set aside for that that shows the spending each year by program.

Ms Bott—Yes, there is. I will ask my colleague Ben Strout to give the details.

Mr Strout—The \$8 million breaks down into approximately \$2 million available for this year's campaign, which would leave \$2 million for next year's campaign, while \$2 million was spent on last year's campaign and approximately \$2 million was spent over the previous two years on an initial ad campaign and research. That is the pool.

Senator ALLISON—So the program was due to finish at the end of this year, but there is a further year's funding available; is that correct?

Mr Strout—No, it is not a further year's funding; it is a part of the \$8 million. The agreement of the reference group, in consultation with the department, was that the \$8 million be spent up until the final campaign in August 2005, which is like an extension of the campaign for the same money.

Senator ALLISON—And that breakdown is available. Part of the program included research that was conducted by AC Nielsen. Can you indicate whether the program as it is met the recommendations that came either from that research program or from the evaluation work that has been done on it?

Mr Strout—The initial AC Nielsen research was into reading attitudes of the public, which helped inform the campaign. They have since done research on the effectiveness of the 2003 campaign—about how far the message was understood from the ads. We believe that the message was quite well understood. The initial research was released publicly. We did have close to a 15 per cent—it was 14.7 per cent—sales increase in books, excluding the Books Alive titles. There was a 24.7 per cent sales increase in that period for the Books Alive titles. Our main aim in the first year was to increase book sales and increase the readership by having people buy books. We have extensive research that has been released on that.

Senator Kemp—I launched the current Books Alive program in the last couple of weeks. From speaking to the industry and reviewing the figures that have been brought forward from the first Books Alive, I believe it has been quite an outstanding success. I know you have a particular interest in this, Senator. Certainly the figures that Mr Strout is quoting are excellent figures. People were not sure that it was going to be this successful. We hope that the next one captures attention. Some 90 per cent of booksellers participated in it—

Mr Strout—Correct.

Senator Kemp—most of them very enthusiastically. Certainly the feedback I got after the first round was very positive about it; it really gave a significant boost to the industry.

Senator ALLISON—Is there a mass media campaign that accompanies each year's program?

Mr Strout—Yes.

Senator ALLISON—I do not watch enough television, so I am not able to monitor that. In terms of that research, again, and the usefulness of the program, there has been a lot of discussion in recent times about what is the way forward to encourage parents to read. What is your considered view about this kind of program, as opposed to some other way of encouraging reading? How does this inform us about the best way to do that?

Mr Strout—I would not presume to review all of the other kinds of programs that encourage reading, other than to say that I encourage those sorts of programs. I would suggest that there is no one single answer. In terms of young people and young readers, we have included children's books in the campaigns each time, and it is a key feature that those children's books are promoted through the mass media campaign and through print campaigns as well. We encouraged sales last year of Tashi books and Morris Gleitzman books, and in this

coming year we will include Duncan Ball books, which are for young readers. That is a part of our mass campaign. This year we are also negotiating on a literacy aspect which encourages student-to-student reading, improving reading and Christmas books for children in partnership with the Smith Family.

Senator ALLISON—Has there been an opportunity to compare what we are doing here in Australia with particularly the UK model of encouraging reading?

Mr Strout—We did do an analysis of World Book Day in the UK. We also did an analysis of the collective promotion of the Netherlands book, the CPNB, in Holland, and we looked at the Get Caught Reading campaign in the United States. They all have slightly different kinds of figures, but our analysis suggested that we were comparing very well against those campaigns.

Senator ALLISON—Was there any indication, from any of the research you did, of the need for a continued program? I wish the minister would not leave at this point.

Mr Strout—I do not know that we have completed a review that suggests whether there is a need or not. Certainly we are in regular conversations with the department and the minister about the campaign and its possible future.

Senator ALLISON—But one would not expect all of the work to be done in encouraging Australian writers, encouraging book sales or encouraging reading to have been completed by the end of next year—or by August next year or whenever the campaign does finish.

Mr Strout—It is an ongoing concern of the Australia Council to promote Australian authors and the reading of Australian authors' books.

Senator ALLISON—So have you given any advice to the government with regard to a post August 2005 arrangement?

Mr Strout—I am trying to decide whether there has been formal or informal advice.

Ms Bott—Informally, we have.

Senator ALLISON—And has it been your informal advice to the government that a budget in the order of \$2 million a year is necessary, or would it be better to increase that figure? What has been your informal advice?

Ms Bott—I think our informal advice has been that it has been a very positive program and we would like to see it continue. We have not put budget figures on it. At the end of the day, it is a government initiative and therefore is a matter for the department and the government.

Senator ALLISON—I had a look at the web site for Books Alive before coming to the hearing, and I discovered that it is only available for six weeks of the year. Why is that? Why can't the web site be used as a promotional tool for reading and for the program generally?

Mr Strout—I believe that the web site aspect that you are talking about is part of the subscription, where the booksellers, the retailers, actually subscribe to purchase the books on the program—which is in August—through the web site, with online purchasing through our coordinator's office. With respect to Books Alive itself, there are components of all the press releases and those sorts of things on the Australia Council's web site throughout the year.

Senator ALLISON—So that web site is not intended for the general public?

Mr Strout—No, that part of the web site is for sales, for the book retailers. I am questioning whether the web site truly is only available for six weeks. I know it was recently launched, but it is up now and will be up through August of this year, so that is already six months. After the last Books Alive campaign in August last year, it did close down as we renovated it and put on the new Books Alive titles.

Senator ALLISON—Minister, given the great success of this program, can we look forward to some measures in the next budget which will see ongoing action?

Senator Kemp—I think the program has been a success and clearly the future of the program will depend on issues like the budget considerations. It has been an excellent program and one very much welcomed by the book sector. As I said, I think you may have played some small role in this and undoubtedly—

Senator ALLISON—Some might say quite large, Minister.

Senator Kemp—I know that you are a modest person; that is why I drew the committee's attention to this. But when you go around the sector and talk about it and you go into local book stores people are very supportive of this program. So it will be a matter for budgetary consideration.

Senator ALLISON—So that will be your recommendation at least, Minister.

Senator Kemp—People will draw their own conclusions from my comments.

Senator ALLISON—Thank you.

Senator LUNDY—Just briefly, I would like to ask some questions about the November 2003 Australia Council report, *Don't give up your day job*. Can the Australia Council outline specific programs, if any, that have resulted from this report that go directly to addressing the issue of the welfare of practising Australian artists—just for the sake of completeness, given that *Don't give up your day job* identified the pervasiveness of artists living in poverty?

Ms Bott—As you probably know, this is the third report of its kind. It was only recently released and will be considered at the Australia Council's March meeting in Adelaide. We certainly take the report very seriously, but it is too soon at this point to actually outline actions that will flow from the research.

Senator LUNDY—Do you have an allocated amount or funding available to support programs related to *Don't give up your day job* or is that perhaps a matter for budget consideration by the minister? What happens with the funding and resourcing?

Ms Bott—There certainly is not a pot of money sitting there to respond to any given report. We are dealing at the moment with a number of reports from different art form areas and these become part of the Australia Council's own deliberations in terms of how it divides its existing budget as well part of our ongoing discussions with government about future budgets.

Senator LUNDY—So is the plan to come up with a comprehensive strategy to start to address the problem of artists living in poverty? I note the report highlighted the particular challenges relating to many woman artists, so my question principally relates to woman artists.

Ms Bott—There are a range of strategies which are as much about market development as about support for artists—covering taxation, intellectual property and a range of other issues. So we certainly will be responding comprehensively. Obviously it is our challenge to respond to a range of issues that relate to not only individual artists but also organisations.

Senator LUNDY—I do have a series of questions about that report but, given the time, I am planning to place them on notice, along with a number of other questions about issues that I wanted to raise with the Australia Council today. But before we move on, I would like to congratulate the Australia Council for winning an award for its web site at the Australian Interactive Media Industry Association Awards.

Ms Bott—Thank you.

CHAIR—Senator, have you finished with the department? I have one question that I would like to ask them.

Senator LUNDY—Yes, go ahead. The secretary is always at the table and I do not have any other questions for the department per se, if that is what you are asking.

CHAIR—I would like to ask a question about an allocation of \$1 million to the Australian Prospectors and Miners Hall of Fame in Kalgoorlie. The financial statements say:

The Government will provide an additional \$1 million to finalise the construction of the Hall of Fame and the grant is subject to certain conditions, including the provision of matching funding by the Western Australian government

Could that perhaps be expanded upon a little for my information?

Senator Kemp—I can add something to that and, if I fail, Ms Thorpe from the department will undoubtedly correct me. The Hall of Fame have been experiencing some difficulties and they have approached the government. I think a significant borrowing is having an adverse effect on their books. They have approached the federal government for some help and, as I understand it, have approached the state government. We have looked at it and the government have made a decision to provide some additional funding for them, but we do need additional funding from the state government. According to the latest information I have the state government are considering this matter. As yet, I am not aware if they have made a response. The advice I have just received is that they have not made a response yet.

CHAIR—What was the significant borrowing for? Was the cost of the construction not covered by the original grants?

Ms Bean—I think it was for the loan relating to the construction.

Senator Kemp—Yes.

CHAIR—I was there 10 days ago, and I also attended the opening of the Miners Hall of Fame. I was somewhat disappointed to see that there were no exhibits there. Nothing much had changed since the opening day. I felt that perhaps it was not realising its potential.

Senator Kemp—I do not think it is; you have probably made a valid point. I think it is not realising its potential because of the financial difficulties that it has found itself in. There is only so much that the government can do. It would be a great pity if it closed, but it is not a Commonwealth responsibility. We are prepared to provide some assistance to it. We would

like the private sector to be more forthcoming. We would like the state government to match the Commonwealth's funding. So that is where it lies at the moment. We hope that, if this can be obtained, the Hall of Fame can hopefully get its finances into a sufficiently secure position so that it can continue to develop things like its exhibits.

CHAIR—Is there a real danger that they may not be able to continue? You said, 'It would be a great pity if it closed.'

Senator Kemp—They need additional support to continue at any appropriate level. Ms Bean, would you like to enlighten us?

Ms Bean—Essentially, they have a large loan relating to the construction period and the servicing of that loan has hampered their ability to move forward. The expectation is that, if they resolve that problem, they will be in a position to do proper business planning processes and set a proper direction for the organisation. What we are looking for from Western Australia, as I understand it, is some kind of recurrent funding, operational funding, to help their day-to-day expenses.

CHAIR—What is the sum involved in the servicing of that loan? What is the outstanding loan?

Ms Bean—I think it is \$1 million, but I had better take that on notice to confirm the exact amount.

CHAIR—Has consideration been given to seeking the support of the various mining groups in Western Australia? There are very large mining groups to which \$1 million is not exactly a large sum of money.

Ms Bean—I understand that that was part of the problem. They put their budget together on the basis of expecting support. They have obtained less than they thought they would.

CHAIR—Are you saying that, for the want of \$1 million, which is a very trivial amount to some of the mining groups in Western Australia, the Miners Hall of Fame is in danger of not remaining open?

Mr Bean—Again, I think they have been trapped in this cycle. Hopefully we are releasing them from that cycle of not being able to do much, and hopefully they will then be in a position to be able to go out and seek further sponsorship or donations from interest groups around the country.

CHAIR—I must say that I would have thought that the big mining groups in Western Australia, which include the coal, gold, iron ore, and diamond mining industries could club together and solve this problem overnight.

Senator Kemp—I think this will be a joint effort. Clearly we need the mining industry to get behind this. Your words are music to our ears.

CHAIR—It sounds to me as though they are neglecting their responsibilities to this hall of fame and, likewise, to the exhibit. It was my thought last week that surely these four big mining groups in Western Australia could co-sponsor the cost of major exhibits there.

Senator Kemp—I think you should make sure that the transcript of this Senate *Hansard* is made available, because we do want their support. You simply cannot rely just on government

to do all these things. As I understand it, it is important for the ongoing future of the hall of fame that this additional support is generated.

CHAIR—We would certainly like to see private sector support given to ensure that the hall of fame continues in operation. It was something of a leap of chance to put it in Kalgoorlie, but it was obviously a good place to put it, given Kalgoorlie's history in terms of the gold mining industry. It is very disappointing if that industry in particular and the Western Australian mining industry in general is not supporting the hall of fame. I thank witnesses for appearing before the committee today.

[12.12 p.m.]

Australian Film Commission

Senator LUNDY—I would like turn first to the issue of the free trade agreement. I note that statements made by Mr Dalton on the day of that agreement included that the government should be congratulated on holding the line on FTA negotiations. On the day of the announcement that a deal had been agreed to, Mr Dalton appeared on the *7.30 Report* and stated:

Some compromises have probably been made in the area of subscription television. Digital subscription television is certainly going to be one of the major growth areas in terms of the delivery of media and entertainment services into Australian households.

What degree of detail were you aware of in relation to the FTA when you made that statement? On what basis were you informed to be able to reflect on compromises? What were those compromises?

Mr Dalton—I was aware that the Prime Minister had made a statement about the outcomes in the audiovisual area so I had then, and still have, a broad understanding of how the agreement addresses the area of free-to-air television, subscription television and the new media area. It is an understanding that is broadly on the public record.

Senator LUNDY—I am trying to establish whether you were privy to any additional information that has not be made publicly available when you made those comments.

Mr Dalton—No, I am not privy to more information. Like everyone, we are waiting for the full text, and when we see the full text, we can make some more detailed responses and have more detailed discussions.

Senator LUNDY—We have heard previously that the department is indeed privy to more text, and they are going through this process of a legal scrubbing, is it Minister?

Senator Kemp—That sounds about right.

Senator LUNDY—Are you involved in that process in any way, and has the AFC now seen the additional detail of the proposed agreement?

Mr Dalton—No, we are not involved in any way in that process.

Senator LUNDY—Can you explain exactly what are the compromises you referred to in your *7.30 Report* interview in relation to subscription or pay TV?

Mr Dalton—It is simply that it is not completely open ended. We went into these negotiations with no restrictions whatsoever on the level or degree or nature of intervention

by the Australian government, and an agreement has now been reached with the US in terms of the nature of regulatory intervention.

Senator LUNDY—Are you at all concerned about the US statement:

The FTA contains important and unprecedented provisions to improve market access for US films and television programs over a variety of media, including cable, satellite and the Internet.

As far as your interpretation goes, on what basis has the US government been able to make that statement?

Mr Dalton—I cannot speak on behalf of the US government—

Senator LUNDY—I am just asking for your observations.

Mr Dalton—I mean that genuinely. I do not know what motivates them to make that statement. They do not have any more access into our market than they previously had. The regulations that existed in free to air are still in place. I have obviously read that statement and I have seen the various commentary on it, but I do not have an opinion about it.

Senator LUNDY—I note that in one of the AFC's answers to questions on notice—I think it is question No. 247—relating to foreign television programs as a proportion of all new television programs, the table provided by the AFC shows that 98.5 per cent of new titles shown in the US are US programs, but new programs only constitute 36.6 per cent of what is shown here in Australia. Given that considerable disproportion, what does the Australian Film Commission believe could conceivably constitute greater market access to the Australian film and television industry, and how on earth could that be a positive thing for Australia?

Mr Dalton—I do not know what the Americans would define from their perspective as being 'greater market access'. We have always—

Senator LUNDY—It could not be any better than it currently is, could it?

Mr Dalton—We have always said that we believe that the Australian market was the most open market in the world. It remains so. That is something that we have always stated in very positive terms; that is not something we have stated in negative terms. All we ever said was that we believed it was important to retain the capacity to continue to regulate to ensure minimum levels of Australian content are provided to Australian audiences.

Senator LUNDY—Given Australia has always had such an open market—and perhaps this question is better directed to the minister—on what basis then has the government proceeded to negotiate restrictions on our ability to regulate Australian content, in the context that there are no barriers to US film and television anyway? We are the most open market.

Senator Kemp—We have retained the right to regulate for local content on existing and new media. We have retained that right. The fact is that we do have an open market. I think the local content rules have been important on free to air, and they have been retained. I think we have been able to protect the vital interests of the sector. That is one thing we are pleased we have been able to achieve. It is a comprehensive agreement. It covers a wide variety of sectors in the economy. I think the vital interests that we have seen in the cultural sector have been protected.

Senator LUNDY—Has the AFC identified any provision of the free trade agreement that will impact upon Australia's capacity to regulate now and in the future on Australian film production?

Mr Dalton—In terms of impact upon the capacity, Australia has agreed in the area of free to air, for instance—

Senator LUNDY—No, I am talking about films now. Are there any restrictions that you can identify?

Senator Kemp—Our capacity to subsidise is there. It is unrestricted. Taxation incentives are unrestricted. The making of grants is unrestricted. These are essentially the tools which the AFC uses and those are not touched. Co-productions are permitted. I think the AFC would see that the major things that they are directly involved in are not impacted. Mr Dalton will enlighten me if he thinks I am wrong.

Mr Dalton—If you are talking just feature films, the way the government specifically deals with feature films is via subsidy and, from time to time, taxation measures. They have always been outside of the parameters of the agreement and remain so.

Senator LUNDY—Is there any way that the definitions around interactive audio or visual could impact upon how we support our Australian film industry, either now or in future production and distribution methodologies?

Mr Dalton—I would have to say I have not seen the text, so I am going on the wording that I have read from a statement. The definition of 'new media' is a definition that I am entirely comfortable with and that is media which fundamentally has some sort of interactive component. The capacity to intervene in that has been retained, as I understand it. So, on the surface of it, on the information I have at the moment, I do not see how what has been agreed would impact upon the government's ability to assist in the area of feature film production.

Senator LUNDY—But like everyone else you will reserve your right to comment once you see the detail?

Mr Dalton—When I see the detail, no doubt there will be some further questions to ask and possibly further comments to make. I honestly do not know at the moment.

Senator LUNDY—I would now like to move to the integration of ScreenSound and the Australian Film Commission. Obviously there has been an ongoing dispute. Minister, this is directed to you: the first thing I would like to ask you is that, given the assurances provided by the Howard government about the fact that this merger would not constitute a takeover or a subsuming of ScreenSound in the AFC—I am sure you recall the debate in the chamber—and since then we have seen an active effort for the AFC to proceed down a certain path, why didn't the Howard government be more upfront and more honest about the inevitable impact that such a merger would have?

Senator Kemp—Senator, we were upfront and we are honest. So the props on which your question is based fall over. There was a discussion before Christmas—which I do not want to recap—and that matter, as far as I am aware, has been resolved. The truth is, I am more worried about the IT jobs in Canberra—the 140 jobs that the Labor Party plans to abolish. The

fact is that the assurances that we have given to ScreenSound are not the assurances that you have given to people who are employed in NOIE.

Senator LUNDY—Is it possible to maintain the archive as an intact institution within the AFC?

Senator Kemp—Yes, it is. The archive, we think, is a very important institution. We want to look at opportunities where we can continue to grow and expand the archive.

Senator LUNDY—Just to clarify this, you do not think that what is proposed by the AFC represents anything other than maintaining the archive as an intact institution?

Senator Kemp—We want them to build on each other. That is the truth. The purpose of adjoining is that both institutions can benefit. I think that is important. We will have an archive in Canberra—we will have a national screen and sound archive in Canberra. But we want those institutions to mutually benefit from joining together.

Senator LUNDY—I note that the date for submissions to be received for the directions paper has now passed. It was 16 February, which was yesterday. One of those submissions, from the Archive Forum, really makes a strong case that the only way the AFC's efforts and recommendations can be interpreted is as a severe downgrading of the status of the Australian Film and Sound Archive—

Senator Kemp—That is not correct.

Senator LUNDY—within the Australian Film Commission. What is your response to that? For all intents and purposes, that is how the proposed changes have been interpreted by many stakeholders that support it.

Senator Kemp—It is being interpreted by you for narrow political points.

Senator LUNDY—With all due respect, Minister, it is not just me—

Senator Kemp—Let me make it clear. You are using this for narrow political purposes to cover up the havoc you plan to wreak on IT jobs in Canberra. There were always discussions about jobs at ScreenSound. They are nothing compared with the jobs which you are planning to abolish in the IT sector in Canberra. The reason you are running this is for narrow political purposes.

Senator LUNDY—I am trying to get some answers from Mr Dalton—

Senator Kemp—We are trying to get some answers from you, Senator. Indeed, people who employ in IT jobs in Canberra would very much like some answers from you. You have attempted to run and hide on this, but the Labor Party are going to be making huge savings, according to your policy which you drove on IT functions in Canberra. The information was led yesterday. There are 140 jobs which are going, thanks to Labor Party policy. So you are running an attack on ScreenSound to cover up the poverty of your policy in relation to other areas where you are immensely vulnerable.

Senator LUNDY—Minister, that is the most absurd proposition. I am trying to ask you questions about—

Senator Kemp—You are making the savings. You cannot blame the savings—

Senator LUNDY—I am trying to ask questions about ScreenSound. If you are going to prevent Mr Dalton from answering—

Senator Kemp—No-one should be under any illusion—

Senator LUNDY—then I will seek protection from the chair. What we are seeing here at the moment is the minister wasting time. We have 30 minutes left for this portfolio. I want some answers about ScreenSound.

CHAIR—I am sure you will get them, Senator—

Senator LUNDY—When?

CHAIR—but I think the minister is just expressing concern about a matter of public concern in Canberra, which is loss of jobs.

Senator Kemp—In fact, I think the *Hansard* would show that I have been very helpful. But, if Senator Lundy wants to make political points and attempt to use ScreenSound to make narrow political points, I will respond in kind. If Senator Lundy asks sensible questions on ScreenSound I am happy to answer them. If Senator Lundy wants to make a political point, I will respond in kind.

CHAIR—I think she does have some points about ScreenSound.

Senator LUNDY—Indeed, and one of them relates directly to job losses.

CHAIR—Or perhaps some other issues.

Senator LUNDY—At the time, Minister, we were assured that no job losses were going to take place. Yet the recommendations—

Senator Kemp—And what is the assurance now?

Senator LUNDY—The directions paper still contains recommendations for job losses.

Senator Kemp—And what is the assurance now?

Senator LUNDY—The directions paper is still up for consideration.

Senator Kemp—What assurances have you received from Mr Dalton?

Senator LUNDY—I have not particularly received any.

Senator Kemp—Haven't you?

Senator LUNDY—I got some from Senator Humphries before Christmas, through you.

Senator Kemp—This is what I mean, Senator. You are attempting to use ScreenSound for narrow political purposes—

Senator LUNDY—Minister, why did you mislead the chamber at the time of the debate about the merger in relation to job losses and the loss of independence for ScreenSound?

Senator Kemp—Let me just ask Mr Dalton a question. Mr Dalton, what have you said on job losses in ScreenSound in Canberra, so that we can put this furphy to bed?

Mr Dalton—I have said there will be no job losses, and there will be no job losses.

Senator LUNDY—Thank you.

Senator Kemp—And that is exactly what I said in the parliament. That is what I mean about Senator Lundy attempting to use ScreenSound for narrow political purposes.

Senator LUNDY—Why did it take a week of public and community outrage for that commitment to be given?

Senator Kemp—There will be nothing like the community outrage there will be with your IT policy and the 140 job losses, I can tell you.

Senator LUNDY—What has been the response to the proposals in the external stakeholder meetings, and how many written submissions have you received in response to the directions paper?

Mr Dalton—We received a broad range of responses at the stakeholder meetings. We held two here in Canberra, one in Melbourne, one in Sydney and one in Brisbane. We canvassed in those forums all of the key program proposals, which were the main focus of those forums, and there were a variety of opinions expressed. I cannot tell you how many submissions we have received, to be quite honest. We are still waiting on some to come in. We said throughout the stakeholder meetings that if people wanted an extension we were happy to provide an extension.

Senator LUNDY—So what happens next in that consultation process and in further consideration of the issues contained in the directions paper?

Mr Dalton—As a result of the stakeholder forums and discussions with staff we have also agreed to—or proposed, in some instances—further meetings and further discussions, so we expect that to go on over at least the next month or so. When all the submissions are in and that process of gathering responses is complete, I and my chair have indicated that we would hope to be in a position to make some final decisions around the proposals and any new proposals that might be put to us as a result of this consultation process, possibly around about June.

Senator LUNDY—What sorts of actions are you planning to take prior to June? Are there any?

Mr Dalton—We are continuing, as I said, to have quite detailed discussions with staff and with some external stakeholders, and we will continue to do that.

Senator LUNDY—Will you, as the AFC, be compiling a formal response to that consultation, and how does the status of the directions paper change through your consideration of the submissions?

Mr Dalton—Do you mean: will we be providing a formal response, as in some sort of public document?

Senator LUNDY—Yes, because what we have at the moment is a directions paper with a series of recommendations. You are getting feedback and submissions on the basis of that. I presume there has to be a point at which the AFC will reflect formally on that directions paper. I am asking you: will you provide recommendations for another way to go forward? What happens next? Is it just up to the board to go away and decide?

Mr Dalton—Finally, it is up to the commission. The commission ultimately has to make a decision, and the commission will also have to make a decision after fully reviewing—with

the assistance of me and other managers involved in the whole process—and fully considering all the submissions that have been put to us.

Senator LUNDY—And that will be in about June, you think?

Mr Dalton—I would expect it would be. I would hope it would be June.

Senator LUNDY—With respect to the additional estimates statements, is there any difference between the funding that is being cut from the department and allocated to the AFC as a result of the transfer of ScreenSound, or is it the same net figure?

Mr Brown—The amount of funding that we got transferred to us from the government is the funding that is being used by ScreenSound this financial year. There has been no cut to that.

Senator LUNDY—Does the AFC plan to identify savings as you proceed with your integration plans?

Mr Dalton—No. If you mean: are we attempting to—

Senator LUNDY—Cut costs.

Mr Dalton—No, we are not attempting to cut costs.

Senator LUNDY—Now that you have had that allocation transferred across can you, on notice, provide details of the AFC's funding—including that relating to ScreenSound—against each of your outputs and programs for this current financial year?

Mr Brown—It is in the portfolio budget statement but obviously, because the money came to us as a transfer, the full details of the appropriation are not there. We can certainly provide that to you.

Senator LUNDY—Thank you. You could bring those two sets of information together. Minister, I go back to the original motivation for the merger. I certainly recall the debate and note that the original concept arose out of the cultural institutions review. I was hoping you could go through what the government's original policy motivation was for proceeding with the merger as policy and try and shed a bit of light on the whole exercise.

Senator Kemp—Let me just make some points there. The problem we face is: how can we best develop ScreenSound? What is the way in which we can move ScreenSound forward in a sensible fashion? Among other things, I think the review concluded that there was a convergence of interest in access and screen culture between the AFC and ScreenSound. It also found that there was a strong crossover in stakeholders in the client base: film and TV production, distribution, exhibition sectors, broadcasters and the education sector.

The review then identified a potential to further expand the current screen culture activities of both organisations and to strengthen ScreenSound's links to the broader film and TV industry. Further, both the AFC and ScreenSound share a focus on the production of educational material for industry practitioners and online curricular. So we saw this as something which would benefit both organisations.

Senator LUNDY—Are you still of that view?

Senator Kemp—Yes, I am. I think it will benefit both organisations. That was clearly the Labor Party's view, because the Labor Party supported the linking of the two organisations

and, of course, that bill did give statutory protection to the ScreenSound archive, which was an important initiative—

Senator LUNDY—It did not work.

Senator Kemp—which you have seem to have rediscovered in recent days. That bill provided some important protections there. So we think this is a good thing and we are very keen that this be pursued. The reasons which were valid then are valid now. There is another view: you can pursue a narrow political agenda; you can make a political issue out of this. I think that is unfortunate, to be quite frank. I think it is distracting; I think it causes uncertainty. It may serve a political interest of yours, Senator, but I believe it does not serve the interests of ScreenSound. Mr Dalton and I work closely together, as I do with the heads of other institutions in my portfolio, and we are very keen to make sure that this is a success. Senator, I am not sure your activities are directed towards that end.

Senator LUNDY—What is the value, for the current financial year and the previous financial year, of the material donated to the archive for its collection?

Mr Dalton—There is a complex answer to that because there is a whole discussion going on at the moment about how those assets are valued, but we can give you the value that is on the books at the moment.

Mr Brown—You are specifically referring to the actual donations each year though, aren't you?

Senator LUNDY—Yes.

Mr Brown—We would need to take that on notice.

Senator LUNDY—Can you give me a rough figure? Is it in the millions of dollars?

Mr Brown—I would not want to guess at the figure.

Senator LUNDY—You must have some idea, Mr Dalton?

Mr Dalton—I think you would have to be more specific about 'the value of the donations'. The value in heritage terms is obviously enormous.

Senator LUNDY—Let me try this: what is the dollar value of materials donated to the archive for its collection over each of the previous two financial years? I presume you have a dollar value because you would have this material insured.

Mr Dalton—We will take it on notice.

Senator LUNDY—How are you going to maintain the confidence of those in the community who wish to donate, given the limited archival experience of the AFC?

Mr Dalton—I think the AFC is inclusive of ScreenSound and ScreenSound has an enormous body of expertise and enormous levels of respect and contacts throughout both the audio and screen based industries in Australia. That respect will be maintained and will continue to allow us to be involved in the collection activities that the archive has always been involved. In addition, the AFC has, of course, its own history of relationships with the screen industries and is an institution which over the years has developed and which maintains enormous levels of respect within the screen industries.

Senator LUNDY—What is the process and time frame for the appointment of a director? Who determines the selection criteria?

Mr Dalton—The process of recruitment is under way. We would hope to be formally advertising within the next few weeks. There will be a selection process which is in accordance with the AFC's standard processes, which are modelled on the Public Service processes. We will be having outside expertise—audiovisual archiving expertise—involved in that selection process. We also will be relying on or drawing on external audiovisual archiving expertise in terms of the development of selection criteria.

Senator LUNDY—If that is happening in the next few weeks, around what time do you think you will be making the appointment?

Mr Dalton—I expect that we may be in a position to make an appointment by May.

Senator LUNDY—Will the AFC make public the report of its corporate services review?

Mr Dalton—We can certainly provide you with a copy. It has been provided to the staff and the union, and the union has commented. It is not a document that we have published on the Web but it is a document that is freely available and we are certainly happy to provide you with a copy if you would like one.

Senator LUNDY—Thank you.

Senator Kemp—Mr Chairman, I just want to add to a comment that was made. I think Senator Lundy asked: what confidence can people have? I thought that was an unfair question. Let me advise the committee that the audiovisual collection is better protected now than it has ever been, as the AFC has statutory responsibilities. This is what I call the undermining of it, Senator. There is a difference between political interests and the interests of institutions sometimes, and I am afraid your political interests, as you see them—I am not sure they are the long-term political interests—are overwhelming the interests of this institution, in my view. I want to express disappointment in the way you are managing this. Anyway, we will proceed. We are determined to ensure that the joining together of these two important institutions is a success, and Mr Dalton is charged with that responsibility.

Senator LUNDY—Are you finished?

CHAIR—Please proceed, Senator.

Senator Kemp—I have made my comment. I thought that was a rather unpleasant response, Mr Chairman.

Senator LUNDY—Minister, you are very tedious.

Senator Kemp—It is tedious to you. You say that people have not got confidence, when in fact the audiovisual collection is better protected than ever before. That is what I suggest to you. Senator, you make these statements in the hope that you will get a headline, but they are not based on facts.

Senator LUNDY—Can the AFC provide the committee with any information on either the terms of reference or the detail of the communications review that the AFC is currently undertaking?

Mr Dalton—Yes, we can provide you with any information that we have about that matter.

Senator LUNDY—Perhaps you could provide just a brief update now on what the communications review involves, when it was initiated and why.

Mr Dalton—We consider it to be very important, as we have always said, that the archive has a distinct identity—an identity which is distinct from the Film Commission's identity and one that can operate independently, so that the archive can have a presence which is independent of the AFC. At the same time, it was an opportunity for the AFC to review its own communications issues. We went to some consultants who specialise in this sort of work, and that was the broad brief that we gave to them.

Senator LUNDY—So can you provide anything to the committee on the outcomes of this review?

Mr Dalton—It is an ongoing process at the moment.

Senator LUNDY—When will it be concluded?

Mr Dalton—In part, the conclusion of it will be related to the consideration of the directions paper because part of it is also about the name of the archive. I think that, once again, final determinations about that are probably several months away.

Senator LUNDY—So it will be considered in conjunction with the process of the directions paper?

Mr Dalton—Yes.

Senator LUNDY—What plans does the AFC have to try to repair some of the damage it has caused throughout this directions paper dispute along with the community reaction to it?

Mr Dalton—We continue to feel very positive about the opportunities of bringing together our two organisations, expanding and enhancing the programs of the archive and continuing with its quite essential and important work in the area of Australia's audiovisual culture. At the same time, the work of the archive will reflect upon the work that the AFC is involved in. We will continue to pursue that because we think it is a great opportunity and we want to pursue it.

Senator LUNDY—Thank you. I will place the rest of my questions on notice.

CHAIR—Thank you very much. We will call the National Gallery next.

Ms Williams—Could I table the information that Senator Lundy has asked for on the staff movement reconciliation?

CHAIR—Yes, thank you.

[12.52 p.m.]

National Gallery of Australia

CHAIR—We welcome officers from the National Gallery, particularly Dr Kennedy, who will be retiring this year. Although perhaps Dr Kennedy will appear before us at the estimates hearings in May.

Senator Kemp—This may not be his swan song before this committee.

Senator LUNDY—What is your actual leaving date, Dr Kennedy?

Dr Kennedy—I have announced that I will not be seeking reappointment when my current contract ends at the end of August.

Senator LUNDY—Then we will see you again.

CHAIR—We will indeed see you in May.

Dr Kennedy—It is always a pleasure. You know that.

Senator LUNDY—I know how much you enjoy estimates.

Senator Kemp—I think it is appropriate to record our appreciation for the efforts that you have put in over almost seven years, Senator. I know that these estimates are what you always look forward to so I will not to delay you, Senator Lundy.

Senator LUNDY—Obviously I will not be able to get through my complete brief, but I will make a start. Can you confirm that one of the members of the council, Dr Farrell, only attended two of the six meetings during the previous year? That was the response I got in answer to a question on notice.

Dr Kennedy—I would have to confirm that it was two, but he attended very few meetings indeed.

Senator LUNDY—The explanation provided was that Dr Farrell resides in San Diego. I am curious: does the National Gallery pay for Dr Farrell's travel expenses from San Diego to Australia to attend board meetings?

Mr Froud—No. Dr Farrell also has offices in Sydney. The domestic travel costs for council members are met by the gallery.

Senator LUNDY—Is the fact that he lives overseas and the expense involved for him personally the barrier to him attending meetings?

Dr Kennedy—Dr Farrell has never expressed that. He does live in America; he has business interests there and here. He is in fact no longer a member of the council.

Senator LUNDY—When did he conclude his appointment?

Dr Kennedy—On 5 February. His three-year term concluded.

Senator LUNDY—Can you provide on notice a full breakdown of all expenses relating to council members—their attendance at meetings including travel, accommodation et cetera—for the last two years?

Dr Kennedy—Yes.

Senator LUNDY—Can you tell me what the trend is in visitor numbers at the gallery?

Dr Kennedy—The trend this year looks as if it will be slightly up on last year. Last year had a downturn. I am pleased to say that the average over the last six years has been higher than the average of any six years prior to that. So the exhibition strategy that we have had, which is to spread the exhibitions across the year, has proven successful. However, it is clear that there is significant pressure on visitor numbers in Canberra generally, and we are trying to develop strategies to attend to that.

Senator LUNDY—Can you tell me what the visitor numbers have been over the last five years?

Dr Kennedy—I can. They are published on a page in an appendix in the National Gallery of Australia annual report.

Senator LUNDY—Very good. Refer me to the page.

Dr Kennedy—Last year we had a record year. We have never had as many people visit exhibitions outside of Canberra. It was an extraordinary number, actually—nearly 1.3 million. But, as I said, it was somewhat down in Canberra on the previous two years, which were record years—the highest ever in Canberra.

Senator LUNDY—What page is that in the annual report?

Dr Kennedy—It is on page 144. The numbers in 1999-2000 and 2000-01 in Canberra were the highest numbers we had ever achieved in Canberra.

Senator LUNDY—How do you explain the drop from the 2000-01 figure of 589,569 to the 2002-03 figure of 367,547?

Dr Kennedy—There was significant attendance at exhibitions in a terrific year in that Centenary of Federation year in Canberra, which brought many people into town. We also had quite a number of exhibitions—one in particular, *Monet in Japan*, which was hugely successful. We were pleased the following year, with a variety of exhibitions, that we sustained a number over half a million. It is not often stated that for any city to attract to its major cultural institutions visitor numbers which are significantly in excess of its population is a very unusual thing.

Senator LUNDY—The other two statistics that stand out to me in the report are the falling membership of the gallery from 29,667 to 24,159 and sales in goods and services having halved between 2001-02 and 2002-03. Minister, what is your strategy for addressing these issues and ensuring the ongoing viability of the National Gallery as an outstanding cultural institution?

Senator Kemp—Indeed it is. The first step of course is the responsibility of the gallery itself, so Dr Kennedy might like to answer that question.

Dr Kennedy—Certainly, Minister. The two issues are related to visitor numbers and in particular to visitor numbers to temporary exhibitions, not to the permanent collection. We have a very, very successful program of temporary exhibitions with paying exhibitions which then yield very significant merchandise sales. We also operate a membership program which is related to major shows where we offer one free ticket for one paid ticket for a new membership paid during the exhibition. Various programs like that demonstrate that in fact exhibitions have been a significant driver of membership. Our average has been about 25,000 to 26,000. We are below that at the current time. I fully anticipate that, with the program planned for the next 2½ years, that will lift, as indeed I hope general tourism numbers lift too.

Senator LUNDY—Can you give an update as to what is happening with the building works and the new gallery entrance? You indicated as at 31 October 2003 that a total of nearly \$10 million had already been spent.

Dr Kennedy—Yes; those statistics were provided to you in answer to a question on notice. They are effectively about a quarter of the total funds allocated for this whole project. As I have said here before, the project is in two stages. One stage is to refurbish the entire interior

of the building. The public galleries will be complete in April-May this year, and we will do behind the scenes into next year. That will look after about half the sum of money. The other part is related to the visitor facilities, which will go into a new front entrance area.

Senator LUNDY—I note that nearly half the \$7 million had already been spent on consultants' fees for a Sydney based firm, TZG, who were unable to provide a design that was suitable to the architect of the gallery. How much in total have you paid to TZG?

Dr Kennedy—I would have to take the specifics on notice. I think the way that that is phrased is not quite correct. The amount of \$3 million of the \$7 million allocated for fees is the total sum of all consultants to do with all the projects.

Senator LUNDY—So not just TZG?

Dr Kennedy—No—many consultants. But they were probably the significant part of it. I would anticipate that much of their work will carry through in the ultimate project in terms of all the information we learned about the building in the process.

Senator LUNDY—Has the gallery's council decided on a new architect and design for the front entrance?

Dr Kennedy—Not yet.

Senator LUNDY—When will they be making that decision?

Dr Kennedy—We took a decision some years ago, as you know, to address the moral rights claims of the original architect of the gallery, which caused us to revoke plans to add an approved extension to the gallery. Since that time, we have been working through issues with the original architect and seeking to attract another architect who can work successfully with our original architect to deliver designs which would be acceptable to him.

Senator LUNDY—When do you think that decision will be made?

Dr Kennedy—Under our current plans, which have not changed, we anticipate that we would seek to put the designs together, hopefully, by my departure. Then they will go through all the processes leading to conclusion of the project at the end of 2006.

Senator LUNDY—When was this project for redesigning the entrance way started? How long ago was it?

Dr Kennedy—I do not think it is being facetious to say that it was started on the day the gallery opened. The attempts that have been made in my time have continued thoughts that had been in many people's minds. It has proved difficult. If there is one thing I have learned about this wonderful building it is that it is very, very young and that whatever should be done to it should be done very carefully indeed.

Senator LUNDY—I have a lot more questions, particularly in terms of the building being young. I have some questions about the occupational health and safety matters.

Senator Kemp—Do you think we could deal with those at the May estimates?

Senator LUNDY—I planned to put the questions on notice. I am also very disappointed that I was not able to direct my questions towards the National Library and the National Museum, whom I specifically requested. This may be an internal committee issue, but I did believe I had until 4 o'clock today. On that basis, the committee has determined that they are

going to conclude this program now and move to Environment. I would like to indicate that I will place questions on notice for the remaining agencies that were not able to appear.

Senator Kemp—Thank you for that. I am sure the institutions you mentioned—

Senator LUNDY—I know how disappointed they will be!

Senator Kemp—will be sorry that they have not had the opportunity to appear here. I know that Andrew Sayers was behind me and Craddock Morton was in the blocks raring to go. That did not happen.

Senator LUNDY—Minister, you could facilitate it.

Senator Kemp—Once the siren has gone, I am afraid the siren has gone. We are always happy to cooperate with this committee, but I do think that having an efficient program in which people stick to the times is important. I know that sometimes there is a bit of slippage, but I think particularly when we berate institutions constantly about their lack of efficiency, Mr Chair, we have to make sure our committees run efficiently.

CHAIR—Thank you, Minister. I do have to say the agenda was agreed by the committee. These are additional estimates. The time is limited and the questions therefore have to be focused. Time cannot be wasted pursuing issues without a clear objective. I thank officers for appearing. There being no further questions, this concludes examination of the communications, information technology and the arts portfolio. I thank the minister and officers for attending and look forward to seeing you at the main estimates in May.

Proceedings suspended from 1.05 p.m. to 2.06 p.m.

ENVIRONMENT AND HERITAGE PORTFOLIO**In Attendance**

Senator Ian Macdonald, Minister for Fisheries, Forestry and Conservation

Department of the Environment and Heritage**Executive**

Mr David Borthwick, Acting Secretary

Ms Anthea Tinney, Deputy Secretary

Dr Conall O'Connell, Deputy Secretary

Bureau of Meteorology

Dr Geoff Love, Director

Dr Bill Downey, Deputy Director, Corporate Activities

Dr Louise Minty, Superintendent Coordination and Information

Corporate Strategies Division

Mr David Anderson, First Assistant Secretary

Mr Peter Woods, Assistant Secretary, Knowledge Management & Education Branch

Mr Stephen Mayes, Assistant Secretary, Finance Branch

Mr Peter Brent, Director, Financial Reporting Section, Finance Branch

Heritage Division

Mr Bruce Leaver, First Assistant Secretary, Heritage Division

Dr Barry Reville, Assistant Secretary, Heritage Assessment Branch

Ms Alison Russell-French, Assistant Secretary, Heritage Management Branch

Land, Water & Coasts Division

Mr Tony Slatyer, First Assistant Secretary

Dr Rhondda Dickson, Assistant Secretary, Natural Resource Management Policy Branch

Mr Theo Hooy, Acting Assistant Secretary, Coasts & Water Branch

Natural Resource Management Programmes Division

Mr Mark Tucker, First Assistant Secretary

Ms Chris Schweizer, Assistant Secretary, Commonwealth Regional Natural Resource Management Team

Mr Harry Abrahams, Acting Assistant Secretary, Commonwealth Regional Natural Resource Management Team

Parks Australia Division

Mr Con Boekel, Assistant Secretary Parks South, representing Director of National Parks

Mr Darren Schaeffer, Director, Business Management Section

Mr Gregory Haywood, Acting Director, Parks Business Unit

Policy Coordination and Environment Protection Division

Mr Phillip Glyde, First Assistant Secretary

Mr Peter Burnett, Assistant Secretary, Environment Standards Branch

Mr Kevin Keefe, Assistant Secretary, Policy Coordination Branch

Mr Mark Hyman, Assistant Secretary, Environment Protection Branch

Mr Michael Ward, Acting Director, Clean Fuels & Vehicles Section

Mr Paul Kesby, Director, Air Quality Section

Dr Paul Bainton, Director, Environment Stewardship Team

Mr Patrick McInerney, Director, Ozone Synthetic Gas Team

Approvals and Wildlife Division

Mr Gerard Early, First Assistant Secretary

Mr Malcolm Forbes, Assistant Secretary, Environment Assessment and Approvals Branch
Mr Mark Flanigan, Assistant Secretary, Policy and Compliance Branch
Ms Anne-Marie Delahunt, Assistant Secretary, Wildlife Conservation Branch
Mr Mick Trimmer, Acting Assistant Secretary, Wildlife Trade and Sustainable Fisheries Branch

Great Barrier Reef Marine Park Authority

The Hon Virginia Chadwick, Chair
Mr John Tanzer, Executive Director
Mr Andrew Skeat, Executive Director
Mr John Barrett, Director, Corporate Services
Mr Michael O'Keeffe, Manager, Parliamentary and Ministerial Liaison

Australian Greenhouse Office

Mr Howard Bamsey, Chief Executive
Dr Diana Wright, Division Head, Industry Communities and Energy Division
Mr Ian Carruthers, Division Head, International, Land and Analysis Division
Mr Gerry Morvell, Branch Head, Energy Futures Branch
Ms Shayleen Thompson, Branch Manager, Industry and Markets Branch
Ms Jo Mummery, Branch Head, Land Management and Science Branch
Mr James Shevlin, Branch Manager, Energy Efficiency and Community Branch
Mr Greg Terrill, Branch Manager, International and Strategies Branch
Mr David Clarkson, Manager, Corporate
Mr Mark McGovern, Finance Manager
Mr David May, Human Resource Manager

CHAIR—I welcome Senator the Hon. Ian Macdonald, representing the Minister for the Environment and Heritage, and officers from the Environment and Heritage portfolio. Minister, do you wish to make any opening remarks?

Senator Ian Macdonald—No, I do not have anything to say, thank you, Mr Chair.

CHAIR—Before we move to questions, I advise that the committee has determined that the deadline for answers to questions placed on notice at the hearing today is the close of business on 2 April 2004. I also remind senators that the deadline for written questions to be placed on notice is the close of business on Wednesday—that is tomorrow. I remind officers that the Senate has resolved that there are no areas in connection with the expenditure of public funds where any person has a discretion to withhold details or explanations from the parliament or its committees unless the parliament has expressly provided otherwise. I also remind officers they will not be asked to express an opinion on matters of policy and shall be given a reasonable opportunity to refer questions asked of them to superior officers or a minister if that is considered necessary. Finally, I remind witnesses that evidence given to the committee is protected by parliamentary privilege and that the giving of false or misleading evidence to the committee may constitute a contempt of the Senate. We will call agencies in accordance with the agenda, and we begin with the Bureau of Meteorology.

Senator Ian Macdonald—Mr Chair, even though you have read through those formalities—and I have heard what you have said—I always make it my practice to indicate, as well, that I will instruct officers not to answer any questions that relate to policy matters, cabinet-in-confidence issues, advice to ministers, normal commercial-in-confidence issues and those sorts of things.

[2.08 p.m.]

Bureau of Meteorology

Senator WONG—I would like to ask some questions about the Launceston Meteorological Office. Although I could not find them in the portfolio statement, I assume that there are expenditure estimates attributable to the Launceston office?

Dr Love—Yes, but we do not have them with us.

Senator WONG—You do not have them with you?

Dr Love—No.

Senator WONG—Are you able to obtain them?

Dr Minty—Yes.

Senator WONG—How long will that take? Dr Minty, so you are aware of what I am seeking, I would like to know the budgets for the last two financial years and the year to date actual expenditure for the current financial year. So I would like the figures for the 2001-02 and 2002-03 budgets and the 2003-04 year to date actual expenditure.

Dr Minty—The information is not readily available but if I take it on notice we can certainly get that to you.

Senator WONG—Do you have here with you today any budget information relating to the Launceston office?

Dr Love—No, we do not.

Senator WONG—How long would it take you to get that? I have quite a number of questions about it and I would prefer to ask them today than put them all on notice.

Dr Love—Let me comment on the budget for the office. We do not have a budget for the field offices specifically and so it will take some time to extract that information from the regional budget within which it falls. On the staff salaries, we will have to go back and identify which periods which staff were there and figure out their salaries and overheads and so forth. It is not a straightforward matter.

Senator WONG—I will summarise what I would ask you to take on notice: the budget for the current year and the last two years—that is, 2001-02, 2002-03 and 2003-04—and the year to date actual expenditure for this year. Are you able to tell me whether or not new equipment was part of this year's budget?

Dr Love—Once again, we do not run a specific budget for the office. We are upgrading equipment there; we are spending in the order of \$335,000 on new equipment which will be installed within this financial year.

Senator WONG—Specifically for the Launceston office?

Dr Love—Yes.

Senator WONG—What is the new equipment?

Dr Love—There will be advanced sensors on the automatic weather station—a ceilometer, which tells us how high the cloud is above the station, and a runway visible range meter,

which tells us what the horizontal visibility is for an aircraft landing there. There will be those two sensors and then we will put in what we call a profiler, which gives us a continual measurement of the winds in about the lowest eight kilometres of the atmosphere. That reports back about every 15 minutes. Essentially, the technology is an upward-looking radar. It does not look much like a radar when you look at it, but that is the sort of technology it is.

Senator WONG—The sort of information that this equipment will enable you to obtain is information that your staff could visually provide, is it not—on runway visibility, for example?

Dr Love—Sure. That station has never been staffed 24 hours a day. Currently, we have one observer there, who can cover 37½ hours a week. An automatic weather station will give us continuous information on ceiling height and runway visibility, plus information on the other normal parameters—pressure, temperature, wind speed and direction, and rainfall—so we will have that every 15 minutes.

Senator WONG—Is there only one person working in that office?

Dr Love—There is a single observer at that site. There is a technical officer as well, and his function is providing very local forecasting capability and briefing capability to people who phone in and any pilot that drops in, which happens fairly infrequently.

Senator WONG—So the total staff of the Launceston office is one observer and one technical officer?

Dr Love—Yes.

Senator WONG—The observer works 37.5 hours a week, but what about the technical officer?

Dr Love—They work the same hours.

Senator WONG—What are the actual hours that the observer works?

Dr Love—I could not tell you the precise hours, but the roster is constructed so that they cover the seven days of the week. So there is essentially someone there from seven in the morning until three in the afternoon, each day of the week.

Senator WONG—Seven until three is eight hours; that does not work over seven days. I assume there must be a lunchbreak.

Dr Love—Essentially, they have set it up to cover the early morning to mid-afternoon, seven days a week.

Senator WONG—For how long have there been only two staff at this office?

Dr Love—I could not tell you that. It would have varied between two and three staff over the last 10 years, probably. Sometimes there are three and sometimes there are two. Currently, the third person in that establishment is on Antarctic service and so is down in Antarctica.

Senator WONG—Why were they not replaced?

Dr Love—I guess it is to do with the general availability of staff. Essentially, we did not have an observer available to put there.

Senator WONG—You said that over the last 10 years there have been only two or three people in that office, but is that the case? My information is that in 1993 there were some eight people working in that office.

Dr Love—I could not tell you. Eight people in 1993?

Senator Ian Macdonald—What happened in 1993 is well outside the terms of reference of this estimates committee.

Senator WONG—It is relevant to the decision to downsize, Minister.

Senator Ian Macdonald—That may well be the case, but it is not something that the officer should be going back over records to try and find out for you.

Senator WONG—I did not realise that was a restriction on estimates questioning; I did not think it was a matter of policy.

Senator Ian Macdonald—On this year's policy, it is; under the policy that happened in 1993, it is not.

Senator WONG—Dr Love, on notice perhaps, could you give me the staffing levels in the Launceston office over the last 10 years for each of the financial years?

Senator Ian Macdonald—Dr Love, I caution you against that because it is well outside the terms of reference of this committee. It depends how difficult it is to get. You are there to look after the weather reporting, not to sit in an office looking back over the records of the past 10 years.

Senator WONG—You appear to be a bit sensitive about this, Minister. I would have thought that, if there is nothing to hide, there is nothing to hide. If the government has made a decision to downsize the office, the public are properly entitled to know.

Senator Ian Macdonald—There is nothing to hide with the Bureau of Meteorology; in fact, I had the pleasure of looking after it for a couple of years. It is a magnificent organisation that does a tremendous job for Australia.

Senator WONG—I am sure they enjoyed that. Dr Love, if you could provide me with the staffing levels, that would be good. Has there been a decision to reduce the number of staff?

Dr Love—The matter is still under consideration and we hope to reach a decision even as early as sometime this week, but we have not reached a decision on that at this moment.

Senator WONG—It seems to me, and I do not know much about the equipment you have described, that if you are investing in that sort of equipment a decision has been made to utilise technology and equipment rather than to engage people for the purpose of providing that information at that office.

Dr Love—We have to separate the two issues. The equipment is observing equipment. The old-style technology was essentially letting a weather balloon go once or maybe twice a day and tracking that with radar. That gives you information on the winds once a day at the station. The new technology gives you a continuous profile of the winds every 15 minutes—as quickly as you want to read the instrument. That also does not require staff to fill balloons or launch balloons, but it gives you much better data—there is no doubt about that. That covers the provision of data. The provision of services concerns whether the community can

access the weather services. We will provide, as we do when staff are not at the station right now, access to forecasters in Hobart. People can ring them up and speak to them. They probably get a better service out of Hobart than they can from Launceston because in Hobart there is a whole team of forecasters with better data.

Senator WONG—Who reads the data on the machines? Is that able to be accessed by Hobart?

Dr Love—Sure.

Senator WONG—Is there no requirement for the personnel in Launceston to do anything with the machines that you are describing?

Dr Love—No.

Senator WONG—Is one of the options that you are considering actually not staffing that station at all?

Dr Love—Let me correct one statement. The automatic weather station, with the ceilometer and the runway visual range meter, has to be cleaned by somebody, virtually daily, because grime builds up. It is not a skilled observer job, but somebody has to run a clean rag over the sensors. Could you repeat your last question?

Senator WONG—Is one of the options you are considering not staffing that station with any technical or observer staff?

Dr Love—Yes. That has been considered in reviews of the station.

Senator WONG—When will that decision be made?

Dr Love—I hope that decision can be reached this week, because there has been a lot of speculation about the site. That does concern me because it concerns the staff. I think we have to resolve the matter. We are trying to do that as quickly as we can.

Senator WONG—Can I ask at which level that decision is being made?

Dr Love—That is my decision to take, at the end of the day. It is an operational matter about the operations of the bureau.

Senator WONG—So there is no decision at ministerial level?

Dr Love—No. That is an operational matter as to how we configure the observational practices and the service delivery practices of the bureau. Quite clearly, I would consult with the parliamentary secretary who has responsibility for the bureau, but ultimately I am expected to deliver the services; that is my role.

Senator WONG—What happens if the instruments malfunction? You are saying that potentially you would only need somebody to clean them, to wipe the panel or the glass.

Dr Love—To wipe the gunk off them.

Senator WONG—I think you described it as not a highly skilled job, so obviously that person would not be a technician.

Dr Love—Probably department of transport staff would be paid an allowance to help us maintain it.

Senator WONG—So one of the options you are considering is that you would have no Bureau of Meteorology staff at Launceston—

Dr Love—Sure.

Senator WONG—and that DoTARS staff might be paid an allowance to come over and wipe the machine down.

Dr Love—Or it could be somebody from the private sector. That is an arrangement we would have to strike at the airport if we made that decision.

Senator WONG—Going back to my question, what happens if you get a malfunction?

Dr Love—It is sort of what happens now. There is a WF3 radar there now. If that malfunctions, a technician comes up from Hobart. Similarly, there is an automatic weather station now. If that malfunctions, somebody comes up from Hobart. Neither the technical officer, meteorology, nor the observer have radio technical officer skills to fix equipment.

Senator WONG—How long can that take?

Dr Love—Once again, I guess it is about 180 kilometres, so it is a two-hour car drive. It is question of call-out time. The bureau is a seven day a week, 24 hour a day organisation. The decision on the response would probably lie in all circumstances with the senior meteorologist in the Hobart office. That person would look at the weather and decide whether the weather situation was critical. If there were a big high sitting over there—a big anticyclone; fine weather—they would look to the next available time. If there were a big low coming up and a major weather situation, they would probably do a call-out straightaway. That is the standard procedure in every office in the land.

Senator WONG—I understand Launceston is one of the worst weather airports in Australia; is that correct?

Dr Love—It depends what you count as bad weather. If thunderstorms are the most major weather hazard then probably Kununurra or Darwin airports are the worst airports in Australia. If low cloud and drizzle is the major aviation hazard then Launceston, East Sale and around Bass Strait are where that happens. It is almost diametrically opposite.

It depends what is hazardous to the aircraft. The station at Launceston was established in the late forties. Particularly aircraft flying across Bass Strait were encountering drizzle and low cloud, and that was a hazard. I guess the aids and the aircraft have improved to the point now where the industry say that they do not wish to pay for an enhanced service at that airport anymore. They feel that the low cloud and drizzle, while it is an inconvenience, is not such a problem anymore with radar and modern meteorology. In some sense, that is industry's call as well.

Senator WONG—Have you consulted with the aviation industry about reducing staff?

Dr Love—In 1987, the industry in fact said to the bureau that they did not wish to pay for services at that airport anymore. We have been back to the industry. We talk to the industry on an annual basis about all the airports in the land. The industry is still of the belief that, while they want high-quality forecasts for the airport, there is not a need for bureau staff there. They have made that clear and they are unwilling to pay for them.

Senator WONG—Presumably it is not a high-volume airport from their perspective, in terms of what they are prepared to pay out. But, from a passenger's perspective or the public's perspective, are you able to give me an estimate of how many days you would have fog at Launceston airport?

Dr Love—No, I am not able to do that off the top of my head.

Senator WONG—The figure of 45 days a year has been bandied around a bit in the press.

Dr Love—That sounds reasonable to me, without going into the climatology of the airport.

Senator WONG—Going back to the current staffing arrangements—I think you said 7 o'clock until about 3 o'clock—was there not a time recently when the office was staffed for more hours than that?

Dr Love—Again, we need to separate the observer staffing from the technical officer-meteorologist staffing. They have two different roles: the technical officer is there to do some very local forecasting within about 25 kilometres of the airport, which is essentially an airport forecast, and maybe some forecasting for Launceston, particularly with the smog and air quality issues there. Then there are the observing staff, whose job is to run the radar and take observations. So there are two separate rosters filling two separate roles: one is service delivery and community liaison and the other is running equipment. I would have to go back and look at the impact on those two different rosters. If you look at the observing roster, I truly believe that we will have a higher quality set of obs more continuously available through the automation than we have ever had in the past for that airport.

Senator WONG—Could you let me know on notice, perhaps, how long the 7 o'clock to 3 o'clock arrangement for the observer staffing has been in place and what preceded it?

Dr Love—Sure. There will be ups and downs. We will give you the whole history.

Senator WONG—That would be useful, thank you. Obviously, there has been a bit of media coverage on this in Tasmania. It is suggested that this local office provides local weather information which is important to air traffic in the area, and there is concern about the apparent reduction in staff at your office.

Dr Love—There is concern and I think that probably puts it in the wrong context. The aviation industry is not the industry saying that they are concerned. I have read the transcripts, particularly from the ABC, and I believe that the concern comes from the local community—the fishers and the farmers and the weekend golfers, for that matter—who call up the office and say, 'What is the weather going to be?' The staff there have a great rapport with the community; there is no doubt about that. But when the staff are not there, the community are talking to somebody in Hobart and sometimes they do not know that they are talking to someone in Hobart. Whenever anybody in a boat calls and asks for a forecast—and some of the transcripts are from the fishing industry—they are being briefed on a forecast generated in Hobart. A lot of the time, when they call they are talking to somebody in Hobart. They might perceive it to be a wonderful service out of the Launceston office, but the phones get switched through to Hobart when people are not there.

Senator WONG—After 3 o'clock phones or any other contact are forwarded to the Hobart office, but you do not have automated equipment currently on-site that enables the Hobart

office to be aware of any particular weather patterns or changes which are occurring in Launceston; is that right?

Dr Love—No. We currently have automatic weather stations without a couple of the advanced sensors on. We have a radar sitting on top of a mountain near Cradle Mountain, which has a better view of the north coast than it does of Hobart. That radar display is available on your PC at home, but it is also available—with a much higher quality and more variable display—in the regional office. That radar will show any low cloud, drizzle, thunderstorms or whatever in the Launceston area and the full range of weather stations up and down the coast, which are automatic.

Senator WONG—Are you aware of any recent examples of severe weather events occurring and not being picked up because the Launceston office was not staffed or operational?

Dr Love—The short answer is: no, I am not. In fact, nobody has brought such an occurrence to my attention. I am aware that there was a very heavy rainfall event there recently, but there were no reports of failure of service in that incident that have come back to me.

Senator WONG—I understand that in mid-December of last year there was a severe storm in Launceston that the Hobart radar did not pick up; are you aware of that?

Dr Love—No, I am not aware of that. I would be interested in the dates and I will follow that up.

Senator WONG—Perhaps you can take that on notice.

Dr Love—Sure. Have you got the date there?

Senator WONG—Mid-December 2003. No recording was made of the storm until the next day. You said you have had some discussions with the aviation industry. Have you discussed with them the possibility of going to an automated service in Launceston?

Dr Love—Yes. The de-manning of the office has been on the agenda since 1987.

Senator WONG—The de-manning of the office?

Dr Love—Removing any briefing staff has been something they have requested since 1987.

Senator WONG—Because they do not want to pay for it.

Dr Love—Yes.

Senator WONG—How do they pay for it currently?

Dr Love—The Bureau of Meteorology cost recovers the service it provides to aviation. What we do once a year is sit down with the industry, typically in about May, and work through the range of services we provide and the observations we take for them and we agree on the staff that are required to produce those. That is all rolled into a dollar amount, then what is called the Ramsey charging formula is applied. Essentially, landings, take-offs and miles travelled determine how much each airline pays. Right now Qantas pays the lion's share.

Senator WONG—So if it is a low volume airport the airlines may well say, ‘Given the amount we earn off that, we may not be prepared to pay you.’

Dr Love—Yes. But it is not that straightforward, because the airlines do not like to lose aircraft through bad weather, and they have to make the safety decisions. Airlines also do not like aircraft getting delayed because of bad weather because the knock-on into the network, once even the provincial airports cause problems, are substantial. So the airlines do want to run efficiently and safety. I look to provide a weather service that enables them to do that. What I am trying to do is provide the best quality observations, and we will get better observations and more of them through the upgrades than we get with the current arrangements.

Senator WONG—When you say that the aviation industry has indicated they were not prepared to pay, when did that begin? What year are we talking about?

Dr Love—Once again, 1987 was the commencement of that, and there have been discussions. As I said, we meet with them annually. I used to chair those meetings until I left the bureau a couple of years ago. I have just returned to the bureau. The industry looks across the network for where it believes it needs the best service, essentially.

Senator WONG—So has the amount that the airlines have been prepared to pay for Launceston information reduced over the last 10 years?

Dr Love—No, it has probably increased, actually, because after 1987—

Senator WONG—In real terms?

Dr Love—Yes, probably in dollar terms and, as a consequence, in real terms. Why I say that is because we moved the industry on to paying full cost in an accrual sense for all the infrastructure put out on their behalf. The automatic weather station that sits on that airport has been put out there and funded by aviation. They fund it in a fully accrual sense, including the new sensors. So my guess is that in real terms they have at least held their ground and probably paid more. With the upgrades that are going on to the AWS they are paying more still.

Senator WONG—What is driving the de-manning, as you called it, of the office?

Dr Love—The decision has not been taken, but I think the obs program will certainly benefit. The amount of data available will be better through automating the observation side of it. On the service provision side, right now we have the issue that we have a technical officer-forecaster there some of the time and an observer answering the phones some of the time. Essentially what they are doing is briefing people who ring on forecast generated in Hobart. Then, when they are not there, calls are switched through to Hobart. So there are handovers that have to occur. It is not an integrated service—it is discontinuous between what is going on in Hobart and what goes on in Launceston. It seems to me that there is a very skilled team in Hobart with better equipment and data. There is a senior forecaster and a team of forecasters. There is a whole team environment providing the service there. They have a critical mass. It is a very professional office and I think that they can do the task better for the north coast of Tasmania—

Senator WONG—But they are not in Launceston, are they?

Dr Love—No, but you—

Senator WONG—That is the public's perception, isn't it?

Dr Love—That is the public's perception, but I can show with objective skill scores that it will not be matched. You will get better skill providing the forecast out of Hobart with a skilled team around you than you will with an isolated, less well-trained technical officer with a worse data source sitting in Launceston. I know the community own them and I understand the angst, but I am responsible for providing the best quality service and the best quality data.

Senator WONG—You are comparing one hypothesis with another. Can I throw in a third, which is that the community would say, 'We want a better trained person with the better data available to us, but in Launceston.' What you are saying is that you do not want to fund that, essentially.

Dr Love—What I am saying is that the government funds me for a range of outputs and consequent outcomes. I have a funding level at the moment. The best way I can deliver those outputs is for a very skilled team in Hobart to be delivering them. Even if we left the people sitting there, we would provide a better service out of Hobart. That is just the fact.

Senator WONG—On the current staffing profile—is that what you are saying?

Dr Love—No, I am saying that, in absolute terms, we will provide a better scientific service and a more accurate, responsible and seamless service out of the Hobart office.

Senator WONG—Given your current staff in Launceston and given the instruments and equipment you have there?

Dr Love—Sure. You could put 100 people in and build a magnificent office in Launceston—

Senator WONG—I do not think I am suggesting that.

Senator Ian Macdonald—It is similar.

Dr Love—We can provide a better service anywhere if we build a major forecasting centre there. But the investment to do that is quite substantial. I would dearly love to be able to put a major forecast centre in every provincial town in Australia and there are many microclimatic regions that would benefit from that. But—

Senator WONG—Is the north coast one of them?

Dr Love—The north coast climate is not actually that different from the south coast of Victoria in many ways. We all share that Bass Strait gloom with the fronts ripping through. I live in Melbourne and I understand—

Senator WONG—I do not know what the Tasmanians and the Victorians might say about what you just said.

Dr Love—That is fine, but we do have instruments covering it and we do have trained forecasters focusing on it. We are trying to provide a better service.

Senator WONG—Right. So you spent \$335,000 on the equipment. Is there any more to come?

Dr Love—At this stage there is no more to come.

Senator WONG—Do I understand that you have recently moved or refurbished or upgraded your Melbourne head office?

Dr Love—We are in the process of moving from 150 Lonsdale Street, where we have been since 1974, to the Docklands in Melbourne. It is a new building which we are currently fitting out.

Senator WONG—What is the cost of that?

Dr Love—It will be a lease arrangement. For the fit-out, we went before the Public Works Committee here and I believe \$22.8 million was the amount we told the Public Works Committee. The fit-out cost now is up to about \$25.4 million. My guess is that it will grow to about \$27 million. But that is an estimate. With all of these building projects, there are additions and takeaways to the end and we have not got to the end of the project.

Senator WONG—So it is \$27 million at current estimates, but you are flagging that it might be more?

Dr Love—No, currently we have reached \$25 million and I am giving myself a \$2 million buffer. The worst case is \$27 million—

Senator WONG—For the fit-out?

Dr Love—Yes, for the fit-out.

Senator WONG—Where you currently are, do you own or lease? Presumably you lease.

Dr Love—We lease.

Senator WONG—Are the lease costs at Docklands higher than your current lease?

Dr Love—I cannot answer that.

Dr Minty—It is complicated because we are moving into a smaller area. I believe that the per square metre cost may be higher but, because we are moving into a smaller area—

Senator WONG—Do you know what the total cost is?

Dr Minty—I am sorry, I do not actually have it with me.

Senator WONG—On notice, you could perhaps give me a comparison of your lease costs, pre and post the move.

Dr Minty—Sure.

Senator WONG—So we are looking at about \$25 million—that is for the fit-out, is it, Dr Love?

Dr Love—Yes.

Senator WONG—Is the cost of moving on top of that?

Dr Love—No.

Dr Minty—The relocation costs are on top of that.

Senator WONG—So do you know what the relocation costs are?

Dr Minty—I think we only have estimates at the moment because we have not actually gone to tender on that.

Dr Love—Yes, a number of items have not gone out to tender, including that.

Senator WONG—What is the purpose of the move and the upgrade of the office?

Dr Love—The building we moved into in 1974 was a new building. It has proved to be limited in a number of key aspects. The first aspect—we run a supercomputing facility, as you may be aware—is that the floor where we have our supercomputing facility is about as big as this room—maybe 20 per cent bigger. We have reached the point where, basically, we cannot carry a PC onto that floor without taking one off, because the weight is such that the building will implode.

Senator WONG—That is a very impressive reason for moving.

Dr Love—The whole building will collapse around us. The new supercomputers are many times heavier than the ones that we have there now. The building also has a generator in the basement, which we put in when we first moved in. Even though it was not our asset, we got the building owner to put it in. But gradually, as the amount of infrastructure in the building has increased with other tenants, it has reached the point where it can no longer back up our equipment, let alone the whole building. The building owner, who has changed many times since we originally moved in, just says, ‘This has got to support everyone,’ and basically, if the city power goes down, we run out of power. The airconditioning cannot keep the building cool and there is no room to put more chillers on top of the building, so we are also running into heat problems up and down the building. The ducts were not made to pull optical fibre through. We cannot get our communications through the building. In every way, we are in a 1970s building trying to make it run like a 2000 building. In fact, before I took over the directorship, the decision was taken that we had to move, and I think it was the right decision.

Senator WONG—Are any new equipment costs included in the \$27 million?

Dr Love—Yes. Dr Minty might correct me, but—

Senator WONG—I mean technical equipment as opposed to desks and chairs.

Dr Love—The desktop computing is going through some sort of an upgrade.

Dr Minty—Generally speaking, it is just the fit-out cost. There are some components that you might call equipment—like racks for computers, and things like that—but mostly the equipment costs are separate.

Senator WONG—What are the salary costs for the observer and the technical officer? What level are they?

Dr Minty—That is a good question.

Dr Love—The observer is an Obs 3, and I do not know what his salary is. I do not know what the salary for the TO4 net is either. Dr Minty might have the numbers.

Dr Minty—I think they might even be in the annual report.

Senator WONG—A ballpark figure is fine.

Dr Minty—I would like to get it right.

Dr Love—I do not even know what my salary is. While Dr Minty hunts for that, perhaps we could move on to the next question.

Senator WONG—I suppose the question the public may ask is: why are you spending \$27 million on upgrading your offices and moving, but you do not want to employ somebody to work out of Launceston? I think you have gathered that the public perceive that as a necessary service.

Dr Love—I think some of the public have that view, but I am not sure if they can distinguish between which bits of the service even now are provided out of Hobart—and much of it is.

Senator WONG—Have you checked with them, Dr Love? I just think it is a big assumption to be making, to say: ‘The poor public. They don’t actually understand what’s happening.’ People have made representations, obviously, about the Launceston office.

Dr Love—I have read the transcripts and received communications on the matter.

Senator WONG—You have mentioned a couple of sectors which have approached you. You have had some discussions with the fishing industry and aviation—

Dr Love—And the farming community have made comment as well.

Senator WONG—Have you engaged in discussions with representatives from these sectors?

Dr Love—No, I have not.

Senator WONG—Do you intend to?

Dr Love—I think I inevitably will and, yes, I do intend to.

Senator WONG—But only after the decision is made.

Dr Love—Yes. A lot of that goes through my regional director, who has spent a lot of time in that area. He is a Tasmanian and has spent a lot of time on the north coast. The way the bureau works is that we tend to use the regional directors to do a lot of that interfacing with the public.

Senator WONG—So your decision on this will be made next week. If you propose to ‘de-man’ it—using your term—has that option actually been the subject of any consultation with any of the sectors or broader community that you have described?

Dr Love—There was a review of the office carried out and completed in about March this year, which went to a large number of stakeholders and talked comprehensively to stakeholders. That was chaired by one of the bureau’s deputy directors.

Senator WONG—Did that canvass de-manning?

Dr Love—Sure, that was one of the options.

Senator WONG—And what was the response like?

Dr Love—I am not sure what the response from the community was like, but I know what the recommendation of the report was.

Senator WONG—What was it?

Dr Love—The zero staff option—maintaining the bureau presence in terms of observations but zero staffing and delivering the services out of Hobart—was the recommendation.

Senator WONG—Maintaining the observer?

Dr Love—No, it was to maintain the observing presence—the automated equipment, essentially—on the site.

Senator WONG—Haven't you effectively made a decision there to take out the observer and the technical officer simply by putting in place the equipment?

Dr Love—That looks at the observing program. The issue is the services side and of course, as you say, the last issue is the community response, and that is still an issue.

Senator WONG—So, in terms of visual input now to Launceston airport conditions, are you saying that from three o'clock there is nothing?

Dr Love—Sure.

Senator WONG—Was it previously 1.30 at any point?

Dr Love—I believe that recently they went off at about one o'clock. The roster has changed a number of times in the last few months.

Senator WONG—Was that as a result of the community pressure?

Dr Love—I am not entirely aware of why. It was a regional decision to change the hours.

Dr Minty—I suspect it had to do with the inability to provide relief staff at the appropriate time and level, so there would have had to have been an adjustment to rosters.

Senator WONG—You do not have this information here?

Dr Love—No, we do not have the roster history in front of us.

Senator WONG—Perhaps you can just take these questions on notice: what are the various permutations of the roster over the last year, who made the decision to change those hours and why?

Dr Love—We will endeavour to answer that last question. It may be tough, because the local officer in charge, who is Brendan McMahon at the moment, has some autonomy over the rosters, and then he would discuss the rosters with the regional director too. There would be a discussion.

Senator WONG—But we are not just talking about a general decision about staffing rosters; we are talking about a decision which says you are actually taking your observing presence out at one o'clock or three o'clock. It is a bit of a different decision to you making decisions about whether X works nine to five or eight to four. I am not particularly interested in that, but this is a policy decision.

Dr Love—It is a service decision; that is right.

Senator WONG—Perhaps you can clarify what occurred and why it occurred. Thank you very much, Dr Love.

Dr Love—Thank you.

Senator McLUCAS—Chair, I think we are ready for the Great Barrier Reef Marine Park Authority.

CHAIR—I thank the Bureau of Meteorology and call the Great Barrier Reef Marine Park Authority representatives to the table.

[2.50 p.m.]

Great Barrier Reef Marine Park Authority

Senator McLUCAS—Thank you, Chair. Thank you to the authority for the answers to the questions that I put on notice. I have some straightforward questions. What are the Reef HQ visitation numbers for the last three months? I am happy to get them on notice if you do not have them, but I thought you might.

Ms Chadwick—Thank you, Senator. Given your dedicated interest in Reef HQ, I have not only the last three months but the last three years.

Senator McLUCAS—I just need three months.

Ms Chadwick—I am happy to provide them.

Senator McLUCAS—Thank you. Are they on track?

Ms Chadwick—It would seem that we were a little ambitious in our projections. We discussed that, I believe, at the last Senate estimates as well. However, compared to the period prior to the refurbishment, if we compare month by month we can see that they were 6,916 in December 2001 and 7,200 in December 2003.

Senator McLUCAS—What was the figure for November 2003?

Ms Chadwick—In November there were 7,571. October was a very good month—10,455. The revenue generated over those three months was \$198,637 in October; \$148,093 in November; and \$141,073 in December. Clearly, from our perspective, we would like both the revenue and visitation to be higher, but they are still encouraging. Averaging them out in terms of revenue per visitor over 2003, we are in fact generating in the order of \$19.38 per visitor.

Senator McLUCAS—I do not have in front of me the forecasts that were in the 2003-04 budget for presentations, but you did predict revenue from Reef HQ that was going to supplement the operations of the authority.

Ms Chadwick—Yes.

Senator McLUCAS—Where are you in terms of tracking on those figures?

Ms Chadwick—I hate to say that we are not tracking as well as we would have liked to. The reasons for that are no doubt many and varied—whether you call it SARS, terrorism or whatever. We are not the only ones in tourism related activities in the Townsville area that have noticed our numbers go down. Informally, in my discussions with other areas, whether it happens to be the museum or IMAX or whatever, I have found that while it is not a source of strong concern we would all have liked higher numbers during that period.

Senator McLUCAS—They are not much down on last year's.

Ms Chadwick—No.

Senator McLUCAS—In fact, December 2003 is better than December 2002. I am just trying to work out how you predicted that you were going to have this number of visitors through Reef HQ.

Ms Chadwick—I relied on my head of communications and marketing. I will delve into his mind as to how he did that, and report back, if you would like.

Senator McLUCAS—I want to know the methodology behind those projections.

Ms Chadwick—I am happy to provide that advice.

Senator McLUCAS—From my recollection, there will be an impact on your bottom line. The revenue projected is considerably lower than that proposed in the budget.

Ms Chadwick—Yes.

Senator McLUCAS—Have you revised the projected revenue for 2003-04?

Ms Chadwick—John Barrett may be able to provide some detail. My recollection is that it is in the order of \$100,000.

Mr Barrett—We did not include any reduction in revenue in the portfolio additional estimates statements when they were prepared some months ago. Our latest review, as at the end of January, indicated that revenue from our communications and education budget, of which Reef HQ is the major component, is probably down about \$100,000 on our year-to-date estimates. That is offset in some small part because some of the costs are down in terms of goods coming in, the cost of goods and those sorts of things. The net effect is probably around \$60,000 at this point in time.

Senator McLUCAS—Thank you. I want to finish off with some questions about the Representative Areas Program. Can you give me the time line for the receipt of the report, sending it to the minister and the board meeting? I want to clearly know when that all occurred.

Ms Chadwick—I hope I have the dates in my mind. There was a board meeting at the end of November. That meeting was held on the morning of 26 November in Brisbane. I hopped on a plane to go and present the plan, as agreed by the board, to the minister that day. The minister considered the plan. As you know from our legislation, he has the opportunity to provide suggestions—I think ‘suggestions’ is the term used in the legislation. He can provide suggestions to the board or he can accept the plan and table the plan, which he did on 3 December. From that time, we require 15 sitting days in both houses of parliament.

Senator McLUCAS—Did the minister have the plan prior to that board meeting on 26 November?

Ms Chadwick—No, because the plan, strictly speaking, did not exist before that time. The papers, including the plan, were distributed to the board, from memory, about a week before the board meeting. It could have been six days, but it was around a week before the board meeting. There were discussions, and quite rightly so in my view, with senior officers who would be advising the Queensland representative on the board. So there were quite detailed briefings with Queensland officers so they could assist Dr Leo Keliher, who was board member. We undertook separate briefings with our two other board members—including Dr Evelyn Scott. Because of the complexity, I guess, of the zoning plan, we thought it was

appropriate to give Fay Barker and Evelyn Scott briefings, which we did in Townsville. That meant that, by the time all the board members had arrived at the board meeting, they had had the opportunity to not only study the plan in detail but question relevant officers and have a briefing from relevant officers of the marine park authority. But, no, the minister did not have the plan.

Senator McLUCAS—He did not have a briefing from your staff?

Ms Chadwick—Of course I had been keeping the minister fully informed of how the general process was going, where some of the challenges were and where some of the pressure points were. But in terms of him having a zoning plan prior to the plan actually being in existence that was not the case.

Senator McLUCAS—But he would have had maps and all those sorts of things.

Ms Chadwick—Of course. Many stakeholders had those maps, including you, Senator, from time to time.

Senator McLUCAS—You say many stakeholders had those maps; my understanding is that there was a process where groups were shown a series of the second-round maps but were not provided with those maps.

Ms Chadwick—That is correct: they were not provided with those maps in terms of keeping them. Tens of thousands of the draft maps were made available.

Senator McLUCAS—No, I am talking about the second one.

Ms Chadwick—The second map was not left with any stakeholders, because as a consequence of that final round of consultation there were in fact some adjustments made to that last map.

Senator McLUCAS—Yes, as we know. Is there any information you need to provide to the committee about the Representative Areas Program other than what you said then? It is in the Senate; that is where we are.

Ms Chadwick—It is awaiting those 15 sitting days and, as I understand it, those 15 sitting days come up on 25 March. The only thing I would ask of you is that you ensure an easy passage through the final days of the 15 sitting days.

Senator McLUCAS—What are the implications for staffing of the move away from all that work with the Representative Areas Program? On notice, can you provide an update of the staffing?

Ms Chadwick—I am more than happy to provide that. In general terms, we have tried very hard, given the huge pressure and the huge challenge that we had in getting RAP up within that time frame. We had a large number of contract staff and a large number of casuals who were helping with data entry. Because of the financial and human commitment that we put into it last year, sadly, as people's contracts have come up, we have had to let them go. But they were short-term contracts that were directly RAP related.

Senator McLUCAS—My memory is that essentially the RAP task force was in conservation, biodiversity and the world heritage program but there were people picked up across every program.

Ms Chadwick—Indeed.

Senator McLUCAS—So there will be job losses—and I do not mean that in a critical sense. There will be smaller numbers appearing in each of the programs—is that right?

Ms Chadwick—No. In essence, even though everyone in the agency—and I include myself in that—was part of the RAP task force, strictly speaking they were still involved in the fisheries group or whatever it happened to be. So the staffing numbers would still appear under the functional units, even though in essence most people were doing RAP. So there will not be a great change to that extent. What you will see in terms of staff that were brought in on contract for a short period or as casuals to assist with RAP is that we have been quite assiduous in ensuring that their work was completed and that we did not have to find the money for them.

Senator McLUCAS—So most of the change will be in the first outcome?

Ms Chadwick—Yes, but I am happy to provide the details.

Senator McLUCAS—I have a last set of questions about RAP. We talked at length at the last estimates about the range of reports that were commissioned. You referred in one of our discussions to the Hand report. Can you give me some more detail about that?

Mr Tanzer—The Hand report is a shorthand name for the consultant's report which was a social and economic analysis of the representative areas.

Senator McLUCAS—That is not the report that I call the Southern Cross report?

Ms Chadwick—Yes.

Senator McLUCAS—It is the same?

Mr Tanzer—Yes, it is. I have not heard it called that before but I can understand why it would be.

Senator McLUCAS—Because they are based at Southern Cross University.

Mr Tanzer—It was Dr Tony Hand of PDP Australia.

Senator McLUCAS—Have you had other requests to publish that document?

Ms Chadwick—I would have to say not in recent times. There was certainly a flurry around the time for the finalisation of the Representative Areas Program, but I think we have a very comprehensive and—if I may modestly say so—very good regulatory impact statement that is attached to the representative areas instrument. That has incorporated many of the elements that were not only in the so-called Hand report but also in the tourism bureau's work and, in terms of Minister Macdonald, the work that came up through BRS. I think there is a lot of detail there. I personally in recent times have not had representations to publish the report. I am not sure whether you have, John.

Mr Tanzer—No, I have not. There was a fair bit of interest around the time of the tabling, but really we have not had many requests that I am aware of.

Senator McLUCAS—In your answer to the question on notice, you say that all bar the last report—that is, the report on the revised zoning plan—were delivered and paid for in the

2003-04 year. First of all, was the report on the revised zoning plan completed? Was that work done?

Mr Tanzer—Yes.

Senator McLUCAS—It was just paid for in this current year.

Mr Tanzer—Yes.

Senator McLUCAS—The point that you were making last time, Ms Chadwick, was that this was irrelevant because it was about the draft plan. But 35 per cent of the cost has been spent developing a report on the revised zoning plan. I would suggest that that report—if only that report—is completely relevant to the plan that we have.

Ms Chadwick—That is why it has then informed the regulatory impact statement.

Senator McLUCAS—Then why can't we have it in the public arena? I certainly get lots of questions about why that report was not published. Some \$54,000 was spent on a report whose contents we are not letting people know. You know as well as I do that as soon as people cannot have something they think that something is being kept from them. I think it would be so much simpler to publish the document and have it over and done with.

Ms Chadwick—Senator, I thank you for your suggestion. I will certainly take that on board and think about it. The main reason that I have not thought about it in recent times is that, as I said before, I have not had any requests—unlike you. Now you have brought it to my attention—and I thank you for that—I will think about it.

Senator McLUCAS—Can I ask you formally to provide a copy of the Hand report to this committee, please—all four sections. I know the Bureau of Resource Science report is not a report paid for or commissioned by GBRMPA, but is that published?

Ms Chadwick—I have no control over that.

Senator McLUCAS—I understand that, but do you know whether it has been published?

Senator Ian Macdonald—I am just trying to think myself. I cannot recall. It was certainly part of GBRMPA's proposed working papers. I suspect we discussed it with the Seafood Industry Association. I will find out before we conclude tonight whether that was released to the public. If it has been released to the public, I think you will find that it will be on the BRS web site.

Senator McLUCAS—Thank you.

Senator Ian Macdonald—Again, it was a very rapid assessment. Your colleague Mr O'Connor seems to think that when we were talking about it in yesterday's estimates committee it was some great news. I have had to point out to him that I mentioned that it was a rapid assessment back at the time it was done. It was rapid because it was intended for use by the government after the final report came out and before it was considered by cabinet. We wanted some idea of where we might be going if we were going to implement an adjustment package. Curiously, yesterday it came up and Mr O'Connor thought there was some great conspiracy in it all. Perhaps you should give him some better tuition, Senator, on what happens up that way.

Senator McLUCAS—If we still do not know whether it was published, you can understand why the conspiracy theories abound.

Senator Ian Macdonald—His conspiracy was that it was a rapid assessment, not whether or not it was published—nobody seemed to be interested in that at the other estimates committee hearing.

Senator McLUCAS—The final report is the BTR one, for which GBRMPA paid half. Was that published too?

Ms Chadwick—I hate to say it, but I do not know. Hopefully, we are hurriedly scurrying around to try to find out for you.

Senator McLUCAS—You knew what I was going to ask next.

Senator Ian Macdonald—If I may proffer a view, it was not done for the final report; it was done for the interim report.

Ms Chadwick—No. An update was done for the final report.

Senator Ian Macdonald—Sometimes those reports that deal with issues that subsequently have not occurred are not worth publishing because people get all excited about the wrong issues, which are not relevant with the publication of the final report. But if that issue was in the final report, that comment does not apply.

Senator McLUCAS—That was the conversation that we have just had. A good part of the Hand report is focused on the revised zoning plan. The argument that it is about something else does not actually hold water.

Senator Ian Macdonald—The Hand report was more on socioeconomics. As far as the protection of the reef itself is concerned, the report would seem to be of little consequence now that the final plan has been approved. What is important, of course, is the impact it has on those who are adversely affected by the decision and, on the other side, on those who are positively affected by the decision.

Senator McLUCAS—That is right.

Senator Ian Macdonald—That is a positive. Where the government are very interested is that we have committed ourselves in principle to an adjustment for not only the fishing industry but the communities that are impacted by the fishing industry. So all this work will be very useful to Environment Australia or, as they are now called, DEH and my own department, which used to be called AFFA but is now called DAFF, without a Y on the end. It would be very useful to those people and to people at the Seafood Industry Council as we work through those issues. I will take advice on this, but certainly in relation to the report that we control I do not see any great purpose in not letting people see it if they want to see it.

Senator McLUCAS—I agree.

Senator Ian Macdonald—But as long as they accept that it was a rapid assessment, a desktop assessment sort of thing, and it did not involve actual surveys and consultations out in the field. It did not involve field work and it might not in time apply. Certainly as we embark upon that adjustment exercise, we will be open and available to anyone who wants to put a view or a case.

Senator McLUCAS—It is about trust and about people believing that the information that has informed a decision is sound, and that is why I keep asking for these reports.

Ms Chadwick—I can spread some happiness and light on this worried tale. For those who believe that there is a conspiracy—and I agree with you, Senator, it is a matter of trust—Mr O’Keeffe has just checked for us and I am gratified to advise that the Hand report, the tourism report and a link to the BRS report are on our web site.

Senator McLUCAS—When did the Hand report go on the web site?

Ms Chadwick—Do you really want Mr O’Keeffe to run off and ask another question or can I take that one on notice?

Senator McLUCAS—There is probably a tap on the phone anyway!

Senator Macdonald—I suggest that, if you look at the web site, it will indicate when it was first put on. You can do that yourself.

Senator McLUCAS—It will show it. Thank you.

Ms Chadwick—So please send all of those in North Queensland worrying about conspiracies to the web site.

Senator McLUCAS—Thank you. You did say last time that it was not going to be published. There is only one question left. Can you give me an update on the application for the pontoon extension off Cairns?

Ms Chadwick—We can indeed. As you are aware, there has been a very thorough assessment done. I am pleased to be able to say that there has also been the opportunity for the community to make submissions and have an input into this entire process. So it has been a very rigorous, open and transparent process. It has been a very good example, I think, of cooperation between the Great Barrier Reef Marine Park Authority and the Department of the Environment and Heritage. Both have a role on this and we were very concerned to ensure that our work was complementary rather than duplicative. If I may say so, I think that all officers involved have done a splendid job. The person who has taken the major running on this in GBRMPA is John Tanzer. He could provide a bit of an update, I think.

Mr Tanzer—Under the public environmental review process we provided a report to the minister. I think it probably arrived in Canberra on 22 December or thereabouts. The minister has been looking at that report and has provided advice back to us, which we received yesterday in keeping with the process set out in the EPBC act. We are just in the process of considering his advice and then, as delegate, I will be making a decision on the permit as soon as is practicable.

Senator McLUCAS—Is the advice from the minister back to you made public?

Mr Tanzer—It will be. I would have to say that, at this stage, it is part of the considerations, having just received it.

Ms Chadwick—I can confirm I simply received it this morning and passed it on to John Tanzer, so I think it is far too early for us to be talking about what is public, not public and so on. We have not finished with it.

Senator McLUCAS—Process has to be pursued. As to the process from now, Mr Tanzer, you have received the minister's response.

Mr Tanzer—Yes, the minister's advice.

Senator McLUCAS—What do you do now?

Mr Tanzer—I look at the minister's advice and, if I have any queries, variance or questions, I must write back to the minister with that. Otherwise I can just take it into consideration as part of my decision as delegate under the Great Barrier Reef Marine Park Act in making a decision on whether or not to issue a permit and what conditions, if any, will be attached to that permit.

Senator McLUCAS—Does the clock start now? Is there an issue of timing?

Mr Tanzer—There is a time frame which is being followed on this. My decision is to be made under the Great Barrier Reef Marine Park Act as soon as is practicable.

Senator McLUCAS—I know it is early, but do you have a feel for when 'practicable' might be?

Mr Tanzer—I really do not want to put a date on it. I will do it as soon as I can. It has a high priority. I do not want it sitting around for a long time. But, if I say a month, a number of things can happen in this business in between that might see me not getting to it. But it will be as soon as I can sit there and do it. The authority does not have any intention of dragging out the decision making process. It just depends on how confident we are in the information we have to hand. We have fairly extensive information.

Senator McLUCAS—One of the issues that has been raised is the issue of shading on the reef. From my advice it is not an area on which a lot of research has been done. How will you seek information about that matter?

Mr Tanzer—I have been up and had a look at the site. I have dived the site. The actual pontoon will be moored in 22 to 25 metres in an area with a sandy bottom, largely. There is some coral, but not a large amount. There are scattered small clumps of coral. By siting the pontoon in that location, there should be minimal impact in terms of shading. It would be a different thing if the pontoon—

Senator McLUCAS—On bommies and large coral outcrops?

Mr Tanzer—Yes. For reasons of safety and stability in anchoring, too, you would want to put it in somewhere where you have a bit of a natural lagoon formed. That is what they intend to do, as it has been explained to us.

Senator McLUCAS—I suppose my question, though, still stands. On the size that is proposed, if it were to be approved in the form under which the application has been made, quite a large area will be shaded and we do not really have a lot of research on what may or may not happen as a result of shading a large portion of the reef—not necessarily the coral, but bits of the reef.

Mr Tanzer—There is already an existing pontoon there, as you are aware.

Senator McLUCAS—It is much smaller.

Mr Tanzer—It is smaller, but the difference is not as big as you might imagine prior to going out there and actually having a look at the sites. Although I am not saying it is not ecologically important, given the relatively barren bottom that we are looking at there, which is largely sand and mud with a bit of coral, I do not think that there will be major shading problems.

Senator McLUCAS—Finally, Mr Tanzer, once you have made your decision about whether or not to issue the approval and what conditions may be attached, what opportunity is there for the community or for the applicant to review or question that?

Mr Tanzer—The permit decision is appealable, of course, in the AAT, in relation to the Great Barrier Reef Marine Park Act. Our administrative decisions are appealable under the AAT.

Senator McLUCAS—Only through the AAT? There is no process in the act?

Mr Tanzer—Yes, there would be administrative review, of course. The ADJR would apply as well, in terms of the legal process. There would be an internal review first, as well. Prior to the AAT, we would be asked to undertake an internal review. My decision would be subject to an internal review, but if people were not satisfied with that outcome they would have recourse to the Administrative Appeals Tribunal.

Senator McLUCAS—The act does not describe an appeal process at that point, does it?

Mr Tanzer—No, we are just connected into the AAT process.

Senator McLUCAS—Thank you very much.

Ms Chadwick—Thank you very much.

ACTING CHAIR—I thank the officers of the Great Barrier Reef Marine Park Authority. I now invite the officers of the Australian Greenhouse Office to the table.

[3.24 p.m.]

Australian Greenhouse Office

Senator WONG—Mr Bamsey, last time we talked about emissions trading.

Mr Bamsey—We did.

Senator WONG—I understand the government has conceded it has terminated all AGO work on a trading scheme. Is that right?

Mr Bamsey—I have not seen any public statement to that effect.

Senator WONG—I have this quote from a press statement:

A spokesman for Environment Minister David Kemp said the decision had been made because there was no 'need to work on an emissions trading scheme to meet our greenhouse target'.

Are you not aware of that statement?

Senator Ian Macdonald—Whose statement is that?

Senator WONG—It is reported as being from a spokesman for the minister.

Senator Ian Macdonald—Reported by whom?

Senator WONG—The *Australian* and the *Financial Review*. Is that not the case, Mr Bamsey?

Senator Ian Macdonald—I have no idea what the correct position is, but you should be cautious in accepting what you read in newspapers as 100 per cent accurate, as you would well know.

Senator WONG—Is the AGO doing any work on emissions trading?

Mr Bamsey—As I mentioned last time, and nothing has changed since then, we are not undertaking any work on domestic emissions trading.

Senator WONG—Mr Bamsey, I think I asked you—or perhaps it was Dr Wright—for what I described as program level funding. You provided that on notice subsequent to the last estimates hearings. If you have those figures before you now, we could go through the most recent year to date.

Dr Wright—Which program?

Senator WONG—All of them.

Dr Wright—All of them?

Senator WONG—Yes. You provided an answer to question No. 2. It is at attachment B, with the 2003-04 budget allocations and the October year to date actual expenditure in each program area. They start with GGAP.

Dr Wright—We will just find the information you want.

Senator WONG—The list I was looking at is in the answer to question No. 2, and you provided a program disaggregation. You gave actual expenditure to date, which I understand was October 2003.

Dr Wright—Expenditure year to date as at the end of January for the GGAP program is \$7.4 million.

Senator WONG—Can we work down the list?

Dr Wright—Yes.

Senator WONG—Thank you.

Dr Wright—There is \$3.9 million for the Renewable Energy Commercialisation Program, \$0.2 million for the Generator Efficiency Standards, \$2.3 million for the Photovoltaic Rebate Program, \$1.1 million for the Alternative Fuels Conversion Program, \$1.6 million for Greenhouse Challenge, \$0.3 million for energy efficiency improvement in Commonwealth operations, \$1.4 million for energy performance codes and standards, \$0.3 million for the Renewable Energy Equity Fund, \$18,000 for the renewable energy Internet site, and \$1.2 million for MRET. For the Office of the Renewable Energy Regulator, the appropriation has been transferred to that body now. It is no longer an AGO appropriation.

Senator WONG—Under which portfolio does that body now reside?

Dr Wright—It is under the Environment and Heritage portfolio, but it is a prescribed agency.

Senator WONG—Are we hearing from them, Mr Borthwick?

Mr Borthwick—They were not called before the committee, so they are not here.

Senator WONG—I am not sure that we were aware of the transfer.

Mr Borthwick—We can arrange for them to be here if you have any questions for them.

Senator WONG—Perhaps you could, as Acting Secretary, take on notice to give the committee the year-to-date expenditure for their allocation.

Mr Borthwick—We will provide that to you today.

Senator WONG—Thank you.

Dr Wright—The Cities for Climate Protection program was \$1.2 million.

Senator WONG—What is the total for working with industry to date after working with adjustments?

Dr Wright—The total is \$20 million.

Senator WONG—And Cities for Climate Protection?

Dr Wright—That is \$1.2 million; Cool Communities, \$1 million; Greenhouse Friendly, \$0.2; and RRP GP is \$12.2 million. The total is \$14.6 million. Domestic greenhouse policy development was \$1.4 million; \$1.8 million for greenhouse international policy and reporting; and \$3.1 for Greenhouse Science—

Senator WONG—To interrupt you, Dr Wright, is there a disaggregation between greenhouse syncs and greenhouse international policy and reporting?

Dr Wright—No. National Carbon Accounting System was \$2.5 million; market approaches was \$0.3 million; and impacts and adaptation was \$0.3 million. The total is \$9.3 and in addition there is a figure of \$3.7 million for overheads that have not been allocated across programmes, which gives you a total of \$47.6 million.

Senator WONG—What do you mean by \$3.7 million of overheads? What does that comprise?

Mr McGovern—Primarily, the programs we have identified in the figures that Dr Wright has just provided relate to the direct costs of the teams that implement each of those programs and the program cost themselves. Internally, we have overheads for the corporate support, the communications and the various executives of the organisation, which for this purpose we had not allocated across each of those programs.

Senator WONG—What are the market approaches? There is no emissions trading work. What market approaches are you working on?

Mr Bamsey—There are a range of activities which have been undertaken under that fairly broad umbrella. It is essentially analytical work that might have been related to looking at various state schemes that employ market approaches such as the New South Wales benchmark scheme, other work of a general sort in analysing market approaches to dealing with greenhouse. I suspect it also includes looking at some international models.

Senator WONG—Do we have someone from the group here?

Mr Bamsey—I do not believe so. It is a small function.

Senator WONG—We never seem to have anyone who can tell me about market approaches.

Mr Bamsey—We have, separately, a market approach embodied in the greenhouse friendly program as well. That is a discrete program.

Senator WONG—Isn't that emissions trading?

Mr Bamsey—Emissions trading is certainly a market approach, but there are other—

Senator WONG—In the context of your work on greenhouse, what other market approaches are you working on?

Mr Bamsey—Greenhouse friendly, and we monitor—

Senator WONG—No, that is a separate program. Let us get back to this particular program.

Dr Wright—For example—and I believe we have answered questions in previous hearings—we have provided a submission to the Parer review on energy market reform, which considered market approaches. We have to ensure, in relation to the introduction of schemes like the New South Wales benchmark scheme, that the way that is designed and the way it relates to the Commonwealth schemes like the MRET scheme are complementary and there is no duplication. Similarly, with the introduction of the Queensland 13 per cent gas scheme, there are equivalent issues.

Senator WONG—The MRET review was in September last year, so presumably that was covered in the last round of estimates. What has actually been worked on—

Dr Wright—The MRET review—

Senator WONG—Can I ask first how many people are actually working on this program, Mr Bamsey?

Mr Bamsey—I believe there are two people working under that.

Senator WONG—Do you know what they have done since the Parer review?

Dr Wright—As Mr Bamsey indicated, it is not a program as such; it is analytical capability that exists within the AGO. The subject matter that it deals with depends on the policy issues of the time which emerge from states and domestically.

Mr Bamsey—It may be that we ought to look again at the title under which we represent that expenditure. We will do so.

Senator WONG—I am wondering what analytical work has been conducted, given that you have previously indicated that there is no work on emissions trading and the MRET review is over. I am wondering what they are actually working on. Do you care about what they have actually done since October?

Mr Bamsey—They undertake work which is not strictly market based development as well.

Senator WONG—That was not the question I asked.

Mr Bamsey—You asked me what they have been working on since.

Senator WONG—What they been working on since November under this program.

Mr Bamsey—They have been providing a general analytical capacity to the AGO.

Senator WONG—That statement does not mean anything. What have they analysed?

Mr Bamsey—I will have to check the details.

Senator WONG—I go to the GGAP. As I recall—and we have been through this a number of times—the Measures for a Better Environment package allocated \$400 million to this program, did it not?

Dr Wright—The appropriation under the supplementary measures act No. 2 was \$400 million; that is correct.

Senator WONG—And the original announcement was for over four years?

Dr Wright—That is correct.

Senator WONG—This was in 1999, I think—is that right?

Dr Wright—The announcement was in 1999, but the MBE programs commenced the following financial year.

Senator WONG—That is, the 2000-01 year. The expenditure to date in this financial year is \$7.4 million. As I recall from the last estimates, this spending has been pushed out to get the \$400 million. What were the outer years again?

Dr Wright—The profile extends to 2012-13.

Senator WONG—I thought so.

Dr Wright—That is because the program is quite tightly crafted and there is a requirement for monitoring at the end of the Kyoto period to ensure that the appropriate amount of abatement has been delivered. So there is a tail for all projects. That is not to say that all the substantive, lumpy payments occur at the end, but because the program is pitched at delivering substantial abatement in the Kyoto period the program itself extends to the end of that period.

Senator WONG—As I recall, the estimates for 2003-04 are \$43.03 million. Can you remind me what they are for the next three financial years? Have they been revised at all?

Dr Wright—We can get those to you.

Senator WONG—I would like to know the estimates for 2004-05, 2005-06, and 2006-07.

Dr Wright—They are here.

Mr McGovern—The number for 2004-05 is \$70.147 million. For 2005-06 it is \$76.676 million and for 2006-07 it is \$50.775 million.

Senator WONG—Thank you. Thus far, you have spent only \$7.4 million of your \$43 million allocated for this year. Are you anticipating a further underspend in this program, Dr Wright?

Dr Wright—We have been reviewing that mid-year. We do expect some underspend this year, but we are not yet sure of the quantum because the projects under GGAP tend to have

milestones towards the end of the financial year. But, yes, our expectation is that there will be some slippage.

Senator WONG—Do you monitor what is delivered in estimated actual reductions in emissions through your program as opposed to abatement measures? I just want to look at reductions.

Dr Wright—Across the board in all programs, not GGAP specifically?

Senator WONG—Both.

Dr Wright—For GGAP specifically, yes, we do. Some of the projects have already delivered some abatement. With others the abatement will not occur until late in the project time frame.

Senator WONG—Dr Wright, I am sorry, I am not an expert in this area, but does not GGAP actually cover both measures to reduce emissions and abatement measures? Is that not right?

Dr Wright—It is the same.

Senator WONG—As it has been explained to me, reductions refer to seeking to reduce emissions, as opposed to abatement measures due to offsets such as sinks or land clearing.

Dr Wright—Indeed, some GGAP projects, for example, do include tree planting, which is an offset.

Senator WONG—Okay. Does one generally call them abatement measures as opposed to reductions? What is the terminology?

Dr Wright—In the GGAP context we are looking at overall abatement, so the sinks aspect would be included.

Senator WONG—Do you monitor reductions as opposed to sinks and other abatement measures in terms of your GGAP program?

Dr Wright—Hang on.

Mr Borthwick—Senator, I have a figure for the spending of the Office of the Renewable Energy Regulator, if you want it.

Senator WONG—Thank you.

Mr Borthwick—It is to the end of December, whereas the data you have from the Greenhouse Office is to the end of January. To the end of December the spending was \$0.818 million.

Senator WONG—But it was previously \$1.5 million, so that does not make sense. It cannot have been less.

Mr Borthwick—When you say previously, what do you mean?

Senator WONG—The year-to-date actuals as at the last estimates round was \$1.506 million, so it cannot now be \$0.8 million year-to-date unless that is since it has been separated out. Is that what that means?

Mr Borthwick—I will have to look at that. I am just advised that it is \$0.818 million. I took it that that was spending in the year to date till the end of December.

Senator WONG—What I am saying is—

Mr Borthwick—You said it was \$1.5 million as at November or—

Senator WONG—The department's answer to my question on notice gave the figure, year to date, as at end of October, as \$1.506 million. It cannot now be less than what was given in October.

Mr Borthwick—We will take that on notice.

Senator WONG—Thanks. I am assuming that what you are giving me is a figure of year to date expenditure, subsequent to its move out of the AGO.

Mr Borthwick—It actually moved from the AGO on 1 July 2003.

Senator WONG—That does not make sense to me then.

Mr Borthwick—That is clearly an anomaly that we will have to explore.

Senator WONG—Perhaps you can get back to me on that.

Mr Bamsey—I think I can help with that. The figure that we gave you represented transferring the money from our books to their books. As far as we are concerned, I understand those were our figures.

Senator WONG—You said the year to date expenditure was the whole of their budget allocation.

Mr Bamsey—I gather that is the case.

Senator WONG—That makes more sense to me. Perhaps Ms Thompson can assist me. We were discussing GGAP and reductions.

Ms Thompson—We were seeking to clarify the intent of your question.

Senator WONG—I am sorry, I am not across the technicality of this, but, as I understand it, you run programs in GGAP which are both abatement measures—that is, carbon sinks and the like—and aimed at straight emissions reduction. Is that not correct?

Ms Thompson—We have projects rather than programs under GGAP, and there are a whole range of projects that apply to different sorts of technology. One includes a sinks component—a three-party component. There is only one of those at present.

Senator WONG—Are you able to give me a figure for the estimated emission reductions as a result of your GGAP program thus far?

Ms Thompson—As you are probably aware, the GGAP projects under the broader program are designed to deliver abatement in the Kyoto target period, which runs between 2008 and 2012. Our current projections indicate that abatement from GGAP will be in the order of 10.3 megatonnes in 2010.

Senator WONG—What about to date?

Ms Thompson—As I said, abatement from the GGAP projects is due to occur in the period between 2008 and 2012.

Senator WONG—So are you saying that there has been no abatement as a result of any of the Commonwealth expenditure thus far on the program?

Ms Thompson—No, we are not saying that. In fact, three GGAP projects are currently delivering abatement.

Senator WONG—That is what I would like to know. What programs have, to date, or are currently delivering abatement? And what are the figures associated with that?

Dr Wright—I believe that, in order to get details of the figures for those projects, we would need to go to the deeds of agreement and the project schedules to see what was expected at those milestones and what the figure for delivery is. It is not something that we have with us today.

Senator WONG—Do you monitor this? At the end of last financial year, did you assess that, saying ‘We’ve spent X amount on this program and it’s delivered this amount in terms of megatonne abatement’?

Dr Wright—The GGAP program is very tightly specified because the projects are not immediately commercial projects; they are ones that become viable when a component of government funding is added. To protect the Commonwealth’s investment, the deeds of agreement and the milestone schedules make sure that the Commonwealth only pays for specific delivery of the project, including the abatement, at an appropriate time. Clearly, with a number of projects, that cannot occur until a plant has been completed. So the early milestones will be on the development of the plant and then subsequently they will include a measurement of the abatement being delivered. So the Commonwealth is not expending money that is not in accordance with the tightly specified schedules to the agreements.

Senator WONG—Presumably you are projecting the delivery of abatement outcomes in order to obtain the current projection, which I think is 10.3 megatonnes by 2010. Presumably you have internal projections around that.

Dr Wright—The projections were assessed. All GGAP projects go through a rigorous assessment process and that includes both financial and technical assessment. Quite often, additional information is sought from the proponents to ensure, as far as practicable, that the estimates of abatement are valid ones.

Senator WONG—Can you provide the estimated abatements for all current funded projects?

Dr Wright—Yes.

Senator WONG—Can you provide them for the past and future? Let me tell you what I mean. As I understand what you are saying, you have got some projects online which would not be delivering an abatement outcome as yet but which are going to do so by whatever year.

Dr Wright—We can give you the abatement that was agreed at the time the projects were approved by the ministers.

Senator WONG—Will that include the time frame?

Dr Wright—It will include the time frames over which the projects will be delivered, yes.

Senator WONG—I do not mean just the time frame over which the project would be delivered; I mean the time frame associated with anticipated abatement outcomes. That is what I am interested in.

Dr Wright—We could probably get that information for you if we go through project by project, but all of the projects are required to deliver abatement in the Kyoto period, and that is what they were approved on. Some may come online earlier and start delivering abatement earlier. If you want that detailed information, we could get it, but we would need to go through each agreement to find out what the expected date of the first abatement for each project is.

Senator WONG—Do you have any which are currently delivering abatement outcomes?

Dr Wright—Yes, we do—three.

Senator WONG—Do you have the abatement outcomes on those three programs, Ms Thompson?

Ms Thompson—I do not have the figures for the actual abatement they are currently delivering.

Senator WONG—Perhaps you could provide them, Dr Wright.

Dr Wright—Yes.

Senator WONG—Could you also provide the other data in relation to the projected outcomes?

Dr Wright—Certainly.

Senator WONG—Thank you. There is still a pretty reasonable underspend in this program for the current financial year: \$43 million has been allocated; we are in February and there is only \$7.4 million in expenditure thus far.

Dr Wright—That is correct. We do expect that there will be some underspend and we are assessing that. We have run two rounds of GGAP, and our experience with the program is that, in the early stages, for a range of reasons, projects are going slower than the proponents expected and so we have been monitoring and revising the estimates. Things that have slowed down projects have included, for example, change in ownership of one of the parties involved.

Senator WONG—There has been a pretty consistent history of underspend in this program and pushing out to outer years. Are you anticipating that we will be pushing out beyond 2012-13?

Dr Wright—No. I would like to draw the distinction between underspends and commitments. The projects are fully committed and we still expect that they will deliver within the Kyoto period. The contracts with the parties ensure that the government does not pay in advance of receiving the specified outcome at each stage. It is in accordance with good management practice as prescribed by the ANAO not to pay for outcomes that have not been delivered. Given that some of these projects are quite complex, that they are putting together technologies and capabilities that have not been used before, it is to be expected that there will be some slippage. The challenge for us is to get the quantum right in each year. I think

now that we have two rounds of a program in hand we have a much better feel for the nature of the program and, hopefully, in next financial year our estimates will be much closer.

Senator WONG—Has there been a lower level of uptake of GGAP grants than you anticipated? Is that where the underspend is coming from?

Dr Wright—We have run only two funding rounds of GGAP grants to date. We are currently in the process of assessing round 3. So two have been completed since the inception of the program in 2000-01. What we did find with the second round of the program, based on the feedback we had from industry, was that it was a bit too close to the first round. So we have actually staggered round 3 to be not so tight on the heels of round 2. But there have been only two completed rounds to date.

Senator WONG—Given that, and given that there has been an underspend associated with this program for the last few rounds, is the office considering any alternative measures for program delivery?

Dr Wright—Not at this stage. We will be reviewing the program as we go through round 3 because every year we are getting closer to the delivery date in the Kyoto period. So it could be that we look at the time line for the delivery of abatement. But, until we have been through round 3, it is probably still premature to make changes to the program.

Senator WONG—Were the current and past estimates which have been underspent predicated on a greater level of industry take-up of your grants?

Dr Wright—No. We have a specific number of projects that have been approved by ministers. For each round and each project there has been a negotiation period following the announcement of agreed projects where deeds of agreement are entered into with the proponents. Those deeds of agreement specify the outcomes and the project milestones. That can take up to six months to agree with the proponents. That period is very important to actually get the agreed outcomes specified for government.

Senator WONG—What I am trying to work out—and we dealt with this last time as well—is that, although you have a \$43 million budget in an area that people would regard as reasonably important, you have spent only \$7.4 million as at February. This is on top of the history of underspend in the last two financial years. Is that underspend occurring because industry is not taking up this initiative sufficiently? Obviously, you have made assumptions around industry take-up of these voluntary measures.

Dr Wright—I think perhaps I have not articulated the situation clearly enough.

Senator WONG—Maybe I am just not understanding it.

Dr Wright—The program has had two funding rounds. In those funding rounds I think a total of around 17 major projects have been agreed. Each of those projects is subject to a separate legal contract with a proponent. So it is not the case that each year we are having new proponents putting their hands up and we are assessing them. We have that finite number of projects. The funding is still fully committed, but the delay in expenditure is because either there have been delays in reaching an agreed deed of the agreement with the proponents that fully protects the Commonwealth or a change in ownership has occurred, as is the case with one project. So there have been a number of reasons. It is the management of the projects by

the proponents that is the issue. There are a number of factors in projects which have slightly higher than normal commercial risk associated with them and that is what we are experiencing.

Senator WONG—I understand what you are saying. You are saying, ‘We have contracts, but the expenditure has not occurred because essentially they have not gone far enough down the road.’ How much money has actually been allocated and is under contract?

Dr Wright—For round 1, \$95 million; and, for round 2, \$53 million.

Senator WONG—I do not have a calculator here. Are you able to give me figures for how many years those two amounts are over? I am happy for you to take it on notice if you want.

Dr Wright—It varies. Round 1, according to our current estimates of funding, goes through to 2007-08. For round 2, 2008-09, there is a bit of a tail-end in the 2010-13 period, but that would be the monitoring.

Senator WONG—Can you provide on notice the estimated expenditure in respect of both the \$95 million and \$52 million over the period between now and 2008-09?

Dr Wright—We can give you estimates of a profile for each of those rounds.

Senator WONG—Presumably the information I have asked for previously will also indicate the abatement measures associated with each of the projects that have been funded?

Dr Wright—Do you require that information on a project-by-project basis or just on a round 1 and round 2 basis?

Senator WONG—I think I asked for it before on a project-by-project basis.

Dr Wright—That was for the three projects that were already delivering abatements.

Senator WONG—I am sorry; that request was in addition to, not replacing, my earlier question.

Dr Wright—I think I will need to read the record precisely to make sure we answer all of the questions.

Senator WONG—We can always write it out. Is the AGO intending to participate in the International Conference for Renewable Energies?

Mr Bamsey—Is this the conference in Bonn in June?

Senator WONG—Yes, that is it.

Mr Bamsey—We will be there.

Senator WONG—What preparatory work has been done for the conference?

Mr Bamsey—We have had some initial discussions with other agencies, but not a great deal has yet been done in preparation.

Senator WONG—Have you worked out who your negotiating team will be?

Mr Bamsey—No, we have not.

Senator WONG—Are any other departments being included?

Mr Bamsey—Yes. So far—and I am subject to correction by my colleagues—I think we have discussed the matter with DFAT and Industry and perhaps others as well. Our preparation for this, as usual, will be on a whole-of-government basis.

Senator WONG—I have some questions about Queensland land clearing from the AGO end. At the November estimates I asked Dr O’Connell about the various sources of funding for the announced Queensland land clearing agreement. Dr O’Connell indicated:

There are also additional funds available from the Greenhouse Office’s appropriation for greenhouse outcomes.

Could someone tell me what those additional funds are and what program they are intended to come out of?

Mr Bamsey—I do not think the government has announced yet in detail where the funding would come from, but we have said before that it would be appropriate for funding to come from GGAP for that purpose.

Senator WONG—So that is what is intended—it will come out of GGAP. Is that right?

Mr Bamsey—That would be appropriate, but the government have not made any announcement of their intention there.

Senator WONG—They have announced the \$150 million package. I am just asking where you are proposing to get it from. As I understand from the last estimates, there is an amount that is coming from NHT and then there is an amount—

Mr Bamsey—Can I put it another way. If there were to be funding from GGAP then there would have to be some formal decision making about that. That is an area we would look to as a possibility.

Senator WONG—Have you determined, in any of your budget considerations for estimates or for your GGAP program, any amount to be allocated to the Queensland agreement for planning purposes?

Senator Ian Macdonald—It is all irrelevant now. Mr Beattie announced that he was going to go it alone and pay all of the money himself, so we are wasting our time here.

Senator WONG—What a commitment to the environment!

Senator Ian Macdonald—But we do not need to worry about it here anymore.

Senator WONG—Because you failed to deliver—isn’t that right, Minister?

Senator Ian Macdonald—But why waste time when your colleague Mr Beattie is going to spend the whole \$150 million himself?

Senator WONG—I am interested in following up the officer’s answer from November.

Senator Ian Macdonald—It all becomes irrelevant, doesn’t it?

Senator WONG—I am pleased you think that.

Senator Ian Macdonald—Don’t you believe Mr Beattie either, like I don’t?

Senator WONG—No, I am just trying to work out whether you actually allocated any money. Mr Bamsey or Mr Carruthers, for internal planning purposes is there an amount allocated out of the GGAP?

Mr Bamsey—There is no fixed amount.

Senator WONG—Is there any amount?

Mr Bamsey—No. I think it would be inaccurate to say there was, because the government has said that it would consider the funding package at a certain point. That has not yet been done, so we have not set aside any particular amount in any formal or informal fashion. We are working on various possibilities, and when the issue is dealt with by government then there will be an announcement.

Senator WONG—In terms of the figures that Dr Wright gave me before of \$95 million and \$52 million, presumably they leave some gap between the actual project expenditure and the estimated expenditure?

Mr Bamsey—We have a round of GGAP under way currently.

Senator WONG—Presumably, therefore, Mr Bamsey, if you are working out what projects to fund, for internal purposes you must have worked out how much funding out of GGAP you can allocate to these projects and how much might need to be kept in reserve in the case of the Queensland land clearing.

Senator Ian Macdonald—That is really hypothetical.

Senator WONG—It is not. Dr O'Connell said exactly this at the last estimates hearings—that there was funding allocated from the government's AGO GGAP program for the Queensland land clearing. I am asking how much.

Senator Ian Macdonald—I think you have been told by the officers that, whilst the government had made a commitment for Queensland land clearing—and you can be assured that, if this government makes a commitment, it will honour it—there has been no specific work done on where money might come from in his area.

Senator WONG—I do not think that is an accurate representation of his answer, Minister. Mr Bamsey, is anyone from the AGO engaged in discussions with the Queensland government regarding possible funding for the land clearing agreement?

Mr Borthwick—I might clarify the matter. No-one from the AGO is currently involved in discussions with the Queensland government about funding. The government did indicate that it was prepared to spend up to \$75 million, I think, on Queensland land clearing, with the Queensland government also spending \$75 million. The Queensland Premier, in the election context, made statements about funding. Post that election, I expect that further discussions will take place between the Queensland and Commonwealth governments. Those discussions have not taken place yet, so the matter is to be resolved.

Senator Ian Macdonald—And they may not take place, if Mr Beattie is true to his word. If he were going to do as he said in the election campaign, he would fix the problem and pay the money. I never believe Mr Beattie but the Queensland voters obviously did, and we will see what happens.

Mr Bamsey—And in that context, we simply do not know what call, if any, may be made on GGAP.

Senator WONG—Mr Bamsey, it is quite clear to me that there has been some work done on working out how much could come out of GGAP. I am just trying to get a ballpark figure. Presumably, when you are doing the third round, you work out how much money you have left in the kitty. In that indicative planning, you are going to have to work out, ‘Well, we may have to pay this amount to Queensland, so we’re only going to look at this many million dollars worth of projects in the third round.’ Isn’t that the case, Mr Carruthers?

Senator Ian Macdonald—You know the estimates committee rules. You are wanting a projection of what the government might do and where the government might get the money from should the government possibly decide to do something at some time in the future.

Senator WONG—Okay, I will ask it this way: Dr Wright, how much money is in the pool of available funding for GGAP programs in the third round?

Dr Wright—Conceptually, the total remaining unallocated commitment could be used for GGAP round 3. There is no notional amount for projects in round 3. Specifically, we have not yet done the short-listing assessment of GGAP round 3, so it is not certain how many projects of quality there may be. When the short list itself has been assessed, it is a decision for ministers as to how many they consider to be worthwhile projects. We are not certain how large or small round 3 will be at this stage.

Senator WONG—During estimates last November Dr O’Connell indicated:

There are also additional funds available from the Greenhouse Office’s appropriation for greenhouse outcomes.

I am reading verbatim from his answer. I am not at all critical—

Mr Borthwick—I think—

Senator WONG—I have not actually finished the question, Mr Borthwick. That seems to indicate to me that work has been done on working out how much funding can come out of GGAP for this land clearing agreement. Are you telling me that no work has been done?

Senator Ian Macdonald—It may indicate that to you, but I think the officers have answered that. Perhaps Mr Borthwick could shed some light on the subject as well.

Mr Borthwick—I indicated that the government said that it was prepared to put in \$75 million. In coming to finalisation on land clearing arrangements with Queensland—and a lot of discussions are still to take place in that context—the government will be considering exactly where the amount of money will come from. Some of it may come from the GGAP funding program.

Senator Ian Macdonald—If any comes at all.

Mr Borthwick—Exactly.

Senator WONG—Minister, is the government backing away from its commitment? I was not aware of that.

Senator Ian Macdonald—No. We made an offer to Queensland and that was very public, but Mr Beattie has publicly rejected that. He said that he will go it alone and that he will pay

all the money. Where do you think the Commonwealth is left? We have not discussed it. There has not been a meeting of the Sustainable Environment Committee of cabinet since, but if we were to take Mr Beattie at his word, which hopefully one could do with a Premier of a state government, there would be no call on the Commonwealth at all because Mr Beattie said that he would fund it himself.

Senator WONG—Mr Borthwick, I am sorry, I think I interrupted your answer.

Mr Borthwick—It is quite clear that there needs to be further discussion between the Commonwealth and the Queensland government, and the matter is still to be considered by the Sustainable Environment Committee of cabinet. Until that has taken place, I do not think we are in a position to advise you further.

Senator WONG—I think I asked you, Mr Borthwick, if there were discussions occurring with Queensland officials regarding this issue.

Mr Borthwick—I am not aware of any discussions that have taken place since the Queensland election was called but, prior to the election, there was a range of discussions with the Queensland government.

Senator WONG—In which departments do those officers—the ones who were involved in the discussions with the Queensland government—work?

Mr Borthwick—The discussions with Queensland were led by the Department of the Prime Minister and Cabinet, but they did also involve officers from the Greenhouse Office, the Department of the Environment and Heritage and the Department of Agriculture, Fisheries and Forestry. But those discussions were led by the Department of the Prime Minister and Cabinet, and I think they would be the ones you would be best to direct your questions to.

Senator WONG—Of the \$75 million at stake, I understand from the last estimates that \$30 million to \$35 million was held as potentially available from the Natural Heritage Trust.

Senator Ian Macdonald—If you have this from last time, that is fair enough. I will just indicate to you, as I have already said, that everything is on the table at the moment.

Senator WONG—Yes, I understand that.

Senator Ian Macdonald—Pursuing what the government might do at some future time is not a matter for this estimates committee. As decisions are made, they will be announced and you will be aware of them. You have information from the last estimates committee hearing—I do not know what you have, as I was not there—and that is fair enough.

Senator WONG—You were actually, Minister.

Senator Ian Macdonald—Was I? How could I forget?

Senator WONG—Obviously it was a memorable experience for you.

Senator Ian Macdonald—I am saying to you now that everything is on the table, following Mr Beattie's unilateral announcement.

Senator WONG—That is fine, Minister. I understand the government's position is that they are backing away from their offer of \$75 million.

Senator Ian Macdonald—You put whatever interpretation you like on it; I am sure you will. I am saying that, since Mr Beattie's unilateral announcement, the government have not got together and determined where we should go from here. In fact, I do not think we will have to go anywhere if Mr Beattie is to be believed.

Senator WONG—Mr Bamsey, were the AGO previously involved with discussions with Queensland regarding the proposed agreement?

Mr Bamsey—We have been, yes.

Senator WONG—Who is the officer responsible?

Mr Bamsey—We have had a range of people involved. I have been, and Mr Carruthers has been.

Senator WONG—Mr Carruthers, have any discussions occurred since the Queensland election?

Mr Carruthers—Not by the AGO.

Senator WONG—Are you aware of other discussions?

Mr Carruthers—No. I believe Mr Borthwick indicated that he is not aware of any discussions between Commonwealth and state officials since the election, but I can say for the AGO that we have not been involved in any such discussions.

Senator WONG—So prior to the Queensland election you were involved in some discussions with Queensland officials regarding this agreement?

Mr Carruthers—That is correct.

Senator WONG—Was any amount put on the table in terms of funding from GGAP for the agreement?

Mr Carruthers—I have not personally been involved in such discussions. The areas of discussion dealt with other aspects of the agreement. I do not know whether Mr Bamsey was present for any discussions on financial matters.

Mr Bamsey—I cannot recall any. It is not Queensland's business.

Senator Ian Macdonald—No, and any discussions you take part in are in the course of getting information for advice to government, which you would not be talking about at this committee; you would not even be asked about that at this committee.

Proceedings suspended from 4.17 p.m. to 4.37 p.m.

Senator WONG—Let us go back to the Queensland land-clearing agreement. Mr Bamsey, you said before the break that there had been no further meetings since the Queensland election. Were there meetings subsequent to the November estimates?

Mr Bamsey—I am not absolutely sure. Mr Carruthers and Dr Richards dealt with some of the stakeholders in January, I believe.

Senator WONG—With which stakeholders did you speak, Mr Carruthers?

Mr Carruthers—With AgForce, the graziers' representative group.

Senator WONG—Were there any discussions with the Queensland coalition parties?

Mr Carruthers—Not by the AGO.

Senator WONG—Are you aware of any, Mr Bamsey?

Mr Bamsey—Not recently.

Senator WONG—Prior to the Queensland election?

Mr Bamsey—I think some time ago some Australian government ministers—

Senator Ian Macdonald—I think the question was about you people. I would be surprised if officers were talking to politicians from either the coalition side or the government side, to be honest. They would be talking with officers.

Senator WONG—That is what I am trying to clarify. Were any discussions that you are aware of held prior to the Queensland election with any coalition state members of parliament?

Senator Ian Macdonald—By them, you mean?

Senator WONG—In which the AGO was involved, yes.

Mr Bamsey—I think there was a discussion very early on in the piece in which we provided some briefing on greenhouse issues.

Senator WONG—Were you at that, Mr Bamsey?

Mr Bamsey—If I was I am afraid I cannot recall any of the details of it. It is quite hazy.

Senator WONG—‘I don’t know if I was there but, if I was, I don’t remember what happened’—is that what that answer is?

Senator Ian Macdonald—I think that is probably a good indication—

Mr Bamsey—I hesitate to say that it is not an event that is particularly—

Senator Ian Macdonald—Etched in your mind!

Mr Bamsey—memorable for me.

Senator WONG—Mr Carruthers, were you there?

Mr Carruthers—No, I was not.

Senator WONG—You can actually remember, then, that you were not there. Mr Quinn made an announcement in the context of the election—and it is unclear whether this is additional funding or if it in part takes up the previous announcement by the Labor government—in which he ‘made provisions for \$75 million to compensate farmers and another \$75 million to offer incentives under a future land clearing package.’ Were those costs, amounts or issues discussed in the meeting that you have some difficulty recalling?

Senator Ian Macdonald—Can you just repeat what was said and by whom?

Senator WONG—Mr Quinn.

Senator Ian Macdonald—When was that alleged to have been said and what was the—

Senator WONG—It was in the *Courier-Mail* on Friday, 6 February.

Senator Ian Macdonald—And it said there was what?

Senator WONG—Mr Quinn made the announcement as he released the coalition's election costings, which he said made provision for \$75 million to compensate farmers and another \$75 million to offer incentives under a future land clearing package.

Senator Ian Macdonald—For the Queensland government?

Senator WONG—I presume Mr Quinn is only speaking for the Liberals.

Senator Ian Macdonald—I assume he made the policy in the hope that he might be in government. So he was committing the Queensland government to that?

Senator WONG—It is a bit unclear as to whether that was proposed to be state or federal funding. What I am asking Mr Bamsey is whether these issues were canvassed at the meeting to which you have referred.

Mr Bamsey—That particular formulation does not ring any bells with me. I think the discussion that I hazily recall was one at the beginning of the process, when there was discussion with a whole range of stakeholders.

Senator WONG—Which process?

Mr Bamsey—The process since the Queensland government made their proposal, which was in May last year. It would have been about that time that there was a consultation process immediately with a range of stakeholders.

Senator WONG—Which included state members of parliament from the coalition in Queensland?

Senator Ian Macdonald—If I recall, it was when ministers met with AgForce and QFF. That afternoon, I think, Dr Kemp met with a series of people. Whether you were involved or not, I do not know, but you may have been there as an advisor to Dr Kemp.

Mr Bamsey—I am not absolutely sure if I was involved in the discussion. I think I just met the stakeholders informally.

Senator WONG—When you are talking about the stakeholders, does that include state members of parliament for the coalition?

Mr Bamsey—Yes, at that time I understand there were discussions with state members.

Senator WONG—You keep saying, 'I understand there were.' Who were these discussions with? Did they involve departmental officers?

Mr Bamsey—Certainly informally there was some interaction. I cannot remember whether I gave any particular briefing because, as the minister recalls, there was a day of discussion with a range of stakeholders who had points of view on and interests in the Queensland proposal. We spoke to them in different ways.

Senator Ian Macdonald—If that is the same thing that I am talking about. But, if this line of questioning is going to be pursued, perhaps we had better just take it on notice and we can be a bit more accurate about it.

Senator WONG—Perhaps you can take on notice, Mr Bamsey, if you are not able to recall, whether you or any of your staff were involved in meetings with state members of parliament from the Liberal Party or the National Party in Queensland subsequent to the

Queensland government's announcement and, if so, when those meetings occurred and who was involved.

Mr Bamsey—I think that is best, Senator. I have not thought of this for some time and I need to recollect.

Senator Ian Macdonald—The meetings I am talking about are the very first meetings we had, which were held in April or May.

Mr Bamsey—In May, Mr Carruthers says. I am not sure. It was a crowded day—I was in some meetings and I was not in others. I am not absolutely sure at this point, but I am sure it will come back to me.

Senator WONG—Since the November estimates hearings, Mr Carruthers, you say you have been involved in some discussions with Queensland officials regarding the proposed Queensland agreement?

Mr Carruthers—My best recollection is that, since November, I have not been involved in discussions with Queensland officials.

Senator Ian Macdonald—Again, you can check your records. If it is of vital importance, we can be more accurate in a response.

Senator WONG—Do you know who has been involved in departmental level discussions?

Mr Carruthers—As Mr Borthwick indicated earlier, the principal carriage of this matter is with the Department of the Prime Minister and Cabinet. As part of the general role of relations between the Australian government and the states, they have the principal role in dealing with state officials throughout. I am not in a position to comment on their activities.

Senator WONG—What were the main sticking points in an agreement not being reached?

Senator Ian Macdonald—That is not an appropriate question for officers, I am afraid. The government makes agreements with Queensland and we take advice from officers. Whether there are sticking points is not a matter for officers; it is a matter for the government, and you can ask me about that.

Senator WONG—I am happy to ask you about that. What were the sticking points? Clearly there were sticking points, because you announced it in May and nothing was done. That resulted in the Labor government in Queensland having to make an announcement that they would fund it on their own because they wanted to get it done.

Senator Ian Macdonald—Our position has been made very clear, very openly and publicly at all times. I will take the question on notice and will probably give you copies of the Prime Minister's press releases that are publicly available. If you need someone to find them for you, I will try and do that and will make them available to you by way of advances.

Senator WONG—I thought the on notice device was for departmental officers, not for politicians.

Senator Ian Macdonald—You are asking me, and I can assure you that I will not be doing it by myself; I will be asking the department to get the public comments by the Prime Minister on this issue and bundle them up for you as answers to questions asked at an estimates hearing.

Senator WONG—I go back to the funding issue. Mr Carruthers, is it the case that prior to the Labor government's announcement it was envisaged that GGAP funding would be contributed to the \$75 million of Commonwealth expenditure proposed in relation to the agreement?

Senator Ian Macdonald—I want to make it clear that the government will make the decisions and will make the decisions on where the money comes from. There may be money specially appropriated; there may be a special budget line item, and—

Senator WONG—Minister, maybe you did not hear the tense of my question. I did not ask about now; I asked about prior to the Queensland government's election commitment. After your government had announced its funding commitment, where was that \$75 million coming from?

Senator Ian Macdonald—But the point I am making to you is that, regardless of what the officers might have done—across my department, across this department, across PM&C—in scratching around or looking for where the money might come from, or in preparing a cabinet submission, where the money comes from is something the government will decide on advice from officers.

Senator WONG—I understand that.

Senator Ian Macdonald—My point is, though, that officers were doing that here. They were doing it as part of their advice to government on where we might get the money from. Advice to government is not a matter that you can go into in estimates hearings, and the rules provide for that. The reason for that, if I may be helpful to you, Senator—

Senator WONG—This is not helpful, Minister.

Senator Ian Macdonald—If we are given some money, you can come back next time and say, 'Where did that money come from and what program did it—'

Senator WONG—Rather than using up time, perhaps you can clarify this: your government announced that it would contribute \$75 million to the Queensland package.

Senator Ian Macdonald—That is right.

Senator WONG—Where is that money coming from? Are you able to answer that?

Senator Ian Macdonald—No, I am not. I will take that on notice. I suspect that no decision was made until the agreement was consummated. Who knows? There may be a line item in next year's budget. They are the decisions for government to make, on advice from the officers, and we will make them at the appropriate time. But I can assure you that, if we offer \$75 million, we will pay it. At the next estimates—

Senator WONG—I understand what you are saying.

Senator Ian Macdonald—if it has transpired that Mr Beattie has gone back on his word, if it transpires that we have, we will then give you full details of where it came from.

Senator WONG—You announced a \$75 million proposed expenditure. I was asking where that funding was sourced from. It is a reasonable question. Your government made a decision on that, which you appear to be backing away from. I am asking where that money came from.

Senator Ian Macdonald—It is a very reasonable question, and the very reasonable answer is that, when the agreement is consummated, we will give all the details of the money and where it is coming from. It may well be a budget line item; we may well take some from different areas.

Senator LUNDY—You haven't got it yet, have you?

Senator Ian Macdonald—We commit all the time. We committed to various things.

Senator WONG—Is it an unfunded promise?

Senator Ian Macdonald—We have committed to getting a boat to go down the Southern Ocean. We have said we will get it, and we are taking a budget bid for that.

Senator LUNDY—Is that what you are doing for this—you need to prepare a cabinet bid and actually secure the money? You do not have it yet, do you?

Senator Ian Macdonald—We will determine it when an agreement is made. I can give you this assurance: when John Howard commits himself to \$75 million on conditions, he will pay it—unlike, unfortunately, your compatriot in Queensland, who makes these wild promises—

Senator WONG—Who has doubled the amount that was going to be spent by you.

Senator Ian Macdonald—We will see. If you want to have a bet, I will bet that he does not fork it out—

Senator WONG—This is a core promise, I gather.

Senator Ian Macdonald—I do not know whether Mr Beattie has core promises—

Senator WONG—No; your \$75 million is your core promise, is it?

Senator Ian Macdonald—But I will bet Mr Beattie will not fork out the \$150 million.

Senator WONG—Your government made an announcement of \$75 million for Queensland and trumpeted it up and down the coast. Where in the budget is that allocated?

Senator Ian Macdonald—When we have to provide the money—

Senator LUNDY—It is not there, is it? You have to go and get it.

Senator Ian Macdonald—we will give full details of where it will come from. But, unlike your government, passing laws before elections—

Senator LUNDY—It is an unfunded commitment.

Senator Ian Macdonald—Remember the old I-a-w law?

Senator WONG—Chair, this is ridiculous! I do not want to discuss 1996.

Senator Ian Macdonald—You have the answer; why do you keep asking the question?

Senator WONG—I am asking whether this is an unfunded promise.

Senator Ian Macdonald—No, it is not an unfunded promise.

Senator WONG—If it is not unfunded then where does the money come from?

Senator Ian Macdonald—When it is paid, we will tell you.

Senator LUNDY—It is an unfunded promise. The minister has to wait until he has secured the money through a cabinet submission.

Senator Ian Macdonald—You put whatever interpretation you want on it.

Senator LUNDY—Tell me if I am wrong: it will be the subject of a cabinet submission put forward by—

Senator Ian Macdonald—No. I said it could be that; it could be from other sources. But, when it is done, it will be explained. After the event, you can do what you are supposed to do at estimates and go through and find these things out. But you are asking for a future government commitment.

Senator WONG—I am asking about a government public announcement you made, Minister. I am not asking for a hypothetical ‘if you do this’. You announced \$75 million. You trumpeted it up and down—

Senator Ian Macdonald—When we go to war in Iraq—

Senator WONG—Excuse me, Minister; I had not finished.

Senator Ian Macdonald—we do not say, ‘That funding is going to come from this particular—’

Senator WONG—I had not finished. You trumpeted it up and down Queensland, and what you are telling us now is that you have not allocated any funding—or you do not want to tell us.

Senator Ian Macdonald—The commitment was made.

Senator WONG—It was an unfunded promise.

Senator Ian Macdonald—Should the commitment still be required—

Senator LUNDY—It is very fiscally irresponsible.

Senator Ian Macdonald—unless there is unilateral rejection of the arrangement by Mr Beattie—

Senator LUNDY—You made such a hoo-ha about it, and then you go promising money you do not have.

Senator Ian Macdonald—we will tell you then.

Senator LUNDY—It is quite extraordinary. How many other promises have you made that have not been funded?

Senator WONG—I am sure the departmental officers are fascinated by this discussion. Perhaps we should move on. Dr Wright or Mr Bamsey, how many CRCs are there currently in Australia looking at climate and energy issues?

Dr Wright—Good question.

Mr Bamsey—It is a good question, as Dr Wright says. I am not sure we can answer it readily.

Senator WONG—I get a lot of emails from people who seem to be doing this work.

Dr Wright—The CRCs are the responsibility of DEST, not Environment and Heritage.

Senator WONG—I am aware of that, but I presume that, if they are working on climate and energy issues, their research might well be relevant to your work.

Mr Bamsey—We would need to check to be sure, because some may be centrally involved and others more peripherally. We would just need to be sure.

Dr Wright—There would be at least four. Whether there are more than that I could not be sure.

Senator WONG—Are you able to provide that information?

Dr Wright—We could give you the names of the ones that we know about. We will take that on notice.

Senator WONG—Thank you. Has the AGO been involved in any discussions to establish a hydrogen CRC?

Dr Wright—I am advised that we participated in a preliminary workshop organised by the prospective proponents, but it is at a very early stage.

Senator WONG—When was that?

Dr Wright—Last week.

Senator WONG—How many AGO officers were involved in that?

Dr Wright—Two.

Senator WONG—Presumably there are other government departments involved in these discussions. I assume DEST is involved.

Dr Wright—I would assume so, but we are not the lead agency on that.

Senator WONG—Who is the lead agency? How did this discussion come about?

Dr Wright—CRC funding runs are called for on a rotating basis and organisations decide whether they wish to put in bids and whether that is alone or in conjunction with other players. They seek input when they are crafting their proposals. There is a formal process.

Senator WONG—I understand the process. What I am asking is: what other government departments were involved in the meeting last week?

Dr Wright—We do not have a list.

Senator WONG—The lead agency is DEST, presumably?

Dr Wright—The lead agency for CRCs is DEST, but any proponent or prospective proponent can organise itself and hold workshops and seek to develop its proposals. So the organisation itself would take the lead; it would not be DEST. DEST is the agency you apply through.

Senator WONG—And it is the funding body.

Dr Wright—Yes.

Senator WONG—So there is no suggestion of the AGO participating in any funding of a hydrogen CRC?

Dr Wright—No.

Senator WONG—Let us move to the subject of geosequestration. Are you able to tell me, with reference to your program disaggregation, how much funding has directly or indirectly been directed to geosequestration research and development projects?

Dr Wright—We contributed to the GEODISC project—which was the predecessor to the CO2CRC—which was doing fundamental research into geosequestration. The CO2CRC came into being and took over from GEODISC on 1 July this year. We contributed \$230,769, including GST, to GEODISC.

Senator WONG—Are there any other CRCs dealing with geosequestration R&D projects?

Dr Wright—Not to my knowledge.

Senator WONG—So the amount of \$230,000-odd for that particular CRC is for the current—

Dr Wright—That was for the predecessor of the CO2CRC, which was called GEODISC.

Senator WONG—Which financial year does that relate to?

Dr Wright—I believe that is the total amount. It may have occurred over a couple of years, but it would have been prior to this financial year.

Senator WONG—On notice, could you confirm for me that that is the only geosequestration R&D project that you have funded?

Dr Wright—Yes, we can confirm that, but I believe that it is the only one. It is a contributor to the organisation; it is not a specific project. The organisation was running a range of initiatives and research.

Senator WONG—Has any funding from the AGO gone into the Rio Tinto foundation?

Dr Wright—No.

Senator WONG—What about funding for CSIRO research into this issue?

Dr Wright—No.

Senator WONG—What has the actual expenditure to date been on renewable energy R&D projects?

Dr Wright—Again, two agencies are responsible for that: predominantly the industry portfolio with its R&D Start program, which funds a whole range of R&D. We do not have access to know how much of that is on renewables.

Senator WONG—I am sorry, Dr Wright, could you say that again?

Dr Wright—You asked a question about R&D and renewables.

Senator WONG—Yes.

Dr Wright—The AGO have run some grant programs targeted at renewables, but we do not run specific R&D programs. That belongs predominantly with the industry portfolio and is called the R&D Start program.

Senator WONG—In relation to grants for renewables, are you able to tell me how much and when?

Dr Wright—There is a range of programs.

Senator WONG—This would cut across a number of these program disaggregations, would it not?

Mr Bamsey—While Dr Wright is finding the details, I can give you some broad figures: more than \$12 million for an ARC centre of excellence for advanced silicon photovoltaics and over \$300 million for grant equity and rebate programs, but that is across government, I believe. Of course, the Renewable Energy Action Agenda aims to increase annual turnover of renewables to about \$4 billion by 2010—another government activity.

Senator WONG—Dr Wright, was there any funding for an R&D component in any of the grants that you were referring to?

Dr Wright—Some projects may have a small component of R&D in them, but it is mainly with development, deployment and spectrum, so not specifically. Would you like me to go through the AGO programs which are associated with renewables?

Senator WONG—Could you provide that on notice? That would be easier for me.

Dr Wright—Certainly.

Senator WONG—As I understood your answer to the previous question, there is no R&D component funded by the AGO into renewables?

Dr Wright—Not specifically or separately. The programs that we have—

Senator WONG—How many of them are there?

Dr Wright—The Renewable Energy Commercialisation Program, the Renewable Energy Equity Fund, the Renewable Remote Power Generation Program, the Photovoltaic Rebate Program, the Renewable Energy Showcase and the Renewable Energy Industry Development Program.

Senator WONG—What does the showcase program come under?

Dr Wright—That program has now been completed. It was a \$10 million program announced by the Prime Minister under the Safeguarding the Future package in 1997.

Senator WONG—Has the AGO undertaken any assessment of geosequestration?

Dr Wright—In what context?

Senator WONG—In any context. Has there been any analytical work done?

Dr Wright—We have done a general review of publicly available literature on analytical work associated with geosequestration, including publications by the International Energy Association. We are also a member of the delegation that attends the Carbon Sequestration Leadership Forum in the US which is an agreement between 14 countries to progress work in this area. So we are engaged in the area and we work collaboratively with our colleagues in the Industry portfolio. In addition we contribute to the costs of providing a lead author for the international panel on climate change. They are producing a report scheduled for completion in 2005 on geosequestration and so we are engaged in that as well.

Senator WONG—The analysis you have described of the publicly available literature, is that available from the office?

Dr Wright—It is basically a literature scan. We can provide you with a list of the publications we have looked at.

Senator WONG—But it does not make an assessment of the potential use of geosequestration or its effectiveness.

Dr Wright—No, the assessment of the potential of technologies like geosequestration is the reason we are contributing under the lead author to the IPCC report because that will look at those issues, potential, security, safety, those sorts of things and as I said, that report is under development and scheduled for completion in 2005.

Senator WONG—I am not really across the technology that is proposed but as I understand it there are some issues associated with applying it through retro-fitting existing coal fired powered stations. Is that right? But there is quite a significant difficulty with that.

Dr Wright—I am also a layperson in this regard, but there are different technologies required should you wish to capture the CO₂ from a new plant as opposed to an existing plant. The technologies associated with compressing the CO₂ and injecting it into saline aquifers is the same regardless of your source. So the technical aspects really vary according your source of CO₂ and you could equally consider capture from fertilizer or urea plants because they could also be suitable for capture but it would be different from trying to capture from a new power station.

Senator WONG—Have you done any work on estimating costs of abatement from geosequestration per tonne of carbon dioxide equivalent?

Dr Wright—No more than looking at the publicly available literature on prospective costs.

Senator WONG—Are you able to give a range?

Dr Wright—The most authoritative source is the IEA publication and my understanding is that the costs of capture and storage are \$60 to \$80 per tonne CO₂ and that is dollars Australian.

Senator WONG—Capture and storage. I seem to recall the Chief Scientist being quoted publicly with a much lower cost estimate.

Dr Wright—Then possibly you should address any question on the basis of that costing to DEST.

Senator WONG—There has been some suggestion publicly that some additional \$200 million was going to be allocated by the government to carbon sequestration. Do I understand from your previous answer that none of that at this stage is earmarked to come out of your office's budget?

Dr Wright—No, Senator.

Senator WONG—So no it is not?

Dr Wright—No, it is not currently marked to come out of the AGO appropriation.

Senator WONG—Just one last area, Mr Bamsey I ask you some questions last time about the US free trade agreement. As I recall at that time your office had not been involved in any discussion about an environmental impact assessment of the agreement.

Mr Bamsey—I think we had had some very informal discussions with DEH and I am not sure precisely what the subject of those discussions was apart from the free trade agreement but we were not substantively involved.

Senator WONG—Now that the government has concluded an agreement with the United States have you been asked to consider any impact on greenhouse gas emissions as a result of the free trade agreement?

Mr Bamsey—We have not, Senator.

Senator WONG—Are you doing any such work?

Mr Bamsey—No, we are not.

Senator ALLISON—I have some questions to raise about our emissions figures and calculations to do with that. I do not know whether the right people are at the table or not.

Mr Bamsey—Mr Carruthers will probably answer your questions.

Senator ALLISON—Okay. I guess I would like you to explain why it is that the overall figures showed that Australia's emissions had stabilised between 2000 and 2001. I think I know some of those answers but given that there has been a 29 per cent increase in emissions for energy and transport and that those two areas account for 62 per cent of Australia's emissions, it would seem improbable to say the least.

Mr Carruthers—Our emissions reports are prepared through the National Greenhouse Gas Inventory program in accordance with the international guidelines adopted by the UN climate change convention and the Intergovernmental Panel on Climate Change. Those inventory reports are published on an annual basis and you are correct, Senator, that at 2001 the emissions levels were very close to what they were in 1990. What that reflects is that Australia's greenhouse gas emissions arise from a wide range of sectors that include stationary energy, transport, emissions associated with energy production such as coal mines, agriculture, waste, industrial processes, land use change both in terms of land use change emissions and forestry sinks. So you see a quite disparate pattern of change going on and as you point out the inventory shows significant growth associated with stationary energy but then we see a relatively static situation in agriculture and waste. We see reductions in land use change emissions and of course we see removals by sinks.

Senator ALLISON—I will stop you at the land use change emissions. It is my understanding that the inventory uses a figure for 2001 which is provisional. I think the note is that it may be revised upward over time. Has that figure been revised upwards since September 2003?

Mr Carruthers—No. We do have a specialised program that supports the inventory, known as the national carbon accounting system, to deal with the calculation of emissions associated with land use change emissions and forestry sinks. In the case of the land use change emissions, we use a whole range of data inputs. In this case, in terms of your question, the principal input that is relevant is the satellite measurement of the areas of land use change since the previous snapshot.

Senator ALLISON—When is the next snapshot then?

Mr Carruthers—The next snapshot will probably occur in late 2004.

Senator ALLISON—At the end of this year?

Mr Carruthers—Yes.

Senator ALLISON—The reason I ask is that there would appear to be some discrepancies between that which is reported by Queensland and the various other reports. Are you aware of that discrepancy in both the rates of clearing and the trend in clearing between the SLATS, as they are known, and the NCAS data?

Mr Carruthers—Yes, the Queensland SLATS program—the state wide program in Queensland—which also uses remote sensing, is measuring a different thing. In the case of Queensland, they are measuring all detectable change in woody vegetation, irrespective of its type. In accordance with the international inventory guidelines, under land use change we are specifically reporting removal of forest cover. So the woody vegetation must meet a test of being a forest. There are parameters that specify what forest is. So we are measuring something which is more specifically defined and you would not expect the area estimates to be the same.

Senator ALLISON—Let us look at New South Wales. There would appear to be the same kinds of discrepancies. I am not sure whether New South Wales uses the same methodology as Queensland. Late last year figures prepared for the New South Wales department of natural resources about the rate of land clearing in New South Wales were leaked to the media, as I understand it. Those figures indicated that between 700,000 and 1.3 million hectares of land were cleared in New South Wales between 1997 and 2002. The annual rate of land clearing in New South Wales over this period would have been between 140,000 and 260,000 hectares a year. Because those figures are leaked it is difficult to confirm them or determine what methods were used to establish them. Are you aware of those figures? Can you explain why the New South Wales and Queensland government figures for land clearing from 1997 to 2002 estimate the rate of land clearing to be well over 600,000 hectares a year, whilst the NCAS data shows it to be below 350 hectares? Does it all just come down to this question of whether it is a forest or whether it is other kinds of vegetation?

Mr Carruthers—It is a very similar situation to that which I have described for Queensland. We are aware of the published studies in New South Wales. There has not been the same regular, systematic work in New South Wales as there has been in Queensland, so there are a variety of reports that go back over the past several years. In each case, they have had different purposes for the work to do with state vegetation management, essentially, and state policies to do with land clearing. So they are not designed to meet the requirements of the greenhouse accounting system.

Senator ALLISON—You talk about regular processes. Why is the Commonwealth only doing this once in every 12 months? That would not seem to me to be regular either.

Mr Carruthers—So far we have produced a satellite coverage record that goes back 30 years for the whole continent. That is by far and away the largest national application of this kind of satellite measurement anywhere in the world. In that time we have done 12 assessments at different points in time since 1972. We do have to make a judgment in terms of value for money in the expenditure of public funds as to the frequency of measurements.

Depending on the inventory reporting requirements we do vary the frequency but, as you see, with 12 done in 30 years, we do not do it in each and every year.

Senator ALLISON—So when you say you vary the frequency, what has it been since, say, 1997, which was when it became critical to have this data, I would have thought, under the protocol?

Mr Carruthers—We had high intensity around 1990 because we needed to establish our 1990 baseline with precision. We were then able to relax the frequency to about every two or three years through the 1990s. For example, we did an assessment for 1998 and we did another assessment for 2001. We will be planning an assessment for 2003 with data taken this year. Our expectation is that, as we come up towards the 2008-12 period for the Kyoto target, we will probably step up the frequency to give us the precision year by year there. But, for greenhouse accounting purposes, it is not necessary for us to do it each and every year.

Senator ALLISON—What is the cost of conducting that survey?

Mr Carruthers—The total cost for data acquisition, processing et cetera is about \$700,000 to do the continent.

Senator ALLISON—Do you have an estimate of what Australia's greenhouse emissions would be for the 2008-12 period if the rates of land clearing in Queensland were to stay at 2002 levels? Have you done that calculation?

Mr Carruthers—No, we do not, because we have not yet done an estimate for 2002. Our latest is the interim figure through to 2001.

Senator ALLISON—You do not have an estimate for 2002 levels?

Mr Carruthers—No, not a measured estimate.

Senator ALLISON—But you must be interested, at least, in what Queensland says has happened in 2002?

Mr Carruthers—When we do the next pass, we will calculate a 2002 figure.

Senator ALLISON—So you are not concerned about 2002? You are not taking any notice of the Queensland data that is already available for that year?

Mr Carruthers—We do not use the Queensland satellite data because it is not designed for our purpose.

Senator ALLISON—I realise that, but you must show some passing interest in the rates of land clearing, even though you have not done—

Mr Carruthers—Yes, we are well aware of the Queensland state reports from the SLATS program and we have a dialogue with their technical people, so we are well acquainted with what they are doing and the results that come out of their programs.

Senator ALLISON—This may be hypothetical, but does that represent an alarming rate? If you were to apply what you know about it from the Queensland figures, what would that tell you about our chances of meeting the Kyoto targets?

Mr Carruthers—As I indicated before, what they are measuring using the Queensland program does not correspond with the scope of vegetation systems that are relevant for the purposes of a Kyoto deforestation account.

Senator ALLISON—So you are satisfied that it is not a problem—that land clearing rates in the forests in the way that the AGO assesses them does not present a problem?

Mr Carruthers—The Australian government has made it very clear that it is very keen to see a reduction in Queensland land clearing activity. Before your arrival we had extensive discussion on the subject of interaction between the Australian government and Queensland on that matter over past months.

Senator ALLISON—Yes, I did listen.

Ms Carruthers—In terms of the policy objective, the Australian government has made it very clear what it is seeking to achieve out of this.

Senator ALLISON—Sorry to press this, but has it made it very clear that the 2002 levels are not acceptable?

Ms Carruthers—That is a matter for Australian government ministers to offer any public views on. I am not aware that they have done so to date on that specific point.

Senator ALLISON—Can the minister help us on this?

Senator Ian Macdonald—Quite clearly, the Prime Minister has indicated that the federal government's view is that there is an unacceptable rate of land clearing. Our approach has always been what is reasonable, and to do that we have always wanted to work with the landowners. We do not believe in expropriation of property or property rights without redress. That has been the difficulty all along. Certainly the Prime Minister has indicated that we do see that something needs to be done.

Senator ALLISON—How much work does the AGO do on other possible land use factors with regard to greenhouse such as, say, a fairly massive expansion of agricultural activity in the Kimberley district of Western Australia? Do you work on worst-case scenarios or do you make assessments of what might happen 'if'?

Ms Carruthers—We have been involved very actively, through the government's funding of the national carbon accounting system, in building a system which has the potential to provide a comprehensive framework for greenhouse accounting of Australia's land systems, which does include a scenario capacity. Our first priority was to deliver a robust capacity in terms of land use change emissions, and hence the results that have been published over the past two years. We are, in a stepwise way, expanding the operational scope within that framework. So we are not in a position at this time to address the full range of potential questions about agricultural development in Australia; but certainly around, for example, land use change emissions we are capable of doing, if you like, assumed scenarios and what they could mean.

Senator ALLISON—Could you be more specific? Have you done this for the Kimberley region?

Ms Carruthers—No, we have not.

Senator ALLISON—Under what circumstances would you do that? Would it be when it appeared likely that agricultural development would proceed in this area? What triggers the AGO to make an assessment of that sort?

Ms Carruthers—If we felt that the government were indicating some priority to do analytical work in that area, we would respond to a ministerial request.

Senator ALLISON—The 2001 greenhouse inventory says, ‘Emissions for agriculture in 2001 were 106 megatons and projected emissions for agriculture in the 2008-12 period to be 99 megatons a year.’ Can you indicate why it is and how it is that there is expected to be a decrease in emissions for agriculture?

Senator Ian Macdonald—The cows are going to better behaved!

Senator ALLISON—Is that right! We are going to eat more of them, though, aren't we, Minister?

Ms Carruthers—The published results in the National Greenhouse Gas Inventory for 2001 are based on actual reported data. In the case of agriculture, the dominant factor is methane emissions associated with livestock, and that is basically dependent on the livestock herd size for sheep and cattle. It is based on an actual measurement up to 2001.

The projection to 2008-12 is a modelled estimate and necessarily has uncertainties about it. But it is based on analytical work done by expert analyst units that provide these technical studies to us, such as ABARE. We do publish those technical studies. They are on our web site. Frankly, off the cuff, I cannot remember the exact drivers that cause the small change in trend that you indicated in your question. But it is laid out in those technical reports. If you would like that to be pulled out for you, that could be done.

Senator ALLISON—Did you say that they were on the web site?

Mr Carruthers—Yes.

Senator ALLISON—I will have a look at it. Does that analysis embrace any expansion of agricultural areas per se, such as what I was suggesting about the Kimberley district?

Mr Carruthers—The analysts would make a projection of the expected size of the Australian sheep and cattle herd out to 2008 and 2012, but I think that would be on a fairly broad scale basis. I doubt that it would come down to a region as specific as the Kimberley in their analysis.

Senator WONG—Dr Wright, can you remind me what the AGO's involvement in the Energy Task Force was?

Dr Wright—We have a representative on the Energy Task Force, which is me.

Senator WONG—I presume the task force has met with the renewable energy industry or people associated with it?

Dr Wright—The secretariat which supports the task force has engaged in a number of consultations with industry, but the members of the task force have not done so directly.

Senator WONG—And the secretariat is located in which department?

Dr Wright—In Prime Minister and Cabinet.

Senator WONG—So you have not participated in meetings with industry?

Dr Wright—No.

Senator WONG—None of the task force have?

Dr Wright—Except for the leader of the task force, Russell Higgins.

Senator WONG—Does the task force oversight the consultations that the secretariat has?

Dr Wright—No.

Senator WONG—Are you aware of with whom they have met?

Dr Wright—No.

Senator WONG—Has Dr Batterham had any input into the Energy Task Force that you are aware of?

Dr Wright—Not to my knowledge. Whether he has been consulted in any of his roles, I do not know. You would have to direct that question to Prime Minister and Cabinet.

ACTING CHAIR—I thank the officers of the Australian Greenhouse Office.

[5.34 p.m.]

Parks Australia Division

ACTING CHAIR—I call the officers of Parks Australia to the table.

Senator WONG—Were the disaggregated programs that we were provided with subsequent to the last estimates hearings also provided for Parks? On notice the department and the AGO provided that, and I thought we had asked it of Parks as well.

Mr Glyde—If you are after the detailed information on Parks it is in attachment A to that answer and page 2 is on my copy.

Senator WONG—In the questions on notice?

Mr Glyde—Yes.

Senator WONG—What page are we on? I have a photocopy here and it does not seem to be in it.

Mr Glyde—Following page 170 there is a sideways table and it is on page 2 of that sideways table. About two-thirds of the way down on the left-hand side it has EA Parks and the four programs that were previously listed in the 2002-03 environment budget statement and for 2003-04 you can see how we have aggregated those three programs into one.

Senator WONG—So it is the three line items there?

Mr Glyde—Correct.

Senator WONG—May we have the year-to-date expenditure for those line items?

Mr Boekel—The year-to-date expenditure is \$2.433 million for the ABRS, \$29,795,000 for Commonwealth parks and reserves and \$322,000 for NRS.

Senator WONG—What are we looking at?

Mr Boekel—National Reserve System programs.

Senator WONG—Yes, this one is a bit strange. What is the current expenditure?

Mr Boekel—It is \$322,000. I am afraid I will have to take on notice the Indigenous Land Management facilitators.

Senator WONG—And EA parks not including NHT1.

Mr Boekel—Could you repeat that?

Senator WONG—The last line item in that box. I have ‘EA Parks (including NHT 1.2).’

Mr Boekel—That relates to the ILMFs on the line above.

Senator WONG—Yes, of course. Last time I asked some questions about marine parks. Do I ask you these?

Mr Boekel—Yes.

Senator WONG—At what stage is the identification and selection process in the south-east marine region?

Mr Boekel—We are in quite heavy consultation with stakeholders. We are looking at two broad areas of interest—the Murray Canyons area and the Zeehan area. We have draft lines on the map for the Murray Canyons area. At the moment, we are seeking further feedback from the various stakeholders on issues that they have identified in those draft lines and relating to them. There is a meeting today in Melbourne where stakeholders are providing input on the Zeehan broad area of interest.

Senator WONG—Where?

Mr Boekel—Very broadly speaking it is along the west coast of Tasmania.

Senator WONG—If I understand how marine parks works, they are areas which are identified as being strictly protected. Is that correct?

Mr Boekel—Yes.

Senator WONG—What is the percentage target for strict protection in the south-eastern region, Dr O’Connell? I hope I haven’t got you into trouble, by the way.

Dr O’Connell—Nothing I cannot handle. I hope you haven’t got me into trouble too.

Senator WONG—You were just being truthful, weren’t you?

Dr O’Connell—We do not have targets for any particular zoning as we develop the marine protected areas in either the south-east or any other part of the process. The process we intend to go through is to identify the values in the area we wish to protect and undertake some risk assessment of what may interfere with those values, make an assessment of what is the nature of the constraints and restrictions put on activities and then assess what the zoning would be consequential to that. So the method we use is not one which seeks to run a percentage target of any particular zone whether full multiple use or category 1 highly protected.

Senator WONG—Hasn’t the approach of identifying a percentage of each habitat which is to be strictly protected been utilised previously in Australia: for example, in the Great Barrier Reef?

Dr O'Connell—In the Great Barrier Reef the end result was that there was protection of somewhere around 33 per cent of the previously declared marine park as highly protected, up from 4.3 per cent. But I do not think that there was a particular target that was government policy in producing that. That was the result of the assessment of what was required to meet the representation.

Senator WONG—The World Parks Congress has called for a 20 to 30 per cent target figure.

Dr O'Connell—I would have to take that on notice for precisely what the World Parks Congress did suggest. But it certainly is not Australian government policy to pursue specific targets.

Senator WONG—As I understand it, what you are telling me is that Australian government policy is not identifying any percentage of habitat in the marine park area to be strictly protected?

Dr O'Connell—Not in advance of understanding what the values to be protected are, the risks that those values may incur depending on the activities and the assessment of the zoning that might be required to manage those risks. The process is, if you like, somewhat the other way around. Instead of coming with an arbitrary percentage, we assess what is required for the objective.

Senator WONG—Who assesses that and what is the objective?

Dr O'Connell—The process we have in the south-east regional marine area is, in the first place, to identify broad areas of interest in the overall area. As well as the two that are under detailed investigation just at the moment, there are another nine in the area.

Senator WONG—Can I ask who is doing this?

Dr O'Connell—This is done by the department through Parks Australia in concert with the National Oceans Office, a range of stakeholders and our science advisors such as the CSIRO marine division.

Senator WONG—So the range of stakeholders includes industry, presumably?

Dr O'Connell—Yes, industries such as the petroleum industry, the fisheries industry and conservation groups.

Senator WONG—Which scientists, if any, are involved in the actual assessment of values and the risk assessment?

Dr O'Connell—We would have to take on notice the particular names, but it is CSIRO and the Bureau of Rural Science.

Senator WONG—You indicated before that the process of identifying areas of interest is being done by a broad group, including officers of your department. Is that right?

Dr O'Connell—It is done between us and the National Oceans Office. The National Oceans Office runs the overall process of the planning and within that, in terms of the specific activity of looking at marine protected areas, Parks Australia staff manage that subprocess, if you like.

Senator WONG—What subprocess do you manage?

Dr O'Connell—The specific examination and consultation with stakeholders—with the marine protected area compartment. The south-east regional plan is a lot wider than marine protected areas.

Senator WONG—Absolutely.

Dr O'Connell—It has a whole suite of activities, which the National Oceans Office undertakes. In terms of the Parks Australia output for that, we play a subsidiary role in the management of the process to identify and declare the parks. But we do it in concert with the National Oceans Office to ensure that what occurs is a balanced outcome in terms of the conservation and production requirements.

Senator WONG—So there is no percentage target and you are going through a process of assessing the values and a risk analysis, in other words. What activities can be contemplated in a particular area without disturbing the values and to what extent? Who does that analysis? Is that done by the scientists?

Dr O'Connell—The risk analysis?

Senator WONG—Yes.

Dr O'Connell—That is an exercise we do in concert with I believe it is CSIRO and BRS.

Mr Boekel—I am not 100 per cent sure about BRS. CSIRO has been involved. It involves cooperation between the National Oceans Office, which does have experts in it, and the Department of the Environment and Heritage as well.

Senator WONG—Are stakeholders involved in that assessment or only in the consideration of what occurs after the scientific assessment has been made? How does the process work?

Dr O'Connell—In terms of the selection of areas within the broad areas of interest as possible areas for a marine park, we have a set of specifications which are created as part of this process. Those have been scientifically validated in the process. There are many ways of applying those specifications to reach the outcome. What we try to do is ensure that the key industry and conservation interests and science interests are able to look at alternative ways of applying those specifications to meet the outcome in order that what we do is minimise the impacts of that application on other government objectives, such as the promotion of a sustainable fisheries industry or petroleum industry. So we are trying to balance the outcomes by use of the specifications, with a range of interests assisting, I guess, in applying those specifications.

Senator WONG—What are the specifications?

Dr O'Connell—We can provide you with the specifications.

Senator WONG—I am still not clear on the process. I do not know if I am misunderstanding you, but is there a scientific level study done which might say, 'We say there are X, Y and Z values,' and then a risk assessment in terms of what activities would be detrimental to those values?

Mr Boekel—I suppose there were two stages. If I explain those that might help. In the first stage the specifications were identified. They were identified by an expert group and a

bioregionalisation was carried out. Areas of the different bioregions were identified and areas that met the specifications were identified. So, for instance, in the Murray canyon area the specification might say something like ‘a complete canyon’. So you would look for a complete canyon in designing the candidate marine park. That process went ahead and in, I think, December, the next stage—the stage of doing a more refined risk assessment—was started. Unfortunately I cannot give you the names of the people or the experts who were involved in that, but we will take that on notice. They basically used the structure of looking at particular values that were important to the candidate area and what sorts of human activities might be consistent or inconsistent with those values.

Senator WONG—So has that been done?

Mr Boekel—We are halfway through that; it is incomplete.

Senator WONG—Will you provide me with information as to who is doing that?

Mr Boekel—Yes.

Senator WONG—As I understood it—it is a bit like the national forest policy, having a CRA, isn’t it?—the objective was to have a national representative system of marine protected areas. How is that achievable if there is no percentage allocated for strict protection?

Dr O’Connell—It is not part of the National Representative System of Marine Protected Areas policy approach or strategic approach. The national system is a joint Commonwealth-state agreement. It is not part of that agreement that there be targets for highly protected areas. As I said, the same issue arises. It is a question of what are the objectives for the specific areas in terms of conservation you have, and what is inconsistent with those objectives. Otherwise, you do tend to become arbitrary about your constraints on industry and your constraints on the conservation outcome.

Senator WONG—Is it the intention to establish a park in the south-east with low levels of protection, with a view to increasing protection over time?

Dr O’Connell—That is one possible way of handling limited knowledge, especially, and working through issues with stakeholders and industry groups. Potentially that is one way of managing it. We are, as we say, smack in the middle of these discussions on how to go from the broad area of interest to the candidate areas. When we look at how that gets laid out, that advice of course goes to the National Oceans Ministerial Board for their consideration, and the key decisions will be made there, not by us. It is not a question of the bureaucrats making decisions.

Senator WONG—Mr Boekel, is the risk assessment that you referred to only conducted by the scientists, or is there stakeholder input into that process?

Mr Boekel—I am not certain. I will have to take that on notice.

Dr O’Connell—I am pretty clear. My reasonably clear understanding—but I will correct it if it is wrong—is that there is stakeholder input into that process.

Senator WONG—Why would that be? I can understand stakeholder input at the point where we say, ‘This is what the science tells us,’ prior to governments making a decision about what we therefore do in those areas—where the scientists say, ‘This is a possible interference with this value,’ or, ‘This is detrimental,’ or, ‘This isn’t.’ I understand it at that

level of input. But why would there be stakeholder input at the scientific level of analysing what values exist and what activities are inconsistent or detrimental to those values?

Dr O'Connell—A risk assessment process is not simply a matter for scientists, if you like. It requires that you understand the processes that are undertaken by the industries that are operating. So, for example, if you are trying to understand or make an assessment of the risks of various fishing methods in an area, you need to have an understanding of how those fishing methods work. It is not something that is simply a science outcome. It is, I think, clearly an outcome which has to comprehend and understand the nature of the activity. For example, if you look at the fishing industry, you may have bottom trawling which may have one kind of impact; you may have mid-water trawling with another; you may have droplines. There is a whole range of fishing methods. If you do not have some understanding of how those operate, you cannot make a sensible risk analysis. As I say, beyond that the assessment of the risk is something you would expect to be relatively cleanly objective, but it requires that input.

Senator WONG—The approach which you said is being considered—that is to establish the marine park now with low levels of protection and look to increasing protection at a later date—

Dr O'Connell—I did not, I think, say that that was the approach we were taking—

Senator WONG—That was one option being considered.

Dr O'Connell—That is an option, and a reasonably rational option, but, as I say, how we undertake this will be a matter for the National Oceans Ministerial Board for decision making, not for us.

Senator WONG—How could that work? Would that be phasing out of certain types of fishing over a period of time; is that one option?

Dr O'Connell—I think you are taking me into the realms of speculation, to be honest, about the area. You proposed an option, and it is an option we could explore, but we yet have to work through this.

Proceedings suspended from 5.59 p.m. to 7.03 p.m.

Senator WONG—Dr O'Connell, you said prior to the dinner break that one of the options being considered or an option available was to establish the MPA with a low level of protection, with a view to increasing protection at a later date.

Dr O'Connell—I should be quite precise. It is not good that you establish it with a low level of protection. The different categories of protection are not 'lower' or 'higher'. They are different categories of protection, and we would expect to protect for the values. One possibility is allowing for changes to the zoning over time, for example, as has happened with the Great Barrier Reef Marine Park. That is one possibility that we have to work our way through but, as I said, it would be wrong to couch that as the policy approach. The policy approach will be decided by the Oceans Ministerial Board.

Senator WONG—When you say 'we', who is working through that as an option?

Dr O'Connell—That issue will be handled in the consultation process on the development of shifting from the broad areas of interest to the possible candidate options. That is part of the exercise.

Senator WONG—Presumably there are some costings which are being prepared for various candidate options, as you describe them.

Dr O'Connell—We are not at the stage that we would have costings.

Senator WONG—If there were a later phase-out of some fishing activity consistent with the approach that we have been discussing, is there a possibility that the appreciation in the value of the access entitlement might make that a more expensive option from the taxpayers' perspective?

Dr O'Connell—I think you are taking me down a hypothetical. In terms of the adjustment assistance issues, I refer you to the policy statement on marine protected areas and displaced fishing released by Senator Macdonald on 15 January. That gives the framework for how the government will consider adjustment assistance in relation to fisheries and MPAs.

Senator WONG—Has there been or is there currently consideration of how to deal with oil and gas activity in the proposed MPA?

Dr O'Connell—I am not sure I understand your question.

Senator WONG—Are there candidate options which look at different options for the oil and gas industry in terms of access and activities?

Dr O'Connell—We are at the stage where we have a range of interests coming forward with proposals and we are discussing those proposals across the board with people. For example, the fisheries interests come forward with some opportunities they would like us to take up or consider. The conservation groups and the petroleum industry are the same, and we are discussing those across the board.

Senator WONG—What are the options that the petroleum industry are proposing?

Dr O'Connell—I do not have the information here. It is a matter of not a single option but rather a discussion between those people. If you are talking about the specifics of those areas that we are dealing with, the Zeehan and Murray canyon areas, those will become clearer as we take them to the ministerial board.

Senator WONG—Are you able to provide us with the range of options which are being put by the petroleum industry?

Dr O'Connell—I do not think I can at the moment. As I say, those are issues that would be, in the first place, provided to ministers for consideration as options.

Senator WONG—That is the issue of the petroleum industry and their propositions. Obviously this is an area where the government's environment policy and the government's energy policies interact. How is that being dealt with?

Dr O'Connell—That will be a matter for the Oceans Ministerial Board to take on.

Senator WONG—I appreciate that, but what is the involvement at the officer level?

Dr O'Connell—In terms of the interests within government, we have all relevant portfolios involved in the process. As well as discussions with stakeholders, we have an interdepartmental process which ensures that we capture the interests of other portfolios before we go to ministers.

Senator WONG—Is this interdepartmental process separate from the assessment process we were discussing prior to the dinner break?

Dr O'Connell—It is separate from the stakeholder discussions in that it is an internal interdepartmental process so it does not involve the non-government sector at that stage. It is a pretty normal standards type of interdepartmental committee.

Senator WONG—I understand that. As I understand the process, the assessment itself is already not purely scientific because, going on your answer before dinner, what you are saying is, 'Look, it is not a matter only for the scientists,' so we have the stakeholders, including the petroleum industry and the fishing industry, involved at the assessment level.

Senator Ian Macdonald—And the conservationists.

Dr O'Connell—Yes, conservation.

Senator WONG—And the conservationists, at the assessment level.

Dr O'Connell—Yes. We obviously have to take on board the suite of policy interests of the government across the board and we do that as represented through the departmental process.

Senator WONG—What is the range of departments on the interdepartmental working group?

Dr O'Connell—I would have to get back to you on the specific detail but it will be of the nature of the department of agriculture and fisheries; AFMA—the Australian Fisheries Management Authority; ITR—Industry, Tourism and Resources; and DOTARS and DEST. Maybe not DEST. I will take on notice the specifics.

Senator WONG—You are the lead agency for that purpose?

Dr O'Connell—Yes. Parks Australia manages that. I would have to say—I should perhaps have said it in the first place—that Peter Cochrane, who is the Director of National Parks, is overseas at the Convention of Biodiversity and I am fielding for him in this case.

Senator WONG—Do I understand from your answers prior to the break that you are not approaching this with any clear percentage in mind for the purposes of strict protection of any particular habitat area?

Dr O'Connell—We are not approaching it with any particular percentage in mind for any category of the IUCN categories for protection, which covers what you are saying.

Senator WONG—No protection targets at all?

Dr O'Connell—No zoning protection targets, no, in terms of percentage. The targets are essentially provided by the specifications which we discussed earlier on, which we will provide to you, and that will give you a clear sense of the objectives.

Senator WONG—Thank you.

Senator ALLISON—I have some questions about ballast water, for whoever has anything to do with marine parks.

Dr O'Connell—Try us on the question. It may be that another area is more appropriate.

Senator ALLISON—Yes, I am sure there are at least 15 departments that are more appropriate, but I wondered what your role was on the various task forces and advisory councils. Do you have a presence on those, representing Commonwealth marine park interests?

Dr O’Connell—It is not the parks area that is involved in the ballast water issue. It is another area of the department—the Land, Water and Coasts Division—and we can in part cover it there. I forget the name of the group you are talking about, but we do have a role, in cooperation with the Department of Agriculture, Fisheries and Forestry, in that process. The primary carriage of that currently occurs in the Department of Agriculture, Fisheries and Forestry.

Senator ALLISON—Yes, I realise that.

Dr O’Connell—It is not the parks people.

Senator ALLISON—In terms of Commonwealth marine parks, it is not appropriate to ask you about this as an issue?

Dr O’Connell—The people who are involved in the marine parks do not have a direct involvement in the ballast water processes that are involved in looking at introduced marine pests and ballast water.

Senator ALLISON—Can you say why that is the case?

Dr O’Connell—Predominantly, the interests are much broader than the parks, and some of our parks, of course, are not particularly relevant to ballast water exchange. It is really a larger coastal environment, and that is why it is the Land, Water and Coasts people. It is not specifically parks; it is a marine matter more generally.

Senator Ian Macdonald—It is a quarantine, principally, with marine pests. That is why it is sitting in my real department. Certainly DEH have a role. Were there any specific questions you had? I am happy to take them on notice.

Senator ALLISON—No, I will ask them in Transport and Industry, and all the other many departments.

Senator Ian Macdonald—No, you won’t, because that was yesterday.

Senator ALLISON—They have already gone. Okay.

Senator Ian Macdonald—But if you want to put them in as questions on notice I am happy to take them in the other department.

Senator ALLISON—I will do that.

CHAIR—Senator Wong, where would you like to go next?

Senator WONG—I had some whole of portfolio questions on the table that was provided.

CHAIR—What about Parks Australia?

Senator WONG—I have nothing further on Parks Australia. I indicated that before.

CHAIR—Parks Australia can go. Is that okay with you, Senator Allison?

Senator ALLISON—Yes.

CHAIR—Parks Australia officers will not be required—if they are here. We are going to the department.

[7.16 p.m.]

Department of the Environment and Heritage

CHAIR—There are several headings there, Senator Wong. How do you propose to go through them?

Senator WONG—I am happy to go through the divisions.

CHAIR—We will deal with the Approvals and Wildlife, Corporate Strategies and Heritage divisions.

Senator WONG—I have one question which crossed a number of portfolios. It might be efficient if I deal with that now. The question on notice at page 170 that you referred me to again, Mr Glyde, there are a few areas I would like to get the year to date expenditure on now. I will ask the remainder on notice and if you could provide the same table with the revised year to date expenditure.

Mr Glyde—I can try to give you the year to date expenditure where we know it, but I think it would be safer to take them on notice for all of the areas.

Senator WONG—If you are able to, there are a few I would like to get now.

Mr Glyde—I will try.

Senator WONG—If not possible then it is not possible. Under the Natural Heritage Trust, Bushcare, Coastcare, Landcare, Rivercare, air and waste, do you have those year to date expenditures?

Mr Glyde—I do not, but we have an officer who does have year to date expenditures for the NHT cares.

Mr Tucker—Year to date expenditure by the four cares? That was your question?

Senator WONG—Yes.

Mr Tucker—This is as of the 17th, so it is as of today: \$32,753,000 for Bushcare; \$9,727,000 for Coastcare; \$26,462,000 for Landcare; \$11,696,000 for Rivercare, totalling \$80,638,000 for the trust.

Senator WONG—Air and waste?

Mr Tucker—That is not in those figures at that time. That is year to date. The air and waste one will probably occur later in the financial year.

Senator WONG—It is still at \$0.3 million, is it?

Mr Tucker—That is still the budget figure.

Senator WONG—Sorry, what was the total amount?

Mr Tucker—The total amount was \$80,638,000.

Senator WONG—There are only three more areas, Mr Glyde: the inland waters disaggregated program, the World Heritage programs and the grants to voluntary environment and heritage organisations. They are the only other categories.

Mr Glyde—I can deal with the last one first because that falls within my division. The year to date expenditure on the GVEHO program is zero at this stage. We have made offers. We are still waiting for those offers to come back, but we expect that we will expense the full amount before the end of the financial year.

Senator WONG—What about World Heritage programs?

Mr Glyde—I do not have the year to date figures with me. I would have to take those on notice.

Senator WONG—Will someone later be able to provide them?

Mr Glyde—I do not think so. We did a whip around beforehand to check whether we could answer these questions across all the divisions and I was told that we would not be able to answer these to give you accurate information as at the end of January, so I think we are better off giving you the questions on notice, if that is okay.

Senator WONG—That is fine. The inland waters?

Mr Glyde—That would also fall into the same category.

Senator WONG—Mr Slatyer, can you help me?

Mr Slatyer—Expenditure to date on inland waters for our division is \$1.6 million. We understand that there would be a small amount through the Office of the Supervising Scientist, but we do not have that figure.

Senator WONG—As opposed to \$0.9 million?

Mr Slatyer—Yes.

Senator WONG—Thank you. Can we go to approvals.

Mr Tucker—Senator, can I correct one of your questions about air and waste. I actually do have it on the front page of my document: \$217,000 has been spent on air and waste to date.

Senator WONG—That does not make sense because it was \$0.3 million before.

Mr Tucker—This is a printout from our financial system.

Senator WONG—Mr Glyde, am I reading this wrong? Attachment A to the question on notice, which I am working off, has it at \$0.3 million as at October.

Mr Tucker—Yes. I think we will have to resolve this.

Senator WONG—Can we resolve that?

Mr Tucker—Yes, we will clarify that, Senator.

Mr Glyde—As to why Mr Tucker's figures are different to mine.

Senator WONG—So you either have more or less money.

Mr Glyde—We will always take more from him.

Senator WONG—Yes, I am sure.

[7.23 p.m.]

Senator WONG—I now turn to the Approvals and Wildlife division. I asked some questions at estimates of ARPANSA last time around—and I know you are going to tell me

that they are the licensing authority and DEST is the applicant. After the estimates, Mr Loy provided us with his letter to DEST, requesting further information. I did quiz him about this in the estimates process. One of the concerns that was raised was that some of the EIS data was a bit too generic—I think that was what he was indicating—in that it was for three sites as opposed to the particular site 40A. Has your department been involved in any reassessment or consideration of that data as a result of Mr Loy's letter?

Mr Early—No, we have not.

Senator WONG—Has DEST asked you to provide any further information or consulted with you regarding their provision of further information to ARPANSA?

Mr Early—No.

Senator WONG—So the environment department has had no involvement in any further EIS work?

Mr Early—We will have a further involvement down the track in terms of the conditions that were imposed by our minister. As to the precise licensing arrangements for ARPANSA, as you foreshadowed, that is really an issue for ARPANSA and DEST and not us.

Senator WONG—He has requested that DEST draw out the site-specific evidence relied upon in relation to site 40A. Do you have a copy of this letter, Mr Early?

Mr Early—I have not seen it.

Senator WONG—So no-one in this department has seen a copy of ARPANSA's letter to DEST raising these concerns?

Mr Early—No.

Senator WONG—My recollection is that DEST draw up the EIS and you then assess that. Isn't that right?

Mr Early—That is right.

Senator WONG—It does not concern you that the licensee body, the regulator, has raised concerns with the quality of the evidence in the EIS?

Mr Early—The EIS was about environmental approvals under the Environment Protection and Biodiversity Conservation Act, whether or not the impacts on the environment were going to be acceptable. That always foreshadowed the precise detail in relation to a number of aspects of that—safety and so forth—would be covered by ARPANSA. As I understand it, that is the process they are going through and they certainly have not asked us for any additional advice on any of these matters.

Mr Forbes—As part of the conditioning process which our minister imposed for this, there is to be additional work undertaken, part of which includes further site works on 40A. I have not seen the letter from Mr Loy, but it would not surprise me that it relates to further geotechnical investigations because there were some suggestions from some of the work which we had undertaken on our behalf by the Bureau of Rural Resources when we were assessing the project that further geotechnical work was required to ensure there were no fracture zones in the site at 40A. If that is what Mr Loy is referring to, it means that further work is required, but it does not detract from the final assessment in terms of that being the

preferred site, which was the final assessment outcome from the EIS. From the EIS there were always further investigations in relation to the conditioning process, which will go forward.

Senator WONG—The requirement for further work on what you describe as ‘fracture zones’—was that the terminology?

Mr Forbes—I used that terminology, because as I recollect there were some suggestions that further work needed to be undertaken to ensure there were no fracture zones.

Senator WONG—Was that a condition of approval of the EIS?

Mr Forbes—That was a condition which our minister set on DEST. I think that has been picked up in the context of what ARPANSA is suggesting: DEST need to do that further work to ensure, in their licensing, that they have the appropriate licensing conditions as well as the conditions which we have. In essence, it is bringing into line the conditions which Environment has imposed with what ARPANSA will impose. I have not seen the letter but I am surmising that is—

Senator WONG—That is not one of the issues. The issue I am discussing is different. ARPANSA has suggested that the EIS makes a broad argument as to the three sites being reasonable, but Mr Loy wanted site-specific evidence relied on in relation to site 40A. I questioned him, given your department’s role in approving the EIS, if there was going to be consultation with your department. As I understand your answer, you have had no consultation whatsoever.

Mr Early—That is right.

Senator WONG—What about the International Atomic Energy Agency? Was there any consultation with your department in relation to their report?

Mr Early—No.

Senator WONG—Were you aware of their investigation of this issue?

Mr Forbes—We were aware that they had been contracted by Mr Loy. That is as far as we understood it: no consultation on the details of it.

Senator WONG—What does that mean—‘on the detail’? Does that mean you have had some discussions with them?

Mr Forbes—No, there have been no discussions.

Senator WONG—Are you aware of who the members of the panel were?

Mr Forbes—No, I am not aware.

Senator WONG—The fracture zone—or ‘geotechnical work’ you described it as, Mr Forbes—when was it envisaged in the minister’s condition that that work be undertaken?

Mr Forbes—I do not have the condition in front of me, so I am going on my recollection. As I recall, it was in relation to the development of their environment management plan for the site and the final selection for the site within site 40A, because site 40A is a reasonable size and the repository itself will take up a small zone within that.

Senator WONG—What does that mean?

Mr Forbes—It means that, once the site has been finally selected, they will be coming back to us for the final approval of that site and how it will be operated.

Senator WONG—Is this after ARPANSA issues a licence?

Mr Forbes—I would think that that would happen in parallel.

Mr Early—The conditions attaching to the EIS approval were that the environment management and monitoring plan had to be approved by our minister, so that will have to come back for approval.

Senator WONG—The environment management and monitoring plan?

Mr Early—That is right.

Senator WONG—How does that interact with the ARPANSA process? Can ARPANSA issue a licence without your minister having approved the EMM plan?

Mr Early—I am not sure they are interdependent in that way, but my understanding is that the proposal could not go ahead without both ARPANSA's approval and our minister's approval.

Senator WONG—Have you had anything back yet from DEST on those requirements?

Mr Early—No, not at this stage.

Senator WONG—Was it envisaged that DEST would conduct that geotechnical work?

Mr Forbes—As the proponent, we would have expected DEST to undertake it. Presumably, they would have a contractor to do that for them.

Senator WONG—Would that work be part of this EMM plan?

Mr Forbes—Yes, the outcomes of that would be.

[7.33 p.m.]

Senator WONG—I now turn to the Heritage Division. I had some questions regarding Norfolk Island. The Heritage Division includes the Heritage Commission, doesn't it?

Mr Leaver—Yes. The Australian Heritage Commission no longer operated after the commencement of the new Heritage regime on 1 January just gone, so the staff and many of the programs of the former Heritage Commission are now part of the Heritage Division.

Senator WONG—The Joint Standing Committee on the National Capital and External Territories, I understand, was going to investigate the proposed sale of crown land on Norfolk Island. Is that correct?

Senator Ian Macdonald—That would be the department of territories, not this department.

Senator WONG—What has the Heritage Commission's involvement in the joint standing committee's investigations been?

Mr Leaver—The Heritage Commission, as an organisation, has not been involved with—

Senator WONG—Have any of your officers been involved in it?

Mr Leaver—The Heritage Commission has been represented on the Kingston and Arthur's Vale conservation area body, which is made up of DOTARS and Norfolk Island government. One of the former commissioners of the Heritage Commission served on that body and was in a position to provide advice on heritage matters associated with that core area of high heritage asset value on Norfolk Island. That has been the limit of our involvement to date.

Senator WONG—What is the status of the proposed sale of this land?

Senator Ian Macdonald—That would be DOTARS. I was the minister when I arranged to sell all that. I thought it would have been over and done with by now, but I have not followed it along.

Senator WONG—There is land which is of interest to the Heritage Division—the former Heritage Commission—on Norfolk Island, is there not?

Senator Ian Macdonald—I am going from memory, back about three years to a previous portfolio, but the area around Kingston and Arthur's Vale was expressly excluded from all that. So that you get this in perspective, it is a bit like Canberra. The island had a series of crown grants, which people bought and sold as freehold land. What we were trying to do was simply regularise the land tenure system. It would not in any way affect town planning arrangements, although there were precious few on Norfolk Island at the time. It is quite outside the realm of this portfolio and certainly my current one. It was trying to regularise the land title system, but at the same time it was requiring the Norfolk Island government to get a better regime of planning, which included some of the environmental things that I think you are interested in. Your question should really go to the DOTARS estimates committee as to where it currently is, but I do know from those early days that the government was very insistent that the very significant heritage values of Norfolk Island be preserved.

Senator WONG—How is that proposed to occur?

Mr Leaver—These areas are not subject to the land sale discussions. At the moment, they are Commonwealth heritage on Commonwealth land. They are listed on the Register of the National Estate. Therefore, whilst they are protected now, they also would be candidates for transfer to the Commonwealth Heritage List. There has been a great deal of interest, through the discussion associated with the development of the new regime, in those Norfolk Island lands being candidates for the Commonwealth Heritage List and even candidates for the World Heritage List. It is hard to contemplate an area of Commonwealth owned heritage that is as important as this site.

Senator WONG—Thank you for your helpful advice, Minister. Do I understand, therefore, that the area which Mr Leaver is referring to is not part of what is proposed to be sold?

Mr Leaver—No.

Senator Ian Macdonald—If you are asking me, that was not the proposal two or three years ago when I had some involvement. You would want to get more up-to-date advice, but I think the principles would remain current now, as they were then.

Senator WONG—Has there been any consideration of how the sale of abutting land or anything like that might affect the heritage values?

Mr Leaver—There was a case last year where there was a development proposal on private land within the Kingston and Arthur's Vale area that the minister believed could have a significant impact on the heritage values of that area.

The minister caused that proposal to be called in for assessment under the EPBC Act because section 26 of that act not only protects the heritage on Commonwealth land but also protects heritage from actions outside that land that could have impact on that land and, as a result of the importance of that site and the potential for significant impact, it has been called in for formal environmental assessment under the act and that assessment is currently under way.

Senator WONG—As I understand it, the ACF have previously sought to nominate for the Commonwealth list areas of Crown leasehold on Norfolk Island. Is that correct?

Dr Reville—There had been six nominations of places on Norfolk Island which had not been fully assessed by the Australian Heritage Commission. I understand those same six places either have been or are going to be nominated to the Commonwealth Heritage List by the same nominator. If they are nominated to the Commonwealth Heritage List, the Australian Heritage Council, which is the body under the new legislation, will look at the assessments of those places.

Senator WONG—Are any of the areas nominated potentially subject to sale?

Dr Reville—I cannot answer that. We will have to look very carefully at the boundaries that are being proposed. As has been said before, we are not privy to the details of sale at this stage. We would have to check with DOTARS about which areas were up for sale.

Senator WONG—Have you done that assessment or are you intending to?

Dr Reville—No. Under the new legislation the Australian Heritage Council will do the assessment, and the Australian Heritage Council has not been announced yet.

Senator WONG—When is the sale going to occur?

Mr Leaver—We are not privy to the information on the sale.

Senator WONG—It seems to be relevant. You have six sites that are not being assessed because the council has not been announced. Is that what I understand your answer to say?

Mr Leaver—Yes. The regime commenced last month and it is still being put in place.

Senator WONG—You have six sites nominated by ACF. You have a potential sale process under way. Do you not have some interest in when the sale process is likely to be finalised, given these nominations have been put forward?

Mr Leaver—It is the Australian Heritage Council's job to assess the sites and, as soon as the council is appointed, I would expect that and other nominations that have now been received would be their priority.

Senator WONG—Do we know when the council is going to be appointed?

Mr Leaver—That decision is before the government at the moment.

Senator WONG—Can you cast any light on it, Minister?

Senator Ian Macdonald—No. I know it is being considered by Dr Kemp and I would expect that he would be saying something about that in the not too distant future.

Senator WONG—What you are telling me, Dr Reville, is that these nominations are not being assessed because no-one is yet there to assess them. Is that right?

Dr Reville—At the moment that is true; but, as has been said, we expect that situation to change very soon.

Senator WONG—Is it the case that the six nominations to which you refer were previously nominated by the ACF in 1996?

Dr Reville—Yes. In fact, the information on these places was supplied in an answer to Senator Lundy at the last Senate estimates, so there is information on these places and the history of them.

Senator WONG—Could you refer me to the page in the questions on notice.

Dr Reville—I do not have the page. It was question No. 32, if that helps, *Hansard*, page 110.

Senator WONG—I have the question on notice, thanks. In answer No. 32, the former commission—I presume the AHC there is referring to the commission, not the council—decided to undertake the assessments jointly with the Norfolk Island government et cetera. Has anything been done since the new act was commenced in January?

Dr Reville—No, because I understand the nominations for the Commonwealth Heritage List are about to be received or have been received. When the Australian Heritage Council is appointed, the nominations will be referred to the Australian Heritage Council—

Senator WONG—Yes, you have said that a number of times. I have that, Dr Reville. I am asking what happens in the interim. We have had a process of nomination. The commission was considering it. The government introduced new legislation. There is a proposed sale. As I understand what you are telling me, some of the land nominated may be subject to the sale and no further assessment is occurring because there is no heritage council to do it. Is that right?

Dr Reville—The time frames we are talking about are very short. We are not talking about a lengthy period.

Senator WONG—What is the time frame?

Dr Reville—We are anticipating the council will be appointed very soon.

Senator WONG—But do you know when the sale is proposed?

Dr Reville—No, I do not.

Senator WONG—If the sale is going to occur next month, the fact that the council has not yet been appointed is surely an issue.

Dr Reville—I do not know when the sale is going to occur. This issue has been around for some time and, as the answer also points out, there is the option available to have the areas assessed under the Norfolk Island heritage legislation which is now in place.

Senator WONG—None of which is occurring because the council is not in place?

Dr Reville—No. The Norfolk Island heritage legislation is—

Senator WONG—I appreciate that, but who is asking them to do it? If the council is not in place, have you asked them to do this?

Dr Reville—It would normally be the nominator.

Senator WONG—Is it the case that the six nominations by the ACF we are discussing are those portions of the 1996 nominations which were Commonwealth owned Crown leasehold?

Dr Reville—I do not know what the exact boundaries are of these six places at the moment. Staff are currently looking at the boundaries.

Senator Ian Macdonald—As I explained to you, like in Canberra, every bit of land in Canberra is a Crown leasehold, although everyone treats it as freehold. It is the same on Norfolk Island and what we want to do is just regularise it. If someone owned a Crown leasehold, they have been operating it as their own land since the year dot and, in actual fact, nothing much will change. If the six properties you are referring to are Crown leaseholds owned by the Crown and managed by the Crown, then there is no suggestion that by changing the title regime the ownership of the council will change—that is, working on the basis of what you have said is the case.

Senator WONG—There is a possibility, is there not, that these areas of land under nomination or within the nomination area could be converted to freehold prior to the Heritage Council being appointed.

Senator Ian Macdonald—No. I gather that the officers here are not familiar with that and I am giving not terribly good or accurate advice. I think we had better really establish from DOTARS what the situation is. Can you tell me which the sites are? Do they have a local description?

Dr Reville—Minister, if I may respond to that: I understand the six areas currently being discussed are the Norfolk Island coast, and I think that is a substantial part of the coast; western landscape areas; Duncombe Bay landscape area; Mission Road area; Red Road, Cascade area; and Bloody Bridge landscape area.

Senator Ian Macdonald—No, I cannot help further.

Senator WONG—The ACF wrote to the minister last year in relation to these nominations and urged the minister that no land in the Commonwealth lease nominations which had been lodged with the Heritage Commission be converted to freehold until the assessments had been completed and their future considered in light of the assessments. Are you aware of that?

Mr Leaver—I am aware of the very longstanding interest of the ACF in these areas, and that interest was certainly reflected through the second reading debate in the Senate when the bills were progressed through parliament. So the ACF have had a long history of engagement in advancing these nominations.

Senator WONG—Has any action been taken by your division in relation to that request?

Mr Leaver—No. Our position has been to work with the Norfolk Island government. The Norfolk Island government represent that community. The Norfolk Island government have passed their own heritage legislation. We cooperate with the Norfolk Island government

through the joint management of KAVHA and, where we can, we assist Norfolk Island with advice on heritage. That would remain our general position. However, having received nominations under the Commonwealth Heritage List, when the council is established the council is obliged to assess those nominations according to a time frame and come up with recommendations about potential listing on the Commonwealth Heritage List.

Senator WONG—The department that is handling the sale process is DOTARS, is it?

Mr Leaver—Yes.

Senator WONG—So you have had no discussions with DOTARS as to the time frame for sale, despite the fact that there are sites of interest that need assessment which may or may not be subject to sale.

Mr Leaver—We are aware that this matter has been discussed for quite some time and we discussed with DOTARS a whole range of heritage management issues in relation to territories. I would expect if there was an imminent sale they would tell us. We are just simply not aware of an imminent sale.

Senator WONG—But you are not aware of any time frame for sale, Mr Leaver. That is what you told me.

Mr Leaver—No, that is the point. This has been around for quite some time. I am not aware of any imminent action in relation to the sale of land.

Senator WONG—Do you expect to be aware of it if it were?

Mr Leaver—If there was an imminent sale, yes, indeed. I would expect our relationship with DOTARS would be such that they would advise us. They are also aware, of course, of the interest in the heritage values of the island. As I said, the former commission and now us would jointly cooperate with DOTARS in the administration of the Kingston and Arthur's Vale conservation area.

Senator WONG—Dr Reville, I think you said that you or your division were doing some work on the boundaries of these nominations to determine if any of them was within the area of proposed sale. Is that correct?

Dr Reville—When a nomination is received, particularly under the new system of the Commonwealth Heritage List, we have to be sure whether the place that is being nominated is wholly a Commonwealth area, because only a place which is a Commonwealth area can go on the Commonwealth Heritage List. One of the standard things staff will do when a proper nomination is received is look at the boundaries of those areas.

Senator WONG—Sorry, could you say that last part again?

Dr Reville—They will look at the boundaries of the areas to see what tenure the land is, where the boundary actually runs, because the boundary has to be quite precisely defined.

Senator WONG—Is that work currently being done?

Dr Reville—I think we have only just received the nomination. I am not even sure if the final nomination form has been received. I have been told by my staff that we are getting a nomination on these places. We have a two-stage process for the nomination: an expression of interest and then a formal nomination form. I do not know at the moment whether the formal

nomination form has been received, but I believe it is imminent. We will check the boundaries to see exactly where the boundaries are for these nominated areas. Some of those areas, I understand, are quite large.

Senator WONG—I think the question which you took on notice last time, Dr Reville, which Senator Lundy asked was, ‘Are any sales of those places deferred pending the outcome of this process?’ meaning the assessment process and the dialogue with the Norfolk Island government. Do you have that *Hansard* before you? It is on page 153.

Dr Reville—Yes.

Senator WONG—What was the answer to the question as to whether or not it had in fact been deferred—No. 33?

Dr Reville—The answer to question No. 33 points out that there were a number of conditions that the government had put in place before any transfer of the places could occur. It goes through there and explains what those conditions are which have to be met. As Mr Leaver has said, we have not been told that the transfer of these particular land titles are about to happen. We would expect that we would be told if that was going to occur.

Senator WONG—Have the prerequisites that are referred to at page 61 for transfer of Crown land been met as yet?

Dr Reville—Certainly the Norfolk Island Heritage Act is now enacted. That was one of the key issues. As you can see, that is fairly recent—August 2003.

Senator WONG—Yes.

Dr Reville—The Norfolk Island plan has been reviewed. I think there are management plans for public reserves, but I would want to check on that to make sure.

Senator WONG—Is it still government policy, as you understand it, that those issues are prerequisites to any sale?

Dr Reville—I understand that was the case at the time of writing of this question. As far as I know, that is the case.

Senator WONG—Has there been a change to government policy since this question was provided?

Mr Leaver—Not that we are aware of.

Senator WONG—I have some other questions, but I am not sure if this is the right area, though, in the natural resource management regions under the NAP and NHT.

Ms Tinney—That would be the NRM Programs Division, which is Mr Tucker.

Senator WONG—Thank you. I have nothing further for the Heritage Division.

[7.57 p.m.]

Senator ALLISON—The representative from Environment Australia is on two committees, the Australian Introduced Marine Pests Advisory Council and the National Introduced Marine Pests Coordination Group. Is that from your department?

Dr Dickson—We are represented on that committee. Unfortunately, the officer is not here today, so we are not able to answer any detailed questions on that committee. We are certainly happy to take questions on notice.

Senator ALLISON—Are you able to provide us with some idea of the progress of various strategies, work plans and action plans and the general status of the implementation of the task force's various proposals?

Dr Dickson—We could comment generally that progress is reasonably good, but if you want details of how every individual strategy, action and work plan is going we would be happy to take that on notice and give you a full answer.

Senator ALLISON—Can I ask about the department's views at least on what I understand to be the winding back of the research capacity of CRIMP, which was the CSIRO body looking at biological controls but work on which I understand has now stopped. Are you able to inform the committee about that issue?

Dr O'Connell—I certainly could not give you any significant detail on that. That is a different portfolio. That comes under CSIRO marine division under the DEST portfolio. I was not of the understanding that work had completely stopped in that area. I thought there was some forward program of work. But I did understand that there was some rebalancing of the internal issues within the CSIRO marine division, but I think it would be best put to DEST.

Senator ALLISON—Do you understand that this work is being done elsewhere if it is not being done by CRIMP? I will certainly put that question to them, but they may say to me that it is something I need to ask another department.

Dr O'Connell—No, I think if it occurs anywhere it would occur in that research body, CRIMP.

Senator ALLISON—What about the marine pests centre, which I understand was established a few years ago but has since been stripped of its resources? Is that within your department? Where does the responsibility for that centre lie?

Dr O'Connell—We would have to take that on notice. I am not familiar with that.

Senator ALLISON—I understand that efforts to replace it with a CRC failed because of lack of support from shipping and port areas. Would that be your understanding? Are we in the dark on this issue?

Dr O'Connell—Much of this is occurring in the DEST portfolio. CRCs are managed in the DEST portfolio, as is the application process and the development. I am not aware of the content of that.

Senator ALLISON—I will certainly follow this up with AQIS and whoever else is said to be responsible, but what is your involvement? What is the department's role in those two advisory committees and task forces and whatever?

Dr Dickson—Our role is to ensure that the environment portfolio's key interests are represented on those committees and working jointly with the Department of Agriculture, Fisheries and Forestry for the Australian government's position in those committees; working through all the issues that the committees cover, including cost-sharing responsibilities, responsibilities for different elements of the marine pest strategy, the invasive pest strategy;

and getting the agreements in the first place and then working with the state counterparts to implement those agreements or that agreement.

Dr O'Connell—In terms of the overall progress of that exercise, the lead in this is taken through the DAFF portfolio as was mentioned earlier. Senator Macdonald suggested we could take on notice any particular questions in that area. In terms of the overall national system, which is a Commonwealth-state agreed process, the significant issue that is, as I understand it, still being handled is the cost-sharing arrangements. I think all other significant aspects of the system are now fundamentally agreed. To the degree that we have moved on from the interim approach we had under an earlier national task force, the progress has been reasonably good. We can get you a more specific response through our DAFF colleagues.

Senator ALLISON—Some would say it has been a very slow progress. I think the Prime Minister announced \$1 million for this purpose back in 1999 and we still do not seem to be very far down the track of finding biological controls and of alternatives to ballast water exchange, which we know is pretty ineffective for many species. We are years away, as I understand it, from sterilisation methods being put in place. We still do not have any land based facilities for solid material residue from ballast water. We still do not have much work being done on creating invader unfriendly port environments. Can you make any comment as Environment Australia? Are you pleased with the progress? We are still, as I understand it, having large numbers of introduced species arrive here. Can we say there has been progress in terms of invasive species?

Dr Dickson—We can certainly say there has been progress. It is a very significant issue—working on these national issues, where you involve many parties, many states and the huge scale of the problem. Biological controls always are a very complex thing to research and test. You can be looking at many years in the future at biological controls for most pests that you would want to pursue, so it is not surprising that it takes a long time.

Senator ALLISON—Just on that point, Dr Dickson, I have already mentioned CRIMP and the biological control work that, on my advice, has been stopped. Surely Environment Australia has some interest in whether or not there is biological control research work being done? You say it is complex, and I understand that, but if we are not doing the work it is going to be even more complex, is it not? How satisfied are you that we are tackling this problem?

Dr Dickson—Biological control is not the only way of approaching these things. Certainly it is a significant approach.

Senator ALLISON—I understand that, but can we focus on biological control just for a moment. Is it the case that no work is being done in Australia?

Dr O'Connell—As I mentioned before, I think that is a question properly put to the DEST portfolio—that is, the science portfolio—which oversees the work of CSIRO. It is not a question that we are in a position to answer sufficiently.

Senator ALLISON—But, Dr O'Connell, surely if you are looking after the interests of the environment, and in this case the marine environment, it ought to be something you have a view about, even if it is not work that you yourself do. I am surprised that you cannot inform the committee of whether or not you think this is a problem.

Dr O'Connell—It is probably better to understand it as an exercise which works on a whole-of-government basis with each portfolio contributing in its role in that. The system that is being agreed with the states is essentially a system that looks at pre to border controls, border controls and post border action. It is the full suite of things. The component which is of particular responsibility and interest to you of the biological controls would particularly lie in the DEST portfolio. It is not that there is not an interest. It is just that different parts of government play different roles.

Senator ALLISON—Dr O'Connell, some would say there are so many parties involved in this it is bound to be bogged down for another decade or two with very little progress. What would you say to that? Hope is not enough, Minister. We have been hoping for about 30 years that something would be done on this.

Senator Ian Macdonald—In our portfolio it is something more Mr Truss handles than I do because of its quarantine related matters, but a lot of the problems—and I hate to even mention this—are that many of the areas where marine pests are a problem are in state owned port authorities or state controlled waters. In the outbreak a couple of years ago in Cairns, it became very difficult for the Commonwealth to do anything because it was in a state controlled port authority, in state waters, and anything we did could only be by recommendation of the state. I only say that to show that it is complex, but there is a lot of work being done in my portfolio on this issue, which we do treat very seriously. We are very grateful for the input that DEH put into that. Whilst I understand your desire to get to the bottom of some information, there really is not any-one here that can give you the sort of information you seek. If you would like to make questions available to the other area, I will make sure that they are answered and they give you full detail. We can coordinate an answer with DEH, where their involvement lies and what they can do.

Senator ALLISON—Thank you, I will do that.

Senator Ian Macdonald—I agree with you, it is a very serious problem and one that the government as a whole is very conscious of and determined to do something about.

Senator ALLISON—As I recall, in the Prime Minister's press release on this subject it was agreed by your government that there ought to be a national approach; hence the number of national task forces and advisory councils and other bodies that were set up to do that.

Senator Ian Macdonald—Sorry, I cannot really take it any further.

Dr O'Connell—Can I clarify that there is a national approach to the exercise. There is an agreed Commonwealth-state approach now, and that is part of the development that has occurred in the last few years. There is progress on which we can give you some details—with our DAFF colleagues—as to the nature of that. It is a national approach, but it is quite clearly agreed at the moment.

Senator WONG—I have some questions regarding pollutant load targets in the context of NRM plans. As I understand it, and it is not an area I am particularly familiar with, in the context of the last election the government gave a commitment to promote achievement of pollutant load targets through the NAP and NHT which had been identified in GBRMPA's report. Is that the case?

Mr Hooy—Under the Reef Water Quality Protection Plan?

Senator WONG—As I understand it, GBRMPA had a report which recommended 10-year end of river pollutant load targets for all 26 catchments adjacent to the Great Barrier Reef.

Mr Hooy—The Reef Water Quality Protection Plan.

Senator WONG—Is that what it is called—the Reef Water Quality Protection Plan?

Dr O’Connell—If I can clarify, the pollutant load targets that you are referring to were propositions that were canvassed by the Great Barrier Reef Marine Park Authority as possible targets. That exercise was essentially overtaken by the development of the Reef Water Quality Protection Plan.

Senator WONG—Were the targets picked up in the plan?

Dr O’Connell—No. There are no targets in the Reef Water Quality Protection Plan directly. There will be exercises on each of the regional plans under the NRM process to develop targets.

Senator WONG—You are saying there are no pollutant load targets in the Reef Water Quality Protection Plan. Is that right?

Dr O’Connell—The Reef Water Quality Protection Plan.

Senator WONG—What was the predecessor report called?

Dr O’Connell—I do not recall the name, but it was not a plan by the government; it was a suggestion of possible end of valley targets, end of river targets, as I recall, for pollutant loads.

Senator WONG—They gave pollutant load targets for all 26 catchments.

Dr O’Connell—Yes. That was not, as I understood it, a plan that the government had endorsed. That was, rather, some proposals of targets that could be used. That process was then overtaken by the development of the Reef Water Quality Protection Plan.

Senator WONG—Which has no pollutant load targets in it?

Dr O’Connell—It does not have targets directly. The plan guides the work of the regional planning bodies, the NAP and the NHT regional planning bodies, in those catchments in their capacity to develop outcomes and targets.

Senator WONG—Was there not an election commitment to promote achievement of these pollutant load targets through the NAP and the NHT?

Dr O’Connell—I do not recall.

Mr Hooy—I am not aware of that.

Senator WONG—You are not aware of any government election commitment on this issue?

Senator Ian Macdonald—We will take that on notice. Your next question would be to ask me and I do not know. So I will pre-empt it by saying we will take it on notice.

Dr O’Connell—The delivery of the NAP and the NHT regional bodies, which was part of your question, delivering outcomes for the Reef Water Quality Protection Plan is still part of the planning process.

Senator WONG—If the Reef Water Quality Protection Plan does not deal with pollutant load targets, how do you monitor water quality and what are the targets?

Mr Hooy—It is more an approach based on strategies. There are five strategies incorporated in the water quality plan. There is a strategy relating to self-management approaches such as property management planning, what have you. There are strategies relating to education and extension, economic incentives, planning and natural resource management, monitoring and evaluation, and regulatory frameworks.

Senator WONG—Isn't one of the things we are trying to achieve to reduce the amount of pollutants that go into the marine environment?

Mr Hooy—Yes.

Senator WONG—Then if you do not have targets to reduce the pollutant load how does one actually measure that?

Mr Hooy—The overall target for the Reef Water Quality Protection Plan is to halt and reverse the decline in water quality.

Senator WONG—So pollutant load is one aspect of that, is it?

Mr Hooy—It is one way of doing it.

Senator WONG—So do you require that there be some sort of—

Dr O'Connell—I am sorry, the planning process on the regions will provide the specific target outcomes. The plan itself overall provides the strategic guidance. It is essentially a strategic plan. As the specific planning arrangements in each of those catchments is developed, targets will be developed. In addition, there will be the monitoring of the quality of the water entering the reef.

Senator WONG—Doesn't the Reef Water Quality Protection Plan seek to reduce the load of pollutants entering the reef? Isn't that one of the objectives?

Dr O'Connell—Formally speaking, it seeks to halt and reverse the decline of water quality entering the reef within 10 years.

Senator WONG—But it makes no reference to any load targets?

Dr O'Connell—Targets will be developed as part of the regional planning processes.

Senator WONG—How many draft regional NRM plans are currently being developed.

Mr Tucker—Along the Queensland coast, I would have to have a look for you, but we can get you the numbers in a moment. I think we are crossing over the line of questioning slightly. Dr O'Connell is saying that the regional groups have to develop in their plans a minimum set of matters for targets, and they include nutrients in the aquatic environment, turbidity, things like that. The targets will be developed in the regional plans. In developing those targets, they must take into account the strategy that has been developed for improving the water quality for the Great Barrier Reef.

Mr Hooy—In addition, we are proposing to initiate a number of specific water quality improvement plans under the Coastal Catchments Initiative in the Great Barrier Reef. It is one

of the major platforms for implementing the Reef Water Quality Protection Plan. That will give a fairly hard edge to the whole issue of addressing diffuse sources of pollution.

Senator WONG—How many NRM plans are currently accredited?

Mr Tucker—Twenty-eight.

Senator WONG—Do they have load targets or water quality targets?

Mr Tucker—They all have targets within them. It is fair to say that there are varying degrees of sophistication, but they all do have targets.

Senator WONG—That is not really an answer to the question I asked, Mr Tucker.

Mr Tucker—Perhaps you could ask it again.

Senator WONG—What water quality targets do they have? In particular, do they have pollutant load targets?

Mr Tucker—It will vary. The 28 that are accredited are in Victoria, New South Wales and South Australia. So, if your question is about Queensland, Queensland are still preparing their plans. We expect them to come through this calendar year for their approval. In those other states there is a mixture of how they would have set their targets, but we can provide you with further detail, if you wish.

Senator WONG—Coming back to Queensland, they are still undertaking discussions around their plans.

Mr Tucker—That is correct.

Senator WONG—Is one of the draft NRM plans the Fitzroy Basin Association?

Mr Tucker—Yes.

Senator WONG—I understand it makes no reference to catchment pollutant load targets. Is that correct?

Mr Tucker—I have not looked at the draft for some time, but we can have a look at that for you.

Senator WONG—This is you, Mr Tucker?

Mr Tucker—Yes, because now you are talking about the NRM plans.

Senator WONG—Is there a standards and targets framework that you operate under against which you assess these proposed plans?

Mr Tucker—Yes. There is an agreed standard and targets framework which has been agreed by all governments through the Natural Resource Management Ministerial Council.

Senator WONG—Which has no load targets in it, no specific targets.

Mr Tucker—We have been talking at cross-purposes slightly. The ones I have been talking about are the ones that have been agreed by the ministerial council, whereas I understand you have been talking about pollution load targets.

Dr O'Connell—Can I clarify. There is a distinction between the specific pollutant load targets that you were referring to in terms of the Great Barrier Reef which predated the Reef Water Quality Protection Plan that had been suggested by the authority as something that

could be used—those were highly specific to the particular catchments—and the resource condition matters for targets which must be met by each of the NRM regions. Probably the best way to understand this is that the suggestion that was made by the authority has really been overtaken by the NRM framework overall in terms of the resource conditions, matters for targets, and then also in the locality by the strategic plan, which is effectively the Reef Water Quality Protection Plan. It is very much a question that that proposition has now been really overtaken by events.

Senator WONG—The standards and targets framework against which you assess draft NRM plans provides no requirement for specific load targets as a water quality measure.

Dr O’Connell—Yes.

Senator WONG—That is right, is it?

Dr O’Connell—That is right.

Senator WONG—So what is it—they can agree anything?

Dr O’Connell—No. They have matters for which regional targets must be set. I can read them out if it helps: land salinity, soil condition, native vegetation communities integrity, inland aquatic ecosystems integrity, estuarine coastal and marine habitats integrity, nutrient in aquatic environments, turbidity, suspended particular matter in aquatic environments, surface water salinity in freshwater aquatic environments, significant native species in ecological communities, ecologically significant invasive species. It is a suite of NRM related matters.

Senator WONG—Can I go back to the Fitzroy Basin Association draft NRM plan then. Is there an officer here who is familiar with that? Is it the case it makes no reference to pollutant load targets?

Dr O’Connell—We will take that on notice.

Senator WONG—Nor does it propose ambient water quality targets or standards to protect reef water quality.

Senator Ian Macdonald—This will make good reading, but the officers have said they do not know and they will find out and let you know on notice.

Senator WONG—Yes, Minister. I was actually giving them the questions on notice. That is what I was doing.

Senator Ian Macdonald—All right.

Senator WONG—Does it meet the voluntary requirements under the current standards and targets framework?

Mr Tucker—It is only a draft document at the moment, so it has not formally come forward to the government to be considered. It is still a draft document. On those drafts we actually iterate them with the regional bodies to bring them up to a standard that we believe is acceptable. We will still come back to you on those questions.

Senator WONG—The reef water quality plan does have as one of its objectives, does it not, to reduce the load of pollutants entering the reef? Given that there is no reference to any specific interim load targets, how is that going to be achieved?

Mr Hooy—As I indicated, there are a number of specific strategies under the plan which will be rolled out over the next 10 years.

Senator WONG—Through NRM?

Mr Hooy—NRM will be a primary source of funding. That is correct.

Senator WONG—How will these strategies affect load targets and so forth? Explain to me how it will actually be translated and what the current process is.

Mr Hooy—One of the strategies, as I indicated to you, is a self-management approach. One of the substrategies for that is property management planning. A clear objective of those property management plans will be to address the issue of run-off, fertilisers, pesticides, sediments and what have you. That should have a direct contribution to the whole issue of water quality impacting on the reef.

Senator WONG—How is that to be achieved? Who is going to ensure that the property management techniques that you described are going to occur?

Senator Ian Macdonald—This is a joint project with the Queensland government, and there is an MOU or some sort of agreement with Queensland.

Dr O'Connell—What is being read from is the plan, and the plan is available. It contains some 65 actions and eight strategies and gives some detail on that. I think it also indicates the overall responsibilities for giving effect to that. That is the plan agreed with Queensland and published—

Mr Hooy—The plan was released in December.

Senator Ian Macdonald—All of those answers are in here and we can make a copy of this available to you.

Senator WONG—I have a copy of that.

Senator Ian Macdonald—Then you should not be asking the questions. You have the answers there.

Senator WONG—I do not think it provides the answers I am asking for, Minister. This is estimates, so I will continue.

Senator Ian Macdonald—This is the plan that we have agreed with Queensland, and we will work through on the basis of what is here. It will all be explained in here, I am quite sure—even time lines and those sorts of things, I would guess.

Senator WONG—Mr Hooy, what I am having difficulty in understanding is that there was previously the authority's report which said load targets. I understand that that has been superseded by the Reef Water Quality Protection Plan, which still has as its objectives to reduce the load of pollutants. I am unclear, from what you are telling me, how that is going to be achieved. Does it involve any setting in achievement of load targets? If so, how is that going to be achieved?

Mr Hooy—As I indicated, the overall strategic approach is encapsulated in the Reef Water Quality Protection Plan. In addition to that, as I said, we are looking at funding a number of the regional bodies who identify critical catchments feeding into the Great Barrier Reef. We are looking at assisting them to develop water quality improvement plans under the coastal

catchments initiative. The objective of the coastal catchments initiative is a measurable reduction in pollution load. A number of those strategies will require the setting of targets and the monitoring of progress so that, over time, we should be able to determine whether or not there has been a measurable reduction in pollutant sediments entering the reef.

Senator WONG—Is this done on a catchment by catchments basis?

Mr Hooy—We will be targeting primarily the high-risk catchments.

Senator WONG—Given that there is no universal load target, it is possible to envisage different targets applying in different catchment areas.

Mr Hooy—Yes, I suppose it is. That is correct. It really comes down to what the particular issue is in that catchment. The catchments have different land uses, different soil types and different erosion rates. Clearly, they will set different targets, but the overall objective is a measurable reduction in pollution loads.

Senator WONG—Who assesses the plans to ensure that objective is met?

Mr Hooy—The plans have a heavy emphasis on monitoring and evaluation. There will be an in-built mechanism to assess—

Senator WONG—No, you misunderstand me. I am not asking about evaluation and monitoring of the plan itself. Before the plan is put in place, does your department assess whether or not the load targets within it—or whatever particular targets are in it—are reasonable or not?

Dr O'Connell—The NRM plans will go through the process which, overall, Mr Tucker will manage through both governments. They go through a joint steering committee. They go to both governments for approval. Their investment strategies are then approved as well, and they would need to meet the requirements in doing that.

Mr Tucker—Our Great Barrier Reef Marine Park Authority staff liaise with these regional bodies in developing their plans, and they have a very clear understanding of the requirements upon them and the regional bodies in developing these plans.

Senator Ian Macdonald—The Queensland EPA is also involved. It is a joint partnership between Queensland and the Commonwealth. Most of this is contained in this.

Senator WONG—Mr Tucker, does the Commonwealth assess these plans to see whether sufficient environmental value flows from them?

Mr Tucker—We do.

Senator WONG—When you do that, do you have any pollutant load targets against which you assess them?

Mr Tucker—We have a standard set of matters. We have criteria that the plans have to meet, and those criteria are public. We assess them against those criteria. As you said a moment ago, there will be variances, depending on the catchment, as to what is environmentally acceptable, so we make judgments depending on the regions. We make those judgments at the end when we do the assessment. As I said before, we work with the regional bodies as they are developing the material to make sure they understand our needs, so that we get as good a product as possible. We make a formal assessment when it has gone through a

public process. One of the things we also assess is that there has been an extensive public process. We then provide advice to ministers, who finally tick off on the plan, and that advice is provided to the ministers of both governments. In this case, it would be the Queensland government and the Australian government.

Senator WONG—I understand that is the process. In relation to plans associated with the reef, is there no reference to any pollutant load targets when you are assessing those plans?

Mr Tucker—There are no targets that we assess it against. What we do is make sure that it is based on the best scientific information available and that it has followed a rigorous process. We will seek the advice of people within the organisation who can make judgments and have training in those matters, including people from the Land, Water and Coasts Division. As I said, people from the Great Barrier Reef Marine Park Authority participate in helping the regions come up with the targets that they are setting in their plans.

Senator WONG—But it is envisaged, isn't it, that the targets would result in a lowering of pollutant loads?

Mr Tucker—That is correct.

Senator WONG—We agree on that. What I am not clear about is how you determine whether a plan is up to scratch. If you get something from the Fitzroy Basin that is really vague in terms of any pollutant load targets or ambient water quality targets and so forth, against what do you assess that?

Dr O'Connell—Perhaps it is useful to think of it in terms of the actions that are proposed in the plan. What we are talking about here will be things like revegetation or ensuring there is no excess grazing in an area which provides sedimentation; making sure there are riparian strips which allow for the capture of fertiliser, for example. It is not simply that the only method of doing this business is assessing it against a pollutant load target. Indeed, pollutant load targets tend to be used more in urban industrial spheres than diffuse pollution spheres. The way you would assess whether or not you were getting progress on a plan would not simply be: does it have in it a pollutant load target? You would then check it against the pre-existing.

Senator WONG—All right. How do you assess it? Do you have an internal framework against which you assess these plans? I am particularly interested obviously in the reef area. There has been a lot of work done by the authority over years on water quality in the reef environment. When you are assessing plans for those catchments which release into that marine environment, what do you assess them against?

Senator Ian Macdonald—I assume they would assess them against the target of halting and then reversing the decline in water quality entering the lagoon over the decade. You would look at it to see whether it would halt the decline. Does it then reverse the decline? If it does, we give it a tick.

Senator WONG—Does that mean 0.1 per cent target of halt and reverse? This is what I am saying. Let us get beyond the bland words, 'We wanted to halt and reverse.' There have to be some sort of qualitative or quantitative assessments.

Senator Ian Macdonald—Well, 'halt' is pretty clear.

Dr O'Connell—Could I give you a couple of examples of how you might get a feel for whether a plan was likely to contribute to halting and reversing decline. If the plan is reducing stock levels in sensitive sediment-prone areas, you can be pretty confident that you are going to get less sediment coming through as you get the rainfall. You can be pretty confident then that the sediment will not be transported and that that plan is contributing to halting and reversing the decline in sediment going into the reef. Similarly, if there is fertiliser, areas which are fertilised for agricultural use and you increase the protection of those areas from run-off into the waterways, you again can be very confident that what you are doing is contributing to halting and reversing the decline.

It is not all that useful to suggest pollutant load targets are the best mechanism in areas like this. They are not capable of being handled in a one to one relationship with activities; unlike, for example, sewage or industrial waste, where you can work out pollutant load targets which have direct—

Senator WONG—I understand what you are saying, Dr O'Connell. What I am asking, though, is in the context of the reef and in the context of the authority's previous work on pollutant loads and on the objective of the water quality protection plan to reduce the load of pollutants, will you be requiring that these particular plans have as one of their objectives a reduction in pollutant load of X? There may be a myriad of strategies which would achieve that outcome.

Dr O'Connell—Again, I think you are suggesting that there should be a pollutant load target.

Senator WONG—No, I am asking you if this is one of the things against which you assess the plan.

Senator Ian Macdonald—You have had the answer about four times already.

Dr O'Connell—The answer is no—

Senator WONG—Thank you.

Dr O'Connell—in terms of saying there will be a specific pollutant load.

Senator WONG—You will not be requiring that at all. You will get back to me on the Fitzroy Basin Association draft NRM plan?

Senator Ian Macdonald—Is that a public document?

Mr Tucker—I believe a draft is out for public consultation or public input at the moment, Senator, so I think we can.

Senator Ian Macdonald—Perhaps we could refer that to Senator Wong so she can read it herself. Is it on the web site?

Mr Tucker—It could be on our web site. I will check.

Senator WONG—I have asked some questions which I understand Dr O'Connell has taken on notice, Minister.

Senator Ian Macdonald—Yes, but if you can get it yourself, if it is there and if it is available—

Senator WONG—I have asked some specific questions about it. I want to hear what the department says about it.

Senator Ian Macdonald—If you are so interested you should have a look at the plan itself and make up your own mind.

Senator WONG—Given the possibility that you might have different outcomes for different plans, all of which might release into the Great Barrier Reef area, is that a concern—that you might have differential outcomes—depending on the particular regional influences?

Mr Tucker—No, it is not.

Senator WONG—People are obviously very concerned about the reef. It is of universal value.

Mr Tucker—No, it is not. To give you an example, there are some catchments which naturally have quite high sediment loads that come off. That would be quite different than if you had a decrease in a natural sediment load which perhaps was not a very large one, compared to an area where there was quite a high artificial sediment load and we would be looking for a reduction. That is another reason why we would not set a particular figure, because we need to make judgments based on natural conditions, as well as the capacity of people to deliver the outcomes. It is no good somebody setting a very ambitious load when the actions do not support their achievement.

Dr O'Connell—Part of the overall mechanism that we would use over time is—and I think it is worth emphasising the long-term nature of this whole exercise; it will require us to maintain momentum on the exercise over a long time—looking to put into place a water quality and ecosystem health monitoring program which the authority will have responsibility for setting up in the GBR lagoon to track the nature of the water quality in the lagoon adjacent to the areas with which we are dealing. We will also have in place a reporting framework which will ensure that the progress of this is reported through a senior level joint steering committee, including the Premier's department in Queensland, ourselves, the Great Barrier Reef Marine Park Authority and, I think, the Department of Natural Resources and Mines. That will be reporting through to the GBR Ministerial Council and then to the Prime Minister and the Premier. The momentum of making sure there is a high degree of monitoring and accountability for this is fairly clear, I think.

Senator WONG—Is your division involved in that proposal, Dr O'Connell?

Mr Hooy—We are associated with that. That is correct.

Dr O'Connell—The secretary of the department will be on the high-level group and I am on other parts of the equation there.

Senator WONG—Thank you to Land, Water and Coasts. Apologies that there has been a bit of crossover. Mr Tucker, I have a few more questions; could you take these on notice. I am not sure if this has been asked: have you provided me previously with a list of all NRM regions established under the NAP and NHT?

Mr Tucker—I am not sure if we have. We can easily provide you with one, if we have not.

Senator WONG—I could not find it in the questions on notice. Could you provide a list of all of those regions?

Mr Tucker—Yes, it is quite straightforward.

Senator WONG—Can you provide the following in relation to each of them: anticipated Commonwealth expenditure for each financial year of the NAP and NHT extension, commencing in the year 2001-02; set out the above expenditure in terms of Commonwealth contributions to the regional delivery component of the NHT and the NAP; and also the annual figures on expenditure and forward commitments through financial agreements for all financial years.

Mr Tucker—We will do what we can. Some of those regions—as we were saying before in Queensland—are still under way with their planning. We have things like foundation funding and expenditure levels are dependent on where each region is at.

Senator WONG—That makes sense. I assumed that would be the case.

Mr Tucker—For some of the out years—for example, the last year of the trust—ministers have not yet decided on the level of allocations across the regions. Obviously the forward years at the moment are still indicative, depending on final decisions from the ministerial board. But we will take your question on notice and reply to it in the best way we can.

Senator WONG—Thank you. Can you also provide a list of expenditures under the NHT Envirofund and set out those expenditures against the financial year in which those expenditures occurred? Can you also indicate the NRM region in which the project is undertaken?

Mr Tucker—I think we have done that in the previous responses to your questions. We did all the Envirofund grants by region and by electorate, I recall.

Senator WONG—That is right. I asked for them by electorate. Perhaps we can use that and add any expenditure since the last question on notice, if there has been any.

Mr Tucker—There probably has not yet.

Senator WONG—No, that was only foundation funding, I think, Mr Tucker.

Senator Ian Macdonald—There is no foundation funding in the Envirofund.

Mr Tucker—I think we did give you Envirofund—

Senator WONG—This is question 84.

Mr Tucker—No, 83, Senator, which was the projects.

Senator WONG—Yes. That was projects approved but not paid. That is not what I have asked for now. Question 84 was foundation funding.

Mr Tucker—Yes, and there was another one which I am sure was the Envirofund grants by electorates. You are right, that is foundation funding. Maybe we have not done it. Sorry.

Senator WONG—It might have been the estimates before, Mr Tucker.

Mr Tucker—It may have been. We will check that, Senator.

Senator WONG—Thank you.

Senator Ian Macdonald—Just make sure what you have already given.

Mr Tucker—Yes.

Senator Ian Macdonald—I am sure I have seen a press release complaining about the usual things with these grants, so presumably the media release is on some sort of information.

Mr Tucker—Yes, certainly.

Senator Ian Macdonald—Which could only have been given through here.

Senator WONG—What are component projects funded under the NHT, Mr Tucker?

Mr Tucker—To where are you referring, Senator?

Senator WONG—I don't know! It is a question that has been given to me and I have no idea what it means.

Mr Tucker—I am sorry, I cannot—

Senator WONG—I will not ask you to take that on notice. I will ask them to explain to me what it means. I might do the rest of them on notice in writing, if it is required. Thank you. Can we go back to Queensland land clearing. I thought that was the Natural Resource Management Program. Is that not right?

Mr Tucker—It depends what your question is, Senator.

ACTING CHAIR (Senator Tchen)—Are we looking at natural resources?

Senator WONG—Am I still on natural resource management? Yes. I have no idea whether or not my questions are relevant to you. I have always thought it came under Mr Tucker and Dr O'Connell.

ACTING CHAIR—Environment is an all-encompassing issue.

Senator WONG—Where is the land clearing plan which was announced in 2003 up to?

Dr O'Connell—I think you would understand that it is fairly clearly a matter of government policy consideration at the moment, given that the Queensland government has made its recent proposal. It is clearly a matter for ministers to consider the next steps in the Australian government's attitude towards that. I do not think it would be appropriate for officials here to speculate.

Senator WONG—Dr O'Connell, on notice last time I asked you this:

In the last six months is the department aware of how much land has been cleared out of that 740,000 hectares?

You said:

No, I am not aware. I would have to take that on notice.

Can you refer me to where that is in the questions on notice, or has that not been answered?

Dr Dickson—Question Nos 36, 37, 38 and 39.

Senator WONG—There is no update on that—I think you said here that you were not able to provide it.

Dr Dickson—No, there is no further update.

Senator WONG—You are still not able to provide it?

Dr Dickson—We have not sought anything further. The Queensland officials advised at the time that it would be some time before they received a further update.

Senator WONG—A number of questions arise: first, agreed by Minister Kemp and Minister Truss, which is referred to both in the answer to the question on notice and also in the last estimates hearing. Do I understand that that decision is now being put into question?

Dr O'Connell—I think we covered that ground significantly before. I would probably prefer to leave that to Senator Macdonald to handle.

Senator WONG—I am happy for the minister to answer, Dr O'Connell. I am not going to hassle you over it any more than I already have.

Senator Ian Macdonald—Sorry. What is the question?

Senator WONG—The question is: has the decision made by the board, which is referred to in the question on notice to allocate \$30 million, now been reversed?

Senator Ian Macdonald—No, I do not think it has come up at the Natural Heritage Trust ministerial board meeting since that time.

Senator WONG—Is that the case?

Senator Ian Macdonald—I am saying it has not come up at the Natural Heritage Trust ministerial board meeting since 18 November.

Senator WONG—There has been no decision to reverse that?

Senator Ian Macdonald—We have not had a meeting. We started a meeting and we were halfway through when it had to be curtailed, but we have not got on to that at this time. Regarding your questions about figures and land clearing, as you well know, Senator, land management is a matter for state governments and we can only ask the Queensland government for that information and they are not always as forthcoming as perhaps we would like them to be.

Senator WONG—As I understand Dr Dickson's answer, which I have no difficulty with, you have not actually gone back to them again. Is that right?

Dr Dickson—At the time they advised they would not have those figures that we sought for some time—probably in about 18 months from the end of the financial year, and we are not at that point yet.

Senator WONG—There were quite a number of letters written by the Queensland government to the Commonwealth over the past year. Since I last traversed this matter at the November estimates, have officers from the department been involved in discussions with the Queensland government on the clearing agreement?

Dr O'Connell—Not to my knowledge.

Senator WONG—No further meetings since November.

Dr Dickson—No further meetings since your last questions at Senate estimates.

Senator WONG—Dr O'Connell, perhaps I should have asked this of you: the additional funds available from the Greenhouse Office's appropriation for greenhouse outcomes, which

you referred to at the last estimates and which I was questioning Mr Bamsey about, are they still available?

Dr O'Connell—I think all I pointed to was the fact that the Greenhouse Office has appropriations for matters which are relevant. I do not think I pointed to any specific decision or allocation at all. That is my recollection. It is clearly not in my area.

Senator WONG—There have not been additional funds appropriated to the AGO for this purpose?

Senator Ian Macdonald—For which purpose?

Senator WONG—For the \$35 million.

Dr O'Connell—I think we traversed—

Dr Dickson—\$30 million.

Senator WONG—Sorry, \$30 million. Let us go back. There has been a decision to allocate \$30 million for the NHT as of 18 November 2002, but we are not clear whether the government may change its mind on that, as I understand your answer, Minister.

Senator Ian Macdonald—It depends on what Mr Beattie—

Senator WONG—I understand. I do not want to waste everyone's time going through that again.

Senator Ian Macdonald—No, fine.

Senator WONG—Can we go to the other part, the component which was mooted as coming from the AGO. All I wanted to clarify was that that would come out of existing appropriations by the NHS.

Dr O'Connell—As I mentioned before, I should clarify that I do not recall that what I did was specify that there was money identified for that.

Senator WONG—No.

Dr O'Connell—Simply that the AGO has appropriations which would be appropriate.

Senator WONG—Current appropriations.

Dr O'Connell—Generally, yes. I was not suggesting any specific appropriation that they had was targeted or specified. That is my recollection. On all other aspects of the greenhouse appropriation, we have had the extensive discussion earlier today.

Senator WONG—The *Courier-Mail* reported on the eve of the Queensland election that the Queensland state coalition planned to work through the package with the Commonwealth, which was also expected to put in funding. Did the Queensland state coalition have any discussions with officers of the department prior to the Queensland state election?

Senator Ian Macdonald—The Queensland coalition would have discussed it with me, Mr Truss and Dr Kemp.

Senator WONG—I appreciate that. That was not the question I asked. I asked if any departmental officers met with members of parliament in Queensland.

Dr Dickson—No.

Senator Ian Macdonald—I thought we went through all that this morning.

Senator WONG—It is a different group of people, Minister. It was the AGO and we are now dealing with the department.

Senator Ian Macdonald—The answer is no.

Dr O'Connell—No.

Senator WONG—Except for Mr Bamsey, who may have. Is that right?

Dr O'Connell—We are talking of the department here?

Senator WONG—Yes. I am asking about the department.

Dr O'Connell—Yes. No members of the department that I am aware of.

Senator Ian Macdonald—Do not misquote Mr Bamsey. To the best of his recollection—and he indicated he did not have a very good recollection on it because I prompted him with my recollection—at the very first meeting we had in Queensland, there were meetings with AgForce and NFF and then, in the afternoon, a range of other groups including conservation groups. I think Mr Bamsey indicated, with my prompting, that there may have been some people from the Queensland coalition there. But this is going right back to day one.

Senator WONG—So no further meetings between November and the date of the Queensland election, Minister. Is that right?

Senator Ian Macdonald—You have asked the officials here and they have said no.

Senator WONG—You seem to be answering the questions, Minister.

Senator Ian Macdonald—I am telling you what we spoke about this morning—you should be able to remember back that far. You have asked the questions here of these officials and they have given you an answer. I suppose the next thing is that we will go through every single member of the staff of the Department of Environment and Heritage and ask them the same question.

Senator WONG—I think Dr O'Connell has answered on behalf of the department, as I understood it.

Dr O'Connell—I have, yes.

Senator WONG—Yes. I have accepted the answer. Question on notice No. 75 referred to a \$350 million commitment to water quality improvement and No. 76 indicated that as at October only \$21 million had been approved—

CHAIR—Do you want to have a break at this point, Senator Wong?

Senator WONG—I am happy to push on, but it is up to the minister.

CHAIR—Do you wish to have a break, Minister?

Senator Ian Macdonald—Are we likely to go through until 11?

CHAIR—What is your plan, Senator Wong?

Senator WONG—Just to keep asking questions until I have finished.

Senator Ian Macdonald—If it is likely to go through until 11, yes, I do have things to do in the office, Mr Chairman. If it is likely to be only half an hour—

Senator WONG—I think it will be more than half an hour.

Proceedings suspended from 9.00 p.m. to 9.18 p.m.

Senator WONG—We are talking about extension of the NHT on direct measures to improve water quality. That is the case, isn't it, Mr Tucker?

Mr Tucker—That is correct, Senator.

Senator WONG—I understand from documents provided by Dr Kemp to the shadow minister that you have departmental documents against which national resource management programs are assessed for the purposes of this particular election commitment. Is that right?

Mr Tucker—That is correct.

Senator WONG—What does 'directly on measures to improve water quality' mean?

Mr Tucker—We have answered that in the response to the question, Senator, saying that we do not have a detailed definition of 'directly', and we use that advice that you probably have in front of you to determine how we identify the projects against that commitment.

Senator WONG—Is this paragraph 23, clause 23:

The key question that will be asked in determining whether or not an investment contributes to this commitment is: will the investment bring forward a water quality output?

Mr Tucker—That is correct.

Senator WONG—Is there a difference between 'output' and 'outcomes'?

Mr Tucker—There is in a definitional sense. You would know that, in trying to get an improvement in the natural environment, it does take a long time. What we tend to do in the first instance is make sure we get changes to outputs, with a view that over the long term we will get changes in the outcomes. Some of those outcomes we are talking about we know will be decades.

Senator WONG—Is there any identification of outcomes?

Mr Tucker—In relation to water quality, Senator?

Senator WONG—Yes.

Mr Tucker—The targets that we were talking about before for the regional plans will be relating to outcomes and we also have obviously the overarching objectives of what the trust is all about.

Senator WONG—There are no outcomes in relation to water quality specifically identified?

Mr Tucker—We expect—and we read out before the matters for targets—that targets are to be set for some water quality matters, which are nutrients and sediments and so on. We do expect those to be talking about the outcomes for the regions, those catchments.

Senator WONG—It is the case, isn't it, that in the context of this election commitment the department is including planning and monitoring activity for water quality projects, with that objective falling within the election commitment?

Mr Tucker—That is correct. That is also something that we have put to the NHT ministerial board and is the accepted process, Senator.

Senator WONG—How does water quality monitoring per se improve water quality?

Mr Tucker—If you do not know how you are going—whether it is getting better or worse—then you are not sure what to do, so we think it is absolutely essential.

Senator WONG—At the end of the day this direct commitment includes planning and monitoring alone?

Mr Tucker—Most definitely not.

Senator WONG—No, not only, but that is one of the things you say is part of the direct—

Mr Tucker—Yes, it is very important to know where you are going, which is the planning exercise. We then also expect actions to be taken to achieve that, and then we have very rigorous arrangements to measure whether we actually achieve it. That full spectrum in our view is absolutely vital to getting that improvement in water quality.

Senator WONG—Were the guidelines which were provided signed off by the board?

Mr Tucker—No, I do not think they were formally signed off by the board. There are certainly operational arrangements that we develop with our internal experts in the department who have water quality backgrounds and who do that work for the agency. It is based on the National Water Quality Management Strategy which is an agreed national strategy between all governments.

Senator WONG—It is an interesting interpretation of an election commitment: that money that is supposed to be spent directly on measures to improve our water quality is being spent on water quality outputs, not outcomes, and also on monitoring.

Mr Tucker—I think I explained our difference in interpretation between outputs and outcomes and the time lag that is there. If we were talking about measuring outcomes, it could be some decades before we could get those measures of outcomes, and I am not sure that would be an acceptable form in terms of our accountability.

Dr O'Connell—The commonly understood difference between outputs and outcomes is really to do with proximity to the action. The activity that you fund will tend to produce an output, and that output, or a set of outputs, will in due course result in the outcome, which is the broader objective you would be chasing. There is normally in program design terms a clearly understood relationship between expenditure outputs and outcomes.

Senator WONG—The commitment directly on measures to improve water quality is being interpreted as: will the investment bring forward a water quality output?

Mr Tucker—Yes, in the first instance, because that is how we all know whether we are making a difference.

Senator WONG—Just remind me what the definition of 'directly' was that you provided. Is that in addition to these guidelines which were provided to the shadow minister?

Mr Tucker—My understanding was that there was no definition provided for ‘directly’.

Senator WONG—All right. What is the definition of ‘directly’?

Mr Tucker—We do not have a definition of ‘directly’, Senator. We use that guidance to account against the \$350 million.

Senator WONG—Do you have any target outcomes in mind?

Mr Tucker—That is a pretty broad question, Senator.

Senator WONG—The context is the government commitment to directly improving water quality.

Senator Ian Macdonald—That is the outcome.

Dr O’Connell—In terms of the broad logic, for example, the National Water Quality Management Strategy, as is noted in this documentation, looks at beneficial uses of water and specifies five values as being indicative of the areas in which you will be looking for outcomes, and those are listed on page 3 of that document, paragraph 5. It is in that nature where we are looking for water—

Senator WONG—Paragraph 5? That is page 2 of mine.

Dr O’Connell—Yes, pages 2 to 3. It is in the nature of those areas that we will be looking for both environmental—

Senator WONG—Is it the case then that simply monitoring water quality itself would comply with your guidelines?

Mr Tucker—I am trying to think through your question. What you are saying, Senator, is that if somebody just put in to do some monitoring and nothing else we may count against, that is a little bit hypothetical. In what sense would they be doing the monitoring?

Senator WONG—It does not appear to me that the guidelines suggest that there has to be some outcome associated with the monitoring.

Mr Tucker—I would refer you to paragraph 22, Senator.

Senator WONG—What are the water quality objectives? They are the ones identified through the NWQMS process?

Mr Tucker—That is right.

Senator WONG—Have those been identified?

Mr Tucker—They will differ from state to state and from region to region, and we expect each region to go through that planning process.

Senator WONG—But you do not have any specific objectives against which you assess those?

Mr Tucker—Where I was starting from before, we have some high-level objectives and outcomes that we are seeking. There are the three overarching objectives for the trust. We then have some national outcomes that have been agreed to by ministers—the Natural Resource Management Ministerial Council. There are outcomes for things such as Rivercare, which is improved water quality. There is a whole list which relates to water. They are the actual

outcomes that we are driving at in the end. Within each region they will have targets which are the outcomes that they are trying to seek for their region. They will be based on the processes and the way of setting those as established in the National Water Quality Management Strategy.

Dr O’Connell—When you come down to the particular sorts of activities that would be typically covered, paragraph 24 covers the kinds of things which you would expect to see, which are projects to prevent soil erosion, for example and to repair and restore riparian vegetation. It is not simply just monitoring. We are looking at typically seeing the nature of these projects being the types of projects which would be funded and then acquitted as being for the \$350 million.

Senator WONG—I seem to recall, and I cannot lay my hands on it now, that there was some indication of what percentage of total funds might be allocated to planning and monitoring activities. Can you refer me to where that percentage allocation is discussed?

Mr Tucker—We will find that, Senator. While we are finding it, it is worth while reminding you that we said that it was difficult to say what those levels were in general, but we gave an indication of what they might be. We said that planning typically could be about five per cent to 10 per cent of an investment budget, and that monitoring and reporting could be between five per cent and 15 per cent.

Dr O’Connell—Questions 78 and 79.

Senator WONG—I knew I had seen it. It is not in the guidelines. It was a different question on notice, wasn’t it?

Mr Tucker—The reason it is not in the guidelines is that it is quite variable.

Senator WONG—Even at your uppermost estimation, that means that 75 per cent should be spent on management actions.

Mr Tucker—It could be, yes.

Senator WONG—What do you mean by ‘it could be’? You have said that the range of moneys under these guidelines that would be associated with planning activities would be five per cent to 10 per cent, monitoring and reporting between five per cent and 15 per cent and the balance allocated to management activities.

Mr Tucker—That is right.

Senator WONG—So that, at minimum, would have 75 per cent of the funds allocated to management action.

Mr Tucker—Typically that is what we would expect.

Senator WONG—Is that what has occurred?

Mr Tucker—I am not sure we have done an analysis on every project, but it is certainly something we have kept in mind when we were going through it. We are in the second year of spending the money to make that \$350 million, and it is still moving ahead.

Senator WONG—And \$22 million has been acquitted thus far. Is that right?

Mr Tucker—It was \$21 million when we reported to you last.

Senator WONG—What is the year to date expenditure?

Mr Tucker—It is indicative because we take it as we go along but we do need to do reconciliations. It is almost now \$38 million.

Senator WONG—Of that \$38 million, can you provide on notice to me how much of that has been allocated to management actions?

Mr Tucker—We will have a look at that. It is not as easy as it seems because sometimes the whole project is covered by the budget, which includes the planning, the action and the monitoring and we do not ask them to split it. We will do what we can.

Senator WONG—Then what are the 15 per cent and 10 per cent figures?

Mr Tucker—They are based on our judgment and experience in working with the people. The figures are not on a hard analysis.

Senator WONG—You don't ask them to disaggregate that?

Mr Tucker—No, we do not, because we are purchasing integrated outcomes. We do not do that. We would need to do that for every project, which would be too onerous a task on the people doing the planning.

Senator WONG—But surely your officers would look at it and say, 'There's a hell of a lot of funding here which is really for planning and for monitoring and very little for management action.'

Mr Tucker—Yes, we do that.

Senator WONG—Surely someone has made an assessment at some point that sufficient of the funding is being spent on something useful so that it should be ticked off?

Mr Tucker—Yes, that is correct, but we do not have hard and fast numbers that we work on and we do not do that for every project. We do it for the regional plans and all the investments that are proposed. We do not necessarily do it on every single project.

Senator WONG—Then what is the point of the guidelines?

Mr Tucker—Perhaps if I explain in a little more detail: there could be quite a large component of a plan that is related to improving water quality. There could be many projects that sit under that. We will look through those projects but we will not necessarily ask for a breakdown of every single project. We will look at the total and how we think the total is going in terms of actions for implementation, the planning arrangements and the monitoring arrangements.

Senator WONG—Perhaps we could do it this way: of the \$38 million, if you can provide on notice to me how much you think has been actually spent on management action.

Mr Tucker—We will see what we can do, Senator.

Senator WONG—Have you had any projects where you have declined on the basis that there are insufficient funds spent on actual management action?

Mr Tucker—I am just being reminded that we tend not to sit back and wait till they come to us and say, 'These are no good.' We iterate with the community groups and with the regional bodies to make sure they are up to scratch. That is not to say that there have not been

circumstances where we have had some robust discussions about what has been proposed and had them substantially revised to meet our satisfaction.

Senator WONG—So they do not get to you if they are not good enough. Is that what you are telling me?

Mr Tucker—In a sense, that is right.

Senator WONG—As I understand the process, is it the case that the environmental values of the waters and major threats to those values are identified by catchment?

Mr Tucker—Yes.

Senator WONG—You then seek to establish water quality objectives or targets to address those threats, monitoring programs to track the achievement of those targets, and management actions which are to be pursued against those objectives and targets. Is that how it works?

Mr Tucker—That is right.

Senator WONG—Environmental values are the first principle, against which you then assess the various actions and planning processes. Correct?

Mr Tucker—That is correct.

Dr O'Connell—It would not be simply environmental values. It would also be beneficial uses such as recreational water quality, irrigation, agricultural water use and quality, so it is for the full purposes for which that water is used.

Mr Tucker—Dr O'Connell is quite right. The National Water Quality Management Strategy defines environmental values very broadly, so it is the broad definition of environment, not necessarily the more conservation definition of environment.

Senator WONG—Given that, there is no process, is there, within this to afford special protection for areas of high conservation value, such as the Ramsar wetlands or the reef?

Mr Tucker—Are you referring just to this particular advice note, Senator? We do have other pieces of advice that we give to the regional bodies, which talk about particularly important places such as Ramsar sites and the reef. It is not just this document.

Senator WONG—Where are those pieces of advice? Have we been given them?

Mr Tucker—In the accreditation criteria documents, we point out to the regional bodies those requirements. We also provide regions with the significant information that we hold within the departments and within the Commonwealth government as to the values and locations of each of those properties, and we provide them with access to our own staff also in developing those parts of the plans.

Senator WONG—Does that mean areas of high conservation value such as the Ramsar wetlands and the reef are accorded additional protection under this process?

Mr Tucker—Additional protection? The protection already exists under our legislative framework.

Senator WONG—Yes, that is my point. You have the act, the EPBC Act. Presumably action that would harm these would trigger that. Right?

Mr Tucker—Yes.

Senator WONG—I am not clear in this context, though, in terms of NRM planning, how the special status of these areas is protected through your planning process. I am a lay person, but I would have thought that you would set a higher level in terms of outcomes and objectives for areas which are of such high conservation value than you might elsewhere.

Ms Schweizer—In order for a plan to be accredited, it has to meet a series of pre-agreed accreditation criteria, and one of those includes that it addresses matters of national environmental significance under the EPBC Act. That picks up some of these key areas. Therefore, in order for a plan to be accredited, if that area or catchment contains a Ramsar wetland, they have to demonstrate how they have assessed those values, what sorts of management actions they propose to put in and if there are any targets that relate directly to that. Through the planning process, greater attention is given to those matters.

Senator WONG—What about the reef?

Mr Tucker—The reef is another one in which we would say the same things to our Queensland regional bodies in their current planning processes.

Senator WONG—Is there any additional priority given to the conservation values of those particular areas in your planning process?

Ms Schweizer—It is not just our planning process, it is a joint planning process with the regional body.

Senator WONG—I appreciate that.

Ms Schweizer—The values that are ascribed to these different attributes need to be discussed and worked through and what relative priority investment will occur in, because decisions have to be made on what actions will be followed through first.

Senator WONG—I appreciate it is done on a regional level. I suppose what I am not clear about is how one ensures that high conservation value areas are protected through this process.

Mr Tucker—In relation to the ones that are important to us, we require the regional bodies to have identified them and identified in their plans how they intend to protect them. We then assess those priorities when we are making decisions on how our money will be invested, along with the states' money, so we do a prioritisation of not only the plan but also what we will also invest in.

Senator WONG—Would all regional NRM plans or substrategies identify environmental values?

Mr Tucker—Yes, but they will do them in different ways, depending on where they are and their experience.

Senator WONG—If the accredited plan includes more water quality planning, such as is proposed in the Mount Lofty Ranges plan, will the department give priority to investing in the additional planning early in the plan implementation?

Ms Schweizer—Yes, that may happen through the discussions on the investment strategy that follows the plan, if there is a good case made for investment in additional planning, but it is a mix between on-ground actions and planning and monitoring. We expect to continue

investment in ongoing planning, because the plans are living documents once they are accredited. They do not stop there, so there are adjustments, reviews and gaps that have to be filled.

Senator WONG—I understand that, but it appears to me from your answer that you are saying it is really up to the regional bodies to deal with. Let us take the Mount Lofty Ranges plan. Do you, in your discussions, give priority to investing in the additional planning early in the plan's implementation, or is that a matter to be sorted out at the regional level?

Mr Tucker—We interact with the regional bodies. We have our own priorities, as do they, and we discuss them together. The state government also has its priorities that we must put into the mix, so it is a process of discussion.

Senator WONG—How many accredited NRM plans did you say there were, Mr Tucker?

Mr Tucker—Twenty-eight.

Senator WONG—All of them would set or recognise environmental values under the plan. Is that right?

Mr Tucker—In some form, yes, they would.

Senator WONG—What does that mean?

Mr Tucker—Not surprisingly, different states do it in different ways. I think in Victoria they call them environmental assets. In some other places they use the term environmental values. In other cases the plans will just refer to them as the important parts of the environment that people want protected. They are there, but they are referred to in different ways.

Senator WONG—How does the National Water Quality Management Strategy interact with this process?

Mr Tucker—We have probably explained most of that before. What we do is make it clear to the regional bodies what our interests are and we have that specified in accreditation criteria that have been agreed by the Natural Resource Management Ministerial Council. In relation to water quality, we make sure that the regional bodies are aware of the National Water Quality Management Strategy and its processes for identifying environmental values, water quality actions and an appropriate monitoring regime. We have also provided regional bodies with online access to those guidelines, through the web, giving guidance on how to use them.

Senator WONG—Do you require that the plans be consistent with the NWQMS strategy?

Mr Tucker—Yes.

Senator WONG—As a precursor for accreditation?

Mr Tucker—I cannot remember the exact words, but I am sure the strategy is referred to in the accreditation criteria. We can probably check that for you.

Senator WONG—What are you referring to?

Mr Tucker—It is the South Australian bilateral agreement with the Natural Heritage Trust, which has the accreditation criteria attached to it.

Dr O’Connell—Can I suggest that we take these on notice?

Senator WONG—I have others on notice, but I would not mind hearing this.

Mr Tucker—In the accreditation criteria, there is a specific reference which says:

Integrated catchment/regional NRM plans will demonstrate consistency with other planning processes and legislative requirements, agreed national and state outcomes and strategies and targets that have been collectively agreed by relevant jurisdictions in other forums.

We, in talking to the states and the regions, expand on that to refer to things such as the National Water Quality Management Strategy and you will see ‘state outcomes, strategies and targets’. In Queensland that would be the Great Barrier Reef Water Quality Improvement Plan.

Senator WONG—That broad catch-all phrase you read out to me, is that what you mean when you say it is a prerequisite?

Mr Tucker—Yes, because it is not only about water quality. There are vegetation strategies and quite a number of national strategies that have been agreed. In some bilaterals, I think we might list some of them, but that is the broad criteria we use.

Senator WONG—In the plans which have been accredited, has there been an uptake of the strategy?

Mr Tucker—When you say ‘an uptake of the strategy’, we have asked them to follow the processes.

Senator WONG—But do you assess it against the strategy?

Mr Tucker—The strategy is a process document. It does not say, ‘This will be what your water quality outcomes will be.’

Senator WONG—I understand that.

Mr Tucker—It says, ‘This is how you do a process. You get out there and you identify your environmental values.’

Senator WONG—Do you assess against that?

Mr Tucker—Whether they have done that process?

Senator WONG—Yes.

Mr Tucker—In general, we probably do. I would have to confirm that in detail, but we make sure that they go through a public process of establishing what is important in terms of the environment in relation to water and water quality, then what actions they are proposing to take to maintain those values and how they will measure them.

Ms Schweizer—We also have a set of guidelines for the accreditation criteria.

Senator WONG—That is what you are reading from.

Ms Schweizer—No, those are the accreditation criteria themselves. There are national guidelines as to how to implement the criteria. In the section that talks about that, it says:

Governments are also interested in how the proposed strategies and actions in the regional plan are consistent with, and contribute to, other agreed national and state strategies and policies, such as ...

Then it goes on to list the key strategies. They were generic national guidelines that were written.

Senator WONG—Does it list the national water quality matters?

Ms Schweizer—Yes, it does.

Senator WONG—Therefore, do you assess plans against the strategy?

Ms Schweizer—Yes, at that level we do. We see how they have addressed it, but there are many different ways in which they address it.

Senator WONG—We were referring to the investment guidelines before, were we not? Is that what they are described as?

Ms Schweizer—The accreditation? They are called the national guidelines.

Senator WONG—No, sorry, I am stepping back a bit. I was discussing with Dr O’Connell question No. 2654. Are these called the investment guidelines?

Dr O’Connell—Sorry. Are you referring to the NRM program delivery advice note that you have?

Senator WONG—Yes.

Dr O’Connell—Which shows how to assess that something meets the \$350 million?

Senator WONG—Yes. What are we calling these?

Dr O’Connell—At that stage they are called, precisely, I think, the title of the document.

Ms Schweizer—They are a suite of policy and procedural guidelines on how to implement different elements of policy that have been agreed.

Senator WONG—They were put in place on 14 April 2003 and the review date is 1 June 2003. I do not know if that is a mistake.

Ms Schweizer—The intention was to review it at that time.

Senator WONG—Have you reviewed it yet?

Ms Schweizer—No, the review is about to commence.

Senator WONG—I think clause 10 talks about ‘periodic and probably public reporting against this commitment’. Has that occurred?

Mr Tucker—We have reported to the Natural Heritage Trust ministerial board on one occasion and the board has asked us to report to them annually. It will also be reported in the board’s annual report.

Senator WONG—As a gross type of figure of total expenditure?

Mr Tucker—That certainly will be there. Whether it is broken down into any further detail, we are yet to determine.

Senator WONG—I did not understand these guidelines to be saying that. I understood that, if these are guidelines against which you assessed applications or requests for funding from the \$350 million, there was an expectation that there would be periodic and public reporting against this commitment. Is that not right?

Dr O'Connell—The commitment is the \$350 million commitment, so there will be reporting against progress on that.

Mr Tucker—Yes.

Senator WONG—Are you doing that as a total figure of expenditure?

Mr Tucker—Yes.

Senator WONG—But not disaggregated to any extent?

Mr Tucker—We may do. We can do it by state; we can do it by region. There are many ways in which we can present the information, depending on which way it is most useful.

Senator WONG—And you have only reported once.

Mr Tucker—We report annually.

Senator WONG—I thought you said that you reported once.

Mr Tucker—We have reported once.

Senator WONG—And you will be reporting annually.

Mr Tucker—And we will be reporting annually, sorry.

Senator WONG—What do the public know?

Dr O'Connell—The nature of any public report will be clearly a matter for the NHT board to agree as to how that will be presented in its annual report, or any other reporting format.

Ms Schweizer—Probably 'public' here refers to the fact that at the time this was written there was no decision on the way the public reporting would or would not occur; it was merely alluding to the fact that public reporting was likely.

Senator WONG—Is it public?

Mr Tucker—It will be when the annual report comes out. It will be in that document.

Senator WONG—That is the only place in which it is made public, is it?

Mr Tucker—As Dr O'Connell said, it is up to ministers. If there are further ways they wish to make it public, there are press releases and so on. But in terms of the formal process of how we do public information about the operation of the trust, it is through the annual report.

Senator WONG—In relation to apportionments, can you explain to me clause 13. Are we calling these investment guidelines or departmental guidelines? Clause 13 of the departmental guidelines says that you can determine whether or not the activities or parts thereof can be acquitted against this commitment. Has that occurred? Have you actually apportioned it? What sort of advice have you provided to program managers regarding apportionment?

Mr Tucker—With regard to the first part of your question, yes, it has occurred because we can have some very large projects, which cover a whole range of activities, a component of which would be water and water quality. The advice is what is in this document.

Dr O'Connell—Specifically, under that heading recording the information in paragraph 15, that gives you the sense of what is required of the investment managers, as they call them.

Senator WONG—I might have covered this, but can I just clarify what I would like you to take on notice, Mr Tucker: the total of water quality management projects to date acquitted against this commitment; the respective jurisdictions and NRM regions; the total NHT contribution and the proportion acquitted against the \$350 million.

Mr Tucker—Okay.

Senator Ian Macdonald—While there is a break, quite coincidentally I am signing some material here and I find I have a letter to the Fitzroy Basin Association thanking them for sending me a copy of their report. I would urge you and anyone interested to have a look at it. It really does go through and answer a lot of the questions you have been asking. It details the community involvement in preparing the plan in quite some detail. This whole process is a bottom-up assessment. We are really seeking the assistance of the community.

It also, interestingly, does talk on water quality and water availability, which I think you would find interesting. It is out for public discussion. It is on the web site at www.fba.org.au. If you have people in the Rockhampton area who might be interested, I would urge them to make a submission if they think that it has not properly dealt with a lot of the issues, as you were suggesting. The organisation can deal with those as they get from a draft plan to a final document. By coincidence that came across me and I thought that might be of use to you in your comments on that particular plan.

Senator WONG—Thank you, Minister. When were the NAP intergovernmental agreements set?

Mr Tucker—Is your question about the National Action Plan intergovernmental agreements and when they were signed—is that right—with each state?

Senator WONG—We can start there. Where are we at?

Mr Tucker—I should say in the first instance that we will do what we can to assist in answering questions on the National Action Plan, but as parliament has appropriated the money to the Department of Agriculture, Fisheries and Forestry, any detailed questions really are a matter for that portfolio. We do have some information here and we will do our best to assist in any way we can. In terms of intergovernmental agreements under the National Action Plan for each state, New South Wales was signed on 2 July 2001; Victoria on 13 July 2001; Queensland on 23 January 2001; Western Australia on 23 May 2002; South Australia on 25 February 2001; Tasmania on 19 June 2001; Northern Territory on 28 March 2001; and the ACT on 26 June 2001.

Senator WONG—Do those agreements make any reference to the NWQMS?

Mr Tucker—I would have to check that in the intergovernmental agreement itself. I do not have a copy in front of me.

Senator WONG—If you could. What about bilateral agreements?

Mr Tucker—I only have an NHT one here. Again, they are with the Department of Agriculture, Fisheries and Forestry. I suspect where your question is leading: is there a difference between the National Action Plan regions and the Natural Heritage Trust regions? The answer to that is no.

Senator WONG—No. One aspect of what I am interested in is whether the National Water Quality Management Strategy is being integrated into these agreements.

Mr Tucker—We will check for you, but in terms of on-the-ground practice, where it happens with the regions, most definitely. Whether it sits in the higher level agreements we will have to check for you.

[9.59 p.m.]

Senator WONG—That is all for NRM. I have some questions for the Policy Coordination and Environment Protection Division. This is in relation to grants to voluntary environment and heritage organisations.

Mr Glyde—That is PCEPD, yes.

Senator WONG—Mr Glyde, a review of this program commenced in 2002. Did that result in revised eligibility criteria for the 2003-04 year?

Mr Glyde—It did.

Senator WONG—A number of organisations which were taken off the list of eligible organisations as a result of that, were there not?

Mr Glyde—That is correct.

Senator WONG—How many are we talking about?

Mr Glyde—I do not have the figure as to how many have come off. I can tell you how many were offered grants this year. There was a total of \$957,000 that was offered to 66 voluntary groups in 2003-04. I am not quite sure how many received grants in 2002-03, but I could take that on notice.

Senator WONG—I understand some organisations appealed or agitated in respect of their delisting.

Mr Glyde—Yes.

Senator WONG—And were successful in getting back on the list. Is that right?

Mr Glyde—The process that the minister followed, following the review, was to assess the applicants and then write to the successful ones and offer them a grant but also write to the applicants who were unsuccessful giving them the opportunity to restate a claim if they felt they had been unfairly dealt with or the department was unaware of particular activities they were undertaking that might have met the criteria. In that case there were a couple of organisations that, on the provision of the further information, were judged by the minister as should have been funded in the first place and so they did receive funding.

Senator WONG—Only two.

Mr Glyde—I am not sure exactly how many. Four, I am told.

Senator WONG—Can you tell me who they were.

Mr Keefe—The ones who applied to the minister for reassessment and were given eligibility were the National Parks Association of New South Wales, Shortland Wetlands Centre in New South Wales, the Victorian National Parks Association and the National Parks Association of Queensland.

Senator WONG—How much funding has each of those groups received this financial year as a result of the reassessment?

Ms Tinney—Do you mean what did each individual organisation get?

Senator WONG—The four, yes.

Mr Keeffe—The three national parks associations received \$10,000 each and Shortland Wetlands Centre received \$4,000.

Senator WONG—Are you, Mr Glyde or Mr Keeffe, able to point me to which criterion within the criteria these groups were originally assessed as not meeting?

Mr Keeffe—It was to do with the interpretation of how you could define them as a state level. The decision was made to focus the GVEHO program at the state level on umbrella type environmental organisations which represent a range of groups working on a diversity of environment issues.

Senator WONG—Where are you quoting from, Mr Keeffe?

Mr Keeffe—I am looking at the eligibility criteria that were published for 2003-04.

Senator WONG—Which one?

Mr Keeffe—It is 6(b). This was originally that they did not fit that state and territory focus: A State and Territory focus to be representative of a broad range of environmental groups and promote national environmental objectives within their State and Territory and/or provide a resource for community action in their State or Territory.

Senator WONG—Who assessed them originally against this criteria?

Mr Keeffe—The department made an assessment against the criteria and advised the minister.

Senator WONG—Can you explain what the department's thinking was as to why particularly the national parks associations did not meet 6(b)?

Mr Keeffe—I would have to go back into the files on the details for each of the national parks associations, but it was how well they represented, as an umbrella organisation, the range of environmental groups within the states.

Senator WONG—I thought those requirements were disjunctive, not conjunctive.

Mr Keeffe—I would have to take it on notice to go back into the detail of the reasoning on each of those cases. There are 66 organisations, and I do not have the file on each one.

Senator WONG—No, I only want the four, Mr Keeffe. In relation to the four, could you therefore on notice clarify which eligibility criteria they were considered not to have met?

Mr Keeffe—The first part is in 6(b), before the minister came back.

Senator WONG—How do they now meet the criteria?

Mr Keeffe—They provided further information at the invitation of the minister and the minister looked in more detail at the information they provided. We looked at, say, the New South Wales National Parks Association, recognising that they have a number of regional branches with individual interests and purposes depending on their location; we looked at

their annual reports and the other information they provided. The minister reflected on those and made a reassessment.

Senator WONG—What about Shortland?

Mr Keeffe—While Shortland had a regional focus, the new information provided by them indicated they have an advocacy role for a lot of groups in the region and the minister felt they played a significant resource role—research, education and training—in relation to the wetlands information.

Senator WONG—The national parks associations were initially assessed by the department as not falling within 6B.

Mr Keeffe—And, I should add, because Shortland involves 6C, a regional focus.

Senator WONG—Yes, I was specific in the question. The national parks associations were initially assessed by the department as not falling within 6B.

Mr Keeffe—Or 6C.

Senator WONG—Or 6C. Shortland was assessed as not falling within 6C.

Mr Keeffe—That is more accurate, yes.

Senator WONG—What information did Shortland provide which meant that they now fall within 6C?

Mr Keeffe—Again I would have to take that, in terms of detailed information, on notice.

Senator WONG—These groups received funding for the last financial year, did they not?

Mr Keeffe—In 2002-03, yes.

Senator WONG—Yes. When were these new funds signed off on, or when did they receive these additional funds?

Mr Keeffe—Those decisions were made on 19 December.

Senator WONG—So they had some six months without Commonwealth funding?

Mr Keeffe—That is not unusual in the cycle of these programs.

Senator WONG—I did not ask you to comment, Mr Keeffe. I am just clarifying that is the case.

Mr Keeffe—No, not exactly, because those organisations and other organisations received Commonwealth funds from a range of sources, including the Register of Environment Organisations programs under the NHT et cetera, so to say that they had no Commonwealth funds for six months is inaccurate.

Senator WONG—Under this program.

Mr Keeffe—Under this program. That is correct.

Senator WONG—Was the department provided with any information, or are you aware of the effect of this delay in payments to these four organisations?

Mr Keeffe—A number of letters were received outlining potential areas of concern to people. We were aware of that.

Senator WONG—What sorts of concerns?

Mr Keffe—That they are small grants, that they are fairly important to different groups in terms of a source of administrative funding which they argued was otherwise hard to get.

Mr Glyde—The grant offers historically have been made around this time of the year anyway, around the end of the calendar year. Those who were successful in the previous year had received offers and payments at about the same time as last year. The organisations are used to operating on that sort of basis: they apply and then the money comes towards the end of the calendar year or early into the start of the next calendar year. I do not think the premise is right that there was a six-month delay.

Senator WONG—Are you saying the other 66 got theirs in December, too, Mr Glyde? Is that what you are saying?

Mr Keffe—They got them in November. The 62 got them in November.

Senator WONG—Did they get them in November the previous year as well?

Mr Keffe—They actually got them in January the previous year, if I recall correctly. The minister made a decision on Christmas Eve.

Senator WONG—That does not make sense.

Mr Keffe—Sorry. January the same year.

Senator WONG—January the same year.

Mr Keffe—Yes.

Senator WONG—Otherwise you are going back, adding months. Just so that we know what I have asked you on notice, Mr Keffe, what are the criteria which these four organisations were assessed as not meeting? What additional information was provided such that it was determined that they did now meet the eligibility criteria?

Mr Keffe—Thank you.

Senator WONG—Is that clear?

Mr Keffe—Yes.

Senator WONG—I do not think I have anything further. Thank you.

CHAIR—That appears to conclude this estimates. I thank the officers for appearing. I thank the minister for being here. I thank Hansard and the secretariat and the senators for their perseverance. That concludes the estimates.

Committee adjourned at 10.12 p.m.