The Senate

Standing Committee on Environment, Communications and the Arts

Additional estimates 2007–08

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Membership of the Committee

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Introduction

- 1.1 On 13 February 2008 the Senate referred the following documents to standing committees for examination and report:
- Particulars of proposed additional expenditure in respect of the year ending on 30 June 2008 [Appropriation Bill (No. 3) 2007-2008],
- Particulars of certain proposed additional expenditure in respect of the year ending on 30 June 2008 [Appropriation Bill (No. 4) 2007-2008],
- Issues from the Advance to the Finance Minister as a final charge for the year ended 30 June 2007, and
- Final Budget Outcome 2006-07–Report by the Treasurer and the Minister for Finance and Administration, September 2007. 1
- 1.2 Standing committees were required to report to the Senate on 18 March 2008.²

Hearings

- 1.3 The committee conducted public hearings on the Broadband, Communications and the Digital Economy portfolio on 18 February 2008 and on the Environment, Water, Heritage and the Arts portfolio on 19 and 22 February 2008.
- 1.4 Written answers and information provided to the committee in response to questions on notice arising from the hearings are tabled in the Senate and posted on the Committee's web page. The answers are also compiled as volumes of Additional Information.
- 1.5 Links to the transcripts of the public hearings and to answers and additional information are available on the Internet at:

http://www.aph.gov.au/senate/committee/ecita_ctte/estimates/add_0708/index.htm

Questions on notice – date for response

- 1.6 In accordance with Standing Order 26(9)(a), the committee agreed that the date for the submission of written answers or additional information in response to questions placed on notice at the hearings be Thursday, 10 April 2008.
- 1.7 Once again, the committee expressed its concern about the considerable time taken by the former Communications, Information Technology and the Arts portfolio to provide answers to questions put on notice at the Budget Estimates hearings in May

¹ Journals of the Senate, No. 2, 13 February 2008, p. 111.

² Journals of the Senate, No. 2, 13 February 2008, p. 98.

2007, noting that some 77 answers were provided on the first day of the Additional Estimates hearings. The committee reiterates its expectation that answers to questions on notice will be provided to the committee by the due date.

Restructure of portfolios

- 1.8 The committee notes that both portfolio groups under its purview have undergone renaming and structural reorganisation under new Administrative Arrangements, with the former Communications, Information Technology and the Arts portfolio renamed Broadband, Communications and the Digital Economy (BCDE) and the former Environment and Water Resources portfolio renamed Environment, Water, Heritage and the Arts (EWHA).
- 1.9 The responsibilities of both portfolios have also changed under new administrative arrangements issued after the November 2007 election, as follows:
 - responsibility for Arts transferred to the Environment, Water, Heritage and the Arts portfolio and oversight remains with this committee;
 - responsibility for the National Archives of Australia transferred to the Finance and Deregulation portfolio and oversight is now with the Finance and Public Administration Committee;
 - responsibility for Sports transferred to the Health and Ageing portfolio and oversight is now with the Community Affairs Committee;
 - responsibility for certain IT matters transferred to the Innovation, Industry, Science and Research portfolio and oversight is now with the Education, Employment and Workplace Relations Committee; and
 - responsibility for certain climate change matters transferred to the new Department of Climate Change within the Prime Minister and Cabinet portfolio and oversight is now with the Finance and Public Administration Committee.

General questions

- 1.10 During the course of the hearings senators asked of both portfolios' agencies and departments a range of questions concerning the:
- proposed freeze of salaries of government ministers, shadow ministers and parliamentarians and the call for restraint from chief executive officers;
- role of the Remuneration Tribunal in setting levels of remuneration;
- impact of the government's 2% efficiency dividend;

and for the following information:

• all appointments which have been made by the Government (through Executive Council, Cabinet and Ministers) to Statutory Authorities, Executive Agencies and Advisory Boards, with a brief outline of the respective appointee's credentials;

- a list of all vacancies which remain to be filled by Ministerial (including Cabinet and Executive Council) appointments;
- all grants which have been approved by Ministers from within their portfolio;
- requests to the Department of Finance to move funds within each portfolio.

Portfolio specific issues

- 1.11 On the first day of its examination of the 2007-2008 Additional Estimates, the committee called and examined officers from the Broadband, Communications and the Digital Economy portfolio.
- 1.12 The committee welcomed Senator the Hon Stephen Conroy, Minister for Broadband, Communications and the Digital Economy.
- 1.13 During its examination, the committee raised a range of issues which are noted below. The page references beside each issue refer to the proof transcript for Monday, 18 February 2008.

Outcome 1—Development of services and provisions of a regulatory environment which encourages an efficient and effective communications sector for the benefit of all Australians

Australia Post

- proposed increase in the price of the basic postal rate (pp 3-4, 28-29)
- planning for new delivery points in fast-growth urban corridors (p. 5)
- current status of EBA negotiations (pp 6-7)
- use of AWAs (pp 7-9)
- distribution of the mail contract management manual (pp 15-16)
- Licensee Advisory Council expenditure (p. 17)
- processes in place to correct management bullying in the workplace and towards contractors, licensees and agents (p. 18)
- succession planning processes (p. 19)
- carbon footprint for Australia Post (pp 19-20)
- internal targets for emissions reductions (pp 21-22)
- policies for sending injured employees to a medical examination by a facility nominated doctor (pp 29-33)
- performance against targets in delivery standards (pp 33-34)
- recruitment of posties (p. 34)
- implementation of the national licensed post office agreements and dispute resolution procedures under the agreement (p. 35)
- process of converting a corporate outlet to a licensed outlet (p. 36)

- co-location of post offices and licensed premises (pp 36-37)
- processing of incoming mail at the joint Adelaide Post and Customs facility (pp 38-39)

Australian Broadcasting Corporation (ABC)

- continuation of the *Heywire* program (pp 39-40)
- policy for future board appointments (pp 43-45, 51-53, 55-56, 62-65)
- broadcast coverage in Tasmania (pp 50-51)
- staff elected Board member (pp 56-61)
- disciplinary action within the board process (pp 58-59, 84-85)
- triennial funding (pp 66-68)
- resolution of complaint about bias from Dennis Shanahan (pp 69-70)
- Brissenden report concerning off-the-record conversations (pp 70-71)
- ABC style guide (pp 71-74)
- status of the cancer cluster report concerning female staff at the Toowong complex (pp 74-75)
- progress on the completion of new Brisbane premises (pp 75-76)
- proposal for a digital free-to-air children's channel (pp 79-80)
- internal audience research company to independently monitor the share of voice for each party during state, territory and federal elections (p. 80)
- Indigenous employee numbers (pp 80-81)

Special Broadcasting Service (SBS)

- level of triennium funding (p. 81)
- income generated from advertising revenue (pp 81-82, 89)
- complaints about and legal advice concerning the introduction of intraprogram advertising (pp 83-84, 86)
- code of conduct for staff speaking on behalf of SBS (p. 90)
- number of hours devoted to programs in languages other than English in prime time (pp 90-91)
- English tuition programs (pp 91-92)
- advertised job vacancies (pp 92-93)
- introduction of spot monitoring of broadcasters (p. 95)
- formal complaints about radio programs (p. 96)
- redundancies at SBS Radio (p. 96)

Australian Communications and Media Authority (ACMA)

- allocation of radio licences in West Australia (pp 97-101)
- audit of the CDMA and Next G coverage (p.101)
- problems arising from audit report and four issues to be addressed by Telstra to meet licence condition (pp 101-114, 116-118, 119-120, 121-123, 128-131)
- internet filtering scheme (pp 114-115)
- use by Telstra of quick cells (pp 118-119)
- Internet Industry Association feasibility study of ISP filtering (p. 121)
- mandatory ISP filtering and the scope of the blacklist (pp 124-125)
- free to air broadcast of Socceroos matches; anti-siphoning list (pp 125-126)
- role of the Digital Switchover Taskforce (pp 126-128)
- proposed auction of channel A and B (pp 131-132)

DCITA Output 1.1–Policy advice and program management which encourages competitively priced and reasonably accessible telecommunications and postal services

- collection of statistics relating to broadband (pp 133-136)
- preparation of OPEL coverage maps (pp 137-138)
- funding cut for the Protecting Australian Families Online program (pp 138-139)
- number of calls made to the NetAlert call centre (p. 141)
- basis for the \$4.7 billion funding for the fibre-to-the-node broadband proposal; Communications Fund (pp 141-145).
- 1.14 On the second day of hearings, the committee called and examined officers from the Environment, Water, Heritage and the Arts portfolio.
- 1.15 The committee welcomed Senator the Hon Penny Wong, Minister for Climate Change and Water, representing the Minister for the Environment, Heritage and the Arts.
- 1.16 The committee raised a range of issues which are noted below. The page references beside each issue refer to the proof transcript for Tuesday, 19 February 2008.

Outcome 1—The environment, especially those aspects that are matters of national environmental significance, is protected and conserved

Bureau of Meteorology (BoM)

• details of smaller regional offices and numbers of staff based in each and their roles (p. 6)

- funding received under the national plan for water security (pp 6-8)
- restructure of BoM regional service delivery (pp 9-11)
- progress of the tsunami warning systems in the south-east and north-west of Australia (pp 11-12)
- current status of La Nina and prospective rainfall for Australia (pp 12-13)
- causes of global warming (pp 13-15)
- rainfall records in the south-east Queensland catchments, including the proposed Traveston Crossing Dam, and the Wivenhoe, Somerset and Hinze dams (p. 17)

Great Barrier Reef Marine Park Authority (GBRMPA)

- implementation of the reef rescue plan (pp 19-22)
- cost of the Community Partnerships Group and the Healthy Reefs Partnership program last financial year (pp 22-24)
- changes to the GBRMPA as a result of its review (pp 26-28)
- timing of the state of the reef reports (p. 28)
- 1.17 General questions were asked of the department about the structural changes and the cost of those changes as a result of the department's name change, the transfer of certain functions to the new Department of Climate Change and Water and the acquisition of the Arts program from the former Department of Communications, Information Technology and the Arts (pp 28-36). At the conclusion of this questioning, officers were called and examined in relation to the outputs under Outcome 1.

DEWHA Output 1.1—Response to climate change

- proposal for a greenhouse trigger in the EPBC Act (pp 36-39)
- energy efficiency programs (pp 39-40)
- National Solar Schools program (pp 40-41)
- Green Loans for low-income households (p. 42)
- reduction in the Renewable Remote Power Generation Program (pp 42-43)
- plans for the phase-out of electric hot water systems (pp 43-48)
- Minister Garrett's role in Bali, ministerial and other meetings attended, number of departmental staff involved and the cost of the trip (pp 49-53)
- allocation of funding for the new Coober Pedy solar power station (p. 53)

DEWHA Output 1.2—Conservation of the land and inland waters

- maintaining Australia's Biodiversity Hotspots program (pp 56-57, 62, 65)
- future arrangements for NHT3 (pp 57-59, 61, 65)

- Audit Office report on NRM (pp 59-60, 63-65)
- components of NHT3 (pp 62, 64)
- funding for the National Reserve system (p. 66)
- crazy ants program and proposal for the expansion of the mine on Christmas Island (pp 66-67)

DEWHA Output 1.3—Conservation of the coasts and oceans

- monitoring of southern waters by the *Oceanic Viking* (pp 68-71, 72-73)
- Australian participation in IWC whale and ecosystem research project (pp 71-72)
- status of blue whales (p. 73)
- sonar testing off Victoria and/or South Australia; environment assessment of the impact on the blue whale and other species (pp 73-76)
- dredging of Port Phillip Bay western shoreline and Bellarine Peninsula Ramsar site (pp 76-78)

DEWHA Output 1.4—Conservation of natural, indigenous and historic heritage

- conservation and protection of Indigenous heritage in production forests in Tasmania (pp 78, 80-81)
- status of the departmental review of the Aboriginal and Torres Strait Islander Heritage Protection Act (p. 79)
- nomination of the Kokoda Track for World Heritage listing (pp 81-82)
- update on the progress of the nomination of Ningaloo for World Heritage listing (pp 82-83)
- visit to Tasmania of World Conservation Union members (pp 83-85)

DEWHA Output 1.5—Response to the impacts of human settlements

- proposal to mine on Christmas Island (pp 79-80)
- phasing out of plastic bags (pp 85-89)
- pulp mill at Maryvale in Gippsland (p. 89)
- approval for the Gunns pulp mill (pp 90-91)
- land clearing in the Gwydir wetlands (pp 91-92)
- issues in relation to Traveston Crossing Dam, Paradise Dam and Mary River (pp 92-96)
- timeline for the strategic assessment process in the Kimberley (pp 96-99)
- Wonthaggi desalination plant, the proposed desalination plant at Port Stanvac in South Australia and the expansion of the Olympic Dam, including the proposed desalination plant near Whyalla (pp 99-104)

Outcome 2—Australia's interests in Antarctica are advanced

Australian Antarctic Division

- aerial surveillance of Japanese whaling (pp 105-106)
- leasing arrangements for the A319 plane (pp 106-108)
- arrangements for the flight on 10 January (pp 108-110)
- 1.18 The committee agreed that matters related to Outcome 3 Australia's Water Resources would be dealt with at an additional hearing on the scheduled spillover day, Friday, 22 April 2008.
- 1.19 At the conclusion of the examination of the Australian Antarctic Division, the committee proceeded to examine the arts sector and welcomed Senator the Hon Ursula Stephens, Parliamentary Secretary for Social Inclusion and the Voluntary Sector and Parliamentary Secretary Assisting the Prime Minister for Social Inclusion, representing the Minister for the Environment, Heritage and Arts.

Outcome 4-Development of a rich and stimulating cultural sector for all Australians

Australia Council

- additional funding provided as a result of the Nugent and Myer reports (pp 111-112)
- reforms introduced as a result of the Strong orchestra review (pp 112-113)
- funding for international touring (p. 113)
- state governments' contribution towards the arts (p. 114)
- implementation of election commitments concerning arts policy (p. 115)

Australian Film Commission (AFC) and Film Finance Corporation (FFC)

- impact of the producer offset scheme (pp 117-118)
- overall production statistics and comparison with other countries (p. 118)
- proposed merger plans for the AFC, FFC and Film Australia and the demerging of the National Film and Sound Archive to become an independent statutory authority (pp 119-120)
- relocation of the statistics and research function of the AFC (pp 120-121)
- status of the Australian Screen Online project (pp 121-122)

Australian Film, Television and Radio School

• progress of the new purpose-built and designed premises (pp 123-124, 126-127)

National Gallery of Australia

- timing of the development project (pp 124-125)
- proposed exhibitions (p. 126)
- progress in making collections available online (p. 127)
- progress report on the cancer cluster issue at the gallery (p. 128)

National Library of Australia

- update on the works to improve the podium (p. 129)
- depreciation funding for the collection (pp 129-130)
- progress of digitising the existing collection (p. 131)

National Museum of Australia

- refurbishments at the museum as a result of the Carroll report (p. 132)
- visitation trends (p. 131)

DCITA Output 1.1–Policy advice, program management and agency support which promotes access to and excellence in Australia's cultural activities and preservation and development of our cultural collections

- progress of the new National Portrait Gallery (p. 133)
- progress of the Gallery of Australian Democracy at Old Parliament House (p. 133, 134)
- resale royalties proposal (pp 134-135)
- 1.20 As noted above, the agency and departmental divisions within Outcome 3 not dealt with on the second day of hearings were called and examined on the spillover day, Friday, 22 February 2008.
- 1.21 The committee welcomed Senator the Hon Penny Wong, Minister for Climate Change and Water, and officers.
- 1.22 The page references beside each issue below refer to the proof transcript for Friday, 22 February 2008.

Outcome 3—More efficient and sustainable use of Australia's water resources

National Water Commission

DEWHA Output 3.1—Sustainable management of water resources

DEWHA Output 3.2—Achieving efficiencies in water use

- what percentage of normal or average flows are currently reaching South Australia and the Murray mouth (p. 2)
- discussions with the Victorian government concerning the national water plan (pp 2-3, 7-10)

- expenditure on the national water plan (pp 4-6)
- water trading regime (p. 10)
- transference of water licences, particularly interstate transfers (p. 10)
- construction of a pipeline from Rockhampton to Gladstone (p. 10)
- Victorian north-south pipeline project (p. 13)
- CSIRO research reports on sustainable yields (pp 16-18)
- status of the review of management of Ramsar sites (p. 19)
- issue of theft of water (pp 19-20)
- status of the redevelopment of the Menindee storage (pp 20-21)
- costs of water allocation trading (pp 23-24)
- timing for the restoration of water to the Murray River (p. 26)
- proposal for a single Murray Darling Basin authority (p. 27)

Acknowledgements

1.23 The committee thanks Senator the Hon Stephen Conroy, the Minister for Broadband, Communications and the Digital Economy; Senator the Hon Penny Wong, Minister for Climate Change and Water, and Senator the Hon Ursula Stephens, Parliamentary Secretary for Social Inclusion and the Voluntary Sector and Parliamentary Secretary Assisting the Prime Minister for Social Inclusion, both representing the Minister for the Environment, Heritage and Arts, The Hon Peter Garrett, MP, along with officers from both portfolio departments and agencies, for their assistance during this additional estimates process.

Senator Anne McEwen Chair

Appendix 1

The Senate BUSINESS OF COMMITTEES

This document is issued as a guide to Senators Business listed is subject to change

It should be noted that times allocated for the consideration of outcomes, items and agencies within portfolios are indicative only.

Senators, staff and departments should liaise with secretariats on the progress of portfolios during the estimates process.

SENATE STANDING COMMITTEE ON THE ENVIRONMENT, COMMUNICATIONS AND THE ARTS

Public Hearings: Additional Estimates 2007–2008

Monday, 18 and Tuesday, 19 February 2008

Committee Room 2S3 Parliament House Canberra ACT

To be televised on Channel 11 and broadcast on Radio 91.1 http://webcast.aph.gov.au

AGENDA

MONDAY, 18 FEBRUARY 2008

	Broadband, Communications and the Digital Economy Portfolio
9.00am	Department of Broadband, Communications and the Digital Economy (DBCDE)
	Outcome 1—Development of services and provision of a regulatory environment which encourages a sustainable and effective communications sector for the benefit of all Australians and an internationally competitive information economy and information and Communications Technology industry
	Australia Post
	Australian Broadcasting Corporation
	Special Broadcasting Service
	Australian Communications and Media Authority
	DBCDE Output 1.1 Policy advice and program management that delivers competitively priced, accessible and high quality telecommunications, broadcasting and postal services and that supports development and application of a competitive capability in Information and Communications Technology
	NetAlert

11.00pm	Adjournment			
<u>TUESD</u>	AY, 19 FEBRUARY 2008			
	Environment, Water, Heritage and the Arts Portfolio			
9.00 am	Department of the Environment, Water, Heritage and the Arts (DEWHA)			
	Outcome 1—The environment, especially those aspects that are matters of national			
	environmental significance, is protected and conserved			
	Bureau of Meteorology			
	Great Barrier Reef Marine Park Authority			
	DEWHA Output 1.1—Response to climate change			
	DEWHA Output 1.2—Conservation of the land and inland waters			
	DEWHA Output 1.3—Conservation of the coasts and oceans			
	DEWHA Output 1.4 —Conservation of natural, indigenous and historic heritage			
	DEWHA Output 1.5 —Response to the impacts of human settlements			
	The following Divisions support various of the above outputs:			
	Approvals and Wildlife Division			
	Corporate Strategies Division			
	Environment Quality Division			
	Heritage Division Industry, Communities and Energy Division			
	Marine and Biodiversity Division			
	Natural Resource Management Programmes Division			
	Parks Australia Division			
	Policy Coordination Division			
	Outcome 2—Australia's interests in Antarctica are advanced			
	DEWHA Output 2.1—Antarctic policy			
	DEWHA Output 2.2—Antarctic science			
	Australian Antarctic Division			
	Outcome 3—More efficient and sustainable use of Australia's water resources			
	National Water Commission			
	DEWHA Output 3.1—Sustainable management of water resources			
	DEWHA Output 3.2 —Achieving efficiencies in water us			
	Water Efficiency Division			
	Water Governance Division			
	Water Reform Division			
	Outcome 4—Development of a rich and stimulating cultural sector for all Australians			
	Australia Council			
	Australian Film Commission			
	Australian Film, Television and Radio School			
	Film Finance Corporation Australia Limited			
	National Gallery of Australia			
	National Library of Australia			
	National Museum of Australia			

	DEWHA Output 4.1—Policy advice, program management and agency support which promotes excellence in, preservation and maintenance of, and access to Australia's cultural activities, national cultural collections and buildings, and indigenous languages. Arts and Indigenous Policy and Programs Division Film and Collections Division Old Parliament House & National Portrait Gallery		
11.00pm	Adjournment		
BREAKS	Morning tea	10.45am approx	
	Lunch	1.00pm	2.00pm
	Afternoon tea	3.45pm approx	
	Dinner	6.00pm	7.00pm
	Tea break	9.30pm approx	

The Senate

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AGENDA

FRIDAY, 22 FEBRUARY 2008				
	Environment, Water, Heritage and the Arts Portfolio			
	Department of the Environment, Water, Heritage and the Arts (DEWHA)			
8.00 am	Outcome 3—More efficient and sustainable use of Australia's water resources			
	National Water Commission			
	DEWHA Output 3.1 —Sustainable management of water resources DEWHA Output 3.2 —Achieving efficiencies in water use			
	Water Efficiency Division Water Governance Division Water Reform Division			
10.00 am	Adjournment			

Appendix 2

Documents tabled

Friday, 22 February 2008

The Minister for Climate Change and Water

Murray-Darling Basin Commission reports:

Report for the Week Ending Wednesday, 13 February 2008

River Murray System Drought Update No. 11, December 2007