

**SENATE ENVIRONMENT, RECREATION
COMMUNICATIONS AND THE ARTS
LEGISLATION COMMITTEE**

REPORT TO THE SENATE

NOVEMBER 1997

SENATE ENVIRONMENT, RECREATION, COMMUNICATIONS AND THE ARTS LEGISLATION COMMITTEE

MEMBERSHIP

1. **Members**

Senator J Tierney, Chair (LP, NSW)
Senator the Hon C Schacht, Deputy Chair (ALP, SA)
Senator A Bartlett, (AD, QLD)
Senator A Eggleston (LP, WA)
Senator K Lundy (ALP, ACT)
Senator R Lightfoot (LP, WA)

2. **Substitute Members**

Senator G Chapman (LP, SA)
Substituting for Senator Tierney for the consideration of Additional Estimates.

3. **Acting Chair**

Senator A Eggleston (LP, WA)
To act as Chair for the Committee's consideration of Additional Estimates.

4. **Participating Members**

Senator E Abetz (LP, TAS)
Senator L Allison (AD, VIC)
Senator the Hon N Bolkus (ALP, SA)
Senator R Boswell (NPA, QLD)
Senator B Brown (Australian Greens, TAS)
Senator P Calvert (LP, TAS)
Senator G Campbell (ALP, NSW)
Senator K Carr (ALP, VIC)
Senator the Hon B Collins (ALP, NT)
Senator M Colston (IND, QLD)
Senator H Coonan (LP, NSW)
Senator B Cooney (ALP, VIC)
Senator W Crane (LP, WA)
Senator the Hon J Faulkner (ALP, NSW)
Senator A Ferguson (LP, SA)
Senator B Harradine (IND, TAS)
Senator J Hogg (ALP, QLD)
Senator S Mackay (ALP, TAS)
Senator D Margetts (GWA, WA)
Senator S Murphy (ALP, TAS)
Senator B Neal (ALP, NSW)
Senator W O'Chee (NPA, QLD)

5. **Secretariat**

Dr Pauline Moore (Secretary)

Miss Tara Ducker (Research Officer)

Parliament House
Canberra ACT 2600

Ph: (02) 6277 3525

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Senate Environment, Recreation, Communication and the Arts Legislation Committee

Report to the Senate

Introduction

1. On 30 October 1997, the Senate referred the following documents to the Committee for examination and report:

- Particulars of proposed additional expenditure in relation to the parliamentary departments in respect of the year ending on 30 June 1998.
- Particulars of proposed additional expenditure for the service of the year ending on 30 June 1998.
- Particulars of certain proposed additional expenditure in respect of the year ending 30 June 1998.
- Final budget outcome 1996-97 (*tabled on 23 September 1997*).
- Provisions for running costs borrowings - Statements and supporting applications of issues, dated April, May and June 1997 (*tabled on 17 June, 26 August and 3 September 1997*).

2. That the Committee consider the proposed expenditure, the provisions for running costs borrowings and the final budget outcome, in the legislation committee groupings agreed to on 1 May 1996 as amended on 2 September 1997 and 21 October 1997.

3. That the Committee report to the Senate on or before 26 November 1997.

General issues

4. *Quality of Documentation*

The Senate Finance and Public Administration Committee is continuing a report into the documentation provided for Budget and Additional Estimates. Committee Members have been asked to comment on the quality of documentation utilised at Estimates hearings.

There were no specific statements made during the Committee's hearings on the usefulness of documentation).¹ Committee Members advised that the Portfolio Additional Estimates Statements (PAES) for both Portfolios were clear and easy to follow.

Reference was made in the Senate Chamber to the fact that the Advance to the Minister of Finance was not tabled and referred to Legislation Committees until 19 November 1997. By then this Committee had completed the majority of its Additional Estimates hearings, thus effectively precluding scrutiny of the Advance to the Minister for Finance during those hearings. As the Committee is due to report on the Advance, as well as on the other budgetary documents by 26 November 1997, it is not satisfactory to defer scrutiny to the supplementary additional estimates hearings next year. The Committee believes that in

¹ Environment, Recreation, Communications and the Arts Committee (ERCA), *Proof Committee Hansard*, 13 November 1997, p.149.

future, as has been the practice, the Advance to the Minister for Finance be referred to the Legislation Committees at the same time as other budgetary documents are referred for scrutiny and report.

References to annual reports were briefly made during the examination of sub-program 1.6, National Gallery of Australia² and sub-program 1.7 National Library of Australia.³

5. *Questions on notice - specific dates for response*

The Committee agreed that the date for replies to the majority of questions on notice would be 30 January 1998. Where Senators required answers prior to that time, they were asked to nominate specific dates. Senators have taken the opportunity to require answers to some questions prior to Christmas.

6. *Restriction on Committee sitting times - need for the Committee to comment if it finds the hours specified for Estimates too restricting;*

On 21 October 1997 the Senate agreed the dates and times of sitting for Estimates, with the commencement time being 9.00 a.m. and finishing time being 'approximately 11.00 p.m.' and approximately 3.45 p.m. The Committee found that these time limits were useful to some degree as a means of establishing a timetable and being able to keep to this with some exceptions. Nonetheless, the Committee did identify some problems, especially the limited flexibility to continue hearings within the Senate's framework.

The hearing on 13 November ended at 11.50 p.m. after a brief discussion earlier in the evening about the exact meaning of 'approximately'. Advice had been received from the Clerk Assistant (Committees) and this is at Attachment A. The Committee agreed that, as it was not able to finish by midnight, it would adjourn the hearing.⁴

The Committee suggests that while the days for Estimates hearings are to be set by the Senate, it is the Committees themselves which should agree on general principles as to timetables and on the hours allocated for hearings. This ensures that the Committee itself is then able to change times by agreement.

Senator Lundy was unable to leave the Economics Legislation Committee on 20 November to ask questions on the National Office of Information Economy (NOIE). The Committee noted that Senator Lundy had dual commitments and would consequently put her questions on notice.⁵

7. *Release of majority report on Telstra - matter to be considered by the Committee*

² ERCA, *Proof Committee Hansard*, 13 November 1997, p.160.

³ ERCA, *Proof Committee Hansard*, 13 November 1997, pp.167 and 171.

⁴ ERCA, *Proof Committee Hansard*, 13 November 1997, pp. 254-256 and 264.

⁵ ERCA, *Proof Committee Hansard*, 13 November 1997, p.239.

In previous Estimates hearings the Deputy Chair of the Committee, Senator Schacht, has raised the issue of a majority report being provided to a Minister's office prior to tabling.⁶ The issue is also being investigated by the References Committee.

On 20 November 1997 Senator Alston provided a response to the issues raised by Senator Schacht on this matter.⁷ A letter from the previous Secretary of the Committee was tabled at the hearing (Attachment B). The Acting Chair of the Committee stated that the matter should be considered further in a private meeting.⁸

8. *'Commercial in confidence'*

The issue of information being considered 'commercial in confidence' has been more obvious in previous Estimates hearings, and is the subject of an advice provided by the Deputy Clerk (Attachment C). Although the issue was not significant during these hearings, Senator Lundy noted previous discussion.⁹

9. *Availability of documentation to Senators and Committees*

Senator Brown raised the issue of availability of information. Certain material had been requested under the *Freedom of Information Act, 1982*, but had not been provided to Senator Brown on the grounds that some of the material was:

- protected by 'legal professional privilege';
- involved Commonwealth relations with a State; or
- included internal working documents.¹⁰

The provision of information to a Committee as opposed to an individual Senator was not considered in detail, although it appeared that the required material would not be made available to a Committee should such a request be made.¹¹

10. *The changes to the budget system and introduction of accrual accounting*

Senator Faulkner noted that in a key change to the Commonwealth budget system, the Department of Finance will 'no longer generate or attest the accuracy of financial estimates.' The task will in future be undertaken by the individual departments and this system would be introduced as part of the shift to accrual budgeting.¹²

Program specific issues

11. *Communications, the Information Economy and the Arts Portfolio*

⁶ ERCA, *Proof Committee Hansard*, 21 August 1997, pp.116-117.

⁷ ERCA, *Proof Committee Hansard*, 13 November 1997, pp.181-182 and ERCA, *Proof Committee Hansard*, 20 November 1997, pp.296-300 and 321-323.

⁸ ERCA, *Proof Committee Hansard*, 20 November 1997, p.323.

⁹ ERCA, *Proof Committee Hansard*, 13 November 1997, p.165.

¹⁰ ERCA, *Proof Committee Hansard*, 14 November 1997, pp.287-289 and 292-293.

¹¹ ERCA, *Proof Committee Hansard*, 14 November 1997, p.289.

¹² ERCA, *Proof Committee Hansard*, 13 November 1997, pp.246-247.

Several questions and questions on notice were asked about:

- Funding of projects from the Federation Funds;¹³ and in respect of the National Museum of Australia;¹⁴
- The process of evaluating submissions in the competition to design the National Museum;¹⁵
- Staffing of the Office of Information Economy;¹⁶
- The possible referral of the bill(s) with respect to the sale of the National Transmission Agency, subsequently the bills were referred to this Committee on 19 November 1997;¹⁷
- Telstra operations;¹⁸ and
- **Telstra - Casualties of Telstra (CoT) Issues.** There was limited reference to and discussion of the so-called CoT cases, with questions being placed on notice to the Telecommunications Industry Ombudsman and Telstra. This reflects the fact that the Committee is inquiring separately into aspects of some CoT cases through the establishment in September - October 1997 of an external Working Party which is to report to the Committee by the end of the year.

12. *Environment Portfolio*

Several issues were raised, including

- the extent of community involvement in the preparation of an issues paper on climate change issues.¹⁹ The issue of consultation was also raised by Senator Margetts in relation to proposed reforms of environmental legislation;²⁰
- the extent to which various studies had been undertaken prior to construction commencing on Walla Weir (QLD);²¹
- administration issues relating to the Great Barrier Reef Marine Park Authority, including the costs of administrative reviews;²²
- priorities in environment, particularly Regional Forest Agreement assessments and the extent to which these are accepted;²³

¹³ ERCA, *Proof Committee Hansard*, 13 November 1997, pp.155-156.

¹⁴ ERCA, *Proof Committee Hansard*, 13 November 1997, pp.169-170.

¹⁵ ERCA, *Proof Committee Hansard*, 13 November 1997, pp.171-180.

¹⁶ ERCA, *Proof Committee Hansard*, 13 November 1997, p.194.

¹⁷ ERCA, *Proof Committee Hansard*, 13 November 1997, pp.219-221.

¹⁸ ERCA, *Proof Committee Hansard*, 20 November 1997, pp.301-321.

¹⁹ ERCA, *Proof Committee Hansard*, 13 November 1997, pp.225-228.

²⁰ ERCA, *Proof Committee Hansard*, 13 November 1997, pp.230-231.

²¹ ERCA, *Proof Committee Hansard*, 13 November 1997, pp.242-243.

²² ERCA, *Proof Committee Hansard*, 13 November 1997, pp.252, 253 and 256.

²³ ERCA, *Proof Committee Hansard*, 13 November 1997, pp.257-264.

- expenditure of National Heritage Trust Funds;²⁴
- possible contamination of Shark Bay;²⁵ and
- the closure of Mount McCall Road.²⁶

Acknowledgments

13. The Committee expresses its appreciation of the assistance given during its hearings by Senators the Hon Richard Alston and the Hon Robert Hill. The Committee also acknowledges the attendance and cooperation of departmental and agency officers and the services of the Parliamentary staff involved in the estimates process.

John Tierney
Chairman

²⁴ ERCA, *Proof Committee Hansard*, 13 November 1997, pp.268-269.

²⁵ ERCA, *Proof Committee Hansard*, 14 November 1997, pp.279-280.

²⁶ ERCA, *Proof Committee Hansard*, 14 November 1997, pp.285-286 and 290-291.