

The Senate

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Environment, Communications,  
Information Technology and the Arts  
Legislation Committee

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Additional estimates 2004–05

March 2005

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# Membership of the Legislation Committee

## Members

Senator Alan Eggleston, Chair (LP, WA)  
Senator Kate Lundy, Deputy Chair (ALP, TAS)  
\*Senator Andrew Bartlett (AD, QLD)  
Senate Stephen Conroy (ALP, ACT)  
^Senator Santo Santoro (LP, QLD)  
Senator Tsebin Tchen (LP, VIC)

## *Substitute Members*

\*Senator John Cherry (AD, QLD) to replace Senator Bartlett for matters relating to the Communications portfolio

\*Senator Brian Greig (AD, WA) to replace Senator Bartlett for matters relating to the Information Technology portfolio

\*Senator Aden Ridgeway (AD, NSW) to replace Senator Bartlett for matters relating to the Arts portfolio

^Senator Gary Humphries (LP, NSW) to replace Senator Santoro for the additional estimates hearings on Tuesday, 15 February 2005

## *Participating Members*

Senator the Hon Eric Abetz (LP, TAS)  
Senator Lyn Allison (AD, VIC)  
Senator the Hon Nick Bolkus (ALP, SA)  
Senator the Hon Ron Boswell (NPA, QLD)  
Senator Bob Brown (AG, TAS)  
Senator George Campbell (ALP, NSW)  
Senator Kim Carr (ALP, VIC)  
Senator Grant Chapman (LP, SA)  
Senator the Hon Richard Colbeck (LP, TAS)  
Senator the Hon Helen Coonan (LP, NSW)  
Senator Trish Crossin (ALP, NT)  
Senator Christopher Evans (ALP, WA)  
Senator the Hon John Faulkner (ALP, NSW)  
Senator Alan Ferguson (LP, SA)  
Senator Jeannie Ferris (LP, SA)  
Senator Brian Harradine (Ind, TAS)  
Senator the Hon Bill Heffernan (LP, NSW)

Senator John Hogg (ALP, QLD)  
Senator Gary Humphries (LP, ACT)  
Senator Susan Knowles (LP, WA)  
Senator Ross Lightfoot (LP, WA)  
Senator Joseph Ludwig (ALP, QLD)  
Senator Julian McGauran (NPA, VIC)  
Senator Jan McLucas (ALP, QLD)  
Senator Brett Mason (LP, QLD)  
Senator Claire Moore (ALP, QLD)  
Senator Kerry Nettle (AG, NSW)  
Senator Kerry O'Brien (ALP, TAS)  
Senator Robert Ray (ALP, VIC)  
Senator John Watson (LP, TAS)  
Senator Penny Wong (ALP, SA)

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## Introduction

1.1 On 10 February 2005 the Senate referred the following documents to legislation committees for examination and report:

- Particulars of proposed additional expenditure in respect of the year ending on 30 June 2005 [Appropriation Bill (No. 3) 2004-2005]
- Particulars of certain proposed additional expenditure in respect of the year ending on 30 June 2005 [Appropriation Bill (No. 4) 2004-2005];
- Particulars of proposed additional expenditure in relation to the parliamentary departments in respect of the year ending on 30 June 2005 (Appropriation (Parliamentary Departments) Bill (No. 2) 2004-2005)
- Statement of savings expected in annual appropriations made by Act No. 88 of 2004 (*Appropriation Act (No. 1) 2004-2005*) and Act No. 89 of 2004 (*Appropriation Act (No. 2) 2004-2005*)<sup>1</sup> and Act No. 90 of 2004 (*Appropriation (Parliamentary Departments) Act (No. 1) 2004-2005*);
- Final budget outcome 2003-04 (tabled 16 November 2004) and the Issues from the Advance to the Finance Minister as a final charge for the year ended 30 June 2004 (tabled 8 February 2005).<sup>1</sup>

1.2 Legislation committees were required to report to the Senate on 15 March 2005.<sup>2</sup>

## Hearings

1.3 The Committee conducted public hearings on the Communications, Information Technology and the Arts portfolio on 14 and 15 February 2005 and on the Environment and Heritage portfolio on 15 February 2004.

1.4 Written responses and information provided to the Committee on notice arising from the hearings are compiled as volumes of Additional Information. These volumes are tabled in the Senate and the responses are posted on the Committee's web page.

1.5 Links to the transcripts of the public hearings and to responses and additional information are available on the Internet at:

[http://www.aph.gov.au/senate/committee/ecita\\_ctte/estimates/add\\_0405/index.htm](http://www.aph.gov.au/senate/committee/ecita_ctte/estimates/add_0405/index.htm)

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1 *Journals of the Senate*, No. 14, 10 February 2005, p. 376.

2 *Journals of the Senate*, No. 14, 10 February 2005, p. 372.

## **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 Friday, 8 April 2005.

1.7 The Committee expressed its concern about the considerable time taken by the Communications, Information Technology and the Arts portfolio to provide answers to questions put on notice at the Budget Estimates hearings in May 2004, noting that several answers are still outstanding. It again states its expectation that responses to questions on notice should be provided to it by the due date.

## **Portfolio specific issues**

### ***Communications, Information Technology and the Arts portfolio***

1.8 On the first day of its examination of the 2004-2005 Additional Estimates, the Committee examined the broadcasting and telecommunications sectors of the portfolio.

1.9 The Committee welcomed Senator the Hon Helen Coonan, Minister for Communications, Information Technology and the Arts.

1.10 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, 14 February 2005.

## **Outcome 3—Development of services and provisions of a regulatory environment which encourages an efficient and effective communications sector for the benefit of all Australians**

### ***Broadcasting issues***

#### **Australian Broadcasting Corporation**

- free-to-air telecast of this year's Ashes cricket series (pp.4-13, 36)
- provision of captioning services (pp.14-18)
- perceived bias and lack of balance in current affairs programs (pp.18-21, 22)
- workers compensation premium and claims (pp.25-26)
- workplace bullying and grievance-handling procedures (pp.26-28)
- remuneration paid to the managing director and staff (pp.28-30)
- process for filling vacant positions (pp.30-31)
- 2005 schedule for Radio National programs and budget process (pp.34-35)
- 2004 election monitoring report (pp.36-41, 46-48)
- funding for the National Interest initiative (pp.41-46)

- 
- guidelines for the sale or licensing of footage to another program maker (pp.48-54)
  - filling of vacancies on the ABC Board (p.54)

### **Special Broadcasting Service**

- removal of the 2010 FIFA World Cup soccer tournament from the antisiphoning list (pp.55-57, 59-61)
- SBS Independent program (pp.58-59)
- review of television operations (pp.61-62)
- code of conduct for employees (pp.62-64)
- terminology used in reporting certain news stories (pp.64-65)
- new codes of practice and editorial guidelines (pp.66-68)
- share of the market under the public radio and television ratings system (p.69)
- extension of SBS Radio service (pp.70-71)

### **Australian Broadcasting Authority**

- compliance with changed regional licences provisions (pp.72-76)
- investigation into satellite delivered pornography (pp.76-77)
- public consultation on proposed new IIA codes of practice promoting awareness of internet filtering technologies (pp.77-79)
- accessing adult material via mobile phones (pp.79-80)
- CanWest's stake in the Ten Network (pp.80-84)
- inclusion of FIFA World Cup tournament on the antisiphoning list (pp.84-86)
- review of Australian content on subscription television broadcasting services (pp.87-88)
- children's television standards regulating TV food advertising (pp.89-90)

### **DCITA Output 3.2**—Policy advice and program management which promote accessible high quality broadcasting services

- progress reports on the four digital reviews being conducted in 2004 (p.91)
- vacancies on the ABC Board (pp.91-92)
- compliance with children's drama quotas by commercial networks (pp.92-93)

## ***Telecommunications issues***

### **Telstra**

- sponsorship of Lifeline (pp.94-101)
- costs of defence of an ACCC competition notice imposed March 2004 (pp.102-105)
- broadband multiservices network initiative and current technologies (pp.105-118)
- ADSL enabled exchanges (p.119)
- complaints relating to ADSL services (pp.120-125, 132-133)
- preferred contractor process (pp.125-132)
- voice over internet protocol (pp.133-134)
- mass service disruption notices (pp.134-136)
- effects of line rental increases or rebalancing (pp.136-137)
- functions of the three directory assistance numbers (pp.138-141)
- restructure and establishment of a separate wholesale division (p.141)
- employment conditions under AWAs and EBAs (pp.143-144)

1.11 On the second day of hearings, the Committee continued its examination of the telecommunications sector of the portfolio, commencing with Australia Post. At the conclusion of the telecommunications sector, the arts and sports sectors were called and examined. The Committee welcomed Senator the Hon Rod Kemp, Minister for the Arts and Sport.

1.12 The page references beside each issue refer to the proof transcript for Tuesday, 15 February 2004.

### **Australia Post**

- factors involved in the move of the Post Office from premises in Spring Street, Bondi to the Westfield shopping centre (pp.4-9)
- installation of advertising screens by Multimedia International Services in certain post office premises (pp.9-13)
- advertising expenditure (pp.13-14)
- provision of stamp supplies to post offices (pp.14-15)
- dispute resolution procedures between Australia Post and its licensees (p.16)
- dispute resolution procedures available to mail contractors (pp.17-18)
- number of and services provided by community postal agents (pp.18-19)
- postal services provided at Woodvale, WA (p.20)

### **Australian Communications Authority**

- authorisation of certain radio control devices (pp.21-22)
- illegal access to IPND, Telstra's integrated public number database (pp.22-33)
- provision of broadband services over powerlines (p.34)
- use by Telstra of mass service disruption notices (pp.34-36)
- complaints about ADSL service quality (pp.36-37)
- development of a code on unfair contracts (pp.37-38)
- sale of ACA-owned land at Cape Pallarenda in Townsville (pp.39-46, 48)
- Telstra's network reliability performance (pp.46-48)

**DCITA Output 3.1**—Policy advice and program management which encourages competitively priced and reasonably accessible telecommunications and postal services

- details of expenditure and registered providers in HiBIS (Higher Bandwidth Incentive Scheme) (pp.49-53, 54-55)
- operations of NICTA (National ICT Australia) (pp.54-55)

1.13 Due to time constraints, representatives of department outputs 3.4 (copyright issues), 3.3 (development of an ICT industry) and 3.5 (information economy) were not called before the Committee.

### ***Cultural issues***

#### **Outcome 1—Development of a rich and stimulating cultural sector for all Australians**

##### **Australia Council**

- process, cost, staffing implications and implementation of the Council's restructure (pp.56-65, 67, 68-69, 70)
- funding arrangements for major arts companies (pp.65-67)
- grant to the Melba Foundation (pp.71-72, 73-74)
- funding cut to the Footscray Community Arts Centre (p.72)

##### **Australia Business Arts Foundation**

- implications for AbaF of the Australia Council restructure (pp.75-77)

##### **Australian Film Commission**

- staffing numbers for the National Film and Sound Archive (pp.78-79)
- decline in the number of Australian made films (pp.80-82)
- number of people employed in the film industry (p.83)

**National Archives of Australia**

- processes for releasing material under the 30-year rule (pp.83-84)
- fraud control measures (pp.85-86)

**National Library of Australia**

- impact of the efficiency dividend on the Library (p.87)
- progress made on the construction of a new storage facility (pp.87-88)
- redevelopment of the Kinetica service (p.88)

**National Museum of Australia**

- ANAO report on Museum investment practices (pp.88-89)

**National Gallery of Australia**

- role of Mr Begg at the NGA (pp.89-91)
- details of the incident which occurred 14 February (pp.91-92)
- staff health issues (pp.92-96)
- impact of the efficiency dividend (p.96)

**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

- impact of the efficiency dividend on the department and agencies (p.96)

***Sport issues***

**Outcome 2**–Development of a stronger and internationally competitive Australian sports sector and greater encouragement in sport by all Australians

**Australian Sports Commission****Australian Sports Drug Agency**

**DCITA Output 2.1**–Policy advice, program management and agency support in relation to sports, anti-doping and industry development measures which support the Australian sports sector

- the Active After-school Communities program (pp.97-101)
- the Targeted Sports program (pp.101-102)
- drugs in sport: amendment to AIS scholarship agreements (pp.102-103)
- Australian arrangements for investigations and hearings of sport doping allegations (pp.103-104)
- policies for the practice of self-injecting (pp.104-105)
- security review and risk assessment of the AIS campus (pp.105-106)

- allocation of funding to certain sporting facilities arising from the government's election commitment (pp.106-107)

### ***Environment and Heritage portfolio***

1.14 At the conclusion of the examination of the Communications, Information Technology and the Arts portfolio, officers from the Environment and Heritage portfolio were called.

1.15 The Committee welcomed Senator the Hon Ian Campbell, Minister for the Environment and Heritage.

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

#### **Bureau of Meteorology**

- role of the Bureau in the tsunami disaster (pp.109-113)
- funding for the National Tidal Centre (pp.113-114)
- attendance at the Exeter conference (pp.114-116)

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

- review of the Representative Areas Program (pp.117-119)
- Great Barrier Reef structural adjustment package (pp.119-120)

#### **Office of the Renewable Energy Regulator**

- access to the register of RECs (renewable energy certificates) (pp.120-121)
- calculation of renewable energy shortfall charges (pp.121-122)

#### **Department of the Environment and Heritage**

##### *Approvals and Wildlife Division*

- current status of Stage 2 of the Stuart oil shale project (pp.122-124)
- investigation into a development at Altona North (p.124)
- negotiations with AFMA in relation to protected species (p.125)
- status of application to import Asian elephants (p.125)

##### *Parks Australia Division*

- staff numbers in the Northern Territory (p.126)
- decrease in the maintenance budget (pp.126-127)
- reduction of the vehicle fleet (p.127)
- implications for Kakadu of the abolition of the entry fee (pp.127-133)
- amounts spent on feral animal control at Kakadu and Uluru (p.133)

- progress of the clean-up program at South Alligator Creek (pp.134-135)

*Land, Water and Coasts Division*

- protection of old-growth forests in Tasmania (pp.136-137)

*National Resource Management Programmes Division*

- administration of the Australian Water Fund Communities Program (pp.137-138)
- the Kimberley canal proposal (pp.139-140)

*Industry, Communities and Energy Division*

- status of the Photovoltaic Rebate Program and solar cities program (pp.140-143)
- Kyoto greenhouse emission target (pp.143-146)

## **Acknowledgements**

1.16 The Committee thanks the Minister for Communications, Information Technology and the Arts, Senator the Hon Helen Coonan; the Minister for the Arts and Sport, Senator the Hon Rod Kemp, and the Minister for the Environment and Heritage, Senator the Hon Ian Campbell, along with officers from both portfolio departments and agencies, for their assistance during this additional estimates process.

**Senator Alan Eggleston**  
**Chairman**

## Appendix 1

### Public Hearings: Additional Estimates 2004–2005

Monday, 14 and Tuesday, 15 February 2005

Committee Room 2S3  
Parliament House  
Canberra ACT

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

#### REVISED AGENDA

#### MONDAY, 14 FEBRUARY 2005

9.00am

### Communications, Information Technology and the Arts Portfolio

Department of Communications, Information Technology and the Arts

**Outcome 3—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**

9.00am

Australian Broadcasting Corporation  
Special Broadcasting Service  
Australian Broadcasting Authority

**DCITA Output 3.2** Policy advice and program management which promote accessible high quality broadcasting services

Telstra

11.00pm

Adjournment

**TUESDAY, 15 FEBRUARY 2005**

## **Communications, Information Technology and the Arts Portfolio**

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

**9.00am**

**Australia Post**

**Australian Communications Authority**

**DCITA Output 3.1** Policy advice and program management which encourages competitively priced and reasonably accessible telecommunications and postal services

**DCITA Output 3.3** Policy advice and program management that assist the development of the Information and Communications Technology Industry

**DCITA Corporate Services**

**DCITA Output 3.4** Policy and program management of copyright issues that encourage the production of content and promote reasonable access to research and cultural materials

**DCITA Output 3.5** Strategic advice, activities and representation relating to Australia's development as an information economy, nationally and internationally

### **Outcome 2—Development of a stronger and internationally competitive Australian sports sector and encouragement of greater participation in sport by all Australians**

**Australian Sports Commission**

**Australian Sports Drug Agency**

**DCITA Output 2.1** Policy advice, program management and agency support in relation to sports, anti-doping and industry development measures which support the Australian sports sector.

### **Outcome 1—Development of a rich and stimulating cultural sector for all Australians**

**Australia Council**

**Australian Film Commission (incl National Film & Sound Archive)**

**National Archives of Australia**

**National Gallery of Australia**

**National Library of Australia**

**National Museum of Australia**

**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 (*including matters related to the Australia Business Arts Foundation Limited; and Film Finance Corporation Australia Limited*)

**DCITA Output 1.2** Preservation of and access to Old Parliament House and the National Portrait Gallery and their respective collections

(at  
conclusion  
of CITA  
portfolio)

## Environment and Heritage Portfolio

### Department of Environment and Heritage

**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**

**Office of the Renewable Energy Regulator**

**Parks Australia Director *[not before 9.30pm]***

**Department of the Environment and Heritage**

Approvals and Wildlife Division

Corporate Strategies Division

Heritage Division

Industry, Communities and Energy Division (*incorporates Australian Greenhouse Office*)

International, Land and Analysis Division (*incorporates Australian Greenhouse Office*)

Land, Water and Coasts Division

Marine Division (*incorporates National Oceans Office*)

Natural Resource Management Programmes Division

Parks Australia Division *[not before 9.30pm]*

Policy Coordination and Environment Protection Division

**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  |        |