

Chapter 4

Regional Australia, Local Government, Arts and Sport portfolio

Department of Regional Australia, Local Government, Arts and Sport

4.1 This chapter contains the key issues discussed during the 2012-13 Additional Estimates hearings for the Regional Australia, Local Government, Arts and Sport portfolio. A complete list of all the topics discussed, and relevant page numbers, can be found at Appendix 5.

4.2 The committee heard evidence from the department on Tuesday, 12 February 2013 from the following outcomes and agencies:

- Corporate Services
- Regional Development
- Local Government
- Services to Territories
- Office for the Arts
- Australia Council
- Office for Sport

Corporate Services

4.3 The committee asked for an update on the programs the department's administers. Ms Beauchamp, Secretary, advised that the department is responsible for providing support to a number of large programs, including the Regional Development Australia Fund, Community Infrastructure Grants, the Local Government Reform Fund and the Centre for Excellence in Local Government. The department also leads and coordinates many place based interventions in priority areas for government, such as the Murray-Darling, Tasmania and the Upper Spencer Gulf.¹

4.4 The committee asked how the department is progressing in terms of meeting the efficiency dividend. Ms Beauchamp, explained that the total number of staff has reduced in 2012-13 compared to 2011-12, as some programs were either one-off or have finished. The committee also heard that consultancy fees have decreased, as the department actively seeks to minimise the use of consultants by focusing on up-skilling staff.²

4.5 An area of particular interest for the committee was the department's building lease arrangements. Officers were asked to detail the most expensive office space and lease space. The committee heard that the department's lease in Garema Court is the

1 *Estimates Hansard*, 12 February 2013, p. 88.

2 *Estimates Hansard*, 12 February 2013, pp 89–90.

most expensive in terms of total cost, and the lease for the Office for the Arts in St Georges Terrace, Perth is the most expensive office space per square metre.³

4.6 The committee sought further information on the following items:

- credit card misuse;
- engagement with the Regional Australia Institute;
- the average personal leave per employee per year; and
- the number of active compensation cases.⁴

Regional Development

4.7 The committee sought an update on the amount of funding available in the Regional Australia Development Fund. The committee heard that the first two rounds of funding have already been committed with another two rounds open for expressions of interest and application. Funding for the first round was \$150 million, \$200 million in the second round, \$50 million for the third round and \$175 million in the fourth round.⁵

4.8 The committee heard that there are 88 projects under the Community Infrastructure Grant program, 32 have been completed, 39 are in progress, one project is under contract negotiation and 16 are unapproved as they are undergoing the due diligence process.⁶

4.9 The committee asked why the North Queensland Irrigated Agriculture Strategy web page had not been updated since July 2012. Officers explained that due to staffing constraints the website had not been updated, however, work on the strategy has continued. The Commonwealth Scientific and Industry Research Organisation (CSIRO) has provided the department with a report on the range of activities it has undertaken, which will form part of the 12 technical reports to be released this year. In addition to the technical reports, two final reports will also be released at the end of 2013, one on each catchment and an overall summary.⁷

4.10 The committee asked the department to detail its involvement in the beef industry specifically in northern Australia. Officers told the committee that the Northern Australian Ministerial Forum has worked with the beef industry and the Australian Bureau of Agricultural Research and Economic Science to identify the risks and opportunities facing the northern beef industry.⁸

3 *Estimates Hansard*, 12 February 2013, pp 89, 92–94.

4 *Estimates Hansard*, 12 February 2013, pp 90–91.

5 *Estimates Hansard*, 12 February 2013, pp 94–95.

6 *Estimates Hansard*, 12 February 2013, p. 95.

7 *Estimates Hansard*, 12 February 2013, pp 100–101.

8 *Estimates Hansard*, 12 February 2013, p. 101.

4.11 The committee also asked about the work of the Northern Australia Ministerial Forum. Officers explained that the forum was established in 2010 and provides an opportunity for strategic leadership and collaboration across jurisdictions in relation to the sustainable development of northern Australia. Membership of the forum includes regional development ministers from the Commonwealth, Queensland, Northern Territory and Western Australia.⁹

4.12 Officers told the committee that the Northern Australia Ministerial Forum has met five times since 2010 and despite changes to governments in two jurisdictions (Queensland and the Northern Territory), the forum remains a consensus and collaborative based environment.¹⁰

4.13 The committee asked for an update into developing water resources in Northern Australia. Mr Dickson, Director, explained the importance of developing long-term sustainable water resources to ensure the economic development of the north. Mr Dickson went on to explain that:

...the Australian Government has commissioned primary research on both the opportunities for broad scale irrigated agriculture, drawing on the development of surface water, as well as opportunities for mosaic development, drawing on groundwater resources...this work is focused on the availability and suitability of soil and water resources through the beef industry, the animal production systems that could utilise...the socio-economic viability of beef enterprises in industries that rely in part on mosaic irrigation.¹¹

4.14 The committee sought further information on the following items:

- Horsham theatre and art gallery;
- the funding agreement with Unity Housing;
- Gawler rail line;
- the Wakefield Regional Council water supply arrangement and the South Australian Water corporation funding agreement;
- the AACo abattoir in Darwin;
- the Ord River scheme;
- the Hunter Valley regional strategic infrastructure plan;
- the Murray-Darling Basin economic diversification fund; and
- the possibility of relocating the department above the Tropic of Capricorn.¹²

9 *Estimates Hansard*, 12 February 2013, pp 104–105.

10 *Estimates Hansard*, 12 February 2013, p. 105.

11 *Estimates Hansard*, 12 February 2013, pp 105–106.

12 *Estimates Hansard*, 12 February 2013, pp 96–100, 102.

Local Government

4.15 The committee discussed what actions the department has taken since the Expert Panel released its report in December 2011 on Constitutional Recognition of Local Government. Officers told the committee that the department has worked with Parliament to establish the Joint Select Committee on Constitutional Recognition of Local Government, as well as forming an interdepartmental committee which will investigate the timing and success factors of a referendum.¹³

4.16 Officers told the committee that the government will wait and make its decision once the final report from the Joint Select Committee on Constitutional Recognition of Local Government has been released at the end of March 2013. Ms Fleming, Director, advised the committee that a referendum bill is required before the department can begin negotiations with the states. The committee heard that the latest the Bills could be considered by Parliament is June 2013.¹⁴

4.17 The committee asked officers for an update of the Financial Assistance Grants review. Ms Fleming, told the committee that the Grants Commission has set dates for hearings in Canberra, and submissions were due on 1 March 2013. The Minister for Regional Australia, Regional Development, and Local Government the Hon Simon Crean MP announced that the focus of the review is to assess the efficiency and effectiveness in relation to the distribution of funding.¹⁵

4.18 The committee sought an update on the Local Government Reform Fund. Officers told the committee that phase one has been completed and phase two has commenced with 12 of the 18 projects completed and the remainder due for completion by 30 June 2013.¹⁶

4.19 The committee sought an update on the work of the Australian Centre of Excellence for Local Government. Ms Fleming, explained that the centre has built awareness on the use of debt and financing to increase the capacity of local governments.¹⁷

Services to Territories

4.20 The committee asked for an update on the Road Map for Norfolk Island, and sought specific information in relation to the privatisation and monopolisation of the marketplace, and the upgrading of the facilities at the Kingston and Cascade piers. Officers told the committee that under the current funding agreement with Norfolk Island, the department is seeking to increase the number of competitors in the marketplace. The department has no plans to upgrade the facilities at Kingston and Cascade piers, as officers reminded the committee that Norfolk Island is a

13 *Estimates Hansard*, 12 February 2013, p. 113.

14 *Estimates Hansard*, 12 February 2013, pp 113–114, 117.

15 *Estimates Hansard*, 12 February 2013, pp 115–116.

16 *Estimates Hansard*, 12 February 2013, p. 115.

17 *Estimates Hansard*, 12 February 2013, p. 117.

self-determining government which has responsibility for infrastructure on Norfolk Island.¹⁸

4.21 The committee sought further information in relation to whether the government was committed to its agreement to extend the Australian tax system to Norfolk Island in 2014-15. Ms Beauchamp explained that the department is currently working with the Norfolk Island government and the Australian Tax Office to identify priority areas and milestones that can be sustained by Norfolk Island without negatively impacting business and the local community.¹⁹

Office for the Arts/Australia Council

4.22 The committee sought further information from the department in relation to the National Cultural Policy, specifically how many drafts have been provided to the Minister for Arts the Hon Simon Crean MP, the date when the policy might be released, and whether the policy will reflect the diversity of a 21st Century Australia.²⁰

4.23 The committee asked officers from the Australia Council to explain literary funding specifically in relation to *Quadrant*. The committee heard that *Quadrant* received \$20 000 in funding for 2012-13, which was 50 per cent less than 2011-12.²¹

4.24 The committee dismissed the following Arts Agencies without questioning due to timing constraints:

- National Film and Sound Archive;
- the National Gallery;
- the National Library;
- the National Museum of Australia; and
- Screen Australia.²²

Office for Sport

4.25 The committee discussed the department's Portfolio Budget Statements in relation to a reduction in funding for the Illicit Drugs In Sport (IDIS) program by \$5.6 million. Mr Eccles, Deputy Secretary told the committee that the funding for the IDIS program was redirected to establish the National Integrity of Sport Unit and the IDIS was never intended to cover testing for illicit drugs in large sports.²³

4.26 The Office for Sport was questioned in relation to the Australian Crime Commission (ACC) Report into *Organised Crime and Drugs in Sport*. The committee sought further information in relation to:

18 *Estimates Hansard*, 12 February 2013, p. 119.

19 *Estimates Hansard*, 12 February 2013, p. 121.

20 *Estimates Hansard*, 12 February 2013, pp 126–133.

21 *Estimates Hansard*, 12 February 2013, p. 134.

22 *Estimates Hansard*, 12 February 2013, p. 129.

23 *Estimates Hansard*, 12 February 2013, pp 137–138.

- the press conference held by the Minister for Sport, Senator the Hon Kate Lundy held with the Minister for Justice, the Hon Jason Clare MP and the various sporting codes chief executive officers on Thursday, 7 February 2013;
- the date of the briefing from the ACC to invited sporting organisations in Canberra;
- whether the government paid for the flights of all sporting codes that attended the press conference; and
- the breath of match fixing in Australian sport.²⁴

4.27 Officers told the committee that the newly established National Integrity of Sport Unit is collaborating with the Australian Crime Commission and the Australian Sports Anti-Doping Authority to implement components arising out of Project Aperiio and the report into *Organised Crime and Drugs in Sport*.²⁵

4.28 The Australian Sports Commission was dismissed without questioning due to timing constraints.²⁶

Senator Glenn Sterle
Chair

24 *Estimates Hansard*, 12 February 2013, pp 138–144.

25 *Estimates Hansard*, 12 February 2013, p. 138.

26 *Estimates Hansard*, 12 February 2013, p. 140.