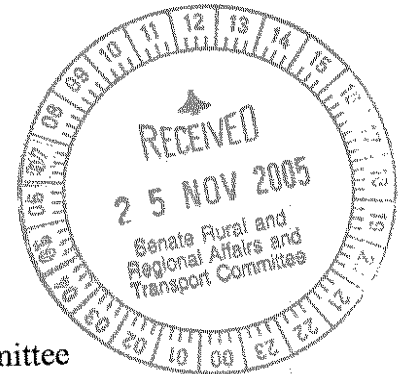




Australian Government
Department of Transport and Regional Services



The Hon Bill Heffernan
Chair
Senate Rural and Regional Affairs and Transport Legislation Committee
Department of the Senate
Parliament House
CANBERRA ACT 2600

Dear Senator Heffernan

Subject: Senate Estimates Hearing of 31 October 2005

I write concerning my appearance at the Department of Transport and Regional Services, Senate Estimates Hearings on 31 October 2005 before your Committee.

At the time of the hearing incorrect information was unintentionally provided to the Committee. In answering a question about last financial years expenditure I mistakenly quoted figures from the first quarter of the 2005/06 financial year.

The incorrect information is as follows (extracted from Hansard):

RRA&T 62 Senate—*Legislation* Monday, 31 October 2005

RURAL AND REGIONAL AFFAIRS AND TRANSPORT

Senator O'BRIEN—No, I am certainly not allowed to hold another position whilst I hold this one, Senator; I do not know about you. Mr Palmer, I am told that \$400,000 has been allocated to your office in each of the years 2004-5 to 2007-08. How much did the office expend in the last financial year?

Mr Palmer—I think that I am correct in saying that it was a net cost to the department of \$94,978 for the financial year. There was a gross cost of \$111,360 because some of the initial Cornelia Rau inquiry costs were costed to DOTARS because of the urgency of the matter and then credited by DIMIA to DOTARS. So there was a refund, if you like, or a remittance of \$16,781, leaving a net cost to the department of \$94,578 for the financial year.

Office of the Inspector of Transport Security

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The correct information should read as follows:

Mr Palmer –The net cost to the department was \$173,594 for the financial year. There was a gross cost of \$292,035 because some of the initial Cornelia Rau inquiry costs were initially paid by DOTARS due to the urgency of the matter and then credited by DIMIA to DOTARS. So there was a remittance of \$117,553 from DIMIA, plus \$888 for transferred employee provisions, for total revenue of \$118,441, leaving a net cost to the department of \$173,594 for the financial year.

I request that this information be placed on the record for the Supplementary Hearings.

Please accept my apologies for the inconvenience my incorrect answer may have caused.

Yours sincerely



Mick Palmer
Inspector of Transport Security

23 November 2005

Cc: Ms Maureen Weeks