



COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

SENATE

FINANCE AND PUBLIC ADMINISTRATION
LEGISLATION COMMITTEE

Consideration of Budget Estimates

WEDNESDAY, 2 JUNE 1999

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CONTENTS

WEDNESDAY, 2 JUNE

Prime Minister and Cabinet Portfolio	287
The Prime Minister and Cabinet—	
Output group 2—Social policy advice and coordination	289
Aboriginal and Torres Strait Islander Commission—	
Output 211—Preservation and protection of indigenous heritage	359
Output 213: Preservation and promotion of indigenous art and culture	363
Output 214—Preservation and promotion of indigenous language and recordings	363
Output 222—Legal and preventative services	371
Output 223—Link up	371
Output 241—Community housing	377
Department of The Prime Minister and Cabinet—	
Outcome 1—Sound and well coordinated government policies, programs and decision making processes—Output group 1.2—Social policy advice and coordination	378

SENATE

FINANCE AND PUBLIC ADMINISTRATION LEGISLATION COMMITTEE

Wednesday, 2 June 1999

Members: Senator Gibson (*Chair*), Senator Murray (*Deputy Chair*), Senators Brownhill, Conroy, Ray and Watson

Senators in attendance: Senators Bolkus, Brownhill, Crossin, Faulkner, Gibson, Lundy, Margetts, Ray, Reynolds and Watson

Committee met at 9.02 a.m.

PRIME MINISTER AND CABINET PORTFOLIO

Proposed expenditure, \$794,458,000 (Document A)

Proposed provision, \$114,039,000 (Document B)

Consideration resumed from 1 June 1999.

In Attendance

Senator Herron, Minister for Aboriginal and Torres Strait Islander Affairs
Department of the Prime Minister and Cabinet—

Ms Jane Halton, Deputy Secretary

Economic Policy Advice and Coordination

Ms Patricia Scott, First Assistant Secretary, Economic

Ms Jenny Goddard, Assistant Secretary, Economic

Mr Brian Cassidy, First Assistant Secretary, Industry and Environment

Mr Brian Jones, Assistant Secretary, Primary Industries and Environment

Mr Grahame Cook, First Assistant Secretary, Forests and Olympics

Mr Richard Webb, Assistant Secretary, Forests Taskforce

Mr Ron Perry, Senior Adviser, Olympics Taskforce

Social Policy Advice and Coordination

Ms Vanessa Tripp, First Assistant Secretary, Social Policy

Ms Pru Goward, First Assistant Secretary, Office of the Status of Women

Mr Peter Vaughan, First Assistant Secretary, Office of Indigenous Policy

International Policy Advice and Coordination

Mr Peter Varghese, First Assistant Secretary, International

Support Services for Government Operations

Ms Barbara Belcher, First Assistant Secretary, Government
Mr David Macgill, Acting Assistant Secretary, Legal and Culture
Mr John Doherty, Convenor, Referendum Taskforce
Mr Paul O'Neill, Assistant Secretary, Awards and National Symbols
Mr Nhan Vo-Van, Assistant Secretary, Cabinet Secretariat
Mr Greg Whitty, Senior Adviser, Cabinet Secretariat
Ms Louise Courtney, Acting First Assistant Secretary, Government Communications
Ms Jo Caldwell, Assistant Secretary, Office of the Status of Women

Corporate Services—

Ms Heli Harrison, Acting Assistant Secretary, Corporate Support
Mr Richard Oliver, Acting Assistant Secretary, Information Systems
Mr Joe d'Angelo, Senior Adviser, Financial Management
Mr Terry Crane, Senior Adviser, Facilities and Services

Office of the Official Secretary to the Governor-General—

Mr Martin Bonsey, Official Secretary to the Governor-General
Ms Amanda O'Rourke, Director, Honours Secretariat
Ms Kay Austin, Organisation Services and Support Manager

Office of National Assessments

Mr Kim Jones, Director-General
Mr Derryl Triffett, Head, Corporate Services
Mrs Margaret Bourke, Senior Executive Officer

Public Service and Merit Protection Commission—

Ms Helen Williams, Public Service Commissioner
Mr Roger Bagley, Director, Ceremonial and Hospitality Unit
Mr Peter Kennedy, Deputy Public Service Commissioner
Mr Alan Doolan, Acting Merit Protection Commissioner
Mr Mike Jones, Team Leader, Corporate Strategy and Support
Mr Jeff Lamond, Team Leader, Staffing, Structures and Performance
Mr Frank Nicholas, Finance Manager

Office of the Commonwealth Ombudsman—

Mr Ron McLeod, Commonwealth Ombudsman
Ms Linda Atkinson, Senior Assistant Ombudsman, Corporate Management Branch
Mr Chris Ross, Director, Corporate Services

Office of the Inspector-General of Intelligence and Security—

Mr Bill Blick, Inspector-General

Australian National Audit Office—

Mr Pat Barrett AM, Auditor-General

Mr Ian McPhee, Deputy Auditor-General
Mr Greg Welsh, Senior Finance Manager
Aboriginal And Torres Strait Islander Commission
Mr M. Sullivan, Chief Executive Officer
Mr G. Rees, Deputy Chief Executive Officer
Mr J. Eldridge, General Manager, Social and Cultural
Ms K. Sculthorpe, General Manager, Strategic Development and Support
Mr J. Ramsay, General Manager, Corporate Services
Mr C. Plowman, Acting General Manager, Economic
Mr W. Miller, Director, Office of Evaluation and Audit
Mr N. Bouhafs, Registrar, Aboriginal Corporations
Mr R. Alfredson, Assistant General Manager, Finance
Mr M. White, Assistant General Manager, Human Resources and Corporate Administration
Mr C. Strand, Acting Assistant General Manager, Culture, Legal Aid and Family Policy
Mr P. Taylor, Acting Assistant General Manager, Housing, Infrastructure, Health and Heritage
Mr R. Goodrick, Assistant General Manager, Legal
Mr M. O’Ryan, Assistant General Manager, CDEP and Employment Policy
Mr L. Hawke, Assistant General Manager, Commercial
Mr M. Hutchings, Acting Assistant General Manager, Strategic Support
Mr B. Johnson, Acting Assistant General Manager, Strategic Planning and Policy
Aboriginal Hostels Ltd
Mr K. Clarke, General Manager
Mr K. Sharma, Company Secretary
Mr R. Lane, Assistant General Manager, Operations
Australian Institute of Aboriginal and Torres Strait Islander Studies
Dr K. Palmer, Deputy Principal
Mr B. Robinson, Director, Finance
Aboriginal and Torres Strait Islander Commercial Development Corporation
Mr I. Myers, Deputy General Manager
Department of Finance and Administration—
Mr Adrian Beekmeijer

CHAIR—I declare open the public hearing of the Finance and Public Administration Legislation Committee. Today we continue our consideration of budget estimates 1999-2000 for the Prime Minister and Cabinet portfolio.

DEPARTMENT OF THE PRIME MINISTER AND CABINET

Output group 2—Social policy advice and coordination

CHAIR—We will commence with output group 2, Social policy advice and coordination (Office of Indigenous Policy) followed by ATSIC. We will conclude with the Office of the Status of Women which is also under Output group 2. I propose to proceed by calling on agencies and output groups as they appear in the detailed program. I welcome Senator Herron

and officers from the Department of the Prime Minister and Cabinet. Minister, do you have an opening statement?

Senator Herron—I haven't, thanks very much, Senator Gibson.

Senator ROBERT RAY—Mr Chairman, I am not surprised, but are the deputy secretaries not going to be here today? Mr Henderson?

CHAIR—I understand Mr Henderson is sick.

Ms Halton—Alan Henderson is unwell, so I will stand in his place.

Senator ROBERT RAY—Mr Chairman, this is not relating to this portfolio, but I raised a couple of very simple questions about the costs of work done at the entrance to the Lodge in this committee. I was informed that that was best taken up with the Attorney-General's Department because it was not the responsibility of this department. The Attorney-General's Department did not know whose responsibility it was last night and thought they were only an advisory body and that, in fact, Prime Minister and Cabinet are the client department. We now have the ball bouncing back and forwards between the two, and we cannot get an answer to a question. This is not urgent, but I ask the current deputy secretary whether she could pass on that there is confusion there. I have not read the *Hansard* record; I am relaying on what my colleagues told me happened in that committee. Maybe that can be sorted out and an answer can be given to us.

Ms Halton—We will look into it.

CHAIR—Thank you.

Senator ROBERT RAY—I notice the new director of ATSIC has just walked in. I have some questions about that appointment. They will not be embarrassing, so you do not have to leave. Minister, was that position advertised?

Senator Herron—Yes, it was.

Senator ROBERT RAY—Could you tell me what the selection process was?

Ms Halton—There was an extensive selection process involving consideration of applications, and scrutiny of those applicants by both the ATSIC Board of Commissioners and the minister. There was a headhunter involved in that process to ensure that the broadest range of applicants was considered, ultimately resulting in the appointment of Mr Sullivan.

Senator ROBERT RAY—Who was the headhunter?

Ms Halton—Morgan and Banks.

Senator ROBERT RAY—What was the cost of employing Morgan and Banks?

Ms Halton—I will have to take that on notice. I do not have that to hand.

Senator ROBERT RAY—You do not have a ballpark figure?

Ms Halton—No, not to hand. I will take it on notice.

Senator ROBERT RAY—You say there was consultation, but I am not quite sure who makes the final recommendation. When you get it down to one individual, which body of people make that recommendation, for the minister then to take it forward?

Senator Herron—There was a consultative group composed of myself, the chairman of ATSIC and two ATSIC commissioners. We had a short list produced and there was discussion about that. Ultimately, I made the decision after consultation with the board of ATSIC.

Senator ROBERT RAY—First of all, you used a headhunter to narrow the field down; then yourself, the chairman of ATSIC and two commissioners discussed the matter. It was not a vote; it was an evolving, consensual view on who it should be.

Senator Herron—That is correct; then I made the decision.

Senator ROBERT RAY—You made the decision to recommend the candidate to cabinet?

Senator Herron—That is correct.

Ms Halton—I have actually been informed that the cost of the recruitment process involving Morgan and Banks was \$76,177.23.

Senator ROBERT RAY—We will not worry about the cents.

Ms Halton—\$76,177.

Senator Herron—We could go across portfolios on this, just to give you the full detail of the process that was followed. What I gave you was a summary of what had occurred, but Mr Sullivan will give you a—

Senator ROBERT RAY—I am particularly interested in the process rather than the outcome.

Senator Herron—I will ask Mr Sullivan to answer that.

Mr Sullivan—The appointment of the CEO requires it to be on the recommendation of the board of commissioners. That recommendation goes to the minister, who makes the appointment, subject to cabinet endorsement. It is not an Executive Council appointment. It is a minister's appointment but it requires, and it did have, the agreement and recommendation of the board as a whole.

Senator ROBERT RAY—That is all, other than to congratulate you, Mr Sullivan. He is known to me in another portfolio, Minister. You made a very good choice.

Senator Herron—Yes, I consulted widely and the main difficulty was that there was no disharmony.

Senator ROBERT RAY—That is good. That is excellent. Well done.

Senator FAULKNER—You would be aware, Mr Chairman, that I raised on Monday some issues in relation to the Office of Indigenous Policy and you would be aware that Mr Henderson pleaded with me not to address them to him on Monday but to address them at the estimates today. I assume that Senator Herron is aware of that background. That would be right, Senator?

Senator Herron—That is correct, Senator Faulkner.

Senator FAULKNER—Thanks, Minister. Could you outline for the benefit of the committee, Senator Herron, how the Office of Indigenous Affairs evolved into the Office of Indigenous Policy, and what underpinned those changes?

Senator Herron—You would be aware, Senator Faulkner, that on 24 March 1993 the then Prime Minister, Mr Keating, announced that there would be an Office of Aboriginal and Torres Strait Islander Affairs in the Department of Prime Minister and Cabinet, and the minister and ATSIC would be located in his portfolio. He stated in his press release:

The Office will not be large, but have a policy advising capability and will house the Aboriginal Reconciliation Unit. The Office will also be able to provide advice and services to the minister when it would be inappropriate for the only source of advice to be ATSIC. For example, where Aboriginal groups engage in litigation against the Commonwealth there may be a need for instructions to the Commonwealth's legal advisers of a kind which ATSIC would regard as inconsistent with its role.

I emphasise, however, that there is no intention in establishing the Office to undermine the primary role of ATSIC as adviser to the government on Aboriginal matters.

And so it goes on.

Senator FAULKNER—Sorry, is that Mr Howard you were just quoting?

Senator Herron—That was Mr Keating. That was the original establishment of the Office of Indigenous—

Senator FAULKNER—What date was that?

Senator Herron—That is a press release of the 24th of the 3rd, 1993, over the name of Peter Shergold, Chief Executive Officer. I am quoting from that.

Senator FAULKNER—Yes, thanks for that.

Senator Herron—He, in turn—that is Dr Shergold—is quoting:

The PM's Press Statement sets the new arrangements out in these terms:

As Prime Minister I am already significantly involved, through my department and Ministers assisting me, in the major areas of social and cultural change in Australia represented by the Office of the Status of Women, the Office of Multicultural Affairs and the Aboriginal Reconciliation Unit.

And so on. I have quoted from that previously. That then evolved into the Office of Indigenous Policy. Perhaps the detail of that and the process I will leave to—

Senator FAULKNER—I was aware of the establishment of the Office of Indigenous Affairs. It is really how it changed into the Office of Indigenous Policy that I am asking about.

Senator Herron—I will ask Ms Halton to answer.

Ms Halton—Senator, there was a review of the structure of the office known as the Taylor review. The result of that review was a recommendation that a section 67 appointment be established. I believe that your questions of Mr Henderson on Monday followed on from the decision to create a section 67 appointment, which was indeed advertised.

Before that advertising and filling process was complete there was the election. The election meant that that process was suspended. There were machinery of government changes which followed the election, most particularly that responsibility for native title, which is a significant area of work, was transferred to the Attorney and we now have a Minister Assisting the Prime Minister for Reconciliation, Philip Ruddock. That meant that the span of responsibility, and particularly the nature of a 67 appointment, which is responsible directly to the one minister, changed and therefore that position was no longer continued with.

Senator FAULKNER—Thanks for that. I might go back to the Taylor review. Is the head of the Office of Indigenous Policy the reason the change was made from the Office of Indigenous Affairs to become the Office of Indigenous Policy? You are talking about the head of the Office of Indigenous Policy—I understand that; that is helpful. But I am asking about the name change or any structural or functional change that occurred in the change from the OIA to the OIP—when that took place and what the background to that was.

Senator Herron—Perhaps I should answer that. I was concerned about this difficulty between policy advice, on the one hand, from ATSIC and, as in the statement Prime Minister Keating made, the advice given to myself and the Prime Minister's department, so I established an inquiry under Mr Taylor to report on this. As part of that report, which we call the Taylor report, he found that ATSIC could not effectively discharge that role—that is the two masters problem that I referred to—and recommended that the existing Office of Indigenous Affairs

be enlarged and headed by a section 67 appointee answerable directly to me as minister. That is how that occurred. It followed the recommendations of the Taylor report.

Senator FAULKNER—I see. So it was after the Taylor report that you changed it?

Senator Herron—That is correct.

Senator FAULKNER—I am sorry that I do not know this, but you might assist me. Has the Taylor report been made public?

Senator Herron—I think so.

Mr Vaughan—It is available.

Senator Herron—It is available. We are happy to give you a copy. I think it is public, as far as I am aware.

Senator FAULKNER—A copy of that would be useful. It is Mr Taylor, I assume.

Senator Herron—That is correct—Rae Taylor.

Senator FAULKNER—I assume Mr Taylor made a range of recommendations. Were all his recommendations endorsed and adopted by government?

Mr Vaughan—He actually did not come to specific recommendations per se. He identified a range of options, essentially, ranging from establishing a separate department, to continuing with the status quo, to this intermediate option of upgrading the office under a section 67 appointee—and it was that option that was adopted.

Senator FAULKNER—I would appreciate a copy of the Taylor report at some stage, Minister. That would be helpful.

Senator Herron—We are happy to give you that.

Senator FAULKNER—When was the actual change made from the OIA to the OIP? When did the Office of Indigenous Affairs change formally and become the Office of Indigenous Policy?

Mr Vaughan—The name change was effected in May last year, but it was a more or less evolving process over time.

Senator FAULKNER—With the change from the OIA to the OIP, did that have any particular significance or impact on broader departmental organisation, which was an issue, as you would be aware, that I was trying to canvass with Mr Henderson on Monday.

Ms Halton—No, it did not.

Senator FAULKNER—No significance in it at all?

Ms Halton—No.

Senator FAULKNER—In terms of departmental organisation, the only change was a change of name?

Ms Halton—That is correct.

Senator FAULKNER—Thank you for that. At the same time that the Office of Indigenous Affairs became the Office of Indigenous Policy, so too did the person who headed up the office change from head of the Office of Indigenous Affairs, to head of the Office of Indigenous Policy. Would that be correct?

Ms Halton—That is correct.

Senator FAULKNER—Thank you very much for that. Can I understand the background to the advertisement that I raised with Mr Henderson on Monday which was published in

newspapers towards the end of June last year. You would be aware of the advertisement—Ms Halton, I think you referred to it a little earlier—for head of the Office of Indigenous Policy. You have indicated to us that the reason that the department moved in this way was as a result of Mr Taylor's report?

Senator Herron—There is a copy of the report.

Senator FAULKNER—That is very helpful. Can you explain to me how the processes worked at a departmental level—to make one of the options that Mr Taylor was canvassing—and the decision making process that led to the placement of this advertisement in national newspapers at that time?

Ms Halton—This pre-dated my time in the department. However, my understanding is that following a consideration—I think the minister has alluded to this—of the Taylor report the decision was made that a section 67 appointment was the appropriate course to provide the minister with direct advice. Based on that decision, a process was commenced to fill that position. The advertisement that you have referred to in the *Canberra Times* dated 20 June, and I have a copy in front of me—I understand it appeared elsewhere—was part of the process of filling that position.

Senator ROBERT RAY—Can you tell me where this is in the Taylor report?

Ms Halton—I do not have a copy.

Senator ROBERT RAY—You can have mine.

Senator Herron—I am pretty certain I know where that is. Page 25 lists the five options which you are referring to. The review considered five options: status quo; strengthening ATSIC policy resources; strengthening OIA; establishment of a separate department; and an executive agency, separate from a department structure.

Senator FAULKNER—Where does Mr Taylor canvass the issue of a section 67 appointment? I think that is what Senator Ray was asking.

Senator ROBERT RAY—Yes, that is what I was asking.

Senator Herron—We will have to look for that.

Senator FAULKNER—We heard it came from the report. Do you want the report again to check that?

Senator Herron—No.

Senator FAULKNER—Mr Taylor does not canvass a section 67 appointment?

Senator Herron—I think it is there somewhere. I thought you were referring to the options that were considered.

Senator FAULKNER—Let me put the question more broadly, which might assist you. Where does Mr Taylor, in his report, canvass the issue of a statutory appointment as the head of the Office of Indigenous Policy? I have not read the report before so I am struggling to find it at this stage.

Mr Vaughan—It is on page 27 under the heading 'Executive agency'. It might be helpful if I explained the background. You may recall that the Public Service Amendment Bill at that time contained provision for executive agencies. This option was premised on the passage of the bill. In the absence of that, it canvassed the use of section 67 as an alternative mechanism were the Public Service Amendment Bill not to be passed.

Senator FAULKNER—I ask what you think of the sentence:

These arrangements are more cumbersome than the very sensible proposals contained in section 58 of the Public Service Bill.

What do you think that refers to?

Ms Halton—That is the bill that was considered and rejected.

Mr Vaughan—Section 58 of the Public Service bill contained a provision for an executive agency which would have allowed an agency as a freestanding legal structure, if you like, to be established that was neither a department of state nor a statutory authority with its own legislation.

Senator FAULKNER—I was talking about the subject of the sentence. I was wondering what ‘these arrangements’ referred to. I appreciate the point about the Public Service Amendment Bill.

Mr Vaughan—The issue that arises with the use of section 67 administratively is that, while the appointee is answerable to the minister, the staff and resources of the organisation must be attached to and form part of an existing department of state.

Senator FAULKNER—As I read page 27, Mr Taylor appears to damn this section 67 appointment with faint praise at best, doesn’t he?

Ms Halton—I think that is not a reasonable interpretation of the words. The point that Mr Taylor is making here is that section 67 is an option. The intervening sentence says:

Alternatively there are powers under the Members of Parliament (Staff) Act 1984. These arrangements are more cumbersome than the very sensible proposals. . .

I think he is making the point that the optimum option is in relation to section 58 of the proposed changes to the Public Service arrangements. But he is quite clearly making the point that section 67 is an option. However, in preference, subject to the passage of the Public Service bill, that would be a more suitable arrangement.

Senator FAULKNER—That is a reasonable enough interpretation. Having had the Taylor report before you, Minister, which canvasses issues in terms of the relationship with the then OIA and the government, who distilled this report which does not contain recommendations? How did the report go from being a report to the minister—in this case yourself—to becoming final decisions on portfolio arrangements in your area of responsibility?

Mr Vaughan—There was advice to the secretary to the department, the minister and the Prime Minister about the options canvassed in the report and the pros and cons of those options. Eventually a decision was taken at ministerial level, in consultation with the secretary to the department, as to which was the preferred option to pursue.

Senator FAULKNER—When you say there was advice, who did that advice come from?

Mr Vaughan—From within PM&C.

Senator FAULKNER—Only internal advice from within PM&C?

Mr Vaughan—PM&C did liaise with Attorney-General’s, I think, informally about the procedures, but basically it was within PM&C.

Senator FAULKNER—So basically it was internal. With the benefit of Mr Taylor’s report, recommendations were put to the Prime Minister and the minister for Aboriginal affairs about portfolio arrangements. Is that the process in a nutshell?

Mr Vaughan—That is correct. Simultaneously with that there was correspondence, dialogue and discussion between the minister and the chairman of ATSIC about the report.

Senator FAULKNER—In relation to making the head of the Office of Indigenous Policy a statutory appointment, who made that decision? I think I probably know who made it. Can you outline the processes for me of how that was made prior to the publication of this advertisement? You have a situation where the Prime Minister and Minister Herron tick off on new portfolio arrangements. What happens then?

Mr Vaughan—The next step was to advertise for the filling of the position.

Senator FAULKNER—So a determination to appoint a statutory head of the Office of Indigenous Policy just requires a ministerial level decision?

Mr Vaughan—It is not a statutory office holder in the sense that the powers of the office are exercised under a dedicated statute.

Senator FAULKNER—What would be a better terminology to use? I want to use the correct terminology.

Mr Vaughan—It is an appointment under section 67 of the Constitution. This provision has been used in a number of other circumstances in recent times.

Senator FAULKNER—An appointment under section 67 of the Constitution requires only a ministerial level decision?

Mr Vaughan—No, it is a Governor-General in Council decision.

Senator FAULKNER—Can you outline the time lines in terms of the processes with the Office of the Governor-General?

Ms Halton—There were not any because the process—

Senator FAULKNER—So that only engages after someone is filling the position?

Ms Halton—When there has been completion of a selection process and a recommendation—that is right.

Senator FAULKNER—No-one filled this position under section 67 of the Constitution?

Ms Halton—That is correct.

Senator FAULKNER—In that case, there was no need to worry the scorers in the Office of the Governor-General?

Ms Halton—Indeed.

Senator FAULKNER—In terms of filling this position—and we know it was not filled, but obviously the processes were well under way—was a selection committee established?

Ms Halton—There was a selection process.

Senator FAULKNER—Could you tell me what the selection process was?

Ms Halton—You have already referred to the beginning of that process, which was advertising. The position was advertised, applications were received—there were a number of applications—and those applications were in the process of consideration at the time the election was called. At that point, the process ceased.

Senator FAULKNER—Was a decision made about tenure for this advertised position? It does say the appointment will be for a fixed term of up to five years. Who made that decision?

Ms Halton—That is relatively normal.

Senator FAULKNER—I understand that—it might be relatively normal, but still surely a decision has to be made?

Ms Halton—We would normally advertise a position in those terms and, of course, it would depend on the point at which you were appointing someone the basis on which you negotiated with them their appointment. In essence, that was never resolved because no person was ever appointed.

Senator FAULKNER—But who made the decision? As I understand it, if you have got a position that is established under section 67 of the Constitution, it basically has the advantages of tenure, which is made clear in this particular advertisement—in this case, the advertisement says the appointment will be for a fixed term of up to five years—and of a salary package determined by the Remuneration Tribunal, does it not?

Ms Halton—Yes, that is correct.

Senator FAULKNER—There are at least two advantages that one can glean from having a section 67 appointment. In relation to the tenure—the appointment being for a fixed term of up to five years—surely someone must have made a decision in that regard? It did not come out of thin air. Why wasn't it seven years? Why was it five years? Surely someone made the decision about this?

Ms Halton—My understanding—subject to being corrected—is that five years was the period nominated as being relatively normal, if I can describe it as that. I think seven years is relatively uncommon.

Senator FAULKNER—Who nominated the five years? That is all I am asking. I accept it, but who nominated it?

Mr Vaughan—I do not know how that decision about five years was made. I cannot give you an answer to that.

Senator FAULKNER—Who can help us with that?

Ms Halton—We understand, but we will have to confirm, that section 67 appointments are usually for five years. I will take it on notice if I could.

Senator FAULKNER—No, I think that is right, but—

Ms Halton—But as to who precisely took that decision, Mr Vaughan and I cannot answer that question, so we will have to provide you with advice.

Senator FAULKNER—I would appreciate that. We might be able to come back to that later in the morning. I do not think it is a difficult thing to establish.

Ms Halton—What I do not know is whether there is an option on section 67 appointments to do anything other than five years, which implies there was a conscious decision, and we will have to take some advice on that.

Senator FAULKNER—I think you will find that there is a level of flexibility. I do not think you will find that this is prescriptive in section 67 of the Constitution, but if you would let us know a bit later I would appreciate that. Of course, as I said, the position has got another advantage with the salary package being set by the Remuneration Tribunal. That is correct, isn't it?

Ms Halton—That is correct.

Senator FAULKNER—Had any contact been made with the Remuneration Tribunal about this particular position prior to the advertisement being lodged?

Ms Halton—Yes, it had.

Senator FAULKNER—Was it a departmental submission to the Remuneration Tribunal?

Ms Halton—My understanding is that it was a departmental submission, but I will ask for confirmation of that.

Mr Vaughan—It was a departmental submission approved by the minister or lodged on behalf of the minister.

Senator FAULKNER—In this case, Minister Herron?

Mr Vaughan—Yes, that is correct.

Senator FAULKNER—So this was generated internally in the Department of the Prime Minister and Cabinet and not in the Office of Indigenous Affairs?

Mr Vaughan—That is correct.

Senator FAULKNER—Are you aware of what part of the Department of the Prime Minister and Cabinet generated the submission to the Remuneration Tribunal?

Mr Vaughan—The corporate services part of the department.

Senator FAULKNER—Can that submission be made available for the benefit of the committee?

Ms Halton—I am not familiar with whether submissions to the Remuneration Tribunal are in any sense protected. I think it would be appropriate for me to take some advice on that prior to releasing a submission that is basically something they have considered.

Senator FAULKNER—I do not think that they are protected at all.

Ms Halton—If that is the case, we will of course provide it.

Senator FAULKNER—The Remuneration Tribunal, I suspect, leaves it in the hands of those who make submissions to make those sorts of decisions.

Ms Halton—As I am not familiar with the detailed working arrangements of the Remuneration Tribunal, subject to confirming that advice, yes, we will provide it.

Senator FAULKNER—But given the nature of this particular office, it would seem extraordinary if the government did not provide that information. Would you agree with that, Senator Herron?

Senator Herron—The officer is saying that, subject to any constraints of the Remuneration Tribunal or any other Public Service regulation, we are happy to provide it. I have no difficulty.

Senator FAULKNER—I think that means it will be provided. I do not think there are any Remuneration Tribunal constraints on this.

Senator Herron—You would expect us, Senator Faulkner, to follow the letter of the law, and we are happy to do so.

Senator FAULKNER—We will not canvass my expectations in that regard, Senator Herron, or we will be here for a long time. Can you indicate to me when the submission went to the Remuneration Tribunal and under the signature of which officer of the department it went—was it the secretary or deputy secretary?

Ms Halton—I am advised—and if this proves to be incorrect, we will give you alternative advice—that it went under the signature of our human resources manager in the department whose name was Roger Purcell. I do not have the date, but it would have been at some point pre-dating that advertisement in 1998.

Senator FAULKNER—Maybe you could take the precise date on notice. I would appreciate that.

Ms Halton—Yes, by all means.

Senator FAULKNER—Did the Remuneration Tribunal make a determination about the remuneration package for this particular office?

Ms Halton—Yes, it did.

Senator FAULKNER—I assume that determination is public.

Ms Halton—Yes.

Senator FAULKNER—Would you have a copy of that perchance? Obviously I can get that elsewhere but, if that could be tabled, I would appreciate that.

Ms Halton—Yes, we can provide you with a copy.

Senator FAULKNER—Thanks very much. We have a situation where this was advertised on—I think you said—20 June 1998 in the *Canberra Times*. I thought I had found this advertisement in the *Australian* but, as you would expect, it would be advertised nationally. I come back to this question I asked before because I want to nail this down, if I can. Was a selection panel established in the department for the position of head of the Office of Indigenous Policy?

Ms Halton—There was a selection process, as I have indicated. There was a panel which was not just in the department because of the nature of the position.

Senator FAULKNER—When was the selection panel established?

Ms Halton—I do not have the precise date of when it was established in front of me. But, if my memory serves me correctly, it would have been some time in August or September.

Senator FAULKNER—You might take that date on notice?

Ms Halton—Yes.

Senator FAULKNER—Can you tell me which individuals comprised the selection panel, please?

Ms Halton—The selection panel comprised the secretary of the department, Dr Shergold, and me.

Senator FAULKNER—Did the selection panel undertake the process of interviewing applicants?

Ms Halton—The selection panel interviewed a number of applicants, yes.

Senator FAULKNER—You might let us know how many applications were received for this office—I do not want to know who they were of course.

Ms Halton—To be honest, I cannot recall, so I will provide you with that advice.

Senator FAULKNER—Can you recall how many interviews the panel undertook?

Ms Halton—Off the top of my head, no. There were certainly a number, and again I will provide you with that advice.

Senator FAULKNER—Thanks very much. Did the selection panel conclude its work; in other words, did it come up with a recommended candidate for the minister?

Ms Halton—My memory is that the selection panel provided the minister with advice as to the process. I think we got to the point where there were a number of suitable applicants.

At that point there was a dialogue with the minister about the suitability of a number of applicants, and shortly around that time the election intervened.

Senator FAULKNER—Yes, but the panel did come up with a recommended applicant, didn't it?

Ms Halton—No, it did not. I am saying that the panel had come to the point where there were a number of suitable applicants. There was never a recommendation to the minister in respect of a particular appointment.

Senator FAULKNER—I am surprised to hear that, Ms Halton. Can you confirm that that is the case, Senator Herron?

Senator Herron—Yes, that is correct. From memory, there was the recommendation of suitable applicants and then, as Ms Halton said, the election was called. As you know, in and during an election everything changes—

Senator FAULKNER—I do not know about everything, Minister.

Senator Herron—A thing I have on my desk reminds me that you have to be prepared for everything changing. As an old campaigner you would recognise that.

Senator FAULKNER—Yes. I am surprised, Minister, and this is the reason why I am addressing the question to you: were you not telling people, including people in ATSIC, who had this job? That is what I have been told, and these are very reliable people.

Senator Herron—No. I am always open, Senator Faulkner, as you know, and I was apprising them of events unfolding. There was considerable concern within ATSIC about the establishment of the Office of Indigenous Policy. No, I did not.

Senator FAULKNER—What were you telling them in this openness?

Senator Herron—The reasons for the establishment, just as has been explained to you this morning. A copy of the Taylor report was provided to ATSIC to explain the background to the establishment of the Office of Indigenous Policy.

Senator FAULKNER—Minister, were you not canvassing names?

Senator Herron—No, not with—

Senator FAULKNER—Not with who?

Senator Herron—Not with ATSIC, which was the point of your question.

Senator FAULKNER—Who were you canvassing names with then?

Senator Herron—I was not canvassing names with anybody—apart from the secretary to the department, with whom I had a discussion.

Senator FAULKNER—I am surprised to hear that, Minister, because I have heard directly something very different.

Senator Herron—That is the nature of the political game, I should imagine.

Senator FAULKNER—Sure, but this is an estimates committee and I expect you to be frank with us if asked a direct question.

Senator Herron—I am always frank, Senator Faulkner—often to my detriment.

Senator FAULKNER—Is there an email or correspondence or other trail in relation to the outcomes of this selection process that you might care to tell us about, Senator Herron?

Senator Herron—I am not aware of one.

Senator FAULKNER—About the actual outcomes of this selection process?

Senator Herron—I am not aware of one.

Ms Halton—Certainly I am not aware of what you might be referring to, Senator.

Senator FAULKNER—You are saying, Ms Halton, that the work of the selection committee was not concluded?

Ms Halton—I am saying that the selection committee nominated a number of suitable applicants. The minister has indicated that he had had a conversation with the secretary to the department about that. The process was not concluded, it was never brought to fruition—that is correct.

Senator FAULKNER—Just so we are clear on this: it nominated a number of suitable candidates. Did it determine or nominate a preferred candidate?

Ms Halton—No.

Senator FAULKNER—Can you let us know how many suitable candidates there were?

Ms Halton—From memory, there were two.

Senator BOLKUS—Both from within the Public Service?

Ms Halton—I do not think it would be appropriate to comment on that.

Senator BOLKUS—It is a pretty big organisation. You are not really giving anything away by answering that question.

Senator Herron—I do not think it would be fair to identify the people concerned.

Senator BOLKUS—That is the precise point.

Senator Herron—You immediately confine it to members of the Public Service or not members of the Public Service, as the case may be.

Senator BOLKUS—How many Commonwealth public servants are there, Minister?

Ms Halton—Of the order of 100,000, I would think.

Senator BOLKUS—So by answering that question you would not really identify anyone, would you? The question was: were the two suitable candidates from within the Public Service?

Ms Halton—As I have indicated, I think it is probably not appropriate to comment. The numbers of people who may or may not have applied are relatively limited and it would be possible that those people's circumstances might be compromised.

Senator BOLKUS—No matter how you look at the question, no matter what angle you come to, I do not know that you are actually giving any indication as to who was a suitable person or not by answering that question.

Ms Halton—As I have indicated, that was the process of identifying, from the relevant applicants, who were suitable and their strengths and their weaknesses. At the end of the day, those applicants provided their applications in good faith and in confidence. As to whether or not they are members of the Public Service, or the public sector more broadly, I think that should remain confidential.

Senator FAULKNER—Let me understand, Minister, what occurred around the time of the election in this process. You have mentioned that you are sensitive to the fact that the election was going to be called or was called. Can the committee have some detail of what happened with the selection process and the appointment at that time, and when it occurred?

Senator Herron—The appointment was not made but we can give you the dates of the—

Senator FAULKNER—We are aware that the appointment was not made, but what you said was that the election intervened.

Senator Herron—That is what I say: we are happy to give you the dates.

Ms Halton—I can certainly get for you the date on which advice in terms of the suitability of applicants was provided to the minister. I do not have that with me. As the minister has indicated, there was no subsequent action in relation to finalising an appointment, and once the election was called it was a question of that being suspended. By definition, it was not possible to proceed. Then, once the election—

Senator FAULKNER—Why? Because it would be a breach of the caretaker conventions? Can you explain that to me?

Ms Halton—Because the appointment had to be ratified by the cabinet and it was not possible for that to occur. Subsequently, as you would know, there were machinery of government changes which meant that the position no longer was necessary.

Senator FAULKNER—But can a range of internal Public Service processes not continue? Perhaps cabinet ratification cannot—cabinet might not meet. What dates are we talking about here? Why could the selection processes not have been concluded? I want to understand what the thinking was.

Ms Halton—I do not know that there was consciously a ‘thinking’, Senator. The reality of circumstances meant that it was not finalised.

Senator FAULKNER—Why was it not finalised?

Ms Halton—Because the election was called and people were occupied doing other things.

Senator FAULKNER—Who made the decision not to finalise it?

Ms Halton—I do not know that there was a conscious decision not to finalise it, other than the fact that it was not possible to finalise it because we were in caretaker and there was no cabinet. The minister, for example, was not in a position to have finalised the position, and it simply was not finalised.

Senator FAULKNER—Minister, if it was not finalised, why were you going out there canvassing the name of a successful applicant?

Senator Herron—I was not. I do not know what you have heard or what your sources are, but I certainly did not canvass anybody. I would suggest that you question your sources.

Senator FAULKNER—I am not questioning anybody apart from you.

Senator Herron—I am saying to you that I did not canvass it.

Senator FAULKNER—So you cannot give me a date as to when this process was put on hold?

Ms Halton—No, because, in essence, the advice to the minister was provided on a particular date—

Senator Herron—I do not know, we will have to give you the dates.

Senator FAULKNER—Why, after the election, did you not switch the lever to ‘Go’?

Senator Herron—There were administrative arrangements made whereby Minister Ruddock was appointed as minister advising the Prime Minister on reconciliation. There were different arrangements made.

Senator FAULKNER—What were they, and what did they have to do with the Office of Indigenous Policy?

Ms Halton—Senator, as—

Senator FAULKNER—No, I think this is a policy issue for Senator Herron.

Senator Herron—As I stated, that aspect of the Office of Indigenous Policy was transferred to Minister Ruddock and native title was transferred to the Attorney-General. So we went back into rearranging the structure.

Senator FAULKNER—But the office was to advise not only you but also the Prime Minister and the Special Minister of State.

Senator Herron—That is what I was saying. After the—

Senator FAULKNER—There was no suggestion that it was because you do not have any actual responsibilities left. You did not have many to start with, let us be frank.

Senator Herron—After the election, the office was restructured, so there was no need to—

Senator FAULKNER—The Office of Indigenous Policy was restructured?

Senator Herron—Yes.

Senator FAULKNER—How?

Senator Herron—I will get the officers—

Senator FAULKNER—No, I am asking you.

Senator Herron—You want the detail and you want accuracy. I will ask the officers.

Senator FAULKNER—I thought you would be able to tell us.

Ms Halton—Minister, as we have indicated, the significant function in respect of native title—and native title is, I think we would acknowledge, a significant function—was transferred to the Attorney. All of the staff and the responsibilities that attached thereto moved to a different portfolio. The area of the office which is responsible for reconciliation is now working to Minister Ruddock, as we have indicated, which means that the reporting lines have changed and the administrative span of the office has changed.

Senator ROBERT RAY—What you are saying is that there is less responsibility and, therefore, you do not need this position. Is that what you are saying?

Ms Halton—In essence, the machinery of government changes meant that the position as it had been anticipated was no longer required—that is correct—because the span of responsibilities had changed.

Senator ROBERT RAY—So you are saying the original reason for adopting this new position was the span of responsibilities?

Ms Halton—Certainly I think there was an acknowledgment that there was a significant responsibility attached to the office in the previous configuration, and that changed.

Senator ROBERT RAY—No more than many other equivalent ones in government. It seems to me the rationale for setting up this thing has yet to be fully explained. It may well be that the rationale for not going on with it has been well explained, but I am not sure that we have had a proper explanation as to why you created this position, which, clearly, represents a jump in the salary from the equivalent current position of \$50,000 a year plus tenure. I have not heard an explanation so far as to why tenure is so important in this position either—I think it was a five-year tenure.

Senator Herron—When you were outside the room that was canvassed by Senator Faulkner.

Senator ROBERT RAY—I was watching on television, but I may have missed a minute of it—

Senator Herron—As I understand it, we are checking on that but it was considered to be the norm of that position, that it should have a five-year tenure. I think we were to get back to you to confirm that.

Senator ROBERT RAY—I am still uncertain. You say it is in the report, but it is sort of alluded to in the report.

Senator Herron—No, I am sorry. I do not think the tenure is in the report.

Senator ROBERT RAY—The creation of the position is alluded to in the report, but we do not have a full explanation as to why. We have a full explanation as to why you did not continue with it after the election. I am sure that reflects particularly well on the construct as to why the position was created initially.

Ms Halton—In terms of the reasons for the creation of the position, the Taylor report—which you have got a copy of now; look particularly at the section in relation to the executive agency—does talk about some of the issues that underpinned, I believe, the decision. The report particularly talks about options 3, 4 and 5, and it talks about the balance in respect of option 4. That is a report that was considered and, in the context of the time, was adopted.

Senator FAULKNER—Mr Vaughan, you were, of course, the head of the Office of Indigenous Affairs right through this period, weren't you?

Mr Vaughan—That is correct, Senator.

Senator FAULKNER—At what point did you become head of the Office of Indigenous Affairs? When I say 'right through this period,' it is still not entirely clear to me when the change was made. But I am probably being unfair there. You were head of the Office of Indigenous Affairs and, for a short time during this period, the Office of Indigenous Policy. I think that is more correct, isn't it?

Ms Halton—Senator, can we be clear that the name of the Office of Indigenous Affairs changed to the Office of Indigenous Policy in May of last year.

Senator Herron—It was in May last year.

Senator FAULKNER—That is what I am saying: through that period, Mr Vaughan was the head of the office—

Ms Halton—Yes. And Mr Vaughan has been in that position right throughout this period.

Senator FAULKNER—Yes, I understand that. But I had said the Office of Indigenous Affairs; I was correcting myself because, as you said, a change was formally made in May. So through this period, Mr Vaughan had been head of the Office of Indigenous Affairs and/or, if you like, the Office of Indigenous Policy—the same office, but effectively a different name I think. I am just correcting myself.

Ms Halton—Correct.

Senator FAULKNER—So I think that is true to say, isn't it, Mr Vaughan?

Mr Vaughan—That is correct.

Senator FAULKNER—Given that responsibility—as the head of the Office of Indigenous Affairs or in any other capacity for that matter—were you advised of the recommendations of the selection panel?

Mr Vaughan—I understood the recommendations of the selection panel to be as they have been described by Ms Halton.

Senator FAULKNER—So you were not advised at any stage of a preferred candidate? I think you are saying to us that you were aware that there were a number, which turns out to be two suitable candidates, not a preferred candidate. I think that is what you are saying to us, but just for the record we had better get it clear.

Mr Vaughan—That is correct.

Senator FAULKNER—Did you have any communications from the Prime Minister's office about this?

Mr Vaughan—Yes, I did communicate with a colleague in the Prime Minister's office about the matter.

Senator FAULKNER—You communicated with them.

Mr Vaughan—Or vice versa. We had a telephone conversation or two.

Senator ROBERT RAY—Let us be clear: you were rung, rather than made the call.

Mr Vaughan—That is correct.

Senator FAULKNER—What would that be about?

Senator Herron—With respect, Senator Faulkner, I do not think that the content of a telephone conversation is your prerogative.

Senator ROBERT RAY—Only if it goes to the veracity of a previous answer. I would agree with you Minister, but it does go to the veracity of a previous answer.

Senator Herron—Could I question you on that, Senator Ray? I am intrigued: when you say 'go to the veracity,' are you questioning the veracity of the officer or, on the other hand, are you asking for confirmation from the officer of the content of his previous answer?

Senator ROBERT RAY—I will not beat around the bush. The officer at the table was asked had he ever been informed of a preferred candidate.

Senator Herron—Evidence has already been given.

Senator ROBERT RAY—The officer answered 'no'; but he knew there were two candidates.

Senator Herron—That is correct.

Senator ROBERT RAY—I think it would be Senator Faulkner's assertion that in fact he was told there was one preferred candidate in that conversation.

Senator FAULKNER—And that that communication came from the Prime Minister's office. It needs to be spelt out, Senator Herron. I thought it was fairly obvious.

Senator Herron—You are stating that there was one preferred candidate.

Senator FAULKNER—I am not stating; I am asking. I just think you are a bit behind the play, that is all.

Senator Herron—I am not behind the play. I am familiar with the fact that there were two recommended candidates. The appointment was not made.

Senator FAULKNER—I think Senator Ray has summed it up very well, and that is the question that is now before Mr Vaughan.

Senator ROBERT RAY—You want further clarification, obviously.

Mr Vaughan—I am not sure what the question before me is at the moment, Senator.

Senator ROBERT RAY—The question before you first of all, which you have confirmed, is: did you receive a phone call from the Prime Minister's office on this subject? The answer, I think, is yes—that is not in dispute. So I will go on and ask: did that phone call purport—and I am not saying this is a reality—to say that there was one remaining candidate but that the position would not be filled until after the election?

Mr Vaughan—I think, Senator, it would be not proper of me to canvass the nature of discussions I had with a member of the Prime Minister's office about the matter, in the same way that it would not be proper for me to canvass discussions about policy matters with them.

CHAIR—Are there any further questions?

Senator FAULKNER—Minister, we have a situation where the officer at the table is concerned about answering this question. You have heard what he has said in response to Senator Ray. One way to deal with this would be for you to give this matter some consideration and, in the circumstances, invite the officer who has expressed his concerns to answer the question. I wonder if you would consider doing that.

Senator Herron—I am not familiar with the conversations that may or may not have occurred between the officer and another officer in the Prime Minister's department. I think the officer has answered correctly.

Senator FAULKNER—Why?

Senator Herron—I am not familiar, as I say, with the content of that telephone conversation.

Senator FAULKNER—Perhaps he could tell you privately.

Senator Herron—No.

Senator FAULKNER—You are the minister at the table.

Senator Herron—I accept the officer's statement.

Senator FAULKNER—Don't you think in this circumstance, given the seriousness of the issues, it might be a sensible course of action for you as the minister at the table to have a private conversation with Mr Vaughan and make a considered response to the issues before us?

Senator Herron—I may or may not do that.

Senator FAULKNER—I am asking you to. Will you now do it?

Senator Herron—I will consider your suggestion.

Senator FAULKNER—All right, you consider it. Senator Bolkus has some questions to ask, and when you have considered it you might let us know. There are a number of questions that Ms Halton is going to respond to in the not too distant future, and we will come back to it. That is fine.

CHAIR—Senators, I would like to quote to you from the *Government guidelines for official witnesses before parliamentary committees and related matters* of 30 November 1989. In relation to the witnesses, section 2.36(v) says 'unreasonably disclose information relating to the personal affairs of any person'. It goes on from there and then paragraph (viii) says 'disclose material obtained in confidence'.

Senator FAULKNER—Mr Chairman, you would be aware that all of those at the table at estimates committees—and I am not directing this to officers; I am directing it to ministers—

are obligated to provide truthful answers to committees such as this. This is a pretty serious issue, Mr Chairman

Senator ROBERT RAY—Because we are not being told the truth, Mr Chairman.

Senator FAULKNER—And that is something Senator Herron probably ought to consider.

Senator BOLKUS—I refer the minister to the HREOC project group preparing the follow-up report to the *Bringing them home* report. Did the project group meet with the Prime Minister, the minister or their officers in preparing their follow-up report?

Senator Herron—I will ask Ms Halton to answer that.

Senator BOLKUS—I am asking both you and either Mr Vaughan or Ms Halton.

Mr Vaughan—I recollect that representatives of the commission did approach a number of agencies and departments, both Commonwealth and state, about a year ago ascertaining progress on implementation of the agreed recommendations of the report. I recollect receiving a call from the commission myself.

Senator BOLKUS—The question was: did they meet with the Prime Minister or minister—and I should now add OIA or OIP, whatever it might have been at the time?

Mr Vaughan—OIP did not have a face-to-face meeting with them.

Senator BOLKUS—Could you repeat that?

Mr Vaughan—The office did not have a face-to-face meeting.

Senator BOLKUS—You did not have a meeting with them?

Mr Vaughan—No, we had a telephone discussion.

Senator BOLKUS—Did they request a meeting with you?

Mr Vaughan—They wanted information about the progress and implementation of the recommendations. I advised them as to various agencies and the principals in those agencies to whom they could speak to obtain the relevant detail.

Senator BOLKUS—Did they request a meeting with you?

Mr Vaughan—Initially they did, and I informed them that the sort of detail that they were after would be best obtained directly from those agencies.

Senator BOLKUS—So you essentially told them to go somewhere else?

Mr Vaughan—I told them where the best source to go to was, yes.

Senator BOLKUS—You did not think it would be worth while to have a meeting with you?

Mr Vaughan—The sort of detail they wanted I would not have been in a position to give them.

Senator BOLKUS—In terms of that request by the project group to meet with you, was the request in writing or by phone?

Mr Vaughan—I definitely recollect a telephone approach. I cannot recollect a written approach but I will check my records, and if that is the case I will correct that answer.

Senator BOLKUS—I would like a copy of that written approach or, if in fact it was not written, any records of telephone conversations which you might have had with them.

Mr Vaughan—Certainly.

Senator BOLKUS—Can you also tell me who it was proposed would meet with the office?

Mr Vaughan—I think Sir Ronald's name was mentioned in the course of the conversation, but I am not sure that it was actually him that wanted to meet with us.

Senator BOLKUS—Can you go back to your records, clarify that point and let us know?

Mr Vaughan—I will certainly attempt to do so.

Senator BOLKUS—And also who else it was proposed would meet with you?

Mr Vaughan—Yes.

Senator BOLKUS—If there was more than one communication or request, can you also make the details of that available? If it is in writing, can you produce the document and, if it is by phone, the record of conversations?

Mr Vaughan—Certainly, if there is any record I will make it available to you.

Senator BOLKUS—Was a request made to meet the Prime Minister or the Prime Minister's office?

Mr Vaughan—Not that I am aware of.

Ms Halton—Not that I am aware of.

Senator BOLKUS—Could you check the records for that and also who it was proposed would meet with the Prime Minister? Also if there was a written request or requests, could you make that available to us. Minister, did they seek to meet with you?

Senator Herron—Not that I am aware of.

Senator BOLKUS—Not that you are aware of; you are not aware of much.

Senator Herron—I am advised that there may have been a telephone request to my office, which I am not aware of. But we can check that out for you from the records.

Senator BOLKUS—We are talking about the HREOC project group on the stolen generations report. You cannot remember if they made an approach to meet with you?

Senator Herron—That is correct. I will check the records for that.

Senator BOLKUS—Have you met with them in the formulation of their follow-up report?

Senator Herron—No, I have not.

Senator BOLKUS—You have not met with Mr Sidoti or Sir Ronald Wilson in respect of that follow-up report?

Senator Herron—I will have to check the records. I had a number of meetings with Sir Ronald Wilson but I cannot give you the dates. I will have to check.

Senator BOLKUS—Have you met with him in respect of his preparation and his project group's preparation of the follow-up report?

Senator Herron—Not that I can recall.

Senator BOLKUS—You cannot recall a request to meet with him—

Senator Herron—As I say, we will check the records for you.

Senator BOLKUS—Can you also make available to us any correspondence or any file notes in relation to such requests?

Senator Herron—Yes, certainly.

Senator BOLKUS—Mr Vaughan, you did not meet with them?

Mr Vaughan—No.

Senator BOLKUS—Minister, you cannot remember meeting with them.

Senator Herron—I did meet with Sir Ronald Wilson but I cannot recall the exact date and the circumstance, but we will check the records for you and let you have them.

Senator BOLKUS—We have all met with Sir Ronald Wilson, but the question goes specifically to the preparation of this follow-up report.

Senator Herron—Yes, I appreciate that.

Senator BOLKUS—And you cannot recollect whether you met with him in respect of this report?

Senator Herron—That is correct.

Senator BOLKUS—Can you recollect meeting with the project group representing HREOC?

Senator Herron—No, I certainly do not recall that at all.

Senator BOLKUS—Mr Vaughan, you said that you felt it was best that they go somewhere else in respect of what they wanted. What did they want from you?

Mr Vaughan—They wanted information about the progress on the implementation of various decisions the government had taken in response to the report. Those decisions, or policy initiatives, were being administered by a range of other departments—Health and Aged Care, the National Library, the National Archives, ATSIC and so forth—so I advised them that they would be best placed to speak directly to those agencies. I think the Social Justice Commissioner notes in her report that that occurred.

Senator BOLKUS—So they were seeking information providing updates on government responses. Is that all they sought from you; is that all they wanted to see you for?

Mr Vaughan—That is correct. They did raise the question of overall monitoring of the implementation process, and I advised them that that was being undertaken through the Ministerial Council for Aboriginal and Torres Strait Islander Affairs.

Senator BOLKUS—They asked about monitoring; they asked about updates of government action. Did they do that by way of correspondence? Was that correspondence to you to request that information or was it to request a meeting with you?

Mr Vaughan—I definitely recall a telephone conversation. I cannot, off the top of my head, recall correspondence, but I will check that.

Senator BOLKUS—Sorry, I should have recognised that. But whatever that communication was, it was not a request for a meeting but a request for information?

Mr Vaughan—Initially it was a request for a meeting in order to obtain information. That is what caused me to advise them that such a meeting would be best held with the responsible agencies, who could provide them with the necessary detail they required.

Senator BOLKUS—So what you are saying to us is that it was a request essentially for information and not a request to meet, for instance, to try to persuade you to pursue certain courses of action?

Mr Vaughan—No, there was not that implication in the conversation, to my recollection. At that stage—I think we are talking around about April last year; it was some five months or so after the government response—it was not a question of which recommendations would or would not be picked up by the government; it was a question of what was happening with those ones that the government had decided to respond to.

Senator BOLKUS—You did not feel it was worth while to have a meeting with them in any event?

Mr Vaughan—Because of the nature of the information they were after, I thought a meeting would not achieve the purpose they wanted, which was detail about what was being done in implementation. My judgment was that the most helpful thing I could do would be to point them in the direction of those people who could help them.

Senator BOLKUS—When was this; can you remember?

Mr Vaughan—Around April last year, as best my memory serves me—certainly in the first half of last year, and I would have thought around about April, give or take a month or two. I subsequently received some correspondence from the commission about the role of the office. That was in the latter half of last year, but that was unrelated to the—

Senator BOLKUS—What aspects of the role of the office?

Mr Vaughan—They simply wanted information on the background to the establishment of the office and what activities it was involved in. I provided them with a copy of the Taylor report and an extract from the annual report.

Senator BOLKUS—Can we have copies of that correspondence from the commission to you and from you to the commission?

Mr Vaughan—Certainly.

Senator BOLKUS—I understand that at the August 1997 meeting of the Ministerial Council for Aboriginal and Torres Strait Islander Affairs it was resolved to establish a working group to consider issues arising from the stolen generations report. Has that working group been set up?

Mr Vaughan—Yes. The working group has been convened by Victoria and it has been slow to progress because a large number of the state governments had not, at that stage last August, given a substantive response to the report. So there was a limited amount which the working group could do, and that situation has improved since then. I think last week New South Wales released its response to the report, which was, I think, one of the remaining ones.

Senator BOLKUS—How was it that the working group has been set by Victoria and not the Commonwealth?

Mr Vaughan—The normal arrangements under the ministerial council are that chairmanship or convenorship of different projects or tasks is assumed by different jurisdictions on a sharing and voluntary basis. Victoria was keen to convene and share that function.

Senator BOLKUS—Was any other state or government keen to chair that function?

Mr Vaughan—My recollection is that Victoria was the first one to volunteer, and the other jurisdictions deferred to them.

Senator BOLKUS—What about the Commonwealth? Did the Commonwealth express an interest in convening it?

Mr Vaughan—No, we were happy for Victoria to convene it. They were quite keen to.

Senator BOLKUS—Did you express an interest in convening it?

Mr Vaughan—Not once Victoria had volunteered to do so.

Senator BOLKUS—Had you expressed one before Victoria volunteered?

Mr Vaughan—No, it all happened in the course of a minute or two's conversation across the table at the officials meeting.

Senator BOLKUS—Had the Commonwealth made a decision to let another jurisdiction chair it, or was it the Commonwealth's view, going into that meeting, that it would be more appropriate for the Commonwealth to chair this working group?

Mr Vaughan—Before we got into the meeting, it had not been finally decided as to what mechanism would be used to monitor the implementation across all jurisdictions. The idea of a working group to do so emerged in the course of a discussion of how best we could address that issue. In the course of that discussion about establishing a working group, Victoria volunteered to convene it.

Senator BOLKUS—Who decided then that the Commonwealth should not express an interest in convening this working group?

Mr Vaughan—I was at the meeting, and I deferred to Victoria's interest in doing so.

Senator BOLKUS—So you decided, in essence, that the Commonwealth should let a state jurisdiction convene the working group.

Mr Vaughan—There were certain advantages in that—

Senator BOLKUS—No, I am asking the question: you decided.

Mr Vaughan—That is correct, yes.

Senator BOLKUS—And what were the advantages?

Mr Vaughan—The advantages were that there were a substantial number of the recommendations which related to state legislation, and there was some advantage in having a state party convene the group from that point of view.

Senator BOLKUS—You think one state trying to persuade another state is more persuasive than the Commonwealth trying to persuade the whole collection of states, do you?

Mr Vaughan—Sometimes states are better advocates of what states should do than the Commonwealth is.

Senator BOLKUS—Mr Vaughan, we are talking here of a national issue with international ramifications and reverberations—an issue which is continuing to be a live one on the national agenda, an issue which a Commonwealth instrumentality has played a pivotal role in, and also, I suppose, an issue which covers jurisdictions and diverse areas of policy. And you are saying it was your considered view that the Commonwealth should not be convening a ministerial working group on this?

Mr Vaughan—I understand the position you are describing.

Senator BOLKUS—I would hope so, Mr Vaughan. You are sitting in one of the top jobs in respect of that position.

Mr Vaughan—The same considerations apply to most issues that come before the Ministerial Council for Aboriginal and Torres Strait Islander Affairs, the effect of which would be that the Commonwealth would end up convening and chairing all the working groups of the council. It is in order to avoid that situation that, by common consensus among the members, the functions are shared around, as is the chairmanship of the council itself, which is currently chaired by the Northern Territory.

Senator BOLKUS—Do you see this as just another one of the issues before the ministerial meetings?

Mr Vaughan—It is one of a number of issues. It is one of the most important issues.

Senator BOLKUS—There are probably not all that many more important than this, are there? Which other issue would you rate as being more important than responses to the stolen generations report?

Mr Vaughan—Some of the other issues on the council's agenda at the moment concern Aboriginal school retention rates, economic independence and things like that. It is proposed that, for the next meeting, family violence would be a significant issue to be considered. So, yes, it is an important issue, but there are a number of other important issues also on the council's agenda.

Senator BOLKUS—Did you consult in any sense at all with ATSIC or any other Aboriginal body as to what their view was as to whether the Commonwealth should maintain a convenient interest in this?

Mr Vaughan—ATSIC is separately represented. It has full membership of the ministerial council, so ATSIC was present during the discussions.

Senator BOLKUS—Did you discuss your decision with anyone in government before the meeting or during the course of the meeting?

Mr Vaughan—Not before the meeting, because the precise mechanism adopted by the council, or the committee officials, had not been identified or worked out in advance of the meeting.

Senator BOLKUS—During the course of the meeting?

Mr Vaughan—No, it required a decision on the spot as to who would convene the group.

Senator BOLKUS—Before the meeting you would have briefed ministers as to issues that would be arising at the meeting. Which ministerial offices did you brief?

Mr Vaughan—Senator Herron is obviously a member of the ministerial council and his office has an interest in the matters that are addressed by the council. There was also some informal liaison in advance with ATSIC on particular issues.

Senator BOLKUS—No other minister?

Mr Vaughan—No, Senator.

Senator BOLKUS—No other ministerial office was alerted to issues that would be arising at this meeting?

Mr Vaughan—I am trying to recollect whether there are any issues that may have been the subject of consultation of relevant ministers. For instance, an educational matter might well have been the subject of indirect consultation, but not in respect of this issue.

Senator BOLKUS—So, in respect of this issue, the only ministerial office or minister you briefed was Minister Herron.

Mr Vaughan—That is correct.

Senator BOLKUS—In terms of a response to this report and the establishment of a working group, and in terms of this agenda item on the ministerial meeting, though this may not have been the anticipated outcome was there a range of responses that you were canvassing before the meeting?

Mr Vaughan—There were not specific options as to how to take forward the monitoring process being canvassed. There was a consciousness that we would need to establish some form of process, because it had been indicated in the government's response the preceding December that the ministerial council would be the vehicle for that purpose. So we did

approach the meeting knowing that the meeting officials would have to identify and propose a mechanism for doing so.

Senator BOLKUS—In your preparation for the council meeting, did you canvass a range of options? You say that you did not have any specific ones, but what were the general ones you were canvassing?

Mr Vaughan—The concept we were canvassing was a reporting process to the ministerial council from each jurisdiction concerning each jurisdiction's responses to the report's recommendations. The question before the committee officials was which jurisdiction would take responsibility for coordinating that exercise and convening that working group.

Senator BOLKUS—But you anticipated that the question of which jurisdiction would take responsibility would have to be settled at the council meeting?

Mr Vaughan—We were conscious that, if that was the mechanism adopted, then it was theoretically possible that someone would have to chair it, yes.

Senator BOLKUS—You thought it was possible it might happen. In preparing for this council meeting, wouldn't you have had more than just a passing thought as to how this issue was going to progress; or was it something that really was not all that important and you would just let it slip by?

Mr Vaughan—The way the council operates is that at any meeting there are usually a couple of decisions of this sort that have to be made as to which jurisdiction will take the lead role.

Senator BOLKUS—That is right, and you would have anticipated having to make that decision on this issue?

Mr Vaughan—Yes.

Senator BOLKUS—And anticipating that, did you discuss any options with the minister or his office?

Mr Vaughan—No, we were prepared to undertake the role, but Victoria volunteered and was very keen to undertake the role. So we deferred to Victoria.

Senator BOLKUS—Were you there, Minister Herron?

Senator Herron—No, these were officers' meetings as I understood it.

Senator BOLKUS—What is the make-up of the working group?

Mr Vaughan—Each jurisdiction would be represented on the working group.

Senator BOLKUS—Do you know the make-up of it?

Mr Vaughan—The names of the individuals?

Senator BOLKUS—Yes.

Mr Vaughan—No, individuals were not specifically identified at that time. It is the nature of those working groups that the representation varies somewhat.

Senator BOLKUS—So a group has been set up?

Mr Vaughan—Yes.

Senator BOLKUS—And it has representation from which—

Mr Vaughan—From all jurisdictions.

Senator BOLKUS—And ATSIC?

Mr Vaughan—Including ATSIC. But, as I say, the group has not convened physically because the respective jurisdictional reports have only just now—as of last week—all been delivered.

Senator BOLKUS—It was set up in August 1997?

Mr Vaughan—No, August 1998.

Senator BOLKUS—It was set up in August 1998. I will ask for details of the actual composition of it on notice. It has not met as yet?

Mr Vaughan—No. Sometimes the work is done electronically rather than face to face. The reason there has not even arisen the need for a face-to-face meeting to date is that it was only last week or the week before that the last jurisdictional report was brought down.

Senator BOLKUS—The Commonwealth has not seen fit in the last 10 months—almost a year—to try to push jurisdictions to present reports?

Mr Vaughan—It was discussed at the March meeting of officials this year. It was noted at that time that it had been difficult for Victoria to progress the work of the group, because we were still awaiting responses from jurisdictions.

Senator BOLKUS—Who is the actual chairperson of this group?

Mr Vaughan—Nominally it is head of the Victorian Aboriginal affairs agency.

Senator BOLKUS—But do you know who is chairing it, who is actually doing the work?

Mr Vaughan—He is the one who volunteered on behalf of Victoria. He did not indicate whether he personally would be chairing it, but it was an assumption.

Senator BOLKUS—Do you know whether he is the person who is chairing it?

Mr Vaughan—I think that was his intention.

Senator BOLKUS—You have expressed that a couple of times, but do you know whether he is actually doing it?

Mr Vaughan—As I say, the group as a physical group has not had a need to convene, pending all the reports of all the jurisdictions being available.

Senator BOLKUS—You do not know whether he has taken control of it then?

Mr Vaughan—Victoria, or he on behalf of Victoria, is unambiguously and clearly in the minds of all concerned—

Senator BOLKUS—Yes, but you do not know whether it is this person or whether it is someone else.

Mr Vaughan—I do not know how he intends to organise it within his own office, as to his role as opposed to that of some of his support staff.

Senator BOLKUS—So 10 months later, you do not really know whether the head of the Victorian office is in charge or whether it has been delegated? Have you taken much of an interest in this?

Mr Vaughan—The matter was discussed as recently as last March at the Darwin meeting.

Senator BOLKUS—Sure, that is not all that long ago. I am asking you if you can identify the person who has actually got the hands at the wheel running this working group.

Mr Vaughan—The same person from Victoria who had been at the previous meeting and who was keen to volunteer to convene and chair the group.

Senator BOLKUS—You say that there might have been some communication between Victoria and the Commonwealth in respect of the operation of this working group, but you really cannot tell us who is in control of the group. Have you considered from the Commonwealth's perspective as an input to this group developing a timetable for responses?

Mr Vaughan—There is a built-in timetable, in that the ministerial council itself will have its annual meeting in September and a report will need to be prepared for presentation to that meeting in September.

Senator BOLKUS—What resources does this working group have?

Mr Vaughan—The secretariat support, if you like, for the working group is being provided by Victoria. I do not know the extent of the resources they have or will make available as time goes on. Each jurisdiction is responsible for submitting a report on its own progress, and a variable degree of work goes between jurisdictions.

Senator BOLKUS—You do not know if one person, two people or no people have been allocated full time from Victoria?

Mr Vaughan—I am not in a position to answer that.

Senator BOLKUS—You do not know?

Mr Vaughan—No.

Senator BOLKUS—On this critical issue of a response to the *Bringing them home* report, you decided to let Victoria take charge of it. You have not had a meeting since it was set up in August last year—

Mr Vaughan—Aside from the March meeting.

Senator BOLKUS—But was that a meeting of the working group?

Mr Vaughan—That was a general meeting of the officials at which that issue was an agenda item.

Senator BOLKUS—You have not had a meeting of the working group. You do not know what resources Victoria has put into it. You do not know if the head of the Victorian office is doing it himself or if he has delegated it to someone else. What interest are you showing in this matter? How are you meeting your responsibilities in ensuring that there is a working group working?

Mr Vaughan—We have a twofold role. The first is monitoring and ensuring that the Commonwealth's own response is progressed and implemented in a timely way, and the second is inputting to that ministerial council monitoring mechanism and evaluating or considering the responses by other jurisdictions.

Senator BOLKUS—Sure, but if you are sitting back, the car is in automatic, you have not got your hands on the wheel—in fact, you have got a blindfold on—and you do not even know who is running the organisation—

Senator Herron—Senator Bolkus, I object to the statement that they have got a blindfold on.

Senator BOLKUS—You may very well object, but I will be coming to you next. Most of these recommendations have got state and Commonwealth, but mainly state, implications. Would it be unfair for me to say that no-one seems to care within the OIP as to how this working group is running? You do not even know what resources it has got.

Mr Vaughan—I think part of the answer to the question you are driving at is that the slowness of the responses from the various jurisdictions has made it very difficult to actually drive a process until they have put something on the table.

Senator BOLKUS—When did you first become concerned that the jurisdictions were slow in responding?

Mr Vaughan—I suppose by December last year we were getting concerned, because it had then been 12 months since the Commonwealth had responded.

Senator BOLKUS—What have you done since then to try to hurry up state responses?

Mr Vaughan—That was discussed at the March meeting and the states that had not responded indicated that they had a response that was quite imminent.

Senator BOLKUS—Minister, are you happy with the pace of work in this field?

Senator Herron—No, I certainly have been concerned and I have asked for reports both from the Office of Indigenous Policy and from ATSIC as to the implementation of the report. I shared my concern with Mr Vaughan. I think there has been general agreement that the implementation has been slower than we had expected.

Senator BOLKUS—Minister, do you think it is appropriate that Victoria be in charge of responding to this report and not the Commonwealth?

Senator Herron—It is decided at officer level. I accept the advice of the Office of Indigenous Policy.

Senator BOLKUS—But do you think it is appropriate that it be left to a state jurisdiction?

Ms Halton—Senator, if I can make a comment—

Senator BOLKUS—No, not at this stage.

Senator Herron—I am happy to answer. I am being advised.

Senator BOLKUS—I am asking the minister to answer the question.

Senator Herron—I am happy to respond. I am advised that it is the normal process for a state to take a coordinating responsibility for a particular matter. Of course, we at the Commonwealth level have an overriding responsibility to ensure that that occurs.

Senator BOLKUS—Minister, given that overriding responsibility that you talk about, why don't you think it is more appropriate for the Commonwealth to be chairing this working group? I do not want to know why Mr Vaughan thinks it is a good idea. I would like to know why you think—

Senator Herron—With respect, Senator Bolkus, I wish to ask Mr Vaughan.

Senator BOLKUS—You wish to know what you should know; right.

Senator Herron—I understand that it is a normal process for it to be shared around the states. In this case, this responsibility was given to Victoria.

Senator BOLKUS—So you are happy with Victoria, not the Commonwealth, running this working group?

Senator Herron—The Commonwealth has an overriding responsibility. As I say, the alternative is for the Commonwealth to chair every working group. That has not been the practice in the past.

Senator BOLKUS—I am not asking you to chair every working group, Minister. I am saying: given the important national and international reverberations of this report and this issue, don't you think it is more appropriate for the Commonwealth to be chairing it?

Senator Herron—No, I am happy with the process. I have accepted overriding responsibility and I am awaiting the outcome of that process.

Senator BOLKUS—Minister, are you concerned that you have got a bureaucracy that did not take up the opportunity to convene this but, more importantly, does not really know what has been happening over the last few months in terms of resources and personnel running the process?

Senator Herron—From the answers that have already been given, I understand that they do.

Senator BOLKUS—So you are happy with those answers?

Senator Herron—I am happy with those answers, yes.

Senator BOLKUS—Minister, if this could be revisited—the question of chairing the working group—would you have preferred that the Commonwealth had taken that role?

Senator Herron—No, as I said, I accept the statement from Mr Vaughan.

Senator BOLKUS—Minister, do you know what intergovernmental coordinating mechanisms will be provided by the ministerial council?

Senator Herron—No, I do not, but I could ask Mr Vaughan to advise on that.

Mr Vaughan—The working group reports to the ministerial council, and that is the ministerial council's method of overseeing the process.

Senator BOLKUS—That council meets once every year?

Mr Vaughan—Yes, 12 months.

Senator BOLKUS—When is the next meeting?

Mr Vaughan—September.

Senator BOLKUS—An important part of the response will be the view of indigenous people in respect of it. Has any step been taken to obtain their advice on or consent to the federal government's response, for a start?

Mr Vaughan—Yes, that is happening in a number of ways. The Department of Health and Aged Care has been working closely with NACHO concerning the initiatives it is implementing. The National Library has established a reference group of indigenous representatives concerning its oral history project. ATSIC has been liaising closely, consulting, convening meetings with the national link-up organisations and is gathering their views. ATSIC itself is represented in a full capacity as a member of the ministerial council, so it will bring those perspectives to bear at the council's meeting.

Senator BOLKUS—I presume there will be a Commonwealth response—a whole of government response—prepared?

Mr Vaughan—We will be providing a progress report to the council on what the Commonwealth's implementation process is at that stage.

Senator BOLKUS—As I said earlier, an important aspect of a response would be the consent or approval of indigenous groups. Has any formal process been set up, for instance, with ATSIC to try to work towards such approval?

Mr Vaughan—It depends on what you mean by approval of which process. ATSIC and other agencies were involved in the formulation of the government's original response in December 1997. Since then, at a Commonwealth level, it has been a process of implementing those decisions and getting feedback along the way in the manner I have described as to how the implementation is going.

Senator BOLKUS—I suppose there are two ways of doing this. There is the machinery level, where you can seek information and try to develop agendas, but there is also the peak level of getting ATSIC together with the office or with the minister to try to work out a process of getting indigenous Australians' consent to the direction of the report prepared by the Commonwealth. Is the latter in any way being embarked upon?

Mr Vaughan—ATSIC is probably better placed to explain the processes and the outcome of the consultative processes in which they have been involved with the link-up organisations.

Senator BOLKUS—They can explain it from their perspective, but I am asking you—and I am probably asking the minister as well—from your perspective, whether you have embarked upon this course of action. Do you think it is important or do you think it is not something that needs to be on the agenda in the preparation of the response?

Mr Vaughan—That is why we have the mechanism, if you like, of ATSIC membership of the ministerial council and the ministerial council being responsible for monitoring implementation by jurisdictions.

Senator BOLKUS—So you are not really intending to set up a formal mechanism with ATSIC to try to get them or indigenous Australians to approve of the Commonwealth government's response?

Mr Vaughan—There is a substantial amount of day to day communication with ATSIC.

Senator BOLKUS—Can you try to answer the question?

Mr Vaughan—For instance, there was an IDC chaired by ATSIC concerning the implementation of the link-up initiatives, of which we were a member.

Senator BOLKUS—Do you think getting indigenous Australians' approbation of your response is important?

Mr Vaughan—I think it is very important to get feedback and reaction from the people for whom the initiatives are intended as to whether they are satisfied with the way they are going.

Senator BOLKUS—In what formal sense do you intend to do that with ATSIC? You do not intend to meet with the ATSIC board, for instance?

Mr Vaughan—I am not sure if it requires a meeting with the ATSIC board. We are in regular communication with ATSIC at officials level. There is correspondence from the chairman. The minister meets with the chairman and representatives of the board. There are a whole range and levels of channels of communication that we have in relation to this.

Senator BOLKUS—If I could point to New South Wales and their process. In New South Wales, the government engaged in a formal public process with indigenous communities in that state about its response to the report. I am pointing to something like that. You do not think that that sort of process would be worthwhile on a national level?

Mr Vaughan—The New South Wales process was a lead-up to their response to the report which happened last week. The Commonwealth government has moved beyond that in so far as it delivered its response to the report 18 months ago.

Senator BOLKUS—You are not saying that the whole job is then complete? Why are we going through this charade of a ministerial council if you think that is the case? You are obviously doing more work now.

Mr Vaughan—It is one thing for governments to decide what they are going to do; it is another thing to track and monitor the implementation of that, which is the process that we are currently engaged in.

Senator BOLKUS—I can pick up your distinction, but the point I am making to you is that the federal government's position is still developing. That is the point you are trying to put to us.

Mr Vaughan—The federal government's position in respect of the individual recommendations was announced—

Senator BOLKUS—The federal government's response to the recommendations is still developing, isn't it?

Mr Vaughan—It is in the implementation phase. We also have an ongoing interest in how the states and territories are responding to the recommendations which they are implementing.

Senator BOLKUS—So with respect to both, you do not think that the process that, for instance, New South Wales embarked upon in getting a formal public process of engagement of indigenous Australians will be a worthwhile exercise? You do not think that they should be involved at a Commonwealth level, one-to-one with you?

Mr Vaughan—The New South Wales consultation process was in order to determine what their response would be. The Commonwealth has already moved beyond that stage some 18 months ago.

Senator BOLKUS—So the answer is that, at this stage, you do not think it is a useful thing to do?

Mr Vaughan—I think the answer is that the Commonwealth is ahead of the game on New South Wales.

Senator BOLKUS—The point that I keep on making to you though, and I am getting from you, is that the Commonwealth is still implementing responses. Working out your response is one thing, but we all know that how you implement that response is quite critical.

Mr Vaughan—Yes.

Senator BOLKUS—Engagement of indigenous Australians and ATSIC in a formal sense is not something that you are considering in terms of how they see what you are doing in implementing a response?

Mr Vaughan—No, that is built into the process in the role of the NACHO, the National Library's reference group, ATSIC's function and so forth.

Senator BOLKUS—I do not think I will take that much further at this stage.

Senator FAULKNER—I asked the officers at the table and the minister to respond on a couple of issues, and I appreciate that would need to be done after the break, so that is why I thought I would come back now. Have we any idea when OIP might be finished so we can work out an appropriate time?

ACTING CHAIR (Senator Brownhill)—I will ask your colleague there.

Senator FAULKNER—Senator Crossin is here to—

ACTING CHAIR—There are quite a few questions remaining, so I thought we could have a cup of tea now because we will not be able to finish in the next 20 minutes.

Senator BOLKUS—Depending on what Senator Crossin has got to ask, OIP will possibly take another half an hour and then ATSIC will probably take another hour or so.

ACTING CHAIR—I think we should have a break first.

Senator FAULKNER—If I could come back at 11.10 a.m. and see if there is a response to my questions. We should be able to conclude the issues I was canvassing in the not too distant future I hope.

Proceedings suspended from 11.00 a.m. to 11.11 a.m.

Senator FAULKNER—Ms Halton indicated to me a couple of the dates that had been taken on notice. She just informally mentioned to me before she went back to the table that she is unable to find those dates that were taken on notice.

Ms Halton—I am still looking, Senator.

Senator FAULKNER—Thanks, Ms Halton. I appreciate her letting me know that. I wonder if the minister has given consideration to the matter I asked him to give some thought to.

Senator Herron—I am still considering it.

Senator FAULKNER—You are still considering it.

Senator Herron—Yes.

Senator FAULKNER—How long does it take you to consider these things? These are pretty important issues.

Senator Herron—I often consider things for the appropriate time.

Senator FAULKNER—It is unhelpful, as you know, in terms of the way a Senate estimates committee progresses, given that you have had more than an hour to give consideration to this matter—including time to think quietly over a cup of tea—and you are not capable of offering some guidance to Mr Vaughan.

Senator Herron—I wish I did have time to think quietly over a cup of tea, but I went back to my office to attend to urgent business.

Senator FAULKNER—So did you have a talk to Mr Vaughan about the issue I asked you to have a quiet word to him about?

Senator Herron—No, I have not asked him as to a private telephone conversation that he may or may not have held.

Senator FAULKNER—I might, Mr Chairman, come back at the end of ATSIC, after that program has been dealt with.

Senator Herron—Senator Faulkner, I do not have to do what you direct me to. That is not my intention.

Senator FAULKNER—You do not have to do anything, but what you do have a responsibility to do is provide this estimates committee with accurate information. You have a responsibility not to mislead the parliament, and I would hope you would treat that a little more seriously than you do most of your other ministerial responsibilities and obligations, which you seem to treat as a standing joke. Regardless of your view of the world, Minister, I am treating the issues seriously and I will be progressing them seriously. And if I decide I will come back at the end of ATSIC because you are not capable of making a decision at this

time about a matter that you have properly been warned about and asked to give consideration to, we might try again.

Senator Herron—Senator Faulkner, I am not aware, as I said, of a telephone conversation which you have alleged has occurred—not alleged, I am sorry. He has said that he had it—

Senator FAULKNER—Mr Vaughan said that he had the telephone conversation.

Senator Herron—Yes, that is correct—

Senator FAULKNER—And I asked you to talk to him privately about the contents of it to see whether you believed it was appropriate that the issue was further canvassed. And you are so dopey that you did not even do it. It is extraordinary stuff.

Senator Herron—You do yourself no justice, Senator Faulkner, by calling people dopey.

Senator FAULKNER—It is dopey not to have taken the opportunity in the time available—including a break in proceedings of the committee—to have a quiet word to Mr Vaughan.

I wanted to hear from you, Minister, whether you thought that this was an issue. Mr Vaughan made it clear to the committee—I am being fair to him—why he was reluctant in the first instance to answer the question. I did not press Mr Vaughan at the time, as you would be aware. I suggested an alternative course of action so that you, as the minister at the table, hopefully able to conduct these hearings on behalf of the government, could conduct the witnesses at the table. I thought that was a sensible way of progressing. Would it be helpful to have a short break now to give you an opportunity to ask them?

Senator Herron—No, I will consider it, as I said. I always respect the traditions of the Senate estimates committees. I am not aware of the content of any telephone conversation, and—

Senator FAULKNER—I would not expect you to be. No-one else would either, given that you were not a first party to it. I was not expecting that you would be tapping in to it.

Senator Herron—Senator Faulkner, would you hear me out as I heard you out.

Senator FAULKNER—Certainly.

Senator Herron—Thank you. I am not aware of the content of that telephone conversation. The officer stated his position; I respect his position.

Senator FAULKNER—Having heard that, I will take an alternative course of action, which is to continue my questioning now. I think that you have made a very poor decision as the responsible minister at the table. I suspect that your colleagues will come to think that that is the case too, but so be it. If that is the way you want to treat your responsibilities, it is a matter for you.

Senator Herron—Senator Faulkner, I said that I am still considering it. The time I give to that consideration is my prerogative.

Senator FAULKNER—Thank you, Mr Acting Chairman. There is no point talking to Senator Herron; we are obviously wasting our time. Mr Acting Chairman, can I ask whether Mr Vaughan was aware that some of the issues that have been the subject of questioning here this morning in relation to the appointment process for the head of the Office of Indigenous Policy have been the subject of considerable comment and knowledge around the Australian Public Service?

Mr Vaughan—No, Senator, I am not aware of the extent of that.

Senator FAULKNER—Would you be aware, Ms Halton, that these matters have been much canvassed in the Department of the Prime Minister and Cabinet?

Ms Halton—If it has been much canvassed in the Department of the Prime Minister and Cabinet, it has not been canvassed with me.

Senator FAULKNER—I see. I am surprised to hear that because, in other agencies and departments, these matters have been the subject of considerable comment and debate. Would you be aware of it, Minister?

Senator Herron—No, I am not aware of it.

Senator FAULKNER—No, I would not expect you to be.

Senator Herron—It is not my usual bent to scarp around the bowels of the Public Service to find out what the scuttlebutt is, Senator Faulkner.

Senator FAULKNER—Mr Vaughan, you were working closely with Treasury officers on the GST advertising campaign and so forth. I thought you would be aware of the fact that these concerns are pretty common knowledge.

Mr Vaughan—I am not aware of the extent to which such matters are speculated upon. Obviously, people would ask me from time to time what the current situation was and I would apprise them of the current situation as I understood it.

Senator FAULKNER—What I am saying, Minister, is that the background to this particular position, this job—the pay-off nature of it, the knock-on political impacts—are pretty well known all around the traps, apparently to a lot of people apart from you.

Senator Herron—As I say, I do not go around canvassing gossip around the place.

Senator FAULKNER—Mr Vaughan, you have told us about the telephone call that you received from the Prime Minister's office. Can I ask you: did you make a file note of that telephone conversation?

Mr Vaughan—No, I did not.

Senator FAULKNER—Have you made a file note of any telephone conversation or any other verbal communication you have had with the Prime Minister's office?

Mr Vaughan—About numerous matters from time to time.

Senator FAULKNER—About this matter, sure. I appreciate that you would have about other matters. Let me be absolutely clear what I am asking. I am asking about this particular matter, the appointment of the head of the Office of Indigenous Policy.

Mr Vaughan—Not in respect of this matter, Senator.

Senator FAULKNER—Is there a paper trail that you are aware of, Mr Vaughan, from the Prime Minister's office to you, or from you to the Prime Minister's office, in relation to the head of the Office of Indigenous Policy?

Mr Vaughan—I have had no written correspondence with the Prime Minister's office concerning this matter.

Senator FAULKNER—You have had no written correspondence from the Prime Minister's office?

Mr Vaughan—Or with—

Senator FAULKNER—Or to the Prime Minister's office. Do electronic mail communications fall within your definition of written correspondence?

Mr Vaughan—Yes. And, to anticipate the next question: I have had no electronic correspondence with the Prime Minister's office concerning this issue that I can at all recollect.

Senator FAULKNER—That you 'can recollect'. You would know if you had it, I assume.

Mr Vaughan—I would have thought so.

Senator FAULKNER—So can we be a bit more definitive than just that you 'can recollect'? Given that you have raised the issue, not I, Mr Vaughan, it is best that we rule it off.

Mr Vaughan—I hesitate insofar as it is not beyond possibility that there may have been incidental, indirect references to the office and its organisation and the head structure in other contexts. But I do not recollect anything at all in reference to who would be the head of the office.

Senator FAULKNER—So, if we can nail it down: there have been no electronic mail communications between you and the Prime Minister's office in relation to prospective candidates or the prospective head of the Office of Indigenous Policy?

Mr Vaughan—Not as to the question of any individual, no, me included. There may have been about the concept of the head of the office but not—

Senator FAULKNER—When you say 'an individual', does that include 'or individuals'?

Mr Vaughan—Or individuals, no.

Senator FAULKNER—That is what I am trying to get clear. Thanks for that. Was the panel's recommendation here leaked? Can someone assist me with that? Was it leaked; and, if so, can anyone help me with who leaked it? Have the AFP been called in to investigate this? There is so much scuttlebutt.

Senator Herron—The first allegation of a leak is your statement then, as far as I am aware.

Senator FAULKNER—Given that you were canvassing the issue—

Senator Herron—I said to you I did not canvass the issue. Senator Faulkner, that is your allegation.

Senator FAULKNER—I heard what you said.

Senator Herron—If it was leaked, it was leaked on you.

Senator FAULKNER—I do not know about leaking on me, but that is an unusual way for you to describe it.

Senator Herron—It is an expression.

Senator FAULKNER—It sounds most uncomfortable. Let me leave that to one side and ask whether you can assure me that the decisions of the committee were not leaked at all.

Senator Herron—We are saying we do not know whether it was leaked, but certainly I am unaware of its being leaked—or who leaked it.

Senator FAULKNER—Can you explain to me, Senator Herron: why did a member of the Prime Minister's staff assume she had the job?

Senator Herron—I have got no idea.

Senator FAULKNER—I thought you would have an idea. What do you do all day?

Senator Herron—I do a lot of things. But I am not privy to what people say. It is up to them.

Senator FAULKNER—So you cannot tell me why a member of the Prime Minister's staff assumed she had the job?

Senator Herron—The appointment was never made, as you know.

Senator FAULKNER—I am aware of the processes, far more aware of them than I think you are willing to acknowledge in this forum. Is it true that the reason this appointment was delayed was just the political sensitivity about making the particular appointment that I have referred to, of a member of the Prime Minister's staff, on the eve of the federal election?

Senator Herron—No. The process is as has been detailed to you by Ms Halton.

Senator FAULKNER—Did the same sensitivity not remain post-election?

Senator Herron—What sensitivity?

Senator FAULKNER—The political sensitivity about appointing a member of the Prime Minister's staff as head of the Office of Indigenous Policy. That is the sensitivity we are talking about.

Senator Herron—As I said, the appointment was not made because of the calling of the election and the subsequent process that occurred.

Senator FAULKNER—I am asking about the sensitivity of appointing a member of the Prime Minister's staff.

Senator Herron—If it had been a member of the Prime Minister's staff that was to be appointed, certainly I would not have considered it sufficiently sensitive to not make that announcement—if an announcement was to be made. But, as you are aware, the appointment was not made and so the event did not occur.

Senator FAULKNER—Mr Vaughan, I ask you whether the likelihood of the appointment of a member of the Prime Minister's staff was raised with you in your capacity as head of the Office of Indigenous Affairs—or Indigenous Policy or whatever the name was at the time—by a member of the Prime Minister's staff?

Mr Vaughan—Yes, that has been a matter of discussion between me and a member of the Prime Minister's office.

Senator FAULKNER—You were informed of this by a member of the Prime Minister's staff, 'office' and 'staff' being interchangeable words for these purposes?

Mr Vaughan—That was the person to whom I spoke.

Senator FAULKNER—But did that person from the Prime Minister's office, a member of the Prime Minister's staff, inform you—I think you have made this clear but I ask just for the record—of the likelihood of an appointment of a member of the Prime Minister's staff to that position?

Mr Vaughan—I think, Senator, we are going into the content of the discussion with the staff member concerned, which I would be reluctant to canvass for the reason I indicated earlier, insofar as the discussions between—

Senator FAULKNER—I understand your sensitivity on that, Mr Vaughan.

CHAIR—Senator, I think you are pushing the public servant into an area that he said before he is uncomfortable with. It seems to me, in reading through the 1989 guidelines for witnesses, that he has every right to not answer such a question.

Senator FAULKNER—Thank you for your view. I will give it all the due consideration it deserves. But the problem we have here, Mr Chairman, is this: I understand Mr Vaughan's

sensitivities, I appreciate them and I suspect you know I do, because I asked the minister to take a certain course of action so I did not have to progress this line of questioning with Mr Vaughan. But the minister was either too preoccupied, too lazy or just not interested enough to be able to do that, hence I have no alternative but to progress the issue in this way. This is completely Senator Herron's responsibility.

CHAIR—Senator, I am warning you that—

Senator FAULKNER—I hear what you say and I will give, as I always do, full regard to these sorts of sensitivities. They are only sensitivities, but they are important sensitivities. I acknowledge it. I agree with you. I do not want to do this. But we have a minister at the table who has refused, point blank, to allow me to follow a different course of action. It is his decision, and you know it is his decision.

CHAIR—Of course it is the minister's decision as to what he does with the questions.

Senator FAULKNER—Well, this minister unfortunately was not willing to seek advice, to talk to the officer privately. That opportunity was provided to him. Most ministers would, as you know. Most people understand the political process, the estimates process. You would think the minister at the table would take the opportunity that I thought I generously provided to him and sensibly provided to him. But, no, he is far too busy—he had to go back to his office and have a cup of tea. Well, we do not have any alternative but to progress this way. I do not want to do this; I am forced to do it because of the minister's recalcitrance.

CHAIR—I am just warning you about the guidelines under which this committee and all committees—

Senator FAULKNER—I know the guidelines backwards. There is no need to—

CHAIR—Well, I am just warning you about it.

Senator FAULKNER—I have got an excellent knowledge of the guidelines and the standing orders and so forth. I do not mind being reminded about them at all.

CHAIR—Public servants should not be put under the pressure you are putting them under. It is—

Senator FAULKNER—I also—

CHAIR—Please! It is the minister's decision as to what he does with the questions. You will direct your questions to the minister.

Senator FAULKNER—Yes, but this minister was given an opportunity over a break to ensure that I did not engage in this line of questioning. You know that because I made that clear publicly. You do know that, Mr Chairman, don't you? But I have no alternative because this minister—I described him before as dopey, he did not like that; all right, well, recalcitrant—

Senator Herron—I do not mind whatever you call me.

CHAIR—Senator Faulkner, that language is quite inappropriate. Please withdraw that.

Senator FAULKNER—We have the minister provided with an opportunity to take this a different way which would mean that you would not feel any concerns as chairman about anyone's sensitivities. I do not want to place Mr Vaughan in a difficult position. That is not the way that I do business.

CHAIR—First of all, I asked you not to use unparliamentary language.

Senator FAULKNER—I have not used unparliamentary language, with respect.

CHAIR—Yes, you did.

Senator FAULKNER—I have not, but if I did I would certainly withdraw it.

CHAIR—Thank you. Secondly, all the questions are through the minister, as you know. The public servant is protected if he feels embarrassed over matters of policy and trying to embarrass somebody. The minister has explained to you the process and what has happened. He has—

Senator FAULKNER—No, he has not—

CHAIR—set out the facts of the matter.

Senator FAULKNER—The minister has explained quite clearly he did not take the opportunity to have a private discussion with one of the officers of the department when that opportunity was provided to him. I thought that was a rather stupid thing for him to do. I am sure you agree, privately.

CHAIR—The minister—while I was not here, but I did hear it on the system—made the offer that he will explain at his leisure. It is with the minister.

Senator FAULKNER—I do not have enough leisure time, unlike the minister. I have really only got this opportunity to progress the matter. Anyway, I think Mr Vaughan has made clear the nature of the communication he received from a member of the Prime Minister's staff. I have only one more question, possibly two. Mr Vaughan, I do not want the names of the individuals involved, but were you aware of the candidates that the selection committee found suitable for appointment? Were you aware of the names of those candidates? I stress that I am not seeking their names.

Mr Vaughan—I received feedback after the process to the effect that there was more than one applicant found suitable.

Senator FAULKNER—Thank you for that, Mr Vaughan. We await the minister's consideration of these matters so they can be discussed further. I will ask my final question. Was the verbal communication you received from the Prime Minister's office from one of those 'suitable' candidates?

Mr Vaughan—That would be asking me to identify the person in the Prime Minister's office.

Senator FAULKNER—No, I have not requested a name, Mr Vaughan.

Mr Vaughan—I appreciate that, Senator, but, given the small field of individuals we are talking about in terms of applicants for the job, that would probably be the necessary result.

Senator FAULKNER—We might leave it there at this stage, Mr Vaughan. I do hope the minister treats this matter, given that it is likely to be canvassed again in the future, a little more seriously than he has done now.

Senator Herron—I have treated it very seriously.

Senator FAULKNER—You might, as you ponder these issues, Minister, consider the position that you have placed officers at the table in. I think your behaviour is appalling.

Senator Herron—My officers are very capable, Senator Faulkner.

Ms Halton—Senator Faulkner, can I answer the two questions that I said I would?

Senator FAULKNER—Thank you.

Ms Halton—Interviews were conducted on 6 August and a report was provided on 12 August.

Senator FAULKNER—Thank you very much, Ms Halton.

Senator BOLKUS—Getting back to the stolen generations report, Minister: just before the tea break we were discussing the mechanism to coordinate a national response and you said you were happy with Victoria being in charge of the coordinating network. Is that the case?

Senator Herron—Yes. One of the states was to be responsible. As I said, that has been the norm, and I am advised that Victoria was given that responsibility.

Senator BOLKUS—Is it the norm that not one of the states is responsible but that the Commonwealth or the states can be responsible?

Mr Vaughan—Sorry, I do not understand your question.

Senator BOLKUS—The minister said the norm is that just one of the states can be responsible.

Senator Herron—I said that I had been advised that it was the norm.

Senator BOLKUS—I do not think you have been advised of that at all.

Mr Vaughan—It depends on the issue. It varies from issue to issue whether it is the Commonwealth or one of the jurisdictions.

Senator BOLKUS—So in fact it is not the norm. But, Minister, are you quite happy with Victoria coordinating the response to the follow-up report?

Senator Herron—That was the decision that was made at officer level.

Senator BOLKUS—Yes, I know it was. Are you happy with that?

Senator Herron—I am not unhappy with it.

Senator BOLKUS—You do not think it should be revisited?

Senator Herron—I will seek advice on that from the officers. It has been done at officer level.

Senator BOLKUS—Sure, but we are talking of a response that canvasses state and federal requirements, actions and reactions across a whole range of policy departments. You do not think that the Commonwealth should be in charge of it?

Senator Herron—Ultimately, of course, I am. I do take that very seriously and I have sought reports on that, but the decision that it should be coordinated at the state and territory level was made at officer level, as I understand it.

Senator BOLKUS—Minister, you are not concerned that since August 1998, when this working group was set up, there has not been a meeting of the working group?

Senator Herron—There has not been a meeting of the ministerial council but, as you know, the date has been set for that.

Mr Vaughan—Last year's meeting was postponed.

Senator BOLKUS—Sorry, Mr Vaughan; I am asking the minister.

Senator Herron—I am seeking advice from Mr Vaughan.

Senator BOLKUS—I am trying to tell you what my question was. My question was: are you not concerned that there has not been a meeting of the working group since it was set up—you, minister; not Mr Vaughan.

Senator Herron—Yes, but I am seeking advice from Mr Vaughan before I answer your question.

Senator BOLKUS—So Mr Vaughan is going to tell you whether or not you are concerned?

Senator Herron—No, I am going to seek his advice. What advice I seek is my prerogative. I will answer your question after speaking with Mr Vaughan. Would you care to repeat your question?

Senator BOLKUS—My question is: are you not concerned that since the working group was set up in August 1998 there has not been a meeting of the working group?

Senator Herron—The reason that there was not a meeting was that the states had not responded. They were awaiting the states' response to coordinate it. New South Wales was the last to respond. Now it will be accelerated.

Senator BOLKUS—That is a bit of cover, though, isn't it? You can have a meeting of the working group to ensure acceleration of responses. You still have not answered the question: are you not concerned that there has not been a meeting?

Senator Herron—That working group had to await the states' response before they could coordinate it. You could, on the one hand, argue that there should have been a meeting in the hope that that might accelerate it, but it would still be in the hands of the state officers to produce the response.

Senator BOLKUS—I am not suggesting to you, Minister, that there should have been a meeting in the hope that it could accelerate it, but that there should have been a meeting with the purpose of accelerating it. Don't you think that would have been useful?

Senator Herron—Whichever way you wish to put it, but they would still be delayed by the responses not having been received from all the states.

Senator BOLKUS—Did you know that there was not a meeting?

Senator Herron—That there was not a meeting? No, I was unaware of it until you canvassed it this morning.

Senator BOLKUS—Some of the issues that we are talking about, if not most of them, do require national leadership, don't they?

Senator Herron—Yes.

Senator BOLKUS—For instance, with respect to the issue of compensation, are you aware that it was repeatedly put to the HREOC group that, no matter how far state or territory thinking goes in respect of this issue, the matter was 'unquestionably a national one and therefore would necessarily require a coordinated national initiative'?

Senator Herron—That was in the HREOC report.

Senator BOLKUS—What steps have you taken to try to develop a national approach to the issue of compensation and reparation?

Senator Herron—We, at a national level, did not accept that recommendation.

Senator BOLKUS—When you said you did not accept it, what was your response to it?

Senator Herron—We did not accept that recommendation of the HREOC report. That was our response to it.

Senator BOLKUS—It was your response that there should not be compensation or reparation?

Senator Herron—That is correct.

Senator BOLKUS—Is that the response of all the states as well?

Senator Herron—I cannot answer for the states. I am advised that none have set up a compensation scheme of their own.

Senator BOLKUS—When you say ‘of their own’—

Senator Herron—No state has set up a compensation scheme.

Senator BOLKUS—Minister, at the February estimates committee meeting you indicated that the government had taken on all but two of the report’s recommendations, those being the apology and compensation. The HREOC report would indicate that you have also failed to take up recommendations in relation to coordination of national standards and frameworks. Is that the case?

Senator Herron—I am advised that the standards were a responsibility of the states.

Senator BOLKUS—You say they are a responsibility of the states. We are talking about national standards. Wasn’t the recommendation that the Commonwealth should take a leading role in a cooperative approach to establish common frameworks and standards?

Senator Herron—I will ask Mr Vaughan to respond.

Mr Vaughan—At the 1997 ministerial council meeting, the states were of the view that national legislation concerning these areas of adoption, child welfare and juvenile justice was not appropriate, but that there would be recommendations which each of the states would consider in their own responses. The Commonwealth, in its response in December 1997, did not accept the recommendation for national legislation but did acknowledge that the states would be considering jurisdictional specific legislation addressing the content of those recommendations.

Senator BOLKUS—Mr Vaughan, did I say national legislation?

Mr Vaughan—I may have misheard you.

Senator BOLKUS—Did the recommendation say national legislation?

Mr Vaughan—It spoke of national framework legislation.

Senator BOLKUS—It recommended that the Commonwealth take a leading role in a cooperative approach to establish common frameworks and standards. Why do you not respond to that report rather than the fiction that you have developed for yourself and the minister?

Mr Vaughan—In my clear recollection of the HREOC report, ‘national framework legislation’ was the term used in the recommendation. It may be that we are referring to two separate documents.

Senator BOLKUS—My understanding is that we are talking about the Commonwealth taking a leading role in developing a cooperative approach. Minister, would you be happy with that sort of approach?

Senator Herron—I have no difficulty with that phraseology, but I do not know whether that was in the report. I would have to reread it.

Senator BOLKUS—If you have no trouble with that phraseology, do you think there is any value in progressing that sort of attitude, that direction? For instance, would you be prepared now to take a leading role in developing a cooperative approach to seek such common standards and legislation?

Senator Herron—This has to be a cooperative approach with the states, and my understanding is that they were unhappy with the Commonwealth intrusion into matters that were quite rightly their prerogative.

Senator BOLKUS—You do not have to be Einstein to work that out about the states; they always complain about intrusion. But I am asking you, since you are happy with the words, are you happy with taking a leading role in developing such a cooperative approach?

Senator Herron—I am more interested in the outcome than in having a fight between the Commonwealth and the states over the delivery of the outcome of the report. If it were to be objected to by the states, I would certainly have to consider that—

Senator BOLKUS—Your attitude of letting the states do as they want has meant that for 10 months there has not been a meeting of a group set up to organise a coordinated response.

Senator Herron—As I have stated previously, we have to await the responses from the states; the last one to be received was from New South Wales.

Senator BOLKUS—Your hands-off approach has also meant that you did not realise that there had not been a meeting for 10 months.

Senator Herron—I did not know that there had not been a meeting of the officers.

Senator BOLKUS—Don't you think you should take a bit more interest in this?

Senator Herron—I am taking keen interest in it, and as I said—

Senator BOLKUS—How is that reflected, Minister?

Senator Herron—from the beginning, I have been concerned at the delay in the implementation.

Senator BOLKUS—How is your keen interest reflected? You have not seen the HREOC project group. You did not know that—

Senator Herron—HREOC has not been given the responsibility for the implementation.

Senator BOLKUS—They have a keen interest in ensuring—

Senator Herron—Yes, but they are not given the responsibility, if I can put that ball in your court.

Senator BOLKUS—They did try to see government; they were not allowed in the door of the Office of Indigenous Policy; they did not see you; the working group was set up, and you did not know it had not met for 10 months. How has your interest been shown in this matter?

Senator Herron—I have sought reports both from ATSIC and from the Office of Indigenous Policy as to the progress of the implementation.

Senator BOLKUS—On what date did you seek those reports?

Senator Herron—I will have to check that for you.

Senator BOLKUS—Will you take it on notice?

Senator Herron—Yes, I will take it on notice.

Senator BOLKUS—And maybe you will make available to us the reports that they provided to you.

Senator Herron—I would have to check whether we have that in writing. I have frequent discussions, as you would appreciate. I have regular meetings with ATSIC officers and the Office of Indigenous Policy. Whether that is in correspondence, I do not know. I will have to check the records.

Senator BOLKUS—You said to us that you sought reports. You have not sought written reports?

Senator Herron—Yes. I do have a written report from the Office of Indigenous Policy as to the progress, and as that is my—

Senator BOLKUS—Did Mr Vaughan just tell you that you get those written reports?

Senator Herron—No, I instituted a program of monthly reports on this.

Senator BOLKUS—When did you do that?

Senator Herron—After the election.

Senator BOLKUS—Just a few minutes ago you did not know whether the reports you had received were in writing or as part of conversations. Mr Vaughan just handed you a note and informed you that—

Senator Herron—Can I clarify that for you? I asked for a monthly update as to all matters across the portfolio. I provided a list of the matters that I wanted updated on a monthly basis. Within that was an update on the *Bringing them home* report as to its implementation.

Senator BOLKUS—So you have not sought specific reports in respect of the *Bringing them home* report's implementation?

Senator Herron—I get a short report on the progress.

Senator BOLKUS—But you have not asked for a specific one, as you indicated a few minutes ago.

Senator Herron—Yes, I have.

Senator BOLKUS—You have now, have you? First you have, then you haven't, and now you have again. What is the real state of play, Minister?

Senator Herron—If you want to keep badgering, that is your prerogative.

Senator BOLKUS—I am just trying to work out what you do in your job and at this stage it looks like very little.

Senator Herron—If you wish, I will produce again the press report about my predecessor when the same allegation was made. There is a lot done in this portfolio.

Senator BOLKUS—Let us get this on the record. Have you or have you not sought a specific report on the implementation of the report?

Senator Herron—The answer is yes.

Senator BOLKUS—When was that, Minister?

Senator Herron—I get it every month.

Senator BOLKUS—No, that is part of an omnibus report. I have asked about a specific report.

Senator Herron—I can tell you, for example, that I get a report on the progress of the implementation of the report, which I am happy to provide you with.

Senator BOLKUS—How many such reports would you have received?

Senator Herron—I cannot tell you the number, but I can—

Senator BOLKUS—You will provide them to us, will you?

Senator Herron—Yes, I am happy to provide them. I can detail them now if you wish.

Senator BOLKUS—But you will provide those reports—

Senator Herron—On where we are at at the moment in relation to the implementation of the *Bringing them home* report.

Senator BOLKUS—No. You said just a few seconds ago that you received reports as to the implementation and you are happy to provide those reports to us.

Senator Herron—I am happy to provide the updated report. It is an ongoing matter. I get reports, for example, from ATSIC. As you would appreciate, there are two aspects of the portfolio—the ATSIC responsibility and the Office of Indigenous Policy. But other ministers are responsible, of course, for the indigenous family support and the parenting programs. These come under Health and Aged Care. There is the oral history project at the National Library. ATSIC is responsible for link-up and family reunion and the National Archives has to index records. I am taking a coordinating approach, but it is within other departments as well.

Senator BOLKUS—The ever helpful Mr Vaughan helps again, but the question was to you.

Senator Herron—As I said to you, I will give you the full progress as you have asked for it. The progress on implementing the government's response includes the \$2 million for National Archives to index records so that they are more accessible to indigenous people to help trace family members, and 30,000 names have been indexed to date. There is \$39 million for further development of indigenous family support and parenting programs and funds have been distributed by the Department of Health and Aged Care for 59 counsellors located in all states and territories.

Agreement has been reached with relevant government agencies and indigenous organisations on a parenting and wellbeing action plan. There is \$1.6 million allocated to the National Library for an oral history project. The National Library has conducted a pilot project which is to be presented to government by 30 June this year. There is \$11.25 million allocated to ATSIC for family reunion. KPMG have evaluated the existing link-up services and identified where additional resources are required.

ATSIC is working to implement the report's recommendations as agreed by an interdepartmental steering committee. The ATSIC board allocated \$9 million for language and cultural centres. Grant applications closed in February this year and most applications have been assessed. The national advisory committee for language access initiatives will meet in early June this year to decide on funding allocations for the next three years. Funds will be distributed in July this year. That is a summary of the current situation.

Senator BOLKUS—Minister, going back to the earlier issue we were pursuing, that is whether you would take a leading role in developing cooperative standards and legislation, are you prepared to do that now—if we are talking about a cooperative approach to establish common frameworks?

Senator Herron—I am happy to look at that again.

Senator BOLKUS—Minister, do you agree that one of the fundamental and probably enduring features of our constitutional system and democracy is the concept of continuing responsible government?

Senator Herron—Yes.

Senator BOLKUS—Doesn't this concept mean that an apology by the Commonwealth for the role played by past Commonwealth governments would be completely within such a concept?

Senator Herron—The government has made a decision in that regard and has decided not to proceed with that recommendation.

Senator BOLKUS—What did you mean when you answered 'yes' to my question about whether you accepted the concept of continuing responsible government?

Senator Herron—There is a transference of responsibility. No-one can judge the outcome of an election. I respect the administrative role of the Public Service, the continuity of the Public Service and the caretaker role of government until after an election. That is what I meant.

Senator BOLKUS—You just see it as a concept that operates between elections.

Senator Herron—No, it is a continuum, I suppose, overall. But a decision was made by the government not to accept that recommendation.

Senator BOLKUS—HREOC's *Social justice report 1998* says:

It is fair to say that whatever else is contained or is to be contained in individual government responses, the character of that response is largely set by the fact of whether an apology is made or not and, where one is made, its form and tone.

Given what I would contend is an accurate reflection of the overwhelming—if not universal—view of indigenous Australia, don't you think there is an obligation on government to try to somehow meet this expectation?

Senator Herron—A decision was made at the time and that is still adhered to.

Senator BOLKUS—That is the answer to the previous question, and it really was not the answer to that question anyway—but I will just ask you another one: Given this probably universal view, don't you think government has a responsibility to try to get some flexibility into its response?

Senator Herron—The HREOC response said that the main response should be in relation to family reunion and link-up programs, and they said that that was the single most important need of the separated children, and we followed that suggestion.

Senator BOLKUS—Do you think HREOC, in saying that an apology is quite critical in a response, as I just spelt out, was not being serious in putting that up? HREOC says:

It is fair to say that whatever else is contained or is to be contained in individual government responses, the character of that response is largely set by the fact of whether an apology is made or not and, where one is made, its form and tone.

Do you think they are not being serious in saying that?

Senator Herron—No, I respect HREOC's statement.

Senator BOLKUS—And that is, as I said, essentially and universally the view of indigenous Australia, isn't it?

Senator Herron—When I have travelled to remote areas, the matter has never been raised—never.

Senator BOLKUS—No-one has ever raised with you the question of an apology?

Senator Herron—In remote areas, never. I read it in the media. In remote areas it has never been raised.

Senator BOLKUS—So you just think this is a leafy suburbs issue.

Senator Herron—No, I do not. I am just stating a matter of fact.

Senator BOLKUS—What are you trying to say then, by saying it has never been raised with you?

Senator Herron—I am saying just that. You said it was universal, and I am saying it is not—not in my experience.

Senator BOLKUS—But what you say can still sit with what I say as well. You do not think it is a fundamental issue?

Senator Herron—It was in the HREOC report. They say it is a fundamental issue, according to your statement there.

Senator BOLKUS—So you are saying it is a fundamental issue only because it is in the HREOC report? Is that right?

Senator Herron—It is an issue that has been raised. I respect the position of people who have raised it, but the government has made its position clear.

Senator BOLKUS—I am just trying to understand this.

Senator Herron—And I support the government.

Senator BOLKUS—Do you think if there were not a HREOC report, it would not have been an issue?

Senator Herron—It first became an issue in the *Bringing them home* report. That is when it was first raised as a recommendation.

Senator BOLKUS—Wasn't it an issue before that?

Senator Herron—That is when it became prominent as an issue.

Senator BOLKUS—But, as far as you are concerned, it was not a mainstream issue before that? So Mr Vaughan is going to tell you what to think again, is he?

Senator Herron—As far as I am concerned—and I am recognising that I have had the portfolio for three years—I was not aware of it prior to my occupying the portfolio.

Senator BOLKUS—But you are not aware now as to whether it was an issue before? You have not gone back and researched it?

Senator Herron—Yes, I can assure you that I have spent much time but, as I said to you before, it became a prominent issue when the *Bringing them home* report was handed down.

Senator BOLKUS—Do you think HREOC might have blown it up a bit? Do you think HREOC might have inflated it as an issue?

Senator Herron—It became a significant issue because it was in the report.

Senator BOLKUS—But it was not a significant issue before that, as far as you are concerned?

Senator Herron—It has certainly been around a long time in the minds of some, but it became a major issue, within the national media particularly, when the HREOC report was brought down.

Senator BOLKUS—So you are saying that the question of an apology now is there only because HREOC put it on the agenda?

Senator Herron—No, I am not saying that. That is your interpretation. I said it became a major issue and, certainly, my responsibility to respond as a result of my getting the portfolio. If one reads widely, it has certainly been in the minds of many people prior to that.

Senator BOLKUS—More than that, Minister; it was in the minds of an overwhelming number of people in that HREOC was in fact commissioned to do a report into the stolen generations. Do you acknowledge that there was a groundswell of a lot of long lasting concern in the community before the HREOC report?

Senator Herron—In some of the community, yes.

Senator BOLKUS—But not in remote communities?

Senator Herron—All that I can tell you is that, in the time that I have been in the portfolio and visited many people in remote communities, the issue has never been raised.

Senator BOLKUS—What does that say to you? Does that say that it is not an issue out there?

Senator Herron—No, it does not. I am just telling you a statement of fact.

Senator BOLKUS—I am trying to work out why you are saying this—

Senator Herron—Are you aware from your visits to remote communities that it has been raised with you?

Senator BOLKUS—It has, actually.

Senator Herron—I am just interested.

Senator BOLKUS—Quite often—not just in remote communities but also in urban communities.

Senator Herron—But I confined my remarks to remote communities.

Senator BOLKUS—What are you asking us to draw from this?

Senator Herron—You have raised the matter—that was all—and I am stating that you appear to have difficulty with my statement.

Senator BOLKUS—We have some figures from the last round of estimates on the court costs. Are they the latest available figures on the costs of the stolen generations court case?

Senator Herron—Are you referring to the Cubillo-Gunner case?

Senator BOLKUS—Yes.

Senator Herron—We will bring you up to the latest costs. I will ask Mr Vaughan to respond.

Mr Vaughan—The figure at the last additional estimates a few weeks ago was \$3.9 million. A few outstanding accounts have come in since, and they are being processed. They do not substantially or significantly alter the sum. It is in the order of \$3.9 million. It may have crossed the \$4 million barrier by now.

Senator BOLKUS—Can you take that on notice and provide the information for us, together with a request as to what the additional costs have been for? Is this total within the figure of \$8.327 million contained in the minister's statement under PM&C indigenous policy advice and coordination?

Mr Vaughan—That is in the 1999-2000 budget, do you mean?

Senator BOLKUS—Sorry, the 1998-99 budget.

Ms Halton—Which page are you reading from?

Mr Vaughan—Which document and page reference?

Senator BOLKUS—The minister's statement under PM&C indigenous policy advice and coordination.

Ms Halton—Is this in the portfolio budget statement?

Senator BOLKUS—Yes.

Ms Halton—Can you tell us what page?

Senator BOLKUS—I cannot, I am sorry.

Mr Vaughan—There is not a separate figure for the office mentioned in the portfolio budget statement, except for reconciliation program expenditure during 1998-99.

Senator BOLKUS—Sorry, I think it is in this document, 'A better future for indigenous Australians'. I am just trying to find the page.

Mr Vaughan—I will try and assist you. I think the figure you are referring to is on page 16, towards the bottom of the line under Prime Minister and Cabinet portfolio—\$8.327 million.

Senator BOLKUS—That is the one.

Mr Vaughan—The \$3.9 million is part of that, although I should say that some of the \$3.9 million was actually expenditure incurred during 1997-98, so not all of the \$3.9 million comes out of the \$8.3 million. Also, part of the \$3.9 million is paid under 'compensation legal', which is partly incorporated in that figure of \$8.3 million, but I do not think the entirety of the compensation legal expenditure is necessarily entailed in the \$8.3 million because part of that is a central budget within the department.

Senator BOLKUS—Can you take on notice a question as to where it does all appear? If it were to be all within the \$8.3 million—and you say it is not—then we are talking about some 50 per cent of funding for the office, and \$2 million above the 1998-99 budget estimate of \$6.48 million. So can you take on notice a question as to where it does appear and how the additional money was forwarded to the Office of Indigenous Policy for its increased expenditure?

Mr Vaughan—Yes, we will clarify that question of the proportion of the \$8.3 million which is attributable to the \$3.9 million, so to speak.

Senator BOLKUS—That is all I have for the office. Can we move to ATSIC.

[12.08 p.m.]

ABORIGINAL AND TORRES STRAIT ISLANDER COMMISSION

Senator BOLKUS—Can I start off with ATSIC where we finished off with the Office of Indigenous Affairs. You may want to take this on notice: what is the value of ATSIC's funding and resourcing of the plaintiffs' case in the stolen generations case?

Senator Herron—I am sorry, Senator Bolkus; the acoustics are not too good here.

Senator BOLKUS—Starting with ATSIC where I finished up with the office, the first question is: what is the value of ATSIC's funding and resourcing of the plaintiffs' case in Cubillo and Gunner and the Commonwealth, and has ATSIC funded other money for this case, whether on behalf of the Commonwealth or the plaintiffs? Mr Eldridge, you can either answer it now or take it on notice.

Mr Eldridge—I do have the figure here for the Gunner-Cubillo case, if I can just find it.

Senator BOLKUS—While you do that, I will ask the minister: in your 26 May speech to the Senate, describing the components of the response to the *Bringing them home* report, you mentioned a \$9 million boost to culture and language maintenance programs. Can someone tell us—and it may be Mr Eldridge again, obviously—where that \$9 million has come from? Is it from within the ATSIC budget?

Senator Herron—Yes, the ATSIC board allocated \$9 million for language and cultural centres.

Senator BOLKUS—So it is not new money. This is an ongoing allocation by ATSIC?

Senator Herron—I will ask Mr Eldridge to answer that.

Mr Eldridge—That is funding found by the board from within its ongoing allocation as its contribution towards the costs of the government's response to the *Bringing them home* report so, yes, it was found from within existing ongoing budgets. It was a new allocation to that purpose but the funding itself was found from within existing allocations for ATSIC.

Senator BOLKUS—So it was not an increase in ATSIC funding from government, for instance?

Mr Eldridge—No.

Senator BOLKUS—Minister, were you being totally accurate when you said that this \$9 million was a boost for Aboriginal Australians?

Senator Herron—It was a boost insofar as it was allocated from ATSIC for their contribution to the implementation of the *Bringing them home* report.

Senator BOLKUS—What sort of boost is it when you take money from one pocket and put it into the other?

Senator Herron—It was specifically allocated for this so it was boosted.

Senator BOLKUS—It was reallocated from another ATSIC function.

Senator Herron—ATSIC allocates their funds as they see fit within that parameter.

Senator BOLKUS—So you are prepared to take the credit for a \$9 million boost when you are taking it from one Aboriginal pocket and putting it into another?

Senator Herron—The total funding of ATSIC is close to \$1 billion. ATSIC was asked for a contribution to the *Bringing them home* report and the ATSIC board made that allocation.

Senator BOLKUS—So we have established a redirection of existing ATSIC funding here. You agree that is the case now?

Senator Herron—Yes, I have always said that was from the ATSIC board. I read that out to you.

Senator BOLKUS—Don't say you always said it. You are talking here—

Senator Herron—I said that to you early this morning when I was talking about the progress on implementing the government's response to the *Bringing them home* report. The ATSIC board allocated \$9 million for language and cultural centres.

Senator BOLKUS—This is not what you said in the Senate on 26 May.

Senator Herron—I probably was reading from the same brief though.

Senator BOLKUS—You were reading from a written speech on 26 May.

Senator Herron—Yes.

Senator BOLKUS—I will just go back to the funding question and I am sure Senator Crossin can ask you a few more questions about ATSIC's budget. Mr Eldridge?

Mr Eldridge—The ATSIC expenditure in respect of the Gunner and Cubillo test case to 1998-99 totals \$1.974 million. I have the split if you wish to have it.

Senator BOLKUS—Sure.

Mr Eldridge—In 1996-97 it was \$700,000; 1997-98 \$614,000; and 1998-99 \$660,000.

Senator BOLKUS—Do you have a breakdown by way of counsel fees and so on?

Mr Eldridge—I do not have such a breakdown with me but I am sure we could provide one for you.

Senator BOLKUS—Just take it on notice, thanks.

Senator CROSSIN—I am not entirely sure who to direct these questions to. Maybe I will direct them to you, Minister. I want to have a look at what is in the portfolio budget statements. Let us have a look at what I believe are some large increases in funding and try to ascertain exactly how we get such a large increase. It is an increase in spending of almost \$254 million in this year. I want to have a look at how we get there. In your statement—the blue booklet, *A better future for indigenous Australians*—there appears to be a funding increase in the portfolio from \$1.1 billion to \$1.247 billion. Does that include any new initiatives or any abnormal increases in funding?

Senator Herron—The increases are cross-portfolio, and that was why I asked before whether you wanted OIP to be present. ATSIC can answer for their side of things. Perhaps I could ask Mr Rees or Mr Sullivan to answer that.

Mr Sullivan—In respect of ATSIC, the only real increase in our appropriation levels is to do with CDEP, and that is the natural increase in CDEP allocation numbers. Our accounts changed dramatically because of the move from cash accounting to accrual budgeting. That does have some particular impacts on us in respect of capital user charges and the treatment of revenue and does present a different picture of our accounts from how they would have appeared with cash reporting. I think the simplest picture, with ATSIC's budget arrangements and its multiple year budget certainty, is that the only significant change in allocations to us occur in respect of CDEP, other than changes that occur as a result of accrual budgeting and the introduction of a capital user charge. For ATSIC, the introduction of a capital user charge, which is fully allocated to us, is significant at around \$48 million.

Senator CROSSIN—Just before I get on to specific questions about ATSIC, how do you, Minister, account for the increase in the figures from the portfolio budget statement from \$1.1 billion to \$1.247 billion, which is \$254 million? If the only new initiative is perhaps in the area of CDEP in ATSIC, are we not looking at the increase being brought about with the new accrual system?

Senator Herron—No. There have been major increases in health spending and, in addition to that, in indigenous employment.

Senator CROSSIN—So where would I find the health spending that you are talking about in this blue booklet?

Senator Herron—On page 6, under 'Health and aged care', it is stated:

The Budget includes funding of \$11.8 million in 1999-2000 for improving living conditions and access to primary health care services for Aboriginal and Torres Strait Islander people. This is in addition to increased expenditure for better access to medicines (\$6 million) and for residential aged care (\$3.6 million)—

Senator BOLKUS—Minister, if I can just interrupt, I think the question was to funding within your portfolio, not that of other departments. That is what we are trying to get to.

Senator Herron—That is what I was saying, that there have been increases in other portfolios, when I thought that question was—

Senator CROSSIN—No. So this 9.6 is not in your portfolio area?

Senator Herron—Could you tell me which book you are reading from? I thought you said the blue covered one. That is across portfolios. That is what I was responding to.

Senator CROSSIN—I am trying to ascertain where I would find that increase of \$254 million. Could you point out to me exactly where I would find that increase in here? Is it in new initiatives, or is simply as a result of the new accrual budgeting arrangements?

Senator Herron—I will ask Mr Vaughan, who is from OIP.

Mr Vaughan—Which part of the increase? I did not catch what you were referring to, Senator. The \$250 million?

Senator CROSSIN—That is what I want you to tell me. Your portfolio has gone from \$1.1 billion to \$1.247 billion. Tell me where and how that happened, if it is not due to the new way in which you write the figures under the accrual budgeting system. Are we seeing an increase because you have written the figures in a different way, or is there a genuine increase in initiatives? If so, where are they?

Mr Vaughan—There is not a substantial real increase in this portfolio per se. There is across the totality of indigenous specific expenditure. However, there is normally, in the course of a year, movement between subheadings. If you look down at the two columns of expenditure, you can readily identify those which are accounting treatments and those which are perhaps not. For instance, under the indigenous—

Senator CROSSIN—Sorry, Mr Vaughan; where are you?

Mr Vaughan—Pages 11 and 12. On page 12, if you go to the Indigenous Land Corporation about halfway down the page, you will notice a contrast between \$19.5 million on the left hand side and \$63.9 million on the other side. That is to do with accounting treatment in the change to accrual accounting and how the draw down provisions and the appropriation provisions of the Indigenous Land Fund operate. If you look elsewhere in comparison to those two—

Senator CROSSIN—You are saying there is no new money for new initiatives there. That is simply—

Mr Vaughan—No. That is an accounting treatment.

Senator CROSSIN—an accrual accounting treatment.

Mr Vaughan—That is right.

Senator BOLKUS—If you did not switch to accrual accounting, what would that amount have been for this year?

Mr Vaughan—It would have been comparable to last year.

Senator BOLKUS—More or less? The same? Or what?

Mr Vaughan—At least as much. It would be no less than last year because that is the way the Indigenous Land Fund operates and it is a standing appropriation.

Senator BOLKUS—How much less?

Mr Vaughan—We would have to see if there is anyone from the ILC here, or someone familiar with the ILF operation, to answer that question.

Mr Sullivan—It is a very difficult exercise, Senator, getting into comparing an accrual budget to a previous year's cash basis and trying to take one back to the other.

Senator CROSSIN—That is all right. We will keep working on it until we get there.

Mr Vaughan—These are accrual based—

Senator BOLKUS—Can you take that on notice then? Is it the same with the next item—the \$23 million as opposed to \$3 million?

Mr Vaughan—Yes. As you can see from that, the ILC itself accounts for a substantial amount of the difference between the \$1.1 million and the \$1.2 million. I think the difference between \$23-odd million and \$88 million—some \$65 million—is accounted for by the ILC and has to do with the peculiarities of the financing arrangements for the ILC and its relationship to the land fund and the draw downs from the land fund to the ILC. I think the difference, Senator, is essentially—

Senator CROSSIN—We can do these line by line and still be here until midnight. But what I actually want you to do is to take out the new accounting system and—as difficult as it may be, Mr Sullivan—compare this year with last year, and tell me which boxes would actually have about the same amount or which columns and line items would be increased because of new initiatives and new funding.

Mr Sullivan—As I said in my first answer, in respect of that line, they would largely have similar amounts in them—other than the increase in CDEP.

Senator CROSSIN—If I go back to my original question of the \$254 million difference, are you telling me that, apart from the CDEP in ATSIC, that increase comes about because of the way in which the figures are—

Mr Sullivan—Where is the \$254 million?

CHAIR—Senator, we are here for the budget estimates and we are supposed to be examining this document, not the cross-portfolio one. We do not have—

Senator CROSSIN—That is fine.

Mr Sullivan—Your \$254 million is a cross-portfolio number. We went back to talking about a number which was \$1,247 million in respect of the Aboriginal and Torres Strait Islander portfolio. The answer is that that \$147 million also, other than the CDEP increase, would hold no significant change other than those brought about by the introduction of capital user charges and accrual budgeting.

Senator Herron—Perhaps I could assist Senator Crossin. With last year's budget, for the first time we produced a document across portfolios to get some idea of what funding was going into indigenous specific matters. When this was being prepared, I asked the officers to produce a continuing book showing the programs that had been established in last year's budget.

CHAIR—Can we clear this up, as I am a bit confused. You gave me a copy of that cross-portfolio, blue-covered booklet, which I think is excellent, and I am glad you did that. But this committee's hearings are to hear the budget statements for this portfolio.

Senator CROSSIN—I understand why we are here. I am just trying to get to the bottom of the difference in the figures.

CHAIR—Can I suggest that, if you are very concerned about the numbers which are in the blue document, I am sure the minister and his department would be only too pleased to have a private briefing for you to run through those, but I do not think that cross-portfolio information is on the agenda for this committee for these hearings.

Senator CROSSIN—Let me take you, Senator Herron, to your press release of 12 May, 'HREOC Social Justice Report Supports Government Commitment'. In that release, you talk about a record \$2.2 billion being spent on indigenous specific programs during 1999 to the year 2000. That represents an increase in spending of \$254 million, so you are saying to me that the \$254 million is across portfolio areas.

Senator Herron—That is correct, yes—across many portfolios.

Senator CROSSIN—How much of that \$254 million is in your portfolio then?

Senator Herron—Yes. I understand the question.

Senator BOLKUS—You understand it but you cannot answer it.

Senator Herron—I want to get an accurate answer.

Senator BOLKUS—Yes. That is why you give it to someone else.

Senator Herron—That is why I refer to the officers. That is what you have officers here for.

Senator BOLKUS—Why are you here? As a supporter?

Senator Herron—To try and keep order—to keep my officers from the questioning of the opposition.

Mr Sullivan—As I said, Senator, in respect of ATSIC, the major increase in funding is to do with the CDEP program.

Senator CROSSIN—Okay. So the indigenous employment program is not yours—

Senator Herron—It is separate from that.

Senator CROSSIN—Health, literacy and numeracy are not yours either. It is interesting; it was probably not a joint press release, but anyway. This press release is simply dot points. It says there are changes to the CDEP scheme which will allow participants increased benefits including rental assistance and an additional \$20 per fortnight work for the dole allowance. How much of the \$254 million then is to the CDEP? There are actually no figures here in terms of thousands or millions—it is only a dot point saying what that will be.

Mr Sullivan—There is an extra appropriation of \$11 million to CDEP.

Senator CROSSIN—And there is an extension of the ATSIC-Army Community Assistance Program to \$41.2 million over four years.

Senator Herron—Yes, that is jointly funded by ATSIC and the department of health.

Senator BOLKUS—Is that because of accrual accounting?

Senator Herron—No, that was the original establishment. Of course, the Army put in their contribution as well. It is an Army-ATSIC program.

Senator CROSSIN—If we set aside the Army-ATSIC program, we are only looking at \$11 million of new money in your portfolio area?

Senator Herron—No.

Mr Sullivan—In ATSIC there is new money to cover indexation; there is new money to cover CDEP; there is a transfer back from the Commercial Development Corporation—

Senator CROSSIN—How much new money to cover indexation?

Mr Sullivan—An amount of \$7 million to cover indexation, \$11 million in CDEP and \$10 million back from the Commercial Development Corporation. That is within ATSIC. Within the minister's portfolio you then have other statutory authorities.

Senator CROSSIN—In your portfolio of Aboriginal affairs, how much new money is there for new initiatives?

Senator Herron—I will have to take that on notice so that we can give you an accurate breakdown of that.

Senator BOLKUS—The officers are here now. Why can't you go through it now?

Mr Sullivan—I think the confusion here, as the chair pointed out, is between the minister's responsibility for the budget appropriations of a number of agencies within his ministry and his responsibilities as Minister for Aboriginal and Torres Strait Islander Affairs. The blue booklet, which is a statement by the minister, does not form part of our portfolio budget statements. It is a statement of funding coming from the budget towards Aboriginal and indigenous people across portfolios. The one that we are being examined on today is a statement of our portfolio budget statements by agency.

Senator CROSSIN—I am going to persist until I have this clear in my mind. Senator Herron, in relation to ATSIC, Aboriginal and Torres Strait Islander Studies, the Commercial Development Corporation, the ILC and the hostels, do I need to ask each and every one of those authorities where is the new money for new initiatives, or can you, as the minister, give me a breakdown on notice?

Senator Herron—I think Mr Sullivan can answer that generically. If you wish to do that, that is your prerogative.

Mr Sullivan—I can answer the questions on ATSIC and take them on notice in respect of all other organisations, on behalf of them.

Senator Herron—Each one?

Senator CROSSIN—I am happy to have them here one by one, if that is the case.

Senator Herron—It would be a lot simpler if we took it on notice and gave you a report.

Senator CROSSIN—Let us go to the home loans area in output 231. Regarding the increase in funding—we probably know the answer to this but I will ask anyway—is that because of the new accrual budgeting system, as opposed to new money, or a transfer from within ATSIC's existing funding?

Mr Eldridge—There is a footnote on page 33 that was pointed out to me. In fact it is evident from the numbers at page 32 against the home loans output. If you look at the cash figure there, you will see a figure of \$60.9 million. That cash figure is counting payments on loans as an expenditure item, as an expense. If you look at the next column, it gives the accrual equivalent for 1998-99 as \$5.9 million. The reason it drops from \$60.9 million to \$5.9 million is that we no longer, under accrual accounting, count the payments on loans as an expense. They are an investment in an asset.

The expenditure shown against the 1999-2000 budget of \$38.4 million is, in essence, a capital user charge applied by the Commonwealth to the commission. It is also funded by the Commonwealth, but the intention of applying that capital user charge is to represent the cost to the Commonwealth of ATSIC's holdings and investment in housing assets through its home loan program. Consequently, you have a drop from a cash expenditure figure of \$60 million to what is now a capital user charge of \$38 million against the home loan program.

Mr Sullivan—Our capacity to manage, maintain and make new lendings is the same.

Senator CROSSIN—That was going to be my next question.

Mr Eldridge—In fact the actual cash expenditure on loans in 1999-2000 will be the same.

Senator CROSSIN—So you are not actually anticipating any increase in demand nor will you have any capacity to fund any increase in demand for home loans?

Mr Eldridge—The funding arrangement for home loans is that we have a revolving housing fund established under the ATSIC Act. There will be no injection of new capital into that fund

in 1999-2000, nor was there in 1998-99. What happens is that the revenues to the fund from home loan repayments become new issues of expenditure on loans. We expect about \$55 million expenditure on loans cash this year, and we would expect a roughly similar amount in 1999-2000.

Senator CROSSIN—Approximately how many home loans are funded by that amount?

CHAIR—I hope no-one has mobile phones on in the room.

Mr Eldridge—Senator Crossin, I can get that information for you.

Mr Sullivan—On the capacity for us to increase our home loans, the major capacity has been to increase our efficiency in the maintenance of the home loan area, and there our arrears numbers have fallen significantly. If our arrears are down and our repayments are up, as Mr Eldridge has said, our capacity to make more loans is there. Certainly our performance in respect of arrears has been an improving one over the years.

Senator CROSSIN—How many home loans would you have funded last year?

Mr Eldridge—In 1997-98 we had an expenditure of some \$37 million against some 400 home loans. In 1998-99, as I said, we expect expenditure of some \$55 million, and that would represent in the order of 500 to 530 home loans. The total number of loans approved cumulatively since the commencement of ATSIC under this arrangement is 3,135. As Mr Sullivan mentioned, the performance of the scheme has improved progressively from the point when ATSIC took it on. The percentage of accounts in arrears in the order of, from memory, 14 to 15 per cent is now down to around eight per cent under ATSIC's administration.

Senator CROSSIN—Have you done any projected analysis of how many home loans you would anticipate funding in 1999-2000? I assume you are hoping it will be in excess of the 530 of this year. Is that right?

Mr Eldridge—We hope it would be of that order, yes.

Senator CROSSIN—Let me get this clear in my mind: it has come not from an increase in money available for home loans but from a revision of the repayment and a tightening up of the repayment.

Mr Sullivan—One of the advantages to us of the move to accrual accounting is the fact that home loan repayments are not treated as simple cash revenue; they are treated more as a financial institution would be able to treat them and return them to their investment base. So our capacity to make home loans is, to a degree, an element of the accrual system as much as the accounting changes—just flowthrough in numbers.

Senator CROSSIN—With your payments to the Aboriginal Benefit Reserve, it seems to me that in that area there has been an inclusion of moneys that have come from royalty payments. Under the Aboriginal Land Rights (Northern Territory) Act, land councils, for example, receive royalties from mining. These are paid to the government and then they are disbursed through the ABTA. I am not sure why these royalties have been included in your spending for this year, though.

Mr Eldridge—The minister has administrative responsibility for the Northern Territory land rights act, and ATSIC administers that responsibility as the minister's agent. The figures are included in ATSIC's PBS, but they are included as a different sort of item. They are included as an administered expense and therefore are listed there on page 31 in that separate category.

The figures for section 63, royalties, are in fact that. They are amounts appropriated under the land rights act for payment into the ABR, and they are based on the level of royalties

received by both the Northern Territory and Commonwealth governments in respect of mining on Aboriginal land in the Northern Territory.

Senator CROSSIN—So are you saying to me that they are just simply line-in, line-out items that need to be now included because of the newer call system?

Mr Eldridge—They have always been there in previous years as well. They are, in that sense, line-in, line-out. They are moneys appropriated by the Commonwealth for payment to the ABR, and then there are provisions in the Northern Territory land rights legislation which set out what is to happen to those moneys in the ABR. ATSIC administers that process on the minister's behalf.

Senator Herron—Then the minister signs off on those allocations as a result of representations made by the bodies concerned.

Senator CROSSIN—Has that always been the case, that ATSIC has been the administering body for those funds?

Mr Eldridge—Yes, Senator.

Senator CROSSIN—There are about six questions here that relate to each outcome, so perhaps, instead of going through each outcome, they may well be better tabled and taken on notice.

In finishing, Minister Herron, I want to go back to the press release that you released on 12 May. I would like an explanation from you of why it was not released as a joint press release if it is across portfolio areas—or why, in fact, it looks as if there is an increase in spending of \$254 million in your portfolio area for that year. Your press release in no way makes it clear at all that it is across portfolio areas. I put it to you that it is fairly misleading.

Senator Herron—Perhaps you should be aware that, under administrative arrangements after the last election, I was given a cross-portfolio responsibility for everything affecting indigenous affairs. It was in that context that that press release was put out.

Senator CROSSIN—Do you have any responsibility, in DEWRSB or in Health and Family Services or in any of the other areas, to look at or monitor what is happening?

Senator Herron—Yes, to monitor, that is correct. But the decisions are made by the respective ministers, of course.

Senator BOLKUS—You claim in your statement that there is an extra \$254 million. It has become quite apparent this morning that the \$147 million which is in your portfolio is not new money at all. You are actually out there claiming new money—an extra \$254 million—when you yourself know that it is basically the changeover in the accounting system which has accounted the \$147 million in your portfolio.

Senator Herron—As I say, we are happy to give you a breakdown on that.

Senator BOLKUS—But we have already gone through part of it.

Senator Herron—Yes.

Senator BOLKUS—We have established that \$147 million that you claimed to be extra in your portfolio is not extra. Of course you are misleading. Why aren't you?

Senator Herron—It is not misleading, and I am happy to give that breakdown to you.

Senator BOLKUS—We have gone through it, Minister. Without having to go through it a million times: we have gone through it. Officers have been quite freely giving information

that, of the \$147 million that you have claimed to be extra in your portfolio, there is not an extra penny there—apart from the inflationary effect, maybe.

Senator Herron—There is extra money, as I have said.

Senator BOLKUS—But in your portfolio there isn't.

Senator Herron—Within ATSIC.

Senator BOLKUS—Within ATSIC there isn't.

Senator Herron—Mr Sullivan has mentioned—

Senator BOLKUS—Within your direct ministerial responsibilities, the \$147 million that you claim is extra is not extra.

Senator Herron—Not with ATSIC. Some of it is an increase in CDEP.

Senator BOLKUS—So to include that \$147 million as part of an overall increase is not being honest, is it?

Senator Herron—I think it is.

Senator BOLKUS—We have already established this morning that the \$147 million that you say is extra funding is not extra funding. There is not an extra penny, really, apart from the inflation.

Senator CROSSIN—There is only the \$11 million for CDEP.

Senator BOLKUS—And the inflation.

Senator CROSSIN—There is a big difference between \$11 million for CDEP and \$147 million.

Senator Herron—As I said, we are happy to give you a breakdown of that.

Senator BOLKUS—Just do not laugh that off, Minister. The point is that you have claimed an extra \$147 million and with the officers this morning we have established \$11 million CDEP and some inflationary effect. So it is not true to say that \$147 million extra was allocated.

Senator Herron—In indigenous specific funding there has been an increase.

Senator BOLKUS—Of how much?

Senator Herron—As I said, we will give you a breakdown of that. You have asked for specific things and I am happy to—

Senator BOLKUS—Have we not had it this morning? Have we not been told it has been inflation and CDEP?

Senator CROSSIN—Which is about \$18 million.

Senator Herron—Some of it has been, and for the purposes of accuracy we will give you a specific breakdown.

Senator BOLKUS—Is there any other real increase—other than CDEP and inflation, which as Senator Crossin says comes to \$18 million—in your direct portfolio responsibility?

Senator Herron—I understand there is.

Senator BOLKUS—You understand there is?

Senator Herron—Yes.

Senator BOLKUS—What is that, Minister?

Senator Herron—We will give you a breakdown. I have not got any officers here. I asked you before if there were any other questions of OIP.

Senator BOLKUS—We are here for budget estimates; right?

Senator Herron—Yes.

Senator BOLKUS—And we are here to go through exactly this sort of process. Why aren't the officers here, if they are not here? Are they not here?

Senator Herron—Because I asked before the adjournment if they were required, and I was told they were not. I asked Senator Crossin. We are happy to get them back.

Senator CROSSIN—Why is what I would see as a fairly simple answer not in front of you right now? If you are coming to estimates, surely you should be able to answer for us questions about increases across your area.

Senator Herron—We are happy to get the officers here. Mr Vaughan is here; we are happy to give you an answer.

Mr Vaughan—I suppose part of the problem is that we are dealing with three different issues that each contribute in different ways to the difference in figures between last year and this year. One is that there are parameter adjustments—cost of living adjustments, if you like. Secondly, you have the differences introduced by accrual accounting, which cause differences in treatments, particularly in the area of the loan fund and the land corporation. In the third area you have real increases in actual programs—physical outputs.

Senator CROSSIN—That is the figure we are trying to ascertain.

Mr Vaughan—They are across the Commonwealth as a whole, in the areas of health and employment in particular.

Senator CROSSIN—What I think we would like to know is the third area you explained, in relation to this particular portfolio.

Mr Vaughan—Yes.

Senator CROSSIN—We have ascertained this morning \$11 million for CDEP and about \$8 million in indexation. Is there anything else, apart from perhaps the Army program?

Mr Vaughan—Most of the real increase is, in fact, in the health and employment areas, rather than in Senator Herron's own portfolio—that is correct.

Senator BOLKUS—That still does not answer the question. The question was specific: apart from those two areas in the minister's direct portfolio responsibilities, what else is there to indicate real increase in funding?

Mr Vaughan—If you are confining—

Senator BOLKUS—To the minister's direct responsibilities.

Senator Herron—I understand the question.

Senator BOLKUS—Mr Vaughan wanted some help.

Mr Vaughan—Essentially, it is not in any of the outer organisations. Basically, only such increases have occurred within ATSIC—aside from the Torres Strait Regional Authority, where there has been an increase in the native title funding for the authority. But that is an internal offset within the overall ministerial portfolio.

Senator BOLKUS—So the only real funding increases have been CDEP and indexation?

Mr Rees—In ATSIC, yes.

Senator BOLKUS—The answer is yes?

Senator Herron—Within ATASIC, yes.

Senator BOLKUS—Though you claimed a \$147 million increase when it is only \$18 million?

Senator Herron—No.

Mr Vaughan—The way budget comparisons—

Senator BOLKUS—Overall, Minister, you claimed a \$254 million increase.

Senator Herron—Yes. That was—

Senator BOLKUS—Within that \$254 million figure, \$147 million was ATASIC; right? We have established now that, instead of claiming \$147 million, you should have been claiming, at most, \$18 million. Is that so?

Mr Vaughan—That is the standard way in which budget year to year comparisons are made: of actual—

Senator BOLKUS—So if you were making a standard year to year comparison, you would be saying an \$18 million increase, not \$147 million?

Mr Vaughan—If you are making a standard year to year comparison in terms of budget outlays, you include the totality of budget outlays each year, not just the differences accounted for by real program increases.

Senator BOLKUS—Mr Vaughan, you have been here for a few hours now. You know exactly what we are trying to get at. There is no need for you to come in and try and dissemble now. We are trying to work out the real increase year on year.

Senator MARGETTS—May I just clarify: are we talking about an underspend from a previous year that makes it look as if there is an increase?

Senator BOLKUS—No, we are not. We are talking about a claim by the minister of an extra—

Senator CROSSIN—Real money.

Senator BOLKUS—Of extra real money, when in fact it is not \$147 million but only—

Senator MARGETTS—On previous occasions, sometimes increases have been based on an allocation that was not fully spent, and then the increase has in reality been related to what was underspent. Am I off the track there, or was there an underspend in that portfolio?

Senator BOLKUS—No, this is conversion to accrual accounting.

Senator CROSSIN—We are trying to ascertain the amount of new, real increases.

Senator MARGETTS—Yes, and that might help to get to the bottom of it.

Senator CROSSIN—We have ascertained there is \$11 million in CDEP and about \$7 million for indexation, and now a little bit for, I understand, the Torres Strait Regional Authority. Is that right?

Mr Vaughan—That is within the portfolio.

Senator MARGETTS—If I might be permitted, I just wanted to throw in there: did there include an element of underspend in the previous year's portfolio that enabled that statement about an increase?

Senator CROSSIN—Where else is there new money? That is what we would like you to tell us.

Senator BOLKUS—Take the rap. You have claimed \$147 million when it is only \$18 million.

Senator Herron—There was a true increase. As Mr Vaughan said, it was done in the standard format of reporting within budget portfolios.

Senator MARGETTS—A true increase from actuals?

Mr Vaughan—A year on year comparison which, for the reasons you indicate, can be contributed to by underspends, et cetera, and carryovers.

Senator MARGETTS—Yes. How much underspend are we talking about?

Mr Vaughan—I do not know. I am not sure if there was one. That is a question for ATSIC, basically.

Mr Eldridge—For the purpose of these figures, there is no assumed underspend for 1998-99.

Senator BOLKUS—Mr Eldridge, is there then any other item? We have established CDEP; we have established indexation. Is there any other item which has a real increase within your budget?

Senator Herron—Yes, there has been extra funding for the reconciliation process.

Senator CROSSIN—How much was that? Where would I find that? What output is that?

Mr Vaughan—That falls within the Prime Minister and Cabinet portfolio rather than the Aboriginal Affairs portfolio.

Senator BOLKUS—Mr Vaughan, are you trying to help or are you trying to confuse us? You know what we are on about.

Mr Vaughan—I am sorry.

Senator CROSSIN—We want to stick with just this portfolio.

CHAIR—I had hoped that we would finish this part of the program before lunch, but obviously we are not going to do so. I suggest that we break at 1 o'clock for lunch and resume at 2 o'clock. Senator Bolkus, have you got a further question?

Senator BOLKUS—No, I am just summarising. There is CDEP and there is inflation, but there is no other item, is there? Of that \$147 million that I claim, there is no other item that contributes to a claim of an extra \$147 million within the portfolio. That is right, isn't it? Who are the accountants here? Mr Eldridge?

Mr Sullivan—I would have to look at the claim first also. There are two elements to what you are saying. You are saying that that has been claimed. In terms of this blue book, we have a factual statement of budget. I take from the portfolio budget statements of several agencies a literal taking of those numbers from portfolio budget statements year on year which reflect those portfolio budget statements. That is where the numbers that Senator Crossin is talking about come from. The minister's statement concentrated on a total spending of \$2.2 billion on indigenous matters, which covers a number of portfolios. Somewhere, we have got from that to a claim of \$147 million. It is a statement included in the sector of a book which says that it provides a summary of expenditure outputs by each portfolio coming from portfolio budget statements. As such, it is a totally accurate description of what those portfolio budget statements say.

Senator BOLKUS—That is a good summation of the last hour or so, but it ignores the point that we have been establishing in the last hour or so.

Mr Sullivan—But you asked for a point. You said the senator has claimed a \$147 million increase in his portfolio. I just asked, ‘Where is the claim?’ The senator has reported in his spending numbers on Aboriginal matters that the portfolio budget statements of those portfolios reflect a \$147 million change in spending. In the initiative side of it, I think the concentration is very clearly and unambiguously on increases in specific portfolios and areas like employment, health and education rather than specific increases in his particular portfolio agencies.

Senator CROSSIN—That is what I am interested in—a particular portfolio increase. I am not interested in health or employment, just in that particular portfolio of Aboriginal Affairs.

Mr Sullivan—The only point I am making is that I think Senator Crossin started from this chart. That chart cannot be tested as anything but an accurate chart coming directly from portfolio budget statements.

CHAIR—That implies that you really have to ask the other questions in the other portfolios.

Senator BOLKUS—No, it does not do that at all. I know what Mr Sullivan is doing.

CHAIR—Order! Senator, while you were out, I pointed out that we are here to look at the PBS for this particular portfolio. Senator Crossin started off from the blue booklet, which is the cross-portfolio document which the minister had prepared. We are not here to examine that.

Senator CROSSIN—Senator Gibson, if we actually take the PBS for the Aboriginal and Torres Strait Islander Affairs portfolio—

CHAIR—Yes, that is what we are here to do.

Senator CROSSIN—On pages 31, 32 and 33 and each of the outputs, excluding indexation of \$7 million and excluding an increase for CDEP, is there any other output that has an increase in real money?

Senator Herron—I have never claimed, contrary to Senator Bolkus’s assertion, that there was a \$147 million increase.

Senator CROSSIN—No, my question to you was—

Senator Herron—That was the allegation made; hear me out.

CHAIR—Senator, let the minister talk.

Senator Herron—I said that there are major advances—and I have the press release. There is a new program to address Aboriginal employment, with the creation of the Indigenous Employment Program involving the total expenditure of \$52 million in 1999 to the year 2000. There is an increase in expenditure on Aboriginal health of \$6.8 million for improving access as well as an additional expenditure on current initiatives, including \$6 million for better access to medicines and \$3.6 million for assistance for residential aged care. There is a growth in educational expenditure of \$16.3 million. The press release then went on to the CDEP and Army-ATSIC. I think it is important to point out that, in terms of specific spending, ATSIC is responsible for about 60 per cent of the expenditure on indigenous specific matters and 40 per cent comes from other portfolio responsibilities. I want that on the record.

Senator CROSSIN—I will ask my question again, because that is not an answer.

CHAIR—We will break for lunch now. The minister has just made a statement and it is obvious we are not going to finish right now.

Senator BOLKUS—There are two things that I want to place on the record before lunch. I am sorry to do this; Senator Crossin wanted to put something on the record as well. Firstly,

we are here not only to look at the budget but also to look at programs within the budget and emanating out of the budget. So the minister's behaviour and performance is part of that. Secondly, Minister and Mr Sullivan, there is a \$147 million figure. It is in this document produced by the minister. That \$147 million contributes to the final outcome of \$254 million which the minister claims is extra expenditure. I am sure that is something that you would have picked up about an hour or so ago, but let me just repeat it. In this document on page 12, there is an indication of \$147 million extra in your own portfolio area, which you then use as a stepping stone to get your \$254 million, which you then claim to be extra expenditure, Minister. That is what we are on about.

CHAIR—Senator Bolkus, I hear what you say, but we are here today for this particular portfolio. We are not doing—

Senator CROSSIN—That is fine. When we come back after lunch, I would like the officers to be prepared to answer for me, if we want to go output by output, one by one, starting at output 111 through to output 323, where is the real increase in expenditure for each output?

CHAIR—I am sure they will do that. The committee is now suspended.

Proceedings suspended from 1.03 p.m. to 2.05 p.m.

CHAIR—The committee will come to order and resume.

Senator Herron—Mr Chairman, I wish to make a statement in response to a subject raised this morning by Senator Faulkner in relation to the proposed appointment under section 67 of the head of the Office of Indigenous Policy. I have now had time to review the matter and to reflect in more detail on the implications of Senator Faulkner's line of questioning, and I wish to place on record that I view Senator Faulkner's approach as a scurrilous and completely unfounded attack in an attempt to create the impression of impropriety where none exists in relation to the proposed appointment. At the outset I would make the point again that this position was not filled and is not to be filled as a consequence of the machinery of government changes following the recent election.

This morning we went through the process, and there can be no argument that it was proper in every respect. As you have heard, a report was provided to me resulting from that process nominating two candidates as suitable. I can confirm that one of the candidates was employed in the Prime Minister's office. The matter of which of the suitable candidates was my preference for the position was a matter for my judgment. My judgment, based on the relative skills and abilities of the two suitable candidates, was that the candidate from the Prime Minister's office was the most suitable. I should note that both preferred candidates had substantial experience in the public sector and had served successive governments of all political persuasions. As I indicated this morning, no recommendation from me was ever considered by cabinet.

As I indicated this morning, the calling of the election intervened in this process, and immediately following the election my preferred candidate informed me of their withdrawal from this process. Subsequently, as I informed you this morning, the machinery of government changes that were announced meant that the span and scope of responsibilities of the intended position were significantly reduced. On this basis, I decided not to proceed with the filling of the position. I again stress that the position was never filled and will not be filled and that the process was proper in every regard.

I also note that the appointment of prime ministerial office staff to senior positions within the Public Service is not without precedent. For example, Mr Keating's former chief of staff,

John Bowen, was appointed to a deputy secretary position in DFAT shortly before the 1996 election, and Ms Mary Ann O'Loughlin, Mr Keating's social policy adviser, was also appointed to a deputy secretary position in DEETYA.

I have chosen to provide these details to make absolutely clear on the public record that, unlike Senator Faulkner's scurrilous implication, this process was entirely proper. This, as far as I am concerned, will be the final statement I intend to make on this matter.

The second matter I refer to is in relation to the questions prior to the lunch adjournment regarding my press release of 11 May entitled 'A better future for indigenous Australians' and the booklet of the same name. I made the following assertions. First, a record \$2.2 billion will be spent on indigenous-specific programs during 1999-2000. I did not state what a year-on-year analysis would show as an increase, nor does any government or minister ever pretend that such comparisons reflect real increases in program outputs.

Accrual budgeting and new output reporting methodology replacing old program structures and the introduction of a capital users charge makes that almost impossible. For example, I would particularly draw attention to the first footnote on page 17 of my ministerial statement. The fact is, however, that across the Commonwealth as a whole and to some extent within ATSIC and my own portfolio there have been genuine real increases this year as highlighted in my budget release. I listed the budget estimates across portfolios. These were taken directly from various portfolio budget statements. I did list a series of advances made in 1999-2000, particularly in the area of Aboriginal employment, health, education and the Army-ATSIC program. In my direct portfolio interest the significant changes are: an increase in CDEP spending to allow the take-up of more participants—that is \$11 million; the general indexation of funding—\$7 million; and the transfer of \$1 million dollars for native title activities.

They are significant in themselves but are not the new major initiatives of 1999-2000. These occur in other portfolios and that is what I stated previously. The facts are as I have stated them. Total spending is reported to the parliament through the portfolio budget statements as \$2.2 billion and a series of new initiatives in health, education and employment are the drivers behind this record expenditure.

CHAIR—Thank you. We are examining the budget for Aboriginal and Torres Strait Islander Affairs. We have basically been on general questions. Are there any further general questions before we move into the outputs?

Senator CROSSIN—I want to take up the matter that I referred to before lunch. In your blue booklet, *A better future for indigenous Australians*, on page 12 there is a difference in the subtotal for the Aboriginal and Torres Strait Islander Affairs Portfolio of \$147 million. If we turn to page 17, in the final columns which gives a total, the difference is \$254 million which I assume is the amount you referred to in your press release we kept referring to today.

Senator Herron—With respect, I did not.

Senator CROSSIN—I have not finished my question yet. My question to you then is: \$254 million on page 17 includes, does it not, the \$147 million from page 12 plus all of the other subtotals taking us through to page 17?

Senator Herron—Yes, that is correct.

Senator CROSSIN—So, of the \$147 million back on page 12, which are not cross-portfolio areas but your portfolio area, we have ascertained that the actual increase in expenditure is \$11 million from CDEP and \$7 million from indexation. Is that right? So there is only about \$18 million of that \$147 million that is an actual increase in expenditure?

Mr Vaughan—It depends whether you are talking about an increase in expenditure, which is a statistical fact as opposed to an increase in program activity—the physical activity as opposed to the actual program or the goods delivered as opposed to the cost of expenditure.

Senator CROSSIN—We are talking about new initiatives and new real expenditure which I thought this morning we had ascertained as being \$11 million for CDEP and \$7 million indexation. Is that correct?

Mr Sullivan—That is the new programs. ‘Expenditure’ is expenditure as reported to the parliament and that is the \$147 million increase.

Senator CROSSIN—Of the \$147 million, \$18 million of that is in new programs or increased indexation?

Mr Sullivan—Yes.

Senator CROSSIN—Going back to my question this morning about your press release, you talked in your press release about \$254 million in one year representing an increase in spending. Of that, you said, ‘A record \$2.2 billion will be spent on indigenous-specific programs’.

Senator Herron—Is that the press release of 11 May?

Senator CROSSIN—It is 12 May.

Senator Herron—In the press release that I have before me, I speak about new initiatives in the key areas of health, education and employment.

Senator CROSSIN—Let us just talk about the new initiatives. We have just ascertained, though, that the new initiatives are in fact only \$18 million worth, and in fact you have included the \$147 million in the \$254 million.

Senator Herron—I will ask Mr Vaughan to answer that.

Mr Vaughan—It is not being said that all the \$147 million represents a real increase in program activity. It does represent an actual increase in expenditure, but it is not being said that that represents the totality, the magnitude, of real increase in program activity or new initiatives.

Senator CROSSIN—So which section of the \$147 million is an increase in expenditure, as opposed to new initiatives?

Mr Vaughan—Mr Sullivan is better able to answer that in the case of ATSIC.

Mr Sullivan—In respect of ATSIC and in respect of the reporting to this parliament on expenditure, the increase is \$147 million, made up of \$56 million in capital use charges, \$65 million relating to the Indigenous Land Council and \$26 million made up of indexation, CDEP and CDC money. That adds up to the reported expenditure which goes into the budget papers and which shows that number reported. That is a technical explanation of indexation. I think that we are being helpful in saying that, in respect of new initiatives in the portfolio, the major new spending relates to CDEP—\$11 million—and indexation—\$7 million.

Senator MARGETTS—On the capital use charges, is that something new that has come in with accrual accounting that was not reported in the budgets before?

Mr Sullivan—It is new and part of the accrual budgeting framework of applying—

Senator MARGETTS—So it is not new capital but it is new capital use charges?

Mr Sullivan—It required the appropriation of new money to the portfolio to pay its capital user charge.

Senator MARGETTS—Right. But it is not new capital; it is simply that these days each of the outcomes is having to have this charge attached to it. Is that right?

Mr Sullivan—It is new expenditure though.

Senator MARGETTS—Yes.

Mr Sullivan—It is brand new expenditure. In 1998-99 we were not—

Senator MARGETTS—Required to do this.

Mr Sullivan—charged. There was no charge on our capital assets. In 1998-2000 we are expecting \$56 million across the minister's specific portfolios.

Senator MARGETTS—To whom is that transferred?

Mr Sullivan—That comes to each of the authorities in the portfolio, and then we make that payment to government?

Senator MARGETTS—Which area of government gets that transfer?

Mr Sullivan—Back to consolidated revenue—back to revenue.

Senator MARGETTS—This is lovely, isn't it!

Senator CROSSIN—Mr Sullivan, on pages 11 and 12—

Mr Sullivan—Of the portfolio budget statements?

Mrs CROSIO—No, I am referring to the blue booklet again. That is where we were this morning. Under the Indigenous Land Corporation, for example, we asked some questions about an increase in spending, and we were told that it would pretty well be the same from last year to this year. That is the last two line items under the Indigenous Land Corporation. Taking each of these line items, where is there an increase in spending? Where is not the answer that it is pretty much the same? Let us start at the top on page 11 with business development and assistance. Is there an increase in spending there or will it be the same?

Mr Sullivan—There is an increase in expenditure of some \$4.7 million.

Senator CROSSIN—Or is that not just the way in which the figures are now tabulated because of the accrual system?

Mr Sullivan—That is expenditure level that shows that increase. That expenditure level increase, however, is a result of several factors, none of which are new initiatives.

Senator MARGETTS—Like superannuation liabilities?

Mr Sullivan—No, that is not a change. It is to do with accrual accounting and capital user charges largely. But you use this word expenditure. Every time you ask me is there an increase in expenditure, my answer will be the expenditure is as reported in the budget statements. If that reflects that, that is all I can answer on. If you are then saying, 'What new initiatives are inside that?' inside those lines, as I think the minister's statement made clear, the only new program initiatives reported upon are the CDEP, the indexation and the CDC, but the expenditure levels are that.

Senator CROSSIN—Let us go back to the press release of 12 May, not 11 May. Do you have the press release of 12 May in front of you?

Mr Sullivan—We are getting it.

Senator Herron—We are getting it now.

Senator CROSSIN—Perhaps I should leave my question until that can be produced.

Senator Herron—There is one here apparently and we will refer to that.

Senator CROSSIN—I put to you again that on the second page and the second paragraph of that press release you talk about an increase in spending of \$254 million.

Senator Herron—Yes, I see what you are referring to now. We had a different press release.

Senator CROSSIN—The \$254 million includes \$147 million from your portfolio. But I put it to you that the only new initiative money out of the \$147 million is \$18 million. If you look at the seven dot points in that press release, only two out of Aboriginal and Torres Strait Islander Affairs relate to those two points. The ATSIC Community Assistance Program we leave aside. There is \$11 million for CDEP and \$7 million for indexation. I am wanting to know why you have included \$147 million in the increase in spending to make a total of \$254 million. What I am saying to you is, if you were being honest about major budget initiatives, the amount you should have included was \$18 million, not \$147 million.

Mr Sullivan—I think, again, the only point is, in terms of expenditure levels year on year, that is an increased expenditure level. I think we have gone down your path to explain, in terms of new initiatives year on year—no, that number is a more limited one. But certainly in respect of expenditure, which means spending by ATSIC in respect of its \$147 million, as I went through, we are spending \$56 million on capital user charges; we are spending \$65 million in respect of Indigenous Land Council; and we are spending \$26 million in respect of CDEP, CDC and indexation.

Senator CROSSIN—So what is the total cost then of those seven dot points? If I wanted to split up the \$254 million into increased expenditure, what part of that expenditure was new initiatives? What component of the \$254 million is new initiatives? We know it is \$18 million from your portfolio area.

Mr Sullivan—No, I have said it is \$147 million—it is not \$147 million but in respect of the \$147 million, it is \$56 million in capital user charges, \$65 million in respect of the Indigenous Land Corporation and \$26 million in respect of new initiatives.

Senator CROSSIN—Where is the \$26 million in new initiatives coming from?

Mr Sullivan—That is indexation \$7 million, CDEP \$11 million and CDC \$7 million.

Senator MARGETTS—Can I just chip in? We were told before this budget came out that one of the changes we should expect is that superannuation liabilities will now be charged in there and you said they are not in there?

Mr Sullivan—My understanding is that superannuation charges have been in there.

Senator MARGETTS—So we were wrongly informed prior to—

Senator Herron—Sorry, we are just seeking a little advice.

Senator MARGETTS—Superannuation liabilities I am talking about.

Mr Sullivan—I thought you meant actual superannuation.

Senator MARGETTS—No, I said superannuation liabilities all along.

Mr Sullivan—Sorry. I was thinking of superannuation contributions rather than superannuation liabilities.

Mr Eldridge—Senator, you are probably looking for a change that is not there for ATSIC, in that ATSIC, as an independent statutory authority, has paid its employer superannuation liability in the past. That may not be the case with departments, and I think the comment that you are making probably relates more to departments than to ATSIC.

Senator MARGETTS—Okay.

CHAIR—Are there any further general questions?

Senator CROSSIN—I have another one. Mr Sullivan, did you just mention an amount for the CDC?

Mr Sullivan—That is right.

Senator CROSSIN—What was that amount again?

Mr Sullivan—Seven million dollars.

Senator CROSSIN—And the CDC is the—

Mr Sullivan—The Commercial Development Corporation.

Senator Herron—That is an arm of ATSIC.

Senator CROSSIN—I understand that. In this press release, for example, why wasn't the CDC mentioned as one of the dot points—that is, as a major budget initiative or a new expenditure item?

Mr Sullivan—Because the CDC money is a reimbursement of old moneys that were in ATSIC, went to the CDC and are coming—

Senator CROSSIN—So that money is not a new initiative?

Mr Sullivan—It is a spend. It is a transfer of money to the CDC.

Senator CROSSIN—But it is not a new initiative?

Mr Sullivan—It is a movement of the money.

Mr Rees—It is money that was transferred to the CDC the year before on a one-off basis and it has now come back to our portfolio.

Senator CROSSIN—But it is not a new initiative, is it?

Mr Sullivan—It provides ATSIC with \$7 million to spend on programs of the board's choice. So it provides us with new initiative money.

Senator CROSSIN—The \$7 million was spent by some other section of the Commonwealth government last year and the previous year. It is not a new initiative. It is just money going from one pocket to another pocket, isn't it?

Mr Sullivan—You could say that about any budget cut in an agency that goes to a new agency. The agency that has \$7 million more to spend than it did last year has got new initiatives money. Our board will use that money well.

Senator CROSSIN—Why is it new? Is it different to the way in which that money was supposed to be spent last year?

Mr Sullivan—It is new compared to the year before.

Senator CROSSIN—New for your area?

Mr Sullivan—For ATSIC.

Senator CROSSIN—But it is not a new initiative.

Mr Sullivan—It is new for ATSIC.

Senator CROSSIN—Where was it previously?

Mr Sullivan—In the CDC.

Senator CROSSIN—It is not a new initiative, though. It is a transfer of funds from one area to another.

Mr Eldridge—What essentially happened was that \$10 million was transferred from ATSIIC's commercial programs in 1998-99 to the CDC. The increase in ATSIIC's appropriation this year reflects the return of that \$10 million, which goes back to ATSIIC's commercial programs where it started from.

Senator CROSSIN—I want to harp on this because I am not satisfied that I have the answer that I am looking for here when we talk of the 12 May press release and the \$254 million. I asked you this this morning. We have now been able to separate that out, and \$147 million comes from the Aboriginal and Torres Strait Islander Affairs portfolio. There are still only three new initiatives in that \$147 million. The rest of that figure is made up of the way in which the figures are presented in the new accrual accounting system.

Mr Vaughan—We would have similar disparities if you looked at any previous year where cash was involved. In the year to year comparison, there is always a combination of new initiatives and a range of other financial adjustments that contribute to the difference in spending. That is exacerbated this year by the accrual factor.

Senator CROSSIN—Don't you find the press release fairly misleading when it goes on to talk about major budget initiatives? Of those initiatives, you have chosen to include the \$147 million which looks, on the surface, as if it is \$147 million worth of new initiatives. I put it to you that the press release is fairly misleading.

Mr Sullivan—I think you are concentrating on a phrase on page 2 of a press release with the heading, 'HREOC social justice report supports government commitment', whereas the minister's publication on the better future for indigenous Australia or budget time press release called 'A better future for Australians' concentrates on the dot point initiatives and the total spent of \$2.2 billion.

Senator CROSSIN—No, I am talking about the press release in front of me of 12 May in which the minister choses to then go on to talk about new budget initiatives. I am just working on the press release. Perhaps the press release had the wrong heading for the content that was on the back page. I am putting to you, though, that it is fairly misleading to quote an increase in spending of \$254 million when in fact \$147 million of that comes from a portfolio area of which we have ascertained that less than \$30 million is new initiatives.

Mr Vaughan—It does not say that all of the \$254 million is new initiatives.

Senator Herron—I have not said that.

Senator CROSSIN—You go on to talk about, though, the major budget initiatives included.

Senator Herron—Yes.

Senator CROSSIN—That is what I am saying to you: is it not misleading to suggest that the major budget initiatives are made up of \$254 million.

Senator Herron—The facts were only half the truth; the rest is its correct interpretation. You chose to interpret it one way; I do not. We disagree. We have stated the facts in the press release.

Senator CROSSIN—In your view they are the facts.

Senator Herron—It is up to you how you interpret them. I have not said they were all new initiatives, but you have chosen to interpret that as new initiatives.

Senator CROSSIN—I would have thought 'new' and 'initiatives' were one and the same thing, but anyway.

CHAIR—Are there any further general questions?

Senator REYNOLDS—First of all, I would apologise for being late for this section of the estimates hearing. I would ask the minister a general question about the nature of his own department. I wonder—with every respect to the good people behind you—if you have taken a close look at them to see if they are broadly representative of the indigenous community for which they are advocates.

Senator Herron—I have had a close look at them. They are all very fine, upstanding and worthy people and I have, if you are alluding to how many are Aboriginal or indigenous, certainly questioned that. I know your interest in it, but I am not sure of the percentage. As you know, you cannot discern one way or another just by looking at people.

Senator REYNOLDS—No, that is true.

Mr Sullivan—If I could assist, 40 per cent of ATSIIC's staff are from an indigenous background. That is several times more than any other agency of government, other than perhaps one of smaller indigenous agencies. We have a corporate goal set by the board of 60 per cent indigenous staff. Indigenous staff are represented across all aspects of our work in all regions from trainees through to general managers and state managers of the organisation.

Senator REYNOLDS—Because this is estimates and it largely involves SES members, I am concerned to find out what percentage of the SES is indigenous.

Mr Sullivan—I will give you a breakdown of the staffing across all ranges, including the SES.

Senator Herron—I would ask the same question. I think there has been improvement in that sense at the higher level.

Senator REYNOLDS—There may well have been, but it is something that, as you know, I have asked you before.

Senator Herron—Yes and I share your concern.

Senator REYNOLDS—It is not only under your administration. It goes way back. I think it is a question that should be permanently on the estimates agenda.

Mr Sullivan—We provide an annual report to the PSMPC against all levels and that is what I will be giving you. It is provided to all members of parliament every year. It is not so much a funding issue, which is an estimates process. It is an employment policy, an equal employment opportunity policy. As I say, we have an actual at the moment of 40 per cent. The SES, when we give you those figures, will not be at that level but will be above, by again many factors, any agency of the Commonwealth of any significance. We have SES indigenous officers at the Band 2 level as general managers. We have SES officers at the assistant general manager level and at the assistant state manager level.

Senator REYNOLDS—But they are not here today.

Mr Sullivan—There are several indigenous SES officers in the organisation.

Senator REYNOLDS—I would welcome that information. I have to ask the follow-up question, which you will be expecting, I am sure. I suppose you would make a similar comment about progress in relation to gender equity in the department. That is the other thing that I think of as I read down the list of names and as I look at who is at the top table.

Mr Sullivan—We have gender equality in the agency.

Senator REYNOLDS—It does not look like it.

Mr Sullivan—You do not judge an agency by us freezing bureaucrats in Canberra. We are an agency that is represented in every capital city and in many remote areas, with lots of our

staff being at the direct delivery points in senior positions. Again, I will give you the copies of the PSMPC reports on gender equity in the organisation across levels. We have a female general manager, we unfortunately lost—

Senator REYNOLDS—One?

Mr Sullivan—That is one of four. Twenty-five per cent is actually pretty good for the Commonwealth, at Band 2 level.

Senator REYNOLDS—With every respect, I have been around this issue probably longer than you have, and I have been getting the same sorts of answers from the same kinds of senior male executives.

Mr Sullivan—Like bureaucrats.

Senator REYNOLDS—Bureaucrats—and ministers on my side of politics. So this is a very genuine general question. It is not a party political question. I know what is in the reports and I know the general statements that are made, because I have heard them all before. But I still walk into estimates committees—with every respect, as I said earlier, to the excellent officers present; this is in no way critical of them—but the facts speak for themselves. Five men at the top table and a majority of men behind you, and you are not able to state just how many indigenous Senior Executive Service people there are.

Mr Sullivan—Do you want me to state that now?

Senator REYNOLDS—If you can.

Mr Sullivan—I can state them by name if you would like. Our assistant state manager in Queensland is indigenous, our assistant state manager in New South Wales—

Senator REYNOLDS—But here at this—

Mr Sullivan—With respect, Senator, if I walked into another one of your committees which had five male senators rather than the admirable three female senators you have here and made the statement that this committee did not look gender balanced, that would be unfair.

Senator REYNOLDS—I would agree with you. I would be on your side.

Mr Sullivan—So I would look at the parliament at the whole to make a judgment about gender balance.

Senator REYNOLDS—And it would not be gender balanced.

Mr Sullivan—But if you were to look at this agency and say that the 25 or 30 officers present in the estimates committee hearing on 2 June in Canberra is reflective of the organisation, I would say, 'I would prefer to give you substantive, full information.' I did not ever, I hope, not know the indigenous Senior Executive Service officers of my agency. Having come new to the agency, it is an issue of critical importance to my board, it is of critical importance to my minister and therefore it has become of critical importance to me. I can name and tell you where the indigenous Senior Executive Service officers are in my agency.

Senator REYNOLDS—That is very good, Mr Sullivan, but I think any female person from whichever area of politics or the Public Service would agree that—how many years?—16 years after affirmative action policies and equal opportunity policies, we still have to ask these questions. So there is no need to be defensive about it.

Mr Sullivan—I was only defensive to the assertion which you made that I did not know; I did not give you cause to make that assertion, I believe.

Senator REYNOLDS—No. I would like it recorded for future reference, and I am sure Senator Margetts would agree with me, that we have been asking these questions for a long time. We have been getting similar answers and progress is very slow. Thank you very much.

Senator Herron—Could I put on the record too, Senator Reynolds, that more than 50 per cent of ATSIC employees are female. Where it has been under my control, I have ensured that gender equity has occurred. For example, in the Reconciliation Council I have a female chairman, of course. I cannot recall whether the figures are 11/10 or 10/11—whichever the gender basis is. Wherever I have appointed people—to the Commercial Development Corporation Board, the ILC et cetera—I have tried to bring the numbers up equally, but I could not give you the figures.

Senator REYNOLDS—I know you have been very committed to it, Minister.

Senator Herron—Similarly with the promotion of indigenous people wherever that has been possible. I am on the record as saying that. One of the difficulties—and this is on the record—is that we have an ATSIC election at the end of the year. We have only two female representatives on the Board of Commissioners, so the indigenous people themselves need to take action in this regard—

Senator REYNOLDS—I am sure.

Senator Herron—I was on the radio just recently promoting the election of female representatives to represent people on the Board of ATSIC at the end of the year.

CHAIR—If there are no further general questions, we will move to outputs 111, 121 and 122. If there are no questions, we will move to output 211.

Output 211—Preservation and protection of indigenous heritage

Senator MARGETTS—I would like to ask about Output 211 from pages 31 to 37. The description of that output is to facilitate the protection, preservation, acquisition and management of cultural property by or on behalf of the indigenous community, to ensure that indigenous people participate equitably in and contribute to the development and implementation of heritage and environmental policies at all levels of government and advocate indigenous interests in those areas and consultation and negotiation with other agencies and levels of government. That is in the description. The follow-up paragraph talks about enabling communities to protect areas and objects of cultural heritage.

My first question is whether there is another output which is about protection of cultural heritage, because if this output is simply participation, I wonder whether indigenous people were involved in deciding what those outputs were going to be; surely someone would ask that there should be protection of heritage as an output, not just as an assumed outcome or an assumed side issue that comes from participation.

Mr Eldridge—When you ask whether there is another output dealing specifically with the issue of protection of heritage and culture, I take it you are referring to statutory provisions—

Senator MARGETTS—That does spring to mind, yes.

Mr Eldridge—Okay. ATSIC was previously responsible—indeed, the minister was previously responsible for the administration of the Aboriginal and Torres Strait Islander Heritage Protection Act. On 17 December 1998, administrative responsibility for that legislation transferred to the environment portfolio. ATSIC previously administered the Act on the minister's behalf; it is now administered by Environment Australia. There would, I presume, be an output dealing with the issue of legislation protection for indigenous heritage in the

environment portfolio. This particular output deals with ATSIC's role in the area of preservation and protection of indigenous heritage and—as a consequence of the administrative rearrangement last December of course—it does not include a proactive administrative role in relation to legislative protection. Rather, it includes an advocacy role in relation to the development of heritage protection legislation on behalf of indigenous people to the responsible portfolio—in this case, the environment portfolio.

It deals with the remainder of ATSIC's role in the area of heritage protection and that is primarily in the hands-on physical provision of keeping places, for example, and the like. The bulk of our funding under this particular output is through regional councils. The funding is allocated at the grassroots level to communities in relation to priority protection issues that they wish to address.

Senator MARGETTS—You have talked about legislative protection but it does not specifically state legislative protection here when it says 'enable communities to protect areas and objects of cultural heritage'. Obviously you need some legislative backing. If what we are getting is indigenous people participating equitably—if that is what they are doing—in development of heritage policies, we have got a real breakdown, haven't we, in outputs or supposed outputs, if what we have got are the ignored views? The vast majority of indigenous people putting in evidence to the Evatt review, for instance, said that they wanted protection that was actually going to work. They were in favour of moving in that direction of having more self-determination in relation to heritage protection. That was ignored. Isn't there a breakdown here? If you have an output which says, 'Let us have greater participation,' but the participation goes nowhere or people cannot see where the participation is getting, isn't there a breakdown here?

Mr Eldridge—I guess you have to distinguish between the process of participation and advocacy and the process of policy decision making. The former we can involve ourselves in; the latter, of course, is a matter for government. At the time that the Evatt report was prepared, ATSIC actually managed that particular review and funded that particular review. ATSIC plays a very strong role in liaising with other key indigenous bodies to ensure that their views are promoted to relevant parliamentary committees and the like, and ATSIC itself makes a submission in those contexts in the policy development process. There is, of course, a limit to how far we can take it as an interest group when really there we are dealing with issues of government policy.

Senator MARGETTS—The output for the department includes the requirement to advocate indigenous interests in these areas of heritage and environmental policies at all levels of government. What has the department been doing to advocate within the government on behalf of indigenous people and organisations that have made their views very, very clear in relation to things like the Evatt review and the heritage bill? They are very clearly at odds with the government on this legislation. What specific advocacy work has the department done?

Mr Eldridge—ATSIC's advocacy work commences with the responsible ministers. That extends to parliamentary committees inquiring into draft legislation. It extends to international forums. It includes involvement in, for example, a working group set up by a number of agencies in connection with the implementation of the relevant parts of the biodiversity convention. ATSIC involves itself in all of those spheres in that government's process of developing an oceans' policy and a range of other policies dealing with particular aspects of the environment. ATSIC involves itself at every opportunity and makes submission on behalf of indigenous interests in those policy development forums at every opportunity.

Senator MARGETTS—In some ways that might not seem much different from a number of other indigenous NGOs.

Mr Sullivan—In many ways it is not. I think one of the things is that we are an agency not a department. Our board has very firm policies on heritage protection. The board directs us and we pursue in respect of the advocacy of that policy to government, to the minister, and then through the various activities that John Eldridge outlined. In many respects, to say that that sounds similar to what some indigenous NGOs do—yes, it is quite similar. Our capacity in the end, or the ATSIC board's capacity in the end, is to influence policy and that will fall to the government.

Senator MARGETTS—Is the board broadly supportive of the Evatt report findings?

Mr Eldridge—Yes, the board endorsed and supported the findings of Evatt some time ago now.

Senator MARGETTS—Then there would conceivably be a breakdown in here with that one output if the output is supposed to be participation. But, quite clearly, on this very distinct area, if you like, the opposite occurred.

Mr Sullivan—No, but in the end it does not determine our appropriations; it does not determine the administrative arrangements which we work on. Certainly, the government has determined that the responsibility for the physical protection of heritage will lie with environment. So our outputs and our output descriptors have got to reflect the appropriation.

Senator MARGETTS—Do they?

Mr Sullivan—Our work has then got to reflect the policies of the board.

Senator MARGETTS—Your output descriptors have got to relate to appropriation. I assumed—and this is what we have been told—that outputs of this budget were supposed to be about what these portfolios were meant to be trying to achieve.

Mr Sullivan—That is right.

Senator MARGETTS—So you are telling me that these descriptors of outputs are about what the government is prepared to give you?

Mr Sullivan—No. The function the government gives us is what our output is about.

Senator MARGETTS—Yes.

Mr Sullivan—We cannot write an output which is about something that the government has not given us administrative responsibility for. We are given an appropriation to cover our full range of administrative responsibilities.

Senator MARGETTS—Don't you have any statutory independence?

Mr Sullivan—In respect of appropriation?

Senator MARGETTS—Being able to work out what your outcomes should be.

Mr Sullivan—We have to meet our administrative function obligations and then we have independence in respect of where a great deal of that appropriation may be spent.

Senator MARGETTS—Are you telling me that executive government are dictating to ATSIC what the outcomes will be?

Mr Sullivan—No. I am saying that executive government is dictating to ATSIC where the administrative responsibility for the oversight of the Aboriginal and Torres Strait Islander Heritage Protection Act shall be, and that is in Environment Australia.

Senator MARGETTS—So that is why we do not get an outcome which says heritage protection.

Mr Sullivan—You will not get an outcome from ATSIC.

Senator MARGETTS—We have an outcome which says that participation probably leads to no heritage protection.

Mr Sullivan—I would not agree with the latter, but certainly the former which is the fact that Environment are responsible for the instrument of protection being the heritage protection act and that is a decision of government.

Senator MARGETTS—There seems to be someone wanting to give extra information.

Mr Eldridge—On the question of statutory independence, I think the situation is one whereby we negotiate with the minister on the terms of our outcome.

Senator MARGETTS—Yes, I have images of a High Court challenge which says that the minister cannot direct ATSIC as to how to spend its money.

Mr Eldridge—Yes, but by the same token, under the funding framework for the Commonwealth the minister does have a role in settling with the commission the outcomes and the outputs that it pursues.

Senator MARGETTS—That is a role. That is quite different from what Mr Sullivan was indicating.

Mr Sullivan—But the minister must also approve the estimates of ATSIC.

Senator MARGETTS—Yes, but does the minister have the statutory rights to approve the outcomes of ATSIC?

Mr Sullivan—The minister has the statutory right to control the estimates of ATSIC.

Senator MARGETTS—Yes, but does the minister have the statutory right or any powers to control what the outputs are?

Mr Eldridge—I think the answer to that, Senator, is yes and no. On the one hand the minister has a statutory power under the ATSIC legislation, firstly, to issue general directions to the commission and, secondly, to approve estimates of expenditure for the commission and to require the commission to expend its funds in accordance with those estimates.

One consequence of the second power is that the minister can exert an influence over the board in terms of how and where it expends its funds. That is a simple matter of statutory fact under the act. So when we say that we are an independent statutory authority, that is correct, but there are provisions in the act that mitigate that independence, if you like.

Senator MARGETTS—What roles have indigenous people had in deciding the outputs of ATSIC?

Mr Eldridge—The outputs of ATSIC reflect very closely the program framework applied by ATSIC, for example, in 1997-98 and currently in 1998-99. That program framework is dictated, or has been determined, by the ATSIC board, so there is your core indigenous involvement. That framework, I hasten to add, arises out of a whole host of factors, one of which is priorities and preferences of our board. But others would include areas of administrative responsibility that we have in serving the minister, for example, in relation to land rights, the Native Title Act and, previously, the heritage protection act. They all go to form a logical core group of outputs that is the function of ATSIC. So they fall naturally out of that regime, if you like.

The outputs that you see reflected in this document closely mirror the program framework previously agreed by the board, and previously agreed by the minister and, in fact, they reflect the set of outputs that were, in the first place, put to the minister.

Senator MARGETTS—So are you suggesting to me that the protection of heritage would not actually have been one of the board's choices?

Mr Eldridge—Yes.

Senator MARGETTS—This one does not actually say that. The output is involving people and consultation.

Mr Eldridge—Yes. Protection of heritage, in fact, is the output that we are looking at—preservation and protection of indigenous heritage. I think the debate is the extent to which the board is in a position to protect heritage. And, of course, its capacity in that regard was to some extent diminished with the transfer of administrative responsibility for the legislation. To the extent that it still exists it derives, firstly, from ATSIC's funding capacity and its ability to apply resources to the area of heritage protection and, secondly, it derives from very specific functions defined in the ATSIC legislation which include pursuing the preservation and protection of indigenous heritage.

Output 213: Preservation and promotion of indigenous art and culture

Senator MARGETTS—My next question is from 213. On the bottom of page 37, there seem to be some missing words. Has anyone got them?

Mr Sullivan—We will take that on notice but you are right, there appear to be missing words.

Senator MARGETTS—Yes. 'The commission has funded the development of an indigenous—' and then we have got a paragraph on the other side and I am not sure whether that follows.

Mr Sullivan—I think, Senator, that it might be a new sentence saying that the commission has funded development of an indigenous based cultural centre. We will check and get back to you.

CHAIR—Is that all for that one? That being the case, we will move on to Output 214—Preservation of indigenous language and recordings.

Output 214—Preservation and promotion of indigenous language and recordings

Senator MARGETTS—The description in the PBS is:

Support for the retrieval, preservation and revival of Aboriginal and Torres Strait Islander languages. Promotion of the maintenance, use and development of Aboriginal and Torres Strait Islander languages in contemporary contexts. Improvement of the awareness and appreciation—

and so on.

Can you give us some idea of the breakdown of allocations in this output—how much is for the retrieval, preservation and revival of language, how much is for the promotion in contemporary contexts and how much for awareness and appreciation?

Mr Eldridge—I do not have that information with me, Senator, but I will provide a breakup, to the extent that I am able, on notice, if you like.

Senator MARGETTS—And do you have a breakdown state by state?

Mr Eldridge—Certainly, we can do that. One caveat to that would be that we are still in the decision making process on allocations and, to some extent, a breakdown by state may not be possible for some short time yet. But, to the extent that I can, I will.

Senator MARGETTS—Why has the Federation of Aboriginal and Torres Strait Islander Languages been excluded from the assessment process about the allocation of funds? I believe that until recently they were consulted after the local state and ATSIC office evaluation just before final decision. I presume this would have been useful for bringing informed questions to bear about the application where it was for projects in locality where language centres were already operating.

Mr Eldridge—Certainly, the role of FATSIL in an advisory capacity continues. Over a period of time, what commenced I think as an advisory role for FATSIL started to change form to become almost a decision making role in relation to funds allocations. That gradual slide in role has been reversed deliberately, because FATSIL was never intended, nor formally endowed with the authority, to take decisions on funding allocation issues. Its role as an advisory body continues and will continue into the future.

Senator MARGETTS—But not on money matters—everything else, but they are not allowed to advise on money matters any more?

Mr Eldridge—FATSIL's advice will be sought as and where appropriate. They are included in various forums in the administration of the language maintenance program, but the actual decision making on funds allocation issues will not be vested in FATSIL.

Senator MARGETTS—However, you are saying that they do not have a decision making role and, in effect, they will not now have a specific advisory role, either, with fund raising issues.

Mr Eldridge—Yes. They act in two respects: one as a peak representative body and the other as an advisory body for ATSIC in relation to language issues.

Senator MARGETTS—I quote from a letter from ATSIC in May 1999:

The decision that FATSIL should no longer act as the advisory body—
this is not a decision making body—

on ATSILIP funding was made after careful consideration by the Portfolio Committee. It was felt ATSILIP's overall objectives would be better served if FATSIL focused its limited resources on establishing and maintaining national networks to provide advice to government departments and agencies, including ATSIC, and other key stakeholders on key policy and program development issues that is representative of the views of language groups throughout Australia.

In fact, they have been advised by ATSIC that they are not part of an advisory body on ATSILIP.

Mr Eldridge—I think the difference in terminology is between one of formality and one of practice. As I said, over time in the early to mid-1990s FATSIL saw itself as having a funds allocation role—that is, the advisory role which is formally referred to in the letter that you have in front of you.

Senator MARGETTS—If they did see themselves as having a role in allocating moneys, is that a bad thing?

Mr Eldridge—It is a bad thing to the extent that it substitutes for the formal role of the commission. It is the commission's role to take such decisions. The commission can take advice, but it must take such decisions.

Senator MARGETTS—Are you suggesting that ATSIC have never gone against any recommendations of FATSIL; that they have never made separate decisions different from those recommended by FATSIL?

Mr Eldridge—I expect they would have but, as I said, the perception that developed over time was one whereby FATSIL had, to all appearances, assumed a funding role which it did not properly have.

Senator MARGETTS—Why is there a quality standard of client satisfaction of 60 per cent in relation to this particular output? Surely this might be more an indication that there is a high level of dissatisfaction? Is 40 per cent dissatisfaction acceptable?

Mr Eldridge—I think the honest answer is that we are in the first throes of a new world of output reporting. The output sought to be measured is client satisfaction. Where we target it in our first attempt in this new world is of course a matter for conjecture. It has been targeted at 60 per cent here. Experience will dictate the extent to which that is appropriate or otherwise. Had we targeted it to 95 per cent and achieved 60 per cent, one interpretation of that outcome would be that there has been a major failure here. The truth of the matter is that this is the first time around and that it will be framed with experience over time. That is the honest answer.

Senator MARGETTS—Okay. What resources are put into training to ensure that original recordings are done to high technical standards, and what resources are put into training to ensure that preservation is also done to high technical standards?

Mr Eldridge—This gets to the breakdown of expenditure under this particular output which I have taken on notice, and I will focus on it.

Senator MARGETTS—Is there anyone here who knows about these things?

Mr Eldridge—Not to that level of detail, no. I will give that particular area a focus in the breakdown that I provide to you. Most of the service delivery, of course, in this program area is through language centres and language oriented indigenous organisations, and training is always a focus of any funding support we provide.

Senator MARGETTS—I can read out what the issues are here—and please stop me if you have any answers to these—but unfortunately I will not be around when the answers come back. If you like, I will read some questions into the *Hansard* and we will see how we go from there.

Mr Eldridge—Sure.

Senator MARGETTS—Regarding the preservation of recordings—this is opposed to the preservation of language—tape recordings have a limited life. How are recordings being preserved? Is there a central repository for recordings of indigenous languages? Does that facility have appropriate resources to ensure the long-term preservation of recordings—financial, technical and staffing resources? I am assuming that will be on notice. What resources are provided to regional—

ACTING CHAIR (Senator Watson)—Excuse me. Do you want to try to answer that now?

Mr Eldridge—I could give you a general answer. I could give you a much more specific answer on notice.

Senator MARGETTS—I will take whatever general answers I can get, but I am also happy for more details to be provided at some stage on notice.

Mr Eldridge—Yes, sure. Of course, with language centres the recording and preservation of language resources is their bread and butter. It is their central function and clearly preservation will be a focus in every case. One example that I think a lot of language centres learned from in retrospect was during the Katherine floods. It was probably 12 months ago now that the local language centre lost an awful lot of irreplaceable material as a consequence of the floods. It alerted language centres to this very issue—the need to have not only different forms of recording but different storage options for the material as well.

Senator MARGETTS—Perhaps in a central archive or something.

Mr Eldridge—Yes. There is no central facility as such, but as a result of that experience, language centres are now very much aware—

Senator MARGETTS—Maybe a higher facility!

Mr Eldridge—Yes, that is right.

Senator MARGETTS—What resources are provided to regional and local language centres for the archiving and preservation of recordings? Do they have the appropriate temperature- and humidity-controlled or dust free facilities for tape archives, given that many of these centres might be in tropical or desert regions? You have mentioned flooding. There have been recent cyclones raising serious issues of survival and you have mentioned those. What about specialist skills and the equipment required? Are we hoping for the best, but maybe without the resources to do these things?

Mr Eldridge—No. I think it is fair to say that, up until the current financial year, the language maintenance program has been very much a shoestring affair in the sense that it has, in resource terms, revolved around the \$3 million level now for the duration of its existence—certainly back into the first years that ATSIC had it. With the government response to the *Bringing them home* report, there has been, as we mentioned earlier, an injection of additional resources specifically into this area of a further \$3 million per annum. Those resources will serve to make up for many of the deficiencies of the past, we hope. It deals specifically with issues of access and, as I say, if you have a list of identified problem areas in front of you, I would hope that those additional resources would find their way to addressing many of those concerns.

Senator MARGETTS—Thank you. Do you know if there is anything being done about collecting the myriad of recordings that have been made over the years by university anthropologists, linguists and others so that they too, can be adequately preserved and used as resources at some stage?

Mr Eldridge—As you know, there is a network of language centres around the country. In addition to that network, there is a group of indigenous organisations that play a special role in recording and maintaining records of the cultural histories of their respective communities. So that particular issue stems beyond the language maintenance program. These organisations quite often play particular program roles that are funded by Commonwealth and other agencies and conduct their cultural maintenance roles as a spin-off from their primary program roles. We do not actually fund all such organisations but there is an awful lot of such activity that takes place within the indigenous community and community organisations.

Senator MARGETTS—And one could well argue that indigenous people actually own that cultural heritage anyway, so they have a right to control it.

Mr Eldridge—Indeed.

Senator MARGETTS—What about the projects that have been funded over time by various arms of government? Has there been any concerted effort to collect those, including ranges of oral history projects funded by state and federal governments containing recordings in language and perhaps use of indigenous language in the form of Aboriginal English? These are areas which have received government funding from time to time. Have there been any efforts to bring those together?

Mr Eldridge—I will try to provide a more detailed answer on notice. Certainly, that is one of the functions that we support through the network of language centres and through a range of different cultural organisations that are funded under other program areas.

Senator MARGETTS—Can you tell me anything about any protocols that might be in place regarding the acquisition of recordings made in the past—sometimes, in the quite distant past. For instance, are the original informants contacted to ascertain their wishes in regard to preservation and access? What if the original informant has passed away? Is there any standard protocol which requires that the family be contacted?

Mr Eldridge—Because for the most part we are dealing with material in a local context, with a local community controlled organisation, such issues are usually, and indeed, are best addressed by that local community controlled organisation. I do not have a set of standard protocols that I can throw at you in response to the question, but I could certainly draw together some sample protocols that are applied in practice around the country.

Senator MARGETTS—And that would include how the community would be identified and how it would be consulted?

Mr Eldridge—Yes.

Senator MARGETTS—What is the relationship between ATSIC, the language centres, state libraries and the National Library regarding collection access, archiving and preservation of recordings of indigenous language?

Mr Eldridge—The National Library has a special place now in relation to the recording of oral histories arising from the government's response to the *Bringing them home* report. That role in itself, I think, has led to linkages that might not previously have existed with—

Senator MARGETTS—Do you mean cross-sector initiatives?

Mr Eldridge—Yes; with organisations involved in similar activities—link-up organisations, language centres and the like. I am not aware of any more formal role or relationship in that area between the library and other organisations.

Senator MARGETTS—Are there moves for a coherence or coordination of these projects?

Mr Eldridge—At this point in time, I think it is a fairly loose arrangement. Certainly, it is something that I can see developing over time as the National Library gets into its oral history project in more depth. It is something that has only commenced, of course, in the current financial year.

Senator MARGETTS—Is there anything that can be done to ensure that recordings held in a national institution such as the National Library of Australia and the Australian Institute of Aboriginal and Torres Strait Islander Studies are available in the communities in which they were originally recorded?

Mr Eldridge—Yes. I think there is a policy of general access in relation to the Australian Institute of Aboriginal and Torres Strait Islander Studies. I think there is a regular use by

communities of the material they hold, particularly in relation to developing native title claims, for example. So, yes, there is very wide and very well used access, I understand.

Senator MARGETTS—How is access in the community managed to ensure that the access is on culturally appropriate terms?

Mr Eldridge—It is probably a question better addressed to the institute. I would anticipate that, at the very least, they would have consultation arrangements with communities to which specific material relates in relation to any proposal for access or release.

Senator MARGETTS—Are there any particular issues that arise in relation to preservation of indigenous language from the increasing capacity of computers and the Internet to store and transmit sound on a digital format? Are resources being allocated under this output in this area?

Mr Eldridge—Certainly there are implications and, for the future, there are very exciting possibilities. I have seen a number of tailored software developments that focus specifically on the recording of historical and cultural material by a community that focus on the building in of particular cultural restraints in terms of access to electronically stored material. Such development works are going on at this point in time. I expect it will be a growth area and a very practical medium to provide an alternative for storage and access of the material of language centres that we were talking about previously. I am aware of two software developments in that area and I know that there are others under way. We have not actually become involved in the process as yet but, in the process of development of the language maintenance program, I expect that we will become involved in the near future.

Senator MARGETTS—Indigenous languages have been recognised as the cornerstone of cultural preservation for Aboriginal and Torres Strait Islander people. What is the best way of preserving indigenous languages?

Mr Eldridge—Clearly, it is to promote usage.

Senator MARGETTS—Is the minister aware of the proposal by the Northern Territory government to withdraw funding from bilateral education programs in the territory, and to redirect this funding to support English as second language programs in the school system? The proposal, of course, has drawn protests from language bodies, academics, representatives from universities, state education bodies, and indigenous communities across Australia. Is the government prepared to add its support to calls for a reversal of this decision and to give its endorsement to the ongoing and increasing value of bilingual education for indigenous students in the territory?

Senator Herron—I am aware of statements or press reports of the bilingual education cutback in the Northern Territory. I understand that former Senator Bob Collins is conducting an inquiry into education in the Northern Territory. That report is not finalised. I will ask Mr Sullivan or Mr Eldridge to comment on Commonwealth funding in relation to indigenous language preservation.

Mr Eldridge—It is currently in the order of \$6 million per annum.

Senator MARGETTS—That is not a great deal of money, really, considering the kinds of issues that I have been bringing up plus the issues of preserving a living language. The second part of the question was: is the government prepared to add its support for calls for a reversal of the decision or is the government agreeing that it is good for Aboriginal people to be forced to speak English instead of their traditional language?

Senator Herron—We have got a problem of the separation of the powers of the state as opposed to the Commonwealth in that we cannot direct how the funding should be apportioned in the Northern Territory.

Senator MARGETTS—But you could express your opinion. Has an opinion been expressed from the Commonwealth government to the Northern Territory?

Senator Herron—I think it is part of the criteria that have been given to Senator Collins to report on. Does Senator Crossin know?

Senator CROSSIN—I'm sorry?

Senator Herron—The Collins report that is to be presented in the Northern Territory. I have seen it but I do not have it in front of me.

Senator CROSSIN—It is more a review of Aboriginal education in the Northern Territory, of which the bilingual decision may well be a part. But predominantly the bilingual programs are funded through the AESIP funding—the old AEP funding.

Senator MARGETTS—Which comes from the Commonwealth.

Senator CROSSIN—It does come from the Commonwealth. But there is no specific indicator there that points to bilingual education. There are indicators that point to maintenance of language, input about the delivery of education by Aboriginal parents and involvement of the community in delivery of education.

Following on from Senator Margetts, Minister, would your portfolio area at least have a view or be concerned about the fact that you have outputs that talk about preserving a language and maintaining a language, even though you do not directly fund bilingual programs in the Territory? You must surely have a view or be concerned about the decision to cease bilingual programs in the Territory, seeing that they have been the major indicator for preserving those languages in those areas.

Senator Herron—I can tell you that early in 1997 I met with a group of about 30 elders in Yirrkala, and they expressed to me the opinion that they were concerned that their children were not being taught English and therefore could not get employment because of their inability to read and write English. They said to me that they taught their own languages in their homes and they were concerned that too much emphasis was being given by white teachers coming in and learning their languages to then teach their children, and their children's education to read and write in English was being neglected. So I do not think that there is a uniform approach.

Senator CROSSIN—Yes, that is the same story I heard from the minister for education, Mr Adamson, last Friday. You must be reading the same briefs.

Senator Herron—Did he? No, I have not had any communication with the minister. I am just telling you that occurred in 1997.

Senator CROSSIN—At Yirrkala, if they do want to have their children taught only English they can just bus them in to the primary school at Nhulunbuy. But apart from Yirrkala, which is one of the most successful programs—but I will not comment on what they might seek to do in the future about the decision. There are 17 schools in the Territory that do offer a bilingual education. Does your office not have a view or an opinion about the juxtaposition of cutting bilingual programs and schools in the Territory, yet one of your own outputs is the maintenance of language?

Senator Herron—That is right. No, I have a view about the maintenance, if that is what you are asking. Yes, I believe in the preservation and maintenance of Aboriginal languages. On the other hand, the education of children in Aboriginal languages is one of the agenda items for the MCATSIA meeting. I will await the outcome of that discussion. That includes literacy and numeracy which are, you will appreciate, vital to employment. I use that original meeting, as I said, as an example of that. But we will be discussing this at the MCATSIA meeting in September, because the delivery of that is, correctly, the responsibility of the states and territories.

Mr Sullivan—Aside from that, ATSIC itself has made a submission to the Collins review.

Senator MARGETTS—So currently there is no Commonwealth component to the isolated children's program?

Senator Herron—There is, isn't there?

Senator MARGETTS—So there is a Commonwealth funding component now.

Senator Herron—Mr Eldridge is just pointing out to me that it is a different portfolio. That comes under education.

Senator MARGETTS—Sure. But what if, for instance, under your portfolio responsibilities, the Northern Territory chose not to use that funding for the teaching of Aboriginal languages and chose to use the funding for something else? Would you not have a responsibility under this output to take some action in relation to the Northern Territory?

Senator Herron—Any allocation of funding, if that is what you are referring to, would be a decision of the ATSIC board. I do not direct them.

Senator MARGETTS—I believe there is probably quite a lot of Commonwealth funding which is tagged for various things on Aboriginal spending and for various reasons does not get spent in those areas by states and territories. What ability has ATSIC to be able to follow up those non-spending items? When they get quoted every year, there is so much money Commonwealth-wise spent on Aboriginal issues, and we know that there are whole chunks of it which states and territories choose not to spend in that way.

Mr Eldridge—Firstly, I think ATSIC's output in question relates to community based language maintenance activities. There are, of course, other areas of Commonwealth funding, principally under education, which discuss full language related activities. ATSIC's influence in those areas is really confined to lobbying and advocacy expressing a view. The board in fact has done that—it has expressed a view in support of the retention of bilingual education in the territory and it has conveyed that view. But there is a limit beyond that as to how far ATSIC can go.

On the question of seeking to ensure moneys are directed to their intended end use by the states, ATSIC is again limited in that respect to lobbying, drawing any perceived problems to the attention of responsible portfolios and pursuing the states as best it can. Often, the water is so muddy that you cannot establish the starting point for reference and so have no case to make. In the case of specific programs, such as the education one that you were talking about, I expect that the education portfolio would be able to follow it through.

Senator MARGETTS—This is, I guess, one of these areas where we would expect the minister to take a leadership role and to express a very firm view.

Senator Herron—Certainly. Again, it comes back to what Mr Eldridge just said. It does vary from community to community. For example, when the children of the Tiwi people start school they have 80 per cent Tiwi language and 20 per cent English. Then at grade 10 it is

the reverse. That works very successfully. Then they go on to grades 11 and 12 in English. From my observation, that seems to be an outstanding program. As I say, from my perspective, I certainly am a strong advocate of the preservation of Aboriginal language. On the other hand, as in the Collins report, school retention rates are a problem. Again as a matter of observation, children are much more comfortable speaking their own languages within school. This is the argument of using their own languages within schools so that they can make that a contribution to retention at school. The school retention rates and numeracy and literacy are issues that are coming up on the agenda at the MCATSIA meeting in September. I certainly support it.

Senator MARGETTS—Do we have figures on the school retention rates and perhaps the attendance rates at schools which teach language compared with the attendance rates, participation rates and perhaps even success rates of schools—Jabiru springs to mind—where the kids basically have to come to the common school?

Senator Herron—I do not think we have. Not within this portfolio.

Senator MARGETTS—But you are quoting them.

Senator Herron—No, I am saying that I can relate only to specific places that I have been to where it has been my observation.

Senator MARGETTS—But your role as a minister would not necessarily be to ignore any advice given by ATSIC on the issue; it would be to represent—

Senator Herron—No, not at all. As I say, I support that, but it is not in this portfolio. I am happy to get any material.

Senator MARGETTS—There is no other minister, though, whose role is to advocate for Aboriginal people.

Senator Herron—I understand that. I am happy to get that material for you if it is available. It may not be; I do not know.

Senator MARGETTS—Thank you very much.

[3.35 p.m.]

Output 222—Legal and preventative services

Output 223—Link up

Senator REYNOLDS—Minister, the number of indigenous women clients handled by ATSIC funded legal services is a sad situation. On the one hand I welcome the fact that they are identified and that the services are reaching indigenous women, but on the other hand I regret that women are having to seek so many of those services. Is that figure higher or lower than last year?

Senator Herron—I will have to ask the respective officers.

Mr Eldridge—The answer is that we expect that it is higher; it is at the margin. One of the problems we have is that we are in a process of transition, from measuring our outputs from clients to matters, and so we have to make some assumptions in the process. On reasonable assumptions it is, we can establish, at least the same and probably higher.

Senator REYNOLDS—Thank you. On the same page, page 42, again you cannot help noting the 85,000 clients handled, which is a huge figure, compared with the 2,000 for ATSIC funded preventative, diversionary or educational services. Perhaps I should be asking you this, Minister. I assume that there is a policy to try to see more clients handled in the preventative,

diversionary and educational services area. Again, is it possible to measure how that movement is progressing?

Senator Herron—There is a very strong move in that regard, and that was an agreement reached at the deaths in custody summit, which I organised. On my meetings with respective authorities, there is complete agreement with the aim to produce more diversionary services. Whether it has increased or not, I cannot answer. I do not know whether any officer can; perhaps Mr Eldridge may be able to.

Mr Eldridge—In terms of ATSIK's program I think the first thing it is important for you to understand is that we are talking about a comparison here of something in the order of \$45 million for legal services and \$4 million in total for prevention and diversion activities, largely funded through regional councils. So the comparison is not there.

The focus of the law and justice program predominantly is to the provision of legal services. The prevention and diversion element of the program, while very important, is by its nature a limited involvement due to the issue of resources, and legal services in themselves are under huge demands and underresourced. We are limited therefore in the extent to which we can address the other side of the equation.

Senator REYNOLDS—I gathered that that was the situation, and it was why I asked the question. The minister will know, as neither of us are lawyers, that we are constantly trying to shift responsibility from the courts and lawyers to those who can work in a more conciliatory way than through the legal system. But that is a decision of regional councils. It does not matter what area of law you look at, it is always harder to allocate money to the preventive field and indigenous issues would be no different. I want to know if there was that general recognition.

Senator Herron—Yes, I can say that because that came out of the deaths in custody summit. Subsequent to that, I have had discussions with a number of people in authority. There is a general agreement, and my understanding is that, particularly in relation to diversionary strategies, this should be a major focus of the future.

Senator REYNOLDS—And, of course, just moving in that direction is a question of general education anyway, because whenever there is a problem people assume you have to run to the nearest lawyer.

Senator Herron—It is also true that there is a direct correlation between polity and coming in contact with the legal authorities.

Senator REYNOLDS—The second question in relation to output 2.2.3, on link-up, is a similar sort of question. There were 3,000 persons assisted Australia wide. Again, at face value that is very impressive, but do we have any comparative figures? Or do we have to wait another 12 months?

Mr Eldridge—I think, for the targets here and elsewhere in the outputs, the honest answer that I gave Senator Margetts previously applies to at least some extent. Our experience in the case of link-up services is compounded by the fact that we are in an expansion process with the program following the government's response to *Bringing them home*.

We will see enhancements of existing link-up services over the next 12 months and the establishment of new link-up services. We are very much in an estimate mode, with a high degree of uncertainty as far as the targets are concerned. When you consider that you are talking about probably six link-up services for the year, 3,000 is a reasonable case load

expectation. Again, its veracity will be proved with time and it will be adjusted with experience.

Senator Herron—I think it is fair to say that it is early stages, and we will update it as soon as we can get material as well.

Senator REYNOLDS—Minister, in answer to a question by Senator Harradine in the Senate last week, you said you were going to provide him with some detail of the progress in implementing the government's response to the *Bringing them home* report. Could that be provided for this committee?

Senator Herron—Yes, certainly.

Senator REYNOLDS—Not now, but on notice.

Senator Herron—I think we could get it for you immediately.

Senator REYNOLDS—I am happy to put it on notice.

Senator Herron—The material was provided to Senator Harradine as a result of a question without notice in the Senate. I undertook to give Senator Harradine an update of the material, which I did.

Senator REYNOLDS—Was it tabled?

Senator Herron—Yes, I am pretty sure it was incorporated, but we will check that out and get a copy for you.

Senator REYNOLDS—I will look forward to it. I thought it might have just gone to Senator Harradine.

Senator Herron—No, at the end of question time on Thursday, 27 May, I said:

I have some additional information in relation to a question from Senator Harradine yesterday about specific funding under the *Bringing them home* report. I seek leave to have the additional information incorporated in *Hansard*.

And it then follows. We are happy to give you a copy of that.

Senator REYNOLDS—Further to that, Minister—and I am not supposed to ask you to gaze into your crystal ball—Mr Eldridge referred to the six centres. How many centres would you anticipate would be up and running this time next year?

Senator Herron—There are some that are up and running now.

Senator REYNOLDS—Yes, I know.

Senator Herron—I cannot answer that question. I will ask Mr Eldridge to answer it for me.

Mr Eldridge—I can give you a run-down on where they are. Queensland, New South Wales and Victoria exist for enhancement. South Australia exists for enhancement, we hope, shortly; submissions have been invited. In Western Australia, we are negotiating on a collaborative multi-agency arrangement that has very good prospects. It involves the Western Australian Aboriginal Affairs Department, Western Australian Health, Commonwealth Health and ATSIC and seeks to utilise a network of counsellors across the state with a central secretariat link-up structure. We have had discussions on that and hope to have that in place early in 1999-2000. In the Northern Territory, submissions have been called. There is an existing link-up there, but there is some competition. Those submissions are due shortly. There will be arrangements in place in early July. In regard to Tasmania, I am sorry, that has slipped my memory, but I can let you know in due course.

Senator REYNOLDS—Are there any plans for regionalisation of services?

Mr Eldridge—Yes.

Senator REYNOLDS—Particularly, I think of North Queensland, but I can imagine western New South Wales and northern New South Wales. What are the plans for regional development?

Mr Eldridge—Health counselling positions resourced through the Office of Aboriginal and Torres Strait Islander Health will be decentralised through a network of Aboriginal medical services. Link-up services will utilise those counselling positions. So they will, in a sense, form a form of network. I have had discussions with senior government agency officials in Queensland and in Western Australia already and I hope to have discussions in other states, dealing with the issue of a state government contribution to a networking of link-up service provision in each state.

The WA model is a result of those discussions and it looks very good at this point. In Queensland, we have to have more discussions but we hope to utilise the existing network of state government agencies within the state. We will be pursuing the same course with other states—no doubt, with varying degrees of success.

Senator CROSSIN—I might move on and talk about housing. I also wanted to ask questions about the regional authorities: what output does that come under?

Mr Rees—Senator, I am not quite sure where your question comes in the paper. As part of the follow-up to the section 26 review of ATSIC's legislation, ATSIC and OIP are working on a discussion paper for the minister which looks at various models of regional autonomy and authority.

Senator CROSSIN—That is not an output in the budget then?

Mr Rees—Not in that sense. I guess it would be covered by a range of activities.

Senator CROSSIN—Can I go to questions about that now, before I go to housing?

ACTING CHAIR—Yes.

Senator CROSSIN—I want to ask you about the status of your draft discussion paper on establishing regional authorities.

Ms Sculthorpe—The board, at its April meeting, agreed that we should proceed with developing a discussion paper on the subject of regional autonomy, including the notion of regional authorities. We are proceeding with that paper. It is not yet finalised.

Senator CROSSIN—The draft discussion paper or the discussion paper is not yet finalised?

Ms Sculthorpe—The draft discussion paper is not finalised; a paper is not yet finalised for distribution and discussion.

Senator Herron—But we should also recognise that ATSIC's section 26 review proposed various steps towards eventual regionalisation of the organisation. That came out of that review, and I put in the election platform that the government committed itself to promoting greater regional autonomy.

Senator CROSSIN—Is there a government paper?

Senator Herron—I am waiting for ATSIC to produce its own discussion paper.

Senator CROSSIN—There isn't another draft discussion paper from your portfolio area?

Senator Herron—No.

Senator CROSSIN—There will not be two floating around?

Senator Herron—No.

Senator CROSSIN—We are just waiting for one? Is that right? How many are there?

Senator Herron—There is agreement on this process and, as I said, I announced it in the election context. I have already progressed that in relation to the Torres Strait islands. We have proposed introducing legislation in that regard, so there is no disparity between that and the section 26 report at all. As it was a section 26 report, ATSIC was given an informal draft paper developed about a year ago.

Senator CROSSIN—And that is not public?

Senator Herron—No, it was just an informal response to ask them to produce a paper.

Senator CROSSIN—What has been happening to actually promote the idea of regional authorities? You spoke about the Torres Strait islands. Have you progressed the notion of regional authorities to the extent that you have legislation ready?

Senator Herron—No. As I said, we are moving towards that but I want to get ATSIC's advice on that. They wanted to produce their own discussion paper, and I am awaiting that. It is a consultative process that I am happy to support.

Senator CROSSIN—When might that be available for public comment; when are they going to finish that and release it?

Ms Sculthorpe—The April meeting of the board authorised a general direction that the discussion paper should take. Commissioners will be having further discussions with the minister and his office on the subject. Within the next couple of months or so we would envisage a paper being completed. However, the extent to which the ATSIC elections and the caretaker period might intervene in that process will be a complicating factor.

Senator Herron—I have not put any time line on it, nor has ATSIC. As I said, it came out of the section 26 review that follows ATSIC elections.

Senator CROSSIN—So ATSIC have not made a firm decision about progressing to regional authorities yet? Do they just want to explore the option or is it something that you, Minister, have decided is a direction of this government and therefore asked them to implement?

Senator Herron—No, it came out of the section 26 report of ATSIC following the elections and I supported it. So now I am awaiting ATSIC's discussion paper and, as I said, I have not put a time line on it.

Senator CROSSIN—I think in the last estimates I asked you about the people from Warburton actually going up to the Torres Strait islands to look at regional bodies. Has that happened?

Ms Sculthorpe—We understand it has happened.

Senator Herron—Yes, from memory I think there was a visit, but there was nothing formal about it. As I have gone around communities I have discussed this option of regional autonomy. I certainly recall discussing it with the Tiwi people.

Senator CROSSIN—So were the Warburton people provided with any funding from your area or from ATSIC to travel?

Senator Herron—Not that I am aware of.

Ms Sculthorpe—As we understand it, members of the local shire council travelled to the Torres Strait and the cost of that travel was borne by the shire council.

Senator CROSSIN—They received no assistance from the Commonwealth government in any way through ATSIC?

Ms Sculthorpe—To our knowledge they did not seek any assistance.

Senator CROSSIN—And they did not get any?

Ms Sculthorpe—No.

Senator Herron—No, I am not aware of any. I was interested to learn that they had done that.

Senator CROSSIN—Are you aware of any other bodies or people, like the Warburton people, who are interested in going to explore regional authorities?

Ms Sculthorpe—Yes. In the section 26 review of the Aboriginal and Torres Strait Islander Commission Act 1989 there were four submissions, as I recall, that put in proposals for the establishment of regional authorities. Each of those proposals differed quite significantly and the board agreed that further work should be done with those organisations to develop their ideas of how they envisaged these authorities working.

Senator CROSSIN—Have there been no firm proposals about how regional authorities would work? For example, Minister, have you got an idea or have you documented how you believe they would work, or are you simply waiting on the ATSIC paper?

Senator Herron—I am waiting on the ATSIC board, but as a general principle I am of the view that decision making is best made at the local level and only if a decision cannot be reached should it be handed on to a higher authority to make a decision. So when I saw the section 26 report I was happy to support that recommendation, but it is entirely up to ATSIC whether they wish to progress that. I think, as Ms Sculthorpe has said, the concept of what is intended by that does vary from region to region and a number of regions have spoken to me about it, but it is ATSIC's responsibility to progress the concept.

Senator CROSSIN—If there was a move to regional authorities, what effect would it have on the budgeting and accrual accounting systems? Have you given any thought to that?

Senator Herron—With respect, that is pretty hypothetical at this stage because we do not know what the recommendation is from the ATSIC board of commissioners. They may say they do not want to progress it or whatever.

Senator CROSSIN—You would factor that into a discussion paper?

Mr Sullivan—Hypothetically, it would not make a great deal of difference.

Senator CROSSIN—Because the regional authorities would still report to an ATSIC board?

Mr Sullivan—No, I am just saying that the organisation structure—how that organisation is distributed—is a different overlay to the outcome structure. At the moment, a lot of these outcomes are progressed through varying organisations, be they existing regional councils, our state and central operations, or our regional offices. If you meshed the organisation differently, hypothetically, it would not have a major budgeting impact.

Senator CROSSIN—What would the relationship be to the ATSIC board? That is all part of the paper, is it?

Senator Herron—They are going to consider that at their next board meeting.

Ms Sculthorpe—It is too soon to give an opinion.

[3.59 p.m.]

Output 241—Community housing

Senator CROSSIN—Turning now to community housing—indigenous housing—I understand there is a proposal on the table to establish the Office of Indigenous Housing and Infrastructure. Is that right?

Senator Herron—For some time, I have been concerned about the progress in relation to housing. As you know, the government is committed to continued reform in key areas for the wellbeing of indigenous Australians, including housing. While there have been achievements in some areas, we feel that there might be a lack of overall progress in others. So we have been exploring ways of improving the housing and health outcomes from resources targeted to indigenous housing and infrastructure programs because they are obviously interlinked. For example, over \$2.5 billion has been spent over the last 10 years on indigenous housing and infrastructure programs and we want to ensure that they are used in the most effective and efficient manner. We discussed this issue, and I am having discussions with ATSIC. There have been proposals put forward, but I intend that the responsibility will remain with my portfolio and that ATSIC will continue to have a central role. Certainly within government, I want to pay particular attention to the outcome of the funds that are expended.

Senator CROSSIN—Will ATSIC remain the body that actually controls the housing area and the outputs?

Senator Herron—They will certainly have a central role. I want to accept the responsibility for it, certainly.

Senator CROSSIN—Is that why you are planning to set up a chief executive officer of indigenous housing under a section 67 appointment?

Senator Herron—That is a proposal, yes.

Senator CROSSIN—Who would that person report to?

Senator Herron—Because it is a section 67 proposal, it reports to a ministerial group.

Senator CROSSIN—That really does not leave control of housing with ATSIC, does it?

Senator Herron—That is why I am having discussions with ATSIC about the eventual decision. It is intended that it stay within ATSIC, within my portfolio responsibility, and that regional councils will continue to have a major role.

Senator CROSSIN—What sort of role would the ATSIC chairperson have in all of this?

Senator Herron—I have to await further discussion, but it is intended that, if a board is appointed, the chairman should be appointed to it perhaps with another commissioner or whatever. That is up to discussion.

Senator CROSSIN—If a board is appointed?

Senator Herron—Yes.

Senator CROSSIN—A board that would oversee the housing infrastructure project?

Senator Herron—Yes.

Senator CROSSIN—Separate from the ATSIC board who have had control over it?

Senator Herron—The best analogy would be that, if it progresses, it would be along the lines of the commercial development corporation model.

Senator CROSSIN—How many Aboriginal people would be on this board?

Senator Herron—As I said, it is still up for discussion and a decision.

Senator CROSSIN—How many Aboriginal people do you think should be on this new board?

Senator Herron—I think the majority, and I think the chairman should be Aboriginal, too, or indigenous anyway.

Senator CROSSIN—Would the board have the new section 67 appointment as their CEO?

Senator Herron—Yes.

Senator CROSSIN—Would they report to you as the Minister?

Senator Herron—Yes.

Senator CROSSIN—What is ATSIIC's view about this change?

Senator Herron—As I said, I am awaiting their discussion. I think all of us, including you, are concerned about the outcome and the delivery of services. I am awaiting discussion with the ATSIIC board about it. I will be discussing it with the ATSIIC board.

Senator CROSSIN—I think that is all I have got. We might hear further about that in the additional estimates.

ACTING CHAIR—That appears to conclude the questioning. I thank the officers for their attendance.

Proceedings suspended from 4.04 p.m. to 4.18 p.m.

DEPARTMENT OF THE PRIME MINISTER AND CABINET

Outcome 1—Sound and well coordinated government policies, programs and decision making processes

Output group 1.2—Social policy advice and coordination

CHAIR—I welcome officers from the Office of the Status of Women, and Senator Herron.

Senator CROSSIN—I have a number of questions and I will direct my questions to you, Ms Goward, but I am not sure, in fact, whether Senator Herron is going to be able to help us seeing that he is not officially the Minister Assisting the Prime Minister for the Status of Women.

Senator Herron—I am sure that Ms Goward can answer your questions.

Senator CROSSIN—I want to start with the PBS. I assume that under the Prime Minister and Cabinet portfolio your Office of the Status of Women probably comes—it finishes up at about page 28. I will have to be honest and tell you that I felt like I was playing 'Where's Wally?' I could not actually find the words 'Office of the Status of Women'. If you could enlighten me as to where I might find those words in those 28 pages, I would be grateful.

Ms Goward—The department made a decision a couple of years ago to treat its financial statements by group. We are part of the social policy group. I am sure you will not find mention of any specific other division either—for example, OIP, social policy, forests and industry, or Olympics—because they are all grouped under those much broader headings. As I say, we show up in the social policy group. You can see that there is a specific allocation for domestic violence funds.

Senator CROSSIN—I will get to that in a minute. But, even when I look at the index, there are specific areas like Office of the Commonwealth Ombudsman, Office of National

Assessments or Office of the Official Secretary to the Governor-General. I cannot find in this document anywhere the fact that you even exist, let alone the fact that you have been grouped.

Ms Goward—We do.

Senator CROSSIN—I know you do, but I am asking you to—

Ms Goward—I think you will see that that is the convention.

Senator CROSSIN—You are not in this document at all under the Office of the Status of Women.

Ms Caldwell—It may be helpful to clarify that the Office of the Status of Women is part of the department proper. Those other offices to which you refer are separate agencies, not subsumed within the department.

Senator CROSSIN—In the first 28 pages, where would I find your budget allocation?

Ms Goward—On page 20 under ‘Administered Expenses’. On the third line, we have a specific allocation for ‘Women’s programmes’.

Senator CROSSIN—If I run my pencil across, I end up with nothing. I am in midair.

Ms Goward—I am sorry. For some reason the printing has not recorded it in a straight line, but it is \$3,170,000.

Senator CROSSIN—So you are actually there. We were wondering whether or not the figures should have been adjusted up or down—whether you in fact got \$3.1 million, \$1.4 million or \$1.5 million, you see. There is a printing error then.

Ms Goward—Yes. It is just slightly out of step, as you can see. The ‘Allowance to Former Governors-General’ is \$400,000. For ‘State Occasions and guests of Government’, it is \$1,780,000.

Senator CROSSIN—Has that been then a deliberate decision to put you as a line item called ‘Women’s programmes’ as opposed to ‘Office of the Status of Women’ in this budget on page 20? I guess what I am trying to say is that I am not entirely sure why you are not down in that column as ‘Office of the Status of Women’ as opposed to ‘Women’s programmes’.

Ms Halton—Perhaps I can answer that. In relation to the way the department is structured, Ms Goward has already indicated that the Office of the Status of Women is part of the social policy group. If you look at the appropriation structure, it is in fact in relation to—

Senator CROSSIN—What page are you looking at there?

Ms Halton—The same page, 20. If you look under ‘Administered Expenses’, you will see that each of those items relates to a particular function, for example, grants in aid or the reconciliation process. None of those is actually appropriated in terms of a particular subcomponent of the department. Women’s programmes are administered by the Office of the Status of Women, which is part of the social policy group.

Senator CROSSIN—What other dot point there is administered by some other office then?

Ms Halton—For example, the reconciliation process between the Commonwealth and Aboriginals is actually administered by the reconciliation branch, which is part of the Office of Indigenous Policy, which is part of the social policy group.

Senator CROSSIN—Is that part of the Prime Minister and Cabinet portfolio?

Ms Halton—Part of the department. That is correct.

Senator CROSSIN—So you are part of output group 1.2. Again, I suppose the printing is a bit out of skew here, but you are part of a group that has \$18.3 million budget allocation for this year? Is that correct?

Ms Caldwell—That is correct.

Senator CROSSIN—Where do I go to find outputs for different programs that you are administering? If you have \$3.17 million and you have a range of programs, where do I go to find your specific outputs or performance indicators now that you do not produce an annual report? At what stage during the year can I actually find out what your indicators are per program if you have no annual report any more? Are you part of the Prime Minister and Cabinet's annual reporting process?

Ms Halton—That is right. There is an annual report for the department. There has been and there will continue to be. There will be reporting against the elements of the department in that report. The Office of the Status of Women has always been a part of the Department of the Prime Minister and Cabinet.

Senator CROSSIN—So there are no particular outputs or performance indicators for each of your program areas, like there are for funding for NGOs and for domestic violence. In this budget, are there no particular outputs? Is it all just lumped together? I am trying to get a handle on how it is being presented in the budget in this different way for the first time. Everything you do has one output called 'Social policy advice and coordination'. Is that correct?

Ms Goward—Yes. It is part of the portfolio budget statement description, and we are included in the social policy group.

Senator CROSSIN—What do you use as indicators then with your specific programs?

Ms Goward—Indicators of what?

Senator REYNOLDS—Progress.

Senator CROSSIN—Indicators of progress or of being on target, or whether you are achieving what you want to achieve with your grants to women's organisations, with your domestic violence program or with the number of women you have on boards. Where are those indicators documented as a tool of measurement within your office?

Ms Goward—The department is satisfied with the allocation and the description that it has developed. We obviously, for our own internal purposes, have our own indicators. We want to see whether there has been an increase in the number of women appointed to Commonwealth boards, for example, because we have spent \$25,000 on an executive search program.

Senator CROSSIN—With that, you have a broad indicator that says 'increase the number of women on Commonwealth boards'. So, if it is not here in the budget, and if it does not have a particular amount allocated to it out of your \$3.17 million that I can see here, where would I find that information?

Ms Caldwell—The performance indicators are recorded in the annual report, as in previous years.

Ms Halton—I will read an example to you from the 1997-98 report under the 'Status of Women' heading. There are a number of performance indicators, but I will read selectively. For example, for programs of financial assistance:

- whether the specific aims of financial assistance were achieved efficiently and effectively;

- the timeliness and quality of the Division's work in responding to applications and approving and paying grants;
- compliance with relevant legislation and financial reporting guidelines, including timely acquittal of grants.

Senator CROSSIN—I hate to give Senator Herron a bit of a tick here—perhaps we should not put this in *Hansard*—but I actually found that the portfolio budget statement of the Aboriginal affairs portfolio area has a line item for each outcome or for each statement. It is much more transparent than what I could find in this document. I know it is perhaps a different way that that section of Prime Minister and Cabinet operates, but certainly, in Aboriginal and Torres Strait Islander Affairs, business development and assistance is a line item, as are the CDEP, the preservation and protection of indigenous heritage, and broadcasting services. We just did not get this one blanket statement that said, 'Here is Aboriginal affairs, and it is \$147 million. If you want to find out what our indicators are, then you go and look in the annual report.'

Senator Herron—Could I respond to that? I alluded to it earlier in the afternoon. I said that when I got the portfolio I had the same difficulty as you just mentioned. I asked for a document to be produced—that was the last budget—which detailed all the material and where all the money was going, because I was trying to find out from my own portfolio perspective. When this present blue document was produced, I asked them to carry that over, albeit with the difficulties of accrual accounting, so that we could continue that progress that had commenced in the previous budget. I think that was something that I initiated, and I think you cannot draw a correlation between that and the Office of the Status of Women.

Senator CROSSIN—What I am leading to is that the PBS for Aboriginal Affairs clearly shows us—and you can track quite clearly—the breakdown of the money in that area, whereas if we look at the Prime Minister and Cabinet's PBS, particularly in relation to the Office of the Status of Women, you just see one output, which is very broad and generic, and an amount of money. That is all. I wonder if some consideration could be given to looking at the Aboriginal and Torres Strait Islander Affairs portfolio, the way they have presented their information and how detailed and transparent it is compared to what I think is a lack of detail, in these 28 pages in front of us, when it comes to the Office of the Status of Women. I wonder if some consideration could be given to presenting the information in a different way next year.

Ms Halton—We are happy, of course, to continue to review the PBS for the department. That is something that we do annually, based on feedback. Can I say that the thing that distinguishes the department's PBS from ATSI's PBS—if that is what you are referring to—is that the department has a very broad spread. It is relatively small in staff numbers, but the range of issues that it covers is wide. We will certainly take that feedback on board, but the dilemma that we have is the amount of detail that actually can be accommodated here. We have talked about the annual report and some of the reporting that occurs there. But we will by all means have a look at that issue.

Senator REYNOLDS—Could I intervene there, Senator Crossin? When you say 'the department', you are talking about Prime Minister and Cabinet; you are not talking about the Office of the Status of Women as such.

Ms Halton—That is right.

Senator REYNOLDS—Isn't this really all about philosophy? We could sit here for hours pointing out the fact that there is really no information because Prime Minister and Cabinet

does not consider the OSW even on a par with the Office of the Governor-General. We get more information—

Ms Halton—There is a statutory difference between the Office of the Governor-General and the Office of the Status of Women. At the end of the day, it is a division within the department—unlike the Office of the Governor-General.

Senator REYNOLDS—I am well aware that there is a difference, but I simply make the point that I find it ludicrous that I can find out more detail about how the Office of the Governor-General operates than about the Office of the Status of Women, particularly when, as you know, we used to have a full women's budget process, which has been abandoned since 1996.

Ms Goward—As I understand it, the full budget women's statement was reviewed not three years ago, but prior to that.

Senator REYNOLDS—And we saved it.

Ms Goward—The conclusion was that something much more to the point was in order. Since I have been involved with the Office of the Status of Women, a women's budget statement has been prepared every year which lists all the initiatives within and without OSW that impact on the lives of women. It is quite clear in there which responsibilities belong to OSW and which do not.

Senator REYNOLDS—Ms Goward, for the record, I was around when, yes, the Public Service tried to snow a new minister in order to get rid of the women's budget process; it was not popular in the Department of the Prime Minister and Cabinet under any government. It was seen as a bit revolutionary because we were the first country to adopt such a process. But I can assure you that, at the time, it was assumed that the ABS survey would provide a lot of the detail. Of course, we all know that we do not even get that information on the same basis as we used to. But I interrupted Senator Crossin; I have a number of my own questions, so I am going to—

ACTING CHAIR—It might be an opportunity for the chair to intervene and say that we look forward to input from PM&C at the committee's roundtable public hearings on the format of the PBS on 17 June.

Senator CROSSIN—You may even have to take this on notice, but what the budget does not tell me is how your \$3,170,000 is broken down. It is not there, so I am going to have to ask you now—and I was hoping the budget would tell me—how much of that is operational costs, how much of that is for your domestic violence program and how much is for your grants and for any other initiatives? Your annual report tells me about what happened last year, not what is going to happen in the next year. That is what I think a budget should be telling me. The other thing page 20 does not do is tell me if there are any more initiatives and, if so, how much money is allocated to those initiatives. My question to you is then—

Ms Halton—Senator, can I point you to a couple of things? Firstly, the \$3.17 million figure that you were quoting is an administered expense, which means it is program money, not running costs. It actually relates to the financial year 1998-99. In relation to new items, if you look at page 12 you will actually see the new initiatives listed on that page, particularly in this respect concerning the effective prevention of domestic violence.

Senator CROSSIN—Let us turn back to page 11. Out of that money, how much is to go to the Office of the Status of Women?

Ms Halton—Page 11 is the administrative expenses for the department proper. If we are talking at the moment about 1999-2000, women's programs comprise \$8.4 million.

Senator CROSSIN—Where would I find that figure?

Ms Halton—That is not disaggregated in this document.

Senator CROSSIN—Why is that?

Ms Halton—Because it is shown against the social policy group, and the social policy group comprises the Social Policy Division, the Office of the Status of Women and the Office of Indigenous Policy.

Senator CROSSIN—On page 17, output group 2, social policy advice and coordination, there is a total of \$18.3 million.

Ms Halton—That is correct.

Senator CROSSIN—How much of that is given to the Office of the Status of Women?

Ms Halton—Of the administered expenses \$8.4 million comprise the Office of the Status of Women.

Senator CROSSIN—\$8.4 million?

Ms Halton—That is program moneys.

Senator CROSSIN—I find it very disappointing that it is not transparent enough to be broken down in that way. Of the department's outputs appropriation, is any of that money allocated towards the Office of the Status of Women?

Ms Halton—I think you will see that the department output money is in fact the aggregate of the output money for the relevant output groups. If you aggregate them, items 1, 2, 3 and 4 comprise the total amount available within the department.

Senator CROSSIN—Of the department outputs appropriation under output group 2, is the Office of the Status of Women responsible for any of that \$17.5 million, particularly in its own right as opposed to the whole social policy group?

Ms Halton—The \$8.4 million that we just talked about?

Senator CROSSIN—No, the middle line—the department outputs appropriation.

Ms Halton—There are obviously differences between administrative expenses and the outputs appropriation, which is the aggregate, as I understand it. That includes an amount with respect to administration. There is an aggregate budget for the social policy group in relation to administration. We are currently doing the process of work planning. I have actually not yet received the bids from each of my divisions with respect to their requirements for next year. Those allocations will be made but have not yet been made.

Senator CROSSIN—So you cannot tell me how much of that \$17.5 million outputs appropriation is acquitted against the Office of the Status of Women?

Ms Halton—Not for next year, because that allocation has yet to be made.

Senator CROSSIN—When will it be done?

Ms Halton—Probably in the next few weeks.

Senator CROSSIN—Could we have that advice when it is done, please?

Ms Halton—Most certainly. Once an allocation has been made we can advise you.

Senator CROSSIN—On page 17, the figure is \$8.4 million for the Office of the Status of Women program. Going back to page 12, I take it that the prevention of domestic violence across Australia strategy is not a new initiative; that it is a continuation. Is that right?

Ms Goward—Yes.

Senator CROSSIN—And for this financial year it will be \$5.3 million?

Ms Goward—The money for PADV1—the continuation of the moneys that were begun after the Prime Minister's summit at the end of October 1997—will be \$3.4 million for this year.

Senator CROSSIN—Ms Goward, where do I find that amount on page 12?

Ms Caldwell—Page 12 refers to the new allocation.

Ms Goward—And that is the allocation made in this budget for the new money that was granted in the budget. That will be a further \$3 million.

Senator CROSSIN—So in this financial year for domestic violence you will be working with a total amount of—

Ms Goward—\$6.4 million, plus a carryover of \$1 million.

Senator CROSSIN—So that is not a new initiative; it is a continuation.

Ms Goward—Yes, there is a new initiative, and that is the \$3 million.

Senator CROSSIN—There is a new initiative in the domestic violence strategy?

Ms Goward—Yes, and that is the \$3 million. The original initiative was for \$25 million over four years beginning in 1997, and that is \$3.4 million this year. So it is \$3.4 million plus \$3 million plus \$1 million as a carryover.

Senator CROSSIN—Of the admin expenses on page 17, \$8.4 million goes towards the Office of the Status of Women. How much of that is the domestic violence money?

Ms Goward—With the carryover, \$7.4 million.

Senator CROSSIN—Does the \$8.4 million include the \$1 million carryover?

Ms Goward—Yes.

Senator CROSSIN—So that leaves you with a million dollars? If you take \$7.4 million from the \$8.4 million it leaves a million dollars.

Ms Goward—Yes, that is for general funds which will be for the Women's Non-government Organisations' Grants Program and general program funds.

Senator CROSSIN—So \$1 million is to pay your salaries?

Ms Goward—No, these are for program funds. There is actually \$1.1 million; there are some rounding issues here. The \$1.1 million covers the non-government organisations' grants, which is expected to be half a million dollars, and about \$0.6 million is for general program funds.

Senator REYNOLDS—What are those general programs?

Ms Goward—As Ms Halton has indicated, our work plans are for consideration this month and that will be finalised after consultation with the social policy group and with the minister. That will be finalised by the end of June.

Senator CROSSIN—Apart from the domestic violence money—and the additional money there—are there any new initiatives that your office is looking at in this financial year?

Ms Goward—I think that the minister has already indicated that there is an extension of the pilot program for Commonwealth board appointments. Other than that, the new initiatives are the job of our work plan and are for consideration by the department as a whole through Ms Halton.

Senator CROSSIN—Sorry, what is the new initiative?

Ms Goward—There are a number of new initiatives that we might embark on this year to acquit those funds in the \$0.6 million.

Senator CROSSIN—You have not decided what they are yet?

Ms Goward—That is for consideration and 30 June is 28 days away.

Senator CROSSIN—What does 30 June have to do with it?

Ms Goward—That is the end of the financial year.

Senator CROSSIN—So you are trying to tell me that you have been given \$0.6 million. The sum of \$0.5 million is going to the NGO funding, and \$0.6 million is for either ongoing programs or new initiatives, of which you have not yet given any thought as to what they will be?

Ms Goward—We have thought; we are in the process of agreement.

Senator CROSSIN—They were not announced as part of the budget then?

Ms Goward—No.

Senator CROSSIN—Where in this budget paper would I find how much it is going to cost in operational moneys to actually run your office this year?

Ms Goward—I think Ms Halton has explained that that all comes into the social policy group and that is the way the appropriations are now done.

Senator CROSSIN—Point the figure out to me.

Ms Halton—It is on page 17. The social policy group's administrative expenses are contained therein and the distribution of those, as is indeed the case on a year by year basis, occurs based on business plans, et cetera.

Senator CROSSIN—You have told me that \$8.4 million of that \$13.4 million is for program initiatives, so is there more of that \$13.4 million that actually goes to running—

Ms Goward—It comes out of another pool.

Senator CROSSIN—Where is the other pool?

Ms Halton—It is the outputs appropriation.

Ms Goward—The running costs come from the outputs appropriation program.

Senator CROSSIN—From the \$17.5 million?

Ms Goward—Yes.

Senator CROSSIN—How much of that \$17.5 million is allocated to the Office of the Status of Women?

Ms Goward—The details of that are to be settled within the social policy group this month.

Senator CROSSIN—So at this stage you cannot give me at least a nominal allocation of salaries, accrued leave, the cost of electricity, pens, pencils, photocopiers. You must surely have an idea of—

Ms Goward—It will be in the order, as it was last year, of about \$2½ million, but I cannot give you the exact figure because it has not been settled.

Senator REYNOLDS—Is there still an intention to continue the Office of the Status of Women, or is it just being absorbed into the social policy unit?

Ms Goward—I think a \$50 million domestic violence program is pretty good evidence that the office is running.

Senator REYNOLDS—That is a very good and important initiative, but it is one program.

Ms Goward—It is a very large one by the Office of the Status of Women standards.

Senator REYNOLDS—In that case, how many staff does the Office of the Status of Women have at the moment?

Ms Goward—Thirty-three.

Ms Halton—If I can say, in terms of the group, the Office of the Status of Women is larger than the Social Policy Division in my group.

Senator CROSSIN—But it is almost starting to become the ‘Office of Domestic Violence’, as opposed to the Office of the Status of Women.

Senator REYNOLDS—We are just frustrated by the lack of published information.

Senator CROSSIN—I would have to be honest with you and say that I should not have to spend the best part of the first 45 minutes extracting these figures from a budget statement. They should be, I believe, transparent enough for me to see. I find it quite hard to imagine that you will not have a concrete idea of your output appropriation for your office until 30 June; that, as part of the budget process, you have not been allocated a definite amount for staffing on-costs at this stage.

Ms Halton—I think it is important to note that, in this budget, the government has moved to an accrual based arrangement in respect of its budgeting in which we actually are required to appropriate—and rightly so in my view—in respect of outcomes and outcome groups. What you see in this portfolio budget statement is a reflection of this new approach to budgeting. I think Senator Gibson has already made the point that there will be some feedback in relation to these PBSs. I have noted your comments in terms of an inability to find things. What we have done is take this new structure and particularly come to outputs. In our department, ‘Social policy advice and coordination’ is an output of which the women’s programs and the Office of the Status of Women form a very significant part, but this is the format against which we appropriate.

Senator CROSSIN—So what kind of new initiatives may money be allocated against for that other \$0.6 million in your general program funds, or is that not public knowledge yet?

Ms Goward—That is for consideration but, as I am sure you would appreciate, in past years it has been devoted to things like research, the distribution of materials that are in line with our budget initiatives and assistance and working with NGOs on various issues. Consultations are a very large part of our budget.

Senator CROSSIN—I am still grappling with why there are not particular monetary line items against initiatives with the release of the budget.

Ms Goward—It is certainly not a secret; it is just that at this time of year they are not finally settled. For example, in September, when we have the next round of Senate estimates hearings, you will have specific numbers but it would be improper to give you a number, other

than in a very approximate sense, when these have not been settled and agreed to within the department.

Senator CROSSIN—How much of the Office of the Status of Women's time and resources have been and will be devoted to the domestic violence partnerships program?

Ms Goward—We have two seconded staff from the Department of Family and Community Services, because this is an across-government initiative. We have five of our own staff.

Senator CROSSIN—Which would make a total of seven out of how many?

Ms Goward—Thirty-five, including the two secondees.

Ms Caldwell—So five out of 33, plus an additional two.

Senator CROSSIN—So what are the other staff doing?

Ms Goward—As you know, our core business is policy advice to the government. We are involved in departmental briefs on matters of importance to women of a fairly high order. We also administer a grants program. We have a very extensive relationship with NGOs—NGO consultations and NGO communications—which takes staff resources. We also give advice on women and the labour market, women and income security, women and health, and women and sport. As you know, the appointment of women to Commonwealth boards is a very demanding part of our work.

Senator CROSSIN—So, of your other 28 staff, would most of those have particular portfolio areas?

Ms Goward—Yes. They have assigned areas of expertise. We have an international and legal section—as you would be aware from our web site—we have a women in the labour market section, an income security section, a women in leadership section and a domestic violence section.

Senator CROSSIN—Is it your view that the domestic violence program could be delivered by other departments?

Ms Goward—That is a matter for other people to decide, but it is obviously a program which, by its very nature, involves quite a lot of consultation and cooperation. If you are going to do it effectively, you have to have a fairly coordinated response between your criminal justice agencies, your education agencies and your social welfare agencies. It makes some sense for a central agency such as ours to have responsibility, but conceivably another department could do the same job. Certainly, as I am sure Senator Reynolds would tell you, it is an area in which OSW has had a very long, strong historic interest. For that reason, I think the Prime Minister considered that the knowledge base in OSW was strong and exactly the sort that was needed to underpin the beginning, at least, of the initiative.

Senator REYNOLDS—I want to ask a question of the minister at the table, for the third year in a row. Minister, this is the third year that the minister responsible for the status of women has not been able to attend. You are doing an excellent job, and this is not a vote of no confidence in you, but it is frustrating—like this document is frustrating—that, because the minister has another portfolio, she is not able to be present. We accept that she is extremely involved in her other portfolio and has a large responsibility—and this is not criticism of her in that portfolio—but she does have responsibility for the Office of the Status of Women and she is never here because estimates are never coordinated. We have asked before and I ask again for the minister's program to be coordinated. It is not much to ask for. I do not think we ever keep the officers here for too long into the night.

Ms Goward—Only for four hours or so.

Senator REYNOLDS—Even if she could appear for only an hour, it would be a breakthrough to actually have the minister here for estimates.

Senator Herron—I will certainly convey that to her. There are difficulties, as you well know. For example, I thought we would be finished OIP and ATSIC by lunchtime. That was what I was led to believe, but we went on and on. This inevitably occurs. She is in fact attending another estimates hearing considering her portfolio responsibilities.

Senator REYNOLDS—I know. She always is. It is not a question of her not doing her duty; it is a question of her having multiple duties. But it is frustrating. Some of the questions are pretty unfair on officers because they are more questions of policy.

Senator Herron—Yes, I understand.

Senator CROSSIN—Even in relation to this statement, *Delivering on our commitments for women*, one cannot help but come to the conclusion that your office is not being given the high prominence you say that the government is giving it. You can very rarely find the words, ‘the Office of the Status of Women’ or what it is doing in this booklet. I think the fact that there is not even a section in this booklet with a bold heading about the Office of the Status of Women or the fact that it even still exists and is being funded does the office a great disservice. If it is a section of the Department of the Prime Minister and Cabinet that is being retained to the tune of \$8.4 million for programs and you have 28 people who have specialist areas and five people who are involved in a domestic violence program, then that is the kind of information I believe should be in this booklet so that people know you still exist and what you do.

ACTING CHAIR—Minister, this is a policy question and I think I will have to ask you to answer it.

Senator Herron—I have taken that on board.

Ms Halton—Can I make a comment in respect of this particular document to which you are referring. This document is again about functions and a range of initiatives. It is not about individual agencies and departmental structures. I think the view that has been adopted by the government is that we have a particular focus on outcomes and specific initiatives to achieve those outcomes, rather than bureaucratic structures designed to achieve them. I take your point that the Office of the Status of Women has a long history, but I think it would be a trifle odd to reflect that bureaucratic structure in this document when other bureaucratic structures are not reflected in this document.

Senator CROSSIN—I tend to disagree with you. I do not understand why, for example, on page 1-7 of this you do not have one little statement like, ‘An additional \$25 million for Partnerships Against Domestic Violence administered by the Office of the Status of Women bringing a total of \$50 million in spending.’ I do not know why you are not promoting what the office does and giving it the profile that it needs.

Ms Goward—Because women of Australia who are affected by these programs probably do not care where the money comes from. Bureaucratic structures are not relevant to them.

Senator CROSSIN—But a lot of women have said to me, ‘Where does the money come from? Who do I contact? Where can I get that information from? Is it Family and Community Services? Is it Attorney-General’s when it is related to domestic violence?’ I just say it to you as a comment. You might want to take it on board; you might choose to ignore it. Reading through this, as I said, was like playing ‘Where’s Wally?’ to find out exactly what the Office

of the Status of Women does. I know what it does, because I read these documents and I am following the debate, but I think it is a shame that you do not try to promote the role of the office.

Ms Goward—We do not in this document—that is true—but we do have quite an extensive communications network with our NGOs. Certainly, the office by the standards of most divisions within the Commonwealth Public Service has a reasonably high public profile. I think by their standards, we are quite successful in communicating what we do but we do not do it in this document.

Senator CROSSIN—That is my view anyway.

Ms Goward—That is fine.

Senator REYNOLDS—Because you are talking about the communications strategy, could you provide us with a list of all the publications that you have produced since 1996?

Ms Goward—Yes, we can.

Senator REYNOLDS—That would be helpful because sometimes we may not receive them. I commend you on your web site, but there are women asking, ‘Where is the office?’ That is why the web site is so good, because it reinforces that you are still there and you are still doing good things. But we do need to have a range of those publications to always be across what is happening.

Senator Herron—Could I interrupt for just a moment? I am supposed to be somewhere else at 5 o’clock. I have arranged for Senator Vanstone to take my place. She will be along shortly, so could you defer any policy questions until she arrives.

ACTING CHAIR—Are you happy to proceed without a minister, Senator Reynolds?

Senator REYNOLDS—We will not ask policy questions.

Senator Herron—You can defer questions on policy for Senator Vanstone.

ACTING CHAIR—Are you happy, Ms Halton?

Ms Halton—I think we can proceed, but on the basis that the minister has indicated—that there are no policy questions. I think to go for too long in the absence of Senator Vanstone might not be appropriate.

Senator Herron—I expect her here at five; that was the arrangement.

ACTING CHAIR—I will listen to questions closely and, if there seem to be policy questions, we may have to suspend until Senator Vanstone comes. So we will proceed on the basis that you ask questions not affecting policy issues.

Senator CROSSIN—Stop us in our tracks if we jump on that too much.

ACTING CHAIR—Do you wish to suspend?

Senator CROSSIN—I don’t mind. I am happy to take advice.

Senator REYNOLDS—I would advise you to say, ‘That is policy,’ and that is fair enough.

Senator CROSSIN—All right. I wanted to proceed with some questions about the allocation of domestic violence funds. Sue Mackay asked a question about what is happening agency by agency in relation to expenditure and initiatives—it was question No. 69. You sent her back a table of initiatives.

Ms Goward—Yes.

Senator CROSSIN—As we look down the table, I want to ask you why \$6 million to July 2000 has gone into men's relationship support initiatives as opposed to indigenous, or young women's or families. It seems to me that a significant percentage of the DV funding has gone into programs for men. I am asking you why that is. That may well be policy and I have overstepped the boundary with my first question.

Ms Goward—It is because 95 per cent of the perpetrators of domestic violence are men. If you are really going to be serious about prevention, you really have to start working with blokes. If they do not appreciate that they should not break her nose if she disagrees with him, we are not going to get anywhere.

Senator CROSSIN—So the men's relationship support initiative is money for either an education program or some sort of targeted initiative aimed at men and their position in relationships and their reactions, is it?

Ms Goward—Yes. Awareness, counselling, mediation—getting them to see that she is equal and you cannot bash her. It is quite a profound issue, as you would know. You do not bash a woman just because she got in the way.

Senator CROSSIN—No, I do not think we are going to disagree on any of this.

Ms Goward—It is his attitude to her status vis-a-vis his and his rights versus hers.

Senator CROSSIN—What I want to look at is the allocation of money and perhaps a better explanation of what those initiatives are. Is it envisaged that, in targeting that, you would also target victims of domestic violence—women and children?

Ms Goward—In terms of crisis services, women and children are already the major recipients of Commonwealth and state programs, as I am sure you would be aware, through the SAAP program for domestic violence shelters. And yes, there are initiatives in here that work with women, particularly the need for community awareness programs.

Senator CROSSIN—Where are some of those, specifically?

Ms Goward—The purpose of these initiatives is to ensure that women understand that it is a crime; that it is not something they have to apologise for or think might be their fault. They also ensure that women understand that they have rights and that they have access to services.

Senator CROSSIN—What sorts of initiatives does that cover, in this chart that I am looking at?

Ms Goward—The Continuation and Expansion of Rural and Remote Domestic Violence Project focuses on women, the Families and Domestic Violence Project focuses on women, the Young Women's Relationships Pilot Program focuses on women, the Indigenous Family Relationships Pilot Project focuses on women but also, I think, some men. The Family Violence Advocacy Projects focus on women, and Training for Workers in Organisations Working with Indigenous Women and Children focuses on women. The domestic violence prevention workshops for young people work with both sexes.

Senator CROSSIN—All right. In relation to the rural domestic violence program, there is \$534,000 to July 2001. Why has only \$83,800 been expended to date?

Ms Goward—What did you say? How much did you say was expended?

Senator CROSSIN—The amount allocated is \$534,000.

Ms Goward—There has been some change to that portfolio since the election and the advisory committee is now in place and the tender for the project was met on 17 May, so we expect that money to be picked up quite quickly.

Senator CROSSIN—Earlier in one of the estimates I may have asked you about the appointment of one of those positions. Has that occurred yet?

Ms Goward—Sorry?

Senator CROSSIN—I may have asked you in February of this year at the estimates about the appointment of one of those positions—just bear with me while I find the question. I am trying to cast my mind back now to the February estimates.

Ms Goward—Do you think you might be talking about the advisory committee?

Senator CROSSIN—The chair of the Business Against Domestic Violence Foundation; has that position been filled or not?

Ms Goward—We have moved to a different framework. We are working in partnership with Zonta and BPW now on community brokerage partnerships. We work very well as a group and there is really no need to have an overarching committee because we are not doing corporate work at the moment.

Senator CROSSIN—Who is taking responsibility for that program?

Ms Goward—OSW does. We are the secretariat for it.

Senator CROSSIN—Therefore, BPW and Zonta and you meet together under your chairperson?

Ms Goward—Yes and we have initiated a series of brokerage breakfast seminars and both those organisations are committed to carrying that work on by working at the local level with local businesses and local community groups to develop preventative programs or to assist in the local community support programs.

Senator CROSSIN—Can I take you to the changes to the affirmative action legislation. Tell me if I am jumping around a little too much here.

Ms Goward—I think that is probably a policy question. It is not an act that we are responsible for.

Senator CROSSIN—Another thing I would like you to clear up for me is that I know your office put a review into the Affirmative Action Act, but is the responsibility for that act mainly with Minister Reith's area, DEWRSB?

Ms Goward—Yes.

Senator CROSSIN—So any questions I might have about the government's response and the emphasis of that agency towards education rather than regulation are best directed towards DEWRSB?

Ms Goward—That is correct.

Senator CROSSIN—Apart from putting in a submission to the review of the act, do you have any liaison with Minister Reith in terms of the government's response to that review? Do you put in a submission and then just leave it to the minister to respond?

Ms Goward—No. The minister, obviously, and the minister's department examined the review and developed a legislative response which was initially developed in the form of a cabinet submission and, as part of Prime Minister and Cabinet, OSW was then involved in coordination comment.

Senator CROSSIN—In the government's response to that review?

Ms Goward—In the sense that we are part of PM&C. As part of the coordination comments for the department, we were required to make comments on the minister's proposals.

Senator CROSSIN—Not disclosing to us what they were—because I understand that you cannot do that—you were given an opportunity to have a look at that report—the unfinished business—and the government's response?

Ms Goward—Yes, well in advance of it coming to us for coordination comment.

Senator CROSSIN—In terms of the emphasis from the Affirmative Action Agency going to education rather than regulation, is that of concern to the Office of the Status of Women? As part of your review of the act, was that something you suggested, or did you oppose that change of emphasis?

Ms Goward—Our submission reflected the importance we place on education; that an act—policing—can do only so much; that what is really important is prevention, which means ensuring that businesses are aware of their responsibilities and the benefits that will flow to them from using appropriate human resource policy that reflects the diversity of the workplace and the work force and their clients. So we certainly made those acknowledgments in our submission, and any views we might have on the minister's conclusions and his decision to reorient the agency of course are confidential advice we give to the government.

Senator REYNOLDS—Minister, I am wondering whether you can explain why, in the report to CEDAW in 1997, the Office of the Status of Women followed the key areas that are set down in the platform of action from Beijing—women and poverty, education and training, women and health, et cetera. That is on page 4, the contents page of this 1997 document. Yet, in her blue book for this budget, the minister is not following that pattern and, therefore, while there are a number of policy areas that are being delivered, nevertheless it is confusing to try to monitor them, and I am sure, when the office next comes to report to CEDAW, there will be some difficulty in translating this budget format with the CEDAW commitments.

Senator Vanstone—You are asking about presentational differences between two documents, one of which you identify as being a report to CEDAW and the other as being a budget paper.

Senator REYNOLDS—It is not technically a budget paper; it is a report on the budget.

Senator Vanstone—You know what I mean: it comes out with the budget. Without having gone through each of them page by page, my response would be that they are different documents for different purposes. I would not have thought it was like you, Senator Reynolds, to express such a lack of confidence in the bureaucrats in the Office of the Status of Women—

Senator REYNOLDS—I was not.

Senator Vanstone—to appropriately fill whatever reporting requirements are required of them. This is not the embodiment and the key to all the skill that they hold. They will be able to do their job; I am sure of it.

Senator REYNOLDS—Minister, that is why I was asking you the question, because it seems that it is more a policy decision to not follow these headings.

Senator Vanstone—If you are asking me whether the reason that this is laid out differently from the other document is some policy distinction that Senator Newman wants to draw, I will take it on notice and give it to her.

Senator REYNOLDS—Thank you very much. Ms Goward, could you report progress on implementing the recommendations from CEDAW in 1997?

Ms Goward—I can take that on notice. I think that would be the best way to do that, Senator Reynolds, if you want a comprehensive—

Senator CROSSIN—I want to comment about that. I asked you back in February what progress had been made in meeting the recommendations for CEDAW. That was a question you took on notice. To my stunned surprise, your answer was, ‘We will be reporting in the year 2000,’ which I did not think was an answer at all. I know you are going to do that. I had actually asked you what progress had been made since the recommendations were handed out in July 1997.

We are talking about nearly two years on now; so I think it is probably time we actually got an answer about the progress. This will be the second time you have taken that question on notice. The areas go to our national women’s health policy. You must be able to give us an answer about women’s representation in decision making and management in the private sector and greater participation of women in the paid labour work force. I was hoping we could almost go through each of the paragraphs of this report—which number 44—and that, by now, we would have some kind of chart that would outline each of the 44 paragraphs and what progress has been made.

Ms Goward—We are due to give that report—a combined fourth and fifth report—to the CEDAW committee in the year 2000, next year. I see that as the appropriate occasion on which to report to the United Nations the progress in implementing the recommendations.

Senator CROSSIN—But you must surely be able to tell us what progress is being made—whether you have achieved recommendation X or not—

Senator REYNOLDS—Recommendations to Australian women.

Senator CROSSIN—Whether there is some time to go or whether in fact it is not achievable. There is a recommendation there about domestic violence. Surely you would be able to report that that is progressing extremely well from your point of view. There are some that are more difficult.

Senator Vanstone—And, may I say, from a broad section of the community.

Senator CROSSIN—That might be true, but we keep asking you what progress you have made towards those recommendations, and for the second time now you are telling me you will have to take the question on notice. I am happy for you to do that if the answer is going to be quite detailed.

Ms Goward—Yes, it will be.

Senator CROSSIN—But the last time I asked the question I just got a three-line answer that said, ‘We’re going to report in the year 2000.’ I do not think that that is an adequate answer.

Ms Goward—That is when we report to the CEDAW committee.

Senator CROSSIN—I understand that.

Senator REYNOLDS—One of the recommendations was dissemination of the report to Australian women. Has that been done?

Ms Goward—Wasn’t it more specifically about using indigenous languages?

Senator REYNOLDS—Not necessarily.

Senator CROSSIN—That was another area.

Senator REYNOLDS—That was another area. It was suggested that the recommendations of the report should be widely disseminated to women in the Australian community? Has that been done?

Ms Goward—There have certainly been consultations with women's NGOs.

Senator REYNOLDS—That is not the question I asked. I asked whether the report has been circulated widely?

Ms Goward—No, I have not posted it out, because I think the expense of posting it to every woman in Australia would be prohibitive.

Senator REYNOLDS—Nobody has suggested that you post it to every woman in Australia, but it is quite clear that Australia did not measure up well. In 1997 you were asked to alert women to some of the concerns that the committee had, and obviously that has not been done.

Ms Goward—As I understand it, there is access to the report via the United Nations web site.

Senator REYNOLDS—On the United Nations web site?

Ms Goward—Yes.

Senator REYNOLDS—But not on your web sites—of how you are implementing the recommendations?

Senator Vanstone—Senator, that was intended to indicate that dissemination of the report by post was prohibitively expensive and that, in any event, it was widely available to those who had an interest. That answer was not to indicate anything about drawing attention to particular parts; it was just in response to your question about whether the report was available to Australian women. The answer is: yes it is, on the web site.

Senator REYNOLDS—But, Minister, that was not what CEDAW asked Australia to do.

Senator Vanstone—If CEDAW was saying, 'Make sure Australian women know about this report,' and it is available on a web site and there have been consultations, that is the answer. What more did you want?

Senator REYNOLDS—That is not what CEDAW would have anticipated.

Senator Vanstone—Do you have a crystal ball?

Senator REYNOLDS—I do know what happens in other countries.

Senator CROSSIN—There are 44 paragraphs in this report, and this is the second time that we have asked what progress has been made in relation to meeting them. I put it to you that in some areas good progress has been made. For example, one statement here says, 'The committee encourages the government to strengthen its support for women's studies, to provide funding for research and teaching.' When we ask you to report on that progress, what we are wanting to know is: what have you done about strengthening support for women's studies and providing funding for research? I know from my knowledge of the Office of the Status of Women that there has been progress in that. What I am saying to you is that we would like some annotated documentation about progress towards these recommendations. I think you are assuming that we think that your answers are going to be negative or that there has been no progress.

Ms Goward—No, not at all.

Senator CROSSIN—We actually have people who are asking us what progress has been made. Because we know that in areas there has been some good progress, we would like you to answer that question for us.

Senator Vanstone—Ms Goward has said she will.

Senator CROSSIN—And I am indicating that I would like more detail than the answer I got last time.

Senator Vanstone—I am not meaning to be rude but I have heard you say that three times. I am sure she has the skills to understand what you mean.

Ms Goward—The work involved in doing a progress report is tantamount to doing the fourth and fifth report, and we would prefer to treat it as that same question and respond to CEDAW next year.

Senator CROSSIN—So you are saying that you will not give us a progress report on the recommendations until you produce your fourth and fifth report next year?

Ms Goward—That is, as we see it, the appropriate forum to give a progress report.

Senator CROSSIN—We would like information prior to that.

Ms Goward—All right. Do you have—

Ms Halton—Senator, I think it is possible to point to sources of information or information that is readily available. I think Ms Goward's point is that to prepare a comprehensive status report at this point is the same thing as writing the full report, and that is a huge effort. I understand your point, which is that you would like some greater information as to progress in a number of areas, and we will see what we can do to accommodate that, but I do not think it is possible to basically write a preliminary report.

Senator CROSSIN—I am not suggesting that. Again, if I hold up this very brief, annotated three columns, something like that surely must be possible.

Senator Vanstone—You are looking for more information than that we are reporting in the year 2000—you want more than that?

Senator CROSSIN—At this stage we do not have any report on what progress has been made.

Senator Vanstone—But you do agree with that—that you want more information than the three lines that say, 'You will get your answer in the year 2000'?

Senator CROSSIN—That is right, but we do not want a comprehensive report either.

Senator Vanstone—I think there is an agreement to give you that, but there is a qualifier that it will not be a draft report.

Senator CROSSIN—That is fine, as long as we are all clear about what kind of information we are seeking and when we might get it.

Senator Vanstone—Isn't that a nice feeling when we are all clear what we all mean.

Senator CROSSIN—That is good. We might not have to ask the question a third time, Margaret, do you think?

Senator REYNOLDS—In this place!

Senator Vanstone—Was that a cynical chuckle?

Senator REYNOLDS—It was a cynical chuckle.

Senator CROSSIN—Similarly, you mentioned before that there was a women and financial planning project. No, that is quite different, isn't it, to providing the CEDAW report in different languages? Just on that, has any thought been given to providing this report or sections of this report in different languages for women of other ethnic groups?

Ms Goward—I think we looked at the expense involved, but we also have undertaken some initiatives in that area which are not yet public.

Senator REYNOLDS—Which are not yet public?

Ms Goward—No.

Senator CROSSIN—So we look forward to those?

Ms Goward—Yes.

Senator CROSSIN—I think Senator Mackay might have asked you in May about the input that the Office of the Status of Women had into the formulation of the GST package. Did they in fact have input into that?

Ms Goward—We confirmed that at the time, Senator.

Senator CROSSIN—Are you currently being consulted about the recent changes to the package, or have you sought to be involved in consultation about the recent changes to the package?

Ms Goward—That, I would say, was a policy question. That is a political, parliamentary question.

Senator CROSSIN—Senator Vanstone, will the Office of the Status of Women be asked to comment on the changes or provide advice about the changes?

Senator Vanstone—I will ask Senator Newman and I am sure she will respond with great haste since your question was so nicely put.

Senator CROSSIN—You will ask her, will you?

Senator Vanstone—I will not personally ask her. I am sure Ms Goward will ask her.

Senator CROSSIN—Thanks very much. Ms Goward, has your office identified the major concerns for women in the GST package, positive or negative?

Ms Goward—Yes, Senator.

Senator CROSSIN—You have done that and you have provided that advice to the government? It is not advice, of course, that is available to us?

Ms Goward—No.

Senator CROSSIN—Of course not. I think I have asked this question before! If I can go back to the initiative in the budget, there are a couple of things I wanted to ask you about.

Ms Goward—Domestic violence—is that what you mean?

Senator CROSSIN—No, not domestic violence; more the women and work area. In 'Delivering our commitments for women', on page 1-6, it talks about women's participation in the paid work force, that employment for women has increased, and it gives some figures there. Is it your office that would look at what types or sorts of employment we are talking about here? If it has increased by 161,000—to round the figure off—do you look at whether that is casual work and part-time work as opposed to permanent full-time work?

Ms Caldwell—Those statistics we do scrutinise from the Bureau of Statistics.

Senator Vanstone—You would expect a bit of part-time work, though, because internationally there is a trend to an increase in that. Not that I want to introduce an element of bad humour, but may I say I thought your lot were particularly ungenerous when Senator Newman raised this question in the Senate the other day. I would have expected, from all the women in the parliament, virtual cheers—in fact, real ones is the proper word: real cheers—and there was a lot of disparaging ho-humming going on as if there was a reluctance to recognise achievements of this government.

Senator CROSSIN—What I am actually leading to is whether or not your office has a view about it and tries to influence government, because it would be nice to know if those 161,000 increases in employment were actually permanent full-time as opposed to casual, part time, can get rid of with a day or an hour's notice. It is correct that women's participation in the labour market has increased. But if we are all on casual jobs of only three hours a day that can be terminated with an hour's notice, that is probably not something we would all cheer about.

Senator Vanstone—If you are having trouble getting information from ABS we could get it for you.

Senator CROSSIN—What I am saying is: why, in this statement, are those figures not broken down into full-time, part-time or casual numbers, as opposed to just a comment that it has increased by 161,000?

Ms Goward—I think the shortness of the statement precludes you from going into that sort of detail.

Senator CROSSIN—The shortness of this statement?

Ms Goward—Yes.

Senator CROSSIN—As the Office of the Status of Women, why would you not want to make even a one-sentence comment as to where the increases in the types of employment have occurred?

Ms Goward—This is an overview.

Senator CROSSIN—It should be noted that this has been mainly in the casual area or that it is a credit to the government that it is an increase in full-time employment.

Senator Vanstone—If I could just intervene—I do not want to limit the questioning—I think the estimates always proceed to an earlier conclusion if there is less intervention. But, since the purpose of estimates is to look at how the government is spending its money and to have fair and proper questioning of what it is doing, I would hope that we do not spend long focusing on why the government has chosen one aspect of some figures to put in an overview document and, with respect, arguing about what you might have done differently if you were in Ms Goward's or Senator Newman's position. I do not know that a lot hangs on the selection of one form of figures or another. We could go through every government report and say, 'Why did you put this in and not that?'

Senator CROSSIN—We might have to do that.

Senator Vanstone—With respect, Senator, it would not inform us or the community at large any more as to the government's performance in achieving its desired outcomes. In the end, what does and does not go into an overview is a subjective assessment led, presumably, partially by advice from within the department and partially by the minister's selection. I do not know whether the minister did the final drafting, but what I am trying to say is that not a lot hangs on it since it is publicly available information to whomsoever might want it.

Senator CROSSIN—That may well be true, but what hangs on this and what we are trying to ascertain is what exactly the Office of the Status of Women is doing these days other than administering a domestic violence program and a little bit of money to NGOs, and whether they have a role in and are concerned about increasing women's participation in the labour market area. An overview like this I would have thought would be a bit important.

Ms Goward—I have told you several times what we do. Would you like me to go through the areas again? We provide a great deal of advice, cabinet coordination comments, on a whole range of areas, including domestic violence but also legal and international areas, women in the work force and income security. We also supply advice on things like the review of the Affirmative Action Agency. We also supply the minister with advice on program initiatives in other areas and where they are of interest.

Senator CROSSIN—Therefore, with respect to page 60—

Senator Vanstone—With respect, Mr Chairman, I am sorry to point out that, if an officer is answering a question, you have to let them finish because they will always let you finish your question.

Senator CROSSIN—We have already had the answer to this question.

Ms Goward—No. You forget that superannuation and divorce was a major achievement of the office in the last 18 months. You forget that we have a major initiative with women on Commonwealth boards. We do not do just a little bit of domestic violence. We do a great range of things, and it is a very busy office.

Senator CROSSIN—So, if I asked you what were three initiatives of the last 18 months that you think are a credit to the office, what would you say?

Ms Goward—I would say, easily: domestic violence, superannuation and divorce, and some very good initiatives we have taken for Commonwealth board appointments. In addition to that, we have developed a very comprehensive communications program for women's NGOs, and that takes considerable resources and staff time. That is in addition to the cabinet coordination advice that we give.

Ms Halton—If I can add to that, the reality is that, as part of the social policy group—as Ms Goward has indicated—they have a very key role in providing advice to the government on issues that are relevant to women right across the government's mandate and agenda. Sitting in my position, I can say that they prosecute that agenda with great enthusiasm.

Senator CROSSIN—Can I turn to funding for NGOs—

Senator REYNOLDS—Just before you do, can I take up that point. This document—and I know I am not supposed to say so, Senator Vanstone, because you do not expect me to commend the government—

Senator Vanstone—Are you going to say something uncharitable?

Senator REYNOLDS—No, I was going to commend somebody. I think I will commend Ms Goward instead of the government, though. Is that all right?

Senator Vanstone—Technically speaking she is part of the government.

Senator REYNOLDS—I accept that.

Senator Vanstone—She will accept it on the government's behalf.

Senator REYNOLDS—Was this document prepared by the Office of the Status of Women?

Ms Goward—You are talking about?

Senator REYNOLDS—This one—‘Delivering our commitments’.

Ms Goward—We coordinated the input from departments and provided that information.

Senator REYNOLDS—There is a range of very useful information and it does show that there is an impact being considered across a range of areas. But I am wondering if you could, just in very broad terms, tell us whether or not there are still gender policy advisers in each of these departments. Is there still somebody responsible for this information from a gender perspective? Or is that a policy question?

Ms Goward—There are women’s units in some departments. Whether or not they are responsible for that particular information depends on the department. For example, from the department of health we worked entirely with the budget coordination section. That tended to be our source of information with most departments. It does not suggest that women’s units in those departments have not had a role to play, but they are not the people we worked with in collecting that information.

Senator CROSSIN—With the non-government organisations, a number of NGOs have been given program moneys. I notice that in part of the review of funding to non-government organisations some organisations received no funding in years gone by, in fact the funding has been cut, and some have moved to what I think you would call transitional funding only. Who makes the decision as to who has recurrent funding and who moves to transitional funding? For example, in 1997-98, seven organisations received transitional funding: Australian Women in Agriculture, the Foundation for Australian Agricultural Women, the Association of NESB Women, the National Women’s Justice Coalition and the National Women’s Health Network. Why do they get transitional funding?

Ms Goward—Because other ministers’ offices indicated to the then Minister for the Status of Women, who was Senator Newman, that they would be prepared to accept them as an organisation that they would fund because they saw their core businesses being in step with the departments, so they were given transitional funding before they basically were picked up by other departments. That, as you see, is true of the agriculture groups. That was in 1996-97.

Senator CROSSIN—So are you saying that, for example, the Association of Non-English Speaking Background Women—ANESBWA, as it was commonly called—received transitional funding because the intention was that they would not be funded by you but they would be picked up by the Office of Multicultural Affairs?

Ms Goward—No, the Department of Immigration and Multicultural Affairs.

Senator CROSSIN—Do you know if that has occurred?

Ms Goward—I know that FECA, which is the federation, has been required to recognise gender issues, but my understanding is that DIMA has not continued to fund ANESBWA.

Senator CROSSIN—So does your office then pick them back up again? What happens in that case, where a department says, ‘Give them transitional funding because we will look after them as of the year after next,’ and they do not? What role does your office then play in that?

Ms Caldwell—The transitional funding to which Ms Goward referred was in one particular year when there were transitions between our funding program and other departments. There is not normally a transitional arrangement of the type you describe. Normally our grants are for a 12-month period. We had, on a one-off basis in 1995-96, a transitional arrangement because of changes to the grants program. But normally NGOs compete in the annual funding round under the current arrangements—we grant for a year and people resubmit at the end of the year and compete.

Senator CROSSIN—Again, what happens with ANESBWA or Australian Women in Agriculture if no one picks them up?

Ms Caldwell—They are welcome to apply to us when we advertise our funding grants.

Senator CROSSIN—They can reapply to you?

Ms Caldwell—Yes.

Senator CROSSIN—What is the basis of not funding NGOs? On what basis do you defund, for example, the Association of Women Educators or the Coalition of Australian Participating Organisations of Women?

Ms Caldwell—It is through the annual grants process, so we grant for a year and, at the end of that time, people apply again. Therefore, some people may be successful in successive years or they may not be successful. There is no defunding per se—their time comes to an end and they may or may not successfully compete in the next round.

Senator CROSSIN—One million dollars was allocated for grants, but that was an inflated figure because of the Beijing conference, wasn't it?

Ms Caldwell—I think the maximum that was ever allocated out of that was a tad over \$900,000, even though \$1 million was allocated. There was in one of those years—

Ms Goward—\$50,000 was allocated for Beijing.

Ms Caldwell—\$56,750 was allocated specifically for Beijing travel. Over time, the grants programs have evolved in various ways to sometimes be operational funding for quite low levels of \$200,000 and then, over time, they pick up various mixes of operational money.

Senator CROSSIN—How many organisations would actually put in for some money under your grants program?

Ms Goward—It would be a considerable number each year. It was 37 last year.

Senator CROSSIN—And they are all vying for a piece of a \$500,000 pie. Is that right?

Senator REYNOLDS—Is there any mechanism for trying to persuade the Department of Immigration and Multicultural Affairs or AusAID to pick up some of these organisations, because you obviously cannot fund them all? Is there a mechanism, either official or unofficial—whether it is the minister or whether it is through your—

Ms Goward—The Prime Minister has written to his colleagues in past years urging and encouraging them to do so.

Senator REYNOLDS—That is good. He might have to send them a reminder now.

Ms Goward—It is something that the office does keep tabs on.

Ms Caldwell—For example, this year over \$260,000 was received by women's organisations through those other arrangements, which means it is quite close to record levels.

Senator REYNOLDS—It is a similar issue to appointments to statutory authorities, isn't it? You get good ministers and you get other ministers. Some are very cooperative and others are fairly dismissive. I am speaking about any ministers, not necessarily ministers in this government. It is just that some people are more inclined to recognise the work the office is trying to do and that makes it easier to work with some ministers than others. I am wondering—but I will ask Senator Vanstone when she returns—if they have pursued this at a more political level.

ACTING CHAIR—I will accept that as a comment, rather than a question.

Senator CROSSIN—What kind of criteria do you use to allocate money to certain women's organisations? You have 37 vying for only \$500,000. I am assuming that the community sector support scheme or the community organisation support scheme no longer exist. Is that right? Some \$12 million was cut in the 1996-97 budget for the community support organisation, wasn't it?

Senator REYNOLDS—Community youth support—

Senator CROSSIN—No, community support organisations. There was a program called the Community Organisations Support Program.

Ms Halton—Which is now known as the CSSS program—and I cannot tell you what the acronym stands for. My understanding is that that program still exists. It does not work out of our portfolio.

Senator CROSSIN—Where does it work out of?

Ms Halton—FACS.

Senator CROSSIN—I go back to my question. If you are only given an allocation of \$500,000, do you have some kind of benchmark, performance indicators or criteria against which you allocate money to those organisations?

Ms Caldwell—We have funding guidelines for applicants. We have a structured application form asking for details of the organisation—their membership and activities and their range and spread of interests. We also have a selection panel to provide advice to the minister, comprising personnel from both within the office and outside the office. We have a structured grants system.

Senator CROSSIN—Who is on the selection panel?

Ms Caldwell—Last year it was: an assistant secretary—not myself—from the office; one from another department familiar with grants programs; a representative from the Women's Emergency Services Network, which was obviously not applying for funding; and another community organisation representative, who last year was from ACROD.

Ms Halton—Can I make a point? What my colleague is referring to is a process of screening applications against a known set of criteria for recommendations to be provided to the minister. This is a ministerial decision and the process is basically about screening those applications and making sure that they receive due consideration, but not decision making per se.

Senator CROSSIN—I understand that. The allocation of money is specifically in the hands of the minister, isn't it?

Ms Halton—That is correct.

Senator CROSSIN—I want to turn back to the work aid for mums—and you were probably involved in or consulted about this initiative. I am curious to ascertain why it only applies to women who have been out of the work force for two years or more, as most maternity leave provisions in awards are for either 12 months or six years. Can you enlighten me as to why there was a two-year cut-off point for these women?

Ms Caldwell—If someone is actually on maternity leave and returning to their previous employer, they would not be availing themselves of this particular assistance because they would be on leave and returning to their former workplace. This measure is actually looking at the needs of parents who have been out for an extended period and looking at the needs of deskilling.

Senator CROSSIN—Is it to pick up those women who have had to resign or who do not have employment to go back to by virtue of maternity allowance?

Ms Caldwell—It is essentially for parents who have been out for an extended period—in this case, for two years. This reflects the experience of the issues of deskilling and lack of contact with the work force.

Senator CROSSIN—I believe there has been some type of assessment that this might translate to about \$140 per person. Do you consider that that would be inadequate? Have you made any submissions to the government about how you believe the available money could be allocated?

Ms Goward—That assessment is based on a number of assumptions and the details of the program are something that the department is working out at the moment. We could not comment on that figure.

Senator CROSSIN—You are still under the process of providing advice to government as to which women would be eligible for this money, whether it will be means tested, and whether it will be single parents. That detail is yet to be finalised. Is that right?

Ms Goward—The department is developing the detail.

Ms Caldwell—The Department of Employment, Workplace Relations and Small Business is responsible for this budget measure; therefore, they are currently going through that process and talking to us.

Senator REYNOLDS—While you were out, minister, I did ask Ms Goward about when the grants program is obviously unable to cover every application. There is an encouragement from the Prime Minister to ministers to ensure that they allocate funds to women's organisations, and I said that some are more responsive than others. The chair was a little concerned that I was about to be critical of this government—I cannot imagine why—but we all know that some ministers view gender equity with more seriousness than others.

I wonder if you could take up with the Prime Minister, on Senator Newman's behalf, the need to keep pushing ministers to appoint women on a more equitable basis—which you and I have had discussions about—to government boards and statutory authorities and also to pick up the funding of women's organisations? For example, ANESBWA, the Association of Non-English Speaking Background Women of Australia, was not funded by the department of immigration. I cannot think of a good reason why the department of immigration, which has a quite substantial budget for such organisations, could not manage to fund that particular organisation. I know the Prime Minister has written, because that has been standard policy for some years.

Senator Herron—I am happy to do that.

Senator REYNOLDS—You are one of the good guys.

Senator Herron—Thank you. I have six daughters and a wife. I have no choice.

Senator REYNOLDS—It is about the funding for ANESBWA but also the general principle. I just used the department of immigration as a bad example.

Senator Herron—I just wonder if you could elaborate a little for me. One of the reasons for defunding when we came into government was the budget situation. Is that something that has occurred subsequent to that?

Senator REYNOLDS—Yes. I think it is more philosophical, because there is money available in various government departments. They have much more money than PM&C has

through the Office of the Status of Women. Given that mainstreaming is the practice, if government departments are not picking up their responsibilities, it is exactly the same as the issue you have with the indigenous policy—that is, if the department of transport is not concerned about transport issues in indigenous communities, ATSIC is left to pick up the responsibility when it is really a transport responsibility.

Senator Herron—I agree. I think there should be a rethink. For example, I have a very strong view about family violence. I think it is a men's problem, by and large, and women are the victims, yet it comes under the Office of the Status of Women. I see these big conferences of women—

Senator REYNOLDS—But they are funding men's programs, which is good.

Senator Herron—Yes, true. But I think the emphasis often needs to be rethought, and I am happy to take that up with the PM.

Senator CROSSIN—I have a question about health. The Department of Health and Aged Care has broadbanded its public health funding to states and territories. I think back in February, Ms Goward, you made a statement about health being a matter for the department and that the Office of the Status of Women did not involve itself in health policy. I am wondering if your office has done anything about monitoring the impact of this health policy change, particularly in relation to one of the recommendations from CEDAW about a national women's health policy, where that interchanges and crosses over?

Ms Halton—Perhaps I could answer that question. It is true that, in the context of the resources available explicitly in the Office of the Status of Women, there is not a large body of resources directed to the issue of health, particularly to women's health issues. However, within the social policy group more broadly, we have an explicit responsibility to oversight health. Indeed the question of public health to which you refer is a focus of the staff in that area who work very closely with Ms Goward's people. You would probably not be surprised to know that they sit across a corridor from each other and have—can I describe it as—an organic relationship; they have a very close working relationship. Whilst there may not be an ability within the office itself to develop expertise—and health, as you would appreciate, is extremely complex and very broad—the working relationship between the Office of the Status of Women and the Social Policy Division ensures an oversight and a consideration of issues in the group in respect of women's health.

Senator CROSSIN—How is the impact of this change being monitored?

Ms Halton—You would appreciate—or perhaps you do not, Senator—that there is a branch in the Social Policy Division whose remit is explicitly in relation to health. They have a responsibility to monitor outcomes in respect of government programs, and they have particular charters to look at, for example, the kinds of changes you have alluded to and the implications of those changes in respect of health in the community.

Senator CROSSIN—And we would see a comment on those outputs and indicators in the annual report. Is that right?

Ms Halton—In respect of our annual report or in respect of the Department of Health and Aged Care's annual report?

Senator CROSSIN—You talked about people sitting in the social policy unit. Were you talking about the PM&C's social policy unit?

Ms Halton—That is correct.

Senator CROSSIN—Then that would be the annual report of the Department of the Prime Minister and Cabinet, wouldn't it?

Ms Halton—Again, remembering that we are not responsible, with the exception of the programs that Ms Goward has outlined to you, for the delivery of the large majority of programs of relevance to women. Our responsibility is to provide, as Ms Goward has indicated, the broad range of policy advice and oversight in respect of those issues. The reporting as to outcomes of particular programs that are the responsibility of agencies would be seen in their annual reports.

Senator CROSSIN—If they were not satisfactory, would you make a comment to them?

Ms Halton—Most certainly. Our responsibility is to provide comments on a whole range of government policies. We regularly make comments, as they will probably tell you if you ask them.

Senator CROSSIN—You do make comments, but whether they take them on board is another thing. Is that right?

Ms Halton—We do have some success, Senator, I would hope.

Senator REYNOLDS—You do make comments, but whether they listen is another matter.

Senator CROSSIN—In relation to your funding over the last few years, Senator Mackay asked a question on notice, question No. 67, and you provided her with a table about allocation and actual expenditure. I want to ask you a question about the 1996-97 money. I notice you were allocated around \$580,000 for administration, you actually spent \$220,000 and there were about 35 staff. In 1997-98, when there was an allocation of \$563,000, I notice that 29 staff actually managed to spend \$563,000. Why did more people in the previous year manage to spend quite a significantly less amount of money in terms of administration?

Ms Goward—The first year you refer to was the period when the department reviewed the operations of OSW, its budget and its staffing allocation. They were also without a divisional head for some months after Ms Townsend left. I did not come until the end of March. I think that is reflected in their spending for that year. In the following year I was there for the full year, and I can spend money. So we spent it all.

Senator CROSSIN—Should I ask what you spent it on?

Ms Goward—It was not on hairdressers.

Senator CROSSIN—I am not suggesting that it was.

Ms Goward—It was properly spent in accordance public service guidelines, but it was spent on the sorts of initiatives that we introduced—on a number of publications; on the domestic violence summit that began in October which was a considerable expense for us; and also on the BADV which followed shortly thereafter. The office cranked up.

Senator CROSSIN—You did actually quote to me before that you now had 33 staff. Did that increase in expenditure include the additional three staff that you would have put on?

Ms Goward—That is this year, as you will see.

Senator CROSSIN—That is 1998-99?

Ms Goward—Yes. Last year the ASL allocation was 30, and we had 27, not including SES, so in fact, with SES, 30. But that is a management issue, as you know—recruitment and people leaving and coming and going.

Senator CROSSIN—I want to go to suitably qualified women on Commonwealth boards. That has now been tendered out to Profile Ray and Berndtson, is that right?

Ms Goward—That was the initial year of the tender, yes. They got the tender for the first year.

Senator CROSSIN—Were these the profile agencies?

Ms Goward—This is an executive search company to whom we gave the task of identifying women suitable for appointment to Commonwealth boards, and they were sought from the ranks of the private sector.

Senator CROSSIN—So they had this consultancy for only a year, but they no longer have this consultancy?

Ms Goward—No, we appointed a new consultancy this year.

Senator CROSSIN—Does that replace the register of women that you held?

Ms Goward—No, we still maintain the register, the appoint database, and we still have our own role to play. The importance of the pilot was in testing the capacity of executive search to identify on merit suitably qualified women who were professionally assessed by an executive search company whose expertise is in making these assessments and whether we could make a difference using this process rather than employing the rather ad hoc process that had been used in the past.

Senator CROSSIN—What is your assessment at the end of the day. You have obviously reappointed another consultant, so you were satisfied with—

Ms Goward—We are satisfied with the concept. It has been finetuned and, yes, we have extended the life of the pilot; the minister announced that on International Womens Day. Yes, we believe that there is merit in it, and certainly in three of the four agencies that were the pilot agencies, the percentage of women appointed has increased.

Senator CROSSIN—I saw that. So, when a vacancy exists, the consultant will provide you with a name but you also go through your register of women?

Ms Goward—No, in the pilot agencies, that work is managed entirely by the consultant.

Senator CROSSIN—They get to access your register?

Ms Goward—We do not have a register. What we are doing is relying on independently qualified and assessed nominations. The problem with a register, as you would know, is that CVs become out of date, there is no way of independently assessing the veracity and the CV is often not even written with the qualifications of the board particularly in mind. The executive search company is able to do those things, and that is why we have used this pilot program to test this approach. However, we do have an early warning involvement where we draw to the attention of departments well in advance of appointments being due that they are due and that there are suitably qualified women available if they would like to consider their names. That gives them the time and the opportunity to pursue those suggestions.

Senator CROSSIN—I am sorry, I thought I heard you say before that you kept a register. You do not keep a register any more?

Ms Goward—No. We have an appoint database, which tells us the percentage of women and people from various disadvantaged backgrounds—the percentage of their appointments to boards by department—and we are responsible for maintaining that database.

Senator CROSSIN—So how do women actually get on to this database which the consultant holds? I notice, with your register in the past—in the old days—there were forms

everywhere that people could fill in, and they were available all around the place. So how do people actually know to get on the list, or become known to these consultants now?

Ms Goward—The pilot was very well publicised at the time of its beginning; the Prime Minister announced it in Melbourne. It was quite a large function. It has been referred to many times in press reports, and it is certainly referred to on our web site. It is an ongoing awareness program. But the other thing about using an executive search firm is that what you are really paying for is their database. Profile Ray and Berndtson had a decent sized data base, and the new company this year has a considerably larger data base.

Senator CROSSIN—Are you extending the pilot program?

Ms Goward—We have extended the life of it, yes.

Senator CROSSIN—I think there were only four agencies in the pilot. You are not extending the number of agencies involved, or are you just extending the life of the last four?

Ms Goward—The last four.

Senator CROSSIN—Are there any plans to perhaps extend it across the Commonwealth agencies?

Ms Goward—When we do a comprehensive evaluation of it this year, I think then it will be an issue for departments, or perhaps the government and the cabinet, to decide whether it is a useful way of getting meritorious appointments or nominations and whether it could be used by all departments.

Senator CROSSIN—So you have not done an analysis perhaps as to why DFAT had a decrease in the percentage of women on its boards as opposed to the other three?

Ms Goward—That is why we extended it, because it was only a year. As you know, board appointments can be very lumpy.

Senator CROSSIN—Can I just quickly ask you whether the year book of women in Australia has been completed. I think when I last asked you that question in February it was still in the production stage, and the cost of the production was around \$273,000.

Ms Caldwell—The former year book was around that amount.

Senator CROSSIN—I see. Is there a year book of women in Australia due to be produced again?

Ms Caldwell—We are looking to publishing a new statistical compendium on women.

Senator CROSSIN—When is that going to be available?

Ms Caldwell—Later this year, Senator.

Senator CROSSIN—So that is planned for the second half of the year, is it?

Ms Caldwell—Yes.

Senator CROSSIN—I cannot find in the estimates of May whether Senator Mackay asked you about consultation with women on the preamble. You might perhaps—

Ms Goward—We were asked and, yes, I was able to confirm we were not consulted. It was not considered a policy issue.

Senator CROSSIN—You were consulted?

Ms Goward—We were not.

Senator CROSSIN—You were not consulted about the wording of the preamble?

Ms Goward—No.

Senator CROSSIN—Now that that preamble is in the ethos for lots of people to comment on, has the Office of the Status of Women chosen to provide some comments to the Prime Minister about the preamble or the wording of the preamble?

Ms Goward—No. That work is done by Government Division.

Senator CROSSIN—You are not intending to provide any kind of submission or input into that?

Ms Goward—No, we are not intending to.

Senator CROSSIN—I now have some questions that Senator Lundy wanted me to ask you. Next year is the centenary of women's participation in the Olympic Games, and I understand that in the budget statement it was announced that a series of activities are planned to commemorate the event. I would like to know whether you are involved in any specific measures or costings involved with those events?

Ms Goward—We will be involved in the development of those initiatives, but I cannot be more precise than that. That is just part of our job.

Senator CROSSIN—In this booklet here, are those initiatives outlined?

Ms Goward—No.

Senator CROSSIN—So who—

Ms Goward—The Australian Sports Commission.

Senator CROSSIN—If I said to you that the Australian Sports Commission were suggesting that it was your responsibility, what would your response be to that?

Ms Goward—That it would be something we would contribute advice and support for.

Senator CROSSIN—Your understanding is that the sole responsibility for any kind of implementation of a budget statement referring to the centenary of women's participation in the Olympics is with the Sports Commission?

Ms Halton—Senator, can I be clear. Are you saying that the Sports Commission has given evidence that it is not their responsibility?

Senator CROSSIN—I think there is some evidence to suggest that. There has been a budget announcement about events surrounding women's participation in the Olympic Games. I think what we are trying to do is get a handle on who exactly is going to take the major coordination and implementation role for this.

Ms Halton—Senator, if you are saying that there has been evidence to that effect, that is certainly not our understanding. If you are saying that you think that perhaps there is some confusion, we are happy to take that away and look at it. As Ms Goward has indicated, it would be our expectation that we would play a role in providing advice and assisting but it would not be our expectation that we have the principal, as in line agency, responsibility for this. I think you will understand that a number of agencies are involved in the Olympics 2000. But we will take that on board and try to ensure that that happens.

Senator CROSSIN—Are you saying then that it is your understanding that the Sports Commission is responsible for specific programs with respect to the centenary of women's participation?

Ms Halton—The Office of the Status of Women does not run a program explicitly which has that responsibility but we are happy to discuss with the Sports Commission to ensure that there is no confusion in relation to this item.

Senator CROSSIN—All right then, thanks for that. Do you know if any action has been taken to implement the recommendation in Libby Dahlsen's report on the centenary of women's participation in the Olympic Games?

Ms Goward—No, I am sorry. I do not.

Senator CROSSIN—My understanding is that the report cost \$20,000 and again there seems to be some confusion as to who exactly is responsible for following up on this.

Ms Halton—As I have indicated, Senator, you are telling us that there is some confusion. To our mind there was not a confusion, but if you are suggesting there might be we will certainly endeavour to ensure that that is clarified.

Senator CROSSIN—All right, okay. I understand that the sports policy was to ensure that women are fairly represented at the executive and board level in SOCOG and as Olympic attaches. Do you have any advice to me about how this commitment is being achieved or do you have any input into that?

Ms Goward—I do recall that Mrs Moylan, when she was Minister for the Status of Women, provided the New South Wales government with a list of women suitable for appointment as attaches.

Senator CROSSIN—Do you know if there has been any progress on that or how that commitment is being achieved since she is no longer the minister responsible?

Ms Goward—No, it is now the responsibility of the New South Wales government and this was some assistance that she offered voluntarily.

Senator CROSSIN—So it is not an ongoing responsibility of your office—

Ms Goward—No.

Senator CROSSIN—to look at women's participation on the SOCOG board or as attaches? Is that right?

Ms Goward—No.

Senator CROSSIN—You do not liaise with the New South Wales government or SOCOG now? Since Ms Moylan's initial offer of that assistance, you do not make that some ongoing liaison you have—

Ms Halton—Senator, within the Department of the Prime Minister and Cabinet there is an area which is responsible for overall coordination of Commonwealth activity in relation to the Olympics. That area of the department has a responsibility for coordinating not only across the Commonwealth but similarly within the department to the extent that they are seeking advice on, for example, issues in relation to women. The Office of the Status of Women would play that role but it is not the Office of the Status of Women's role to take a leading role in respect of the Olympics.

Senator CROSSIN—So since Ms Moylan was the minister responsible, have they come to you and sought advice or input or further assistance in relation to the appointment of women in those areas?

Ms Goward—No, Senator.

Senator CROSSIN—I think also in the sports area there was a budget allocation for the Sports Commission of over \$1 million to provide improved participation in sports activities by Australians. Do you keep a tab on or monitor what specific participation programs have been established to meet this goal in relation to women?

Ms Goward—We do have a relationship with a women's unit in the Sports Commission and we have been interested in their work of developing a women in sport policy but we have not had specific involvement with them on this issue.

Senator CROSSIN—Are you involved in any targets or projections that have been set with respect to female participation in sport?

Ms Goward—I think that is an issue for the Sports Commission. We have not been involved.

Senator CROSSIN—And the women's section of the Sports Commission is responsible then for setting those targets?

Ms Goward—I am not aware of who is responsible. We obviously are not.

Senator CROSSIN—So there is no-one within the Office of the Status of Women who would have any brief in relation to sport or overseeing what the Sports Commission does?

Ms Caldwell—We would certainly take an interest and, as Ms Goward has indicated, we are regularly in contact with the women's unit but I think you are referring to a specific program that is administered through the Sports Commission so the day-to-day conduct of that program would be a matter for the Sports Commission. We would obviously talk to them in terms of new initiatives and new policies.

Senator CROSSIN—So in the budget documents, Commitments for Women—I think it is 1-32 which is in front of us here—it is mentioned that the government is supporting measures to improve the involvement of women and girls in sport including at leadership and administrative levels. How is that being achieved and who is responsible for it?

Ms Caldwell—That initiative is an initiative administered by the Sports Commission. They could give you details of that. I believe they have developed guidelines looking at both participation and representation of women in organisations.

Senator CROSSIN—Does your office have any role at all in saying whether or not you believe those targets are achievable or equitable? Is that the kind of advice you provide them or the kind of liaison you provide?

Ms Caldwell—We would certainly talk to them in the process of developing these policies. The day-to-day administration of their own program would be a matter for the commission.

Senator CROSSIN—Thank you. That is all I have got.

Ms Halton—Before we finish, Senator Ray asked this morning about what he perceived to be some confusion about who was responsible for the installation of bollards at the Lodge. Can I report that—and I am advised this—that the protective security coordination centre which is in the Attorney-General's portfolio is responsible for that. The bollards which are a protective device have been installed at a cost of some \$85,500 but as I say that is received information which has come from that agency.

ACTING CHAIR—That concludes the estimates for the Department of Finance and Public Administration, the Prime Minister and Cabinet portfolio. I thank the witnesses for their attendance.

Committee adjourned at 6.18 p.m.