

Chapter 2

Portfolio-specific issues

2.1 This chapter provides an overview of some of the matters raised during the committee's hearings on the Budget Estimates 2019–20. The discussion follows the outcome and agency structure.

Environment and Energy portfolio

Department of the Environment and Energy

2.2 The committee commenced its examination of the Environment and Energy portfolio by asking general questions of the Department of the Environment and Energy. The committee discussed the recruitment process undertaken for the Chief Executive Officer (CEO) of the Great Barrier Reef Marine Park Authority and the appointment of Mr Joshua Thomas to the role on 18 March 2019 (pp. 5–6).

Outcome 1: Conserve, protect and sustainably manage Australia's biodiversity, ecosystems, environment and heritage through research, information management, supporting natural resource management, establishing and managing Commonwealth protected areas, and reducing and regulating the use of pollutants and hazardous substances

2.3 The committee called officers from the department in relation to Program 1.1: Sustainable Management of Natural Resources and the Environment; Program 1.2: Environmental Information and Research; Program 1.4: Conservation of Australia's Heritage and Environment; Program 1.5: Environmental Regulation; and Program 1.6: Management of Hazardous Wastes, Substances and Pollutants.

2.4 Matters discussed by the committee included:

- funding allocated under the National Landcare Program and Natural Heritage Trust (pp. 7–8);
- the department's structure and staffing levels (pp. 8–9);
- the rates of land clearing in Queensland (pp. 9–12);
- the Government's Communities Environment Program (pp.12–16);
- the establishment of the Harry Butler Environmental Education Centre at Murdoch University (pp. 17–19);
- funding for programs to control yellow crazy ants in the Wet Tropics World Heritage Area (pp. 22–23);
- the challenges faced by the Great Barrier Reef (pp. 23–26);
- the status of the approval for Adani's Carmichael Coal Mine (pp. 26–27);

- an update on the conservation status of the Australian sea lion (pp. 31–33);
- Freedom of Information requests in relation to the export of rare and endangered Australian birds between 2015 and 2018 (pp. 33–34);
- the impact of climate change on the World Heritage values of Shark Bay in Western Australia (pp. 35–36);
- an update on the Government's National Waste Policy action plan (p. 38); and
- the current conservation status of the Leadbeater's possum (pp. 39–41).

2.5 On 8 April 2019, the committee recalled officers from the department in relation to Outcome 1 and considered the following matters:

- the interaction of the department with the Office for Women (p. 46);
- the department's progress in implementing the Sustainable Development Goals (SDGs) (pp. 46–47);
- the decision making framework for the Government's Communities Environment Program (pp. 47–52);
- consideration of the Adani mine groundwater dependent ecosystem and management plan (pp. 57–70, 74–76);
- feral animal control programs on Australian offshore islands (pp. 71–73);
- the protection of threatened species (pp. 84–86);
- the management of threats directed towards departmental compliance and regulatory staff (pp. 86–87); and
- the department's public advertising budget (pp. 88–89).

Outcome 2: Reduce Australia's greenhouse gas emissions, adapt to the impacts of climate change, contribute to effective global action on climate change, and support technological innovation in clean and renewable energy, through developing and implementing a national response to climate change

2.6 The committee called officers in relation to Program 2.1: Reducing Australia's Greenhouse Gas Emissions; Program 2.2: Adapting to Climate Change; and Program 2.3: Renewable Energy Technology Development.

2.7 Matters canvassed by the committee included:

- the calculation of emissions reductions resulting from the Government's announced Climate Solutions Package (pp. 46–50);
- the Government's support for the Battery of the Nation project (p. 48);
- economic modelling of the projected cost of emission reduction targets (pp. 50–52);
- funding for the Climate Solutions Fund (pp. 57–59);
- criteria for use of the Emissions Reduction Fund (pp. 61–63);

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- modelling of climate change response plans (pp. 64–65); and
 - the methodologies used to set priorities for implementing the Carbon Farming Initiative (pp. 65–67).

2.8 On 8 April 2019, the committee recalled officers from Outcome 2 and discussed the following matters:

- the take-up of electric vehicles in Australia (pp. 89–93);
- Australia's emissions projections (pp. 93–95);
- the department's modelling of abatement measures (pp. 96–98);
- progress in developing a national strategy on electric vehicles (pp. 98–100);
- the status of the proposed solar thermal power plant for Port Augusta in South Australia (pp. 100–101); and
- landfill gas projects under the Emissions Reduction Fund (pp. 101–103).

Outcome 3: Advance Australia's strategic, scientific, environmental and economic interests in the Antarctic region by protecting, administering and researching the region

2.9 The committee called, via video conference, officers from the department in relation to Program 3.1: Antarctica: Science, Policy and Presence. Matters canvassed included:

- current funding levels for the Australian Antarctic Program (pp. 41–42);
- the inspection of international bases in the Australian Antarctic Territory (pp. 42–43);
- an update on the replacement Antarctic icebreaker vessel (pp. 43–44); and
- the proposed Million Year Ice Core project (pp. 44–45).

Outcome 4: Support the reliable, sustainable and secure operations of energy markets through improving Australia's energy efficiency, performance and productivity for the community

2.10 Officers from the department were called in relation to Program: 4.1: Energy. Matters discussed by the committee included:

- the estimated impact of the Battery of the Nation project (pp. 70–73);
- the selection of short listed projects for the Underwriting New Generation Investment Program (pp. 73–74); and
- approval processes for the Adani's Carmichael Coal Mine (pp. 74–76).

2.11 Officers from Outcome 4 were recalled by the committee on 8 April 2019 and the following matters were canvassed:

- the Snowy 2.0 project and the proposal for a second Bass Strait electricity interconnector, Marinus Link (pp. 104–106 and 113);
- the release of the Interim Report on the Liquid Fuel Security Review and the establishment of an Australian strategic fuel reserve (pp. 107–112); and
- the criteria applied for projects under the Underwriting New Generation Investments program (p. 112).

Australian Renewable Energy Agency

2.12 The committee called officers from the Australian Renewable Energy Agency (ARENA) and discussed the following matters:

- ARENA's studies of energy storage costs (pp. 76–77);
- producing renewable energy from the combustion of municipal solid waste (pp. 77–80);
- potential pumped-hydro projects in South Australia (pp. 81–82); and
- ARENA's investments in relation to electric vehicles (pp. 82–83).

Bureau of Meteorology

2.13 The committee called officers from the Bureau of Meteorology (BoM) and discussed the following matters:

- the proposed expansion of the BoM's weather radar and rainfall monitoring networks (pp. 5–8);
- the impact of proposed corporate changes on the provision of meteorological services (pp. 8–11);
- update on the BoM's upgrade of its information and communications technology systems (pp. 11–12);
- trends in the occurrence of drought and its significance for indications of climate change (pp. 13–15);
- support for inquiries into recent severe weather events (pp. 14–15); and
- an update on the use of the BoM's weather app (p. 16).

Clean Energy Finance Corporation

2.14 The committee called officers from the Clean Energy Finance Corporation (CEFC) and discussed the following matters:

- the CEFC's mandate and priorities (pp. 26–27, 33–36);
- the prospects for renewable hydrogen as an energy source (pp. 27–28);

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- status of the proposed solar thermal power plant for Port Augusta in South Australia (pp. 28–29); and
 - the CEFC's involvement in financing of electric vehicles (pp. 29–35, 37–38).

Clean Energy Regulator

2.15 The committee called officers from the Clean Energy Regulator (CER) and matters examined included:

- the CER's involvement in implementing the newly announced Climate Solutions Package and existing abatement measures (pp. 83–84);
- the introduction of new generation capacity under the Renewable Energy Target (pp. 85–87); and
- proposed spending on the Climate Solutions Fund (pp. 87–88).

Climate Change Authority

2.16 The committee called officers from the Climate Change Authority (CCA). Matters discussed by the committee included the Government's announced Climate Solutions Package and the CCA's current activities (pp. 44–45).

Director of National Parks

2.17 The committee called the Director of National Parks, Dr James Findlay, and officers. The committee discussed marine protected area boundaries in the Bremer Marine Park (pp. 68–70) and funding for the Kakadu National Park and township of Jabiru (p. 70).

Great Barrier Reef Marine Park Authority

2.18 The committee called officers from the Great Barrier Reef Marine Park Authority (GBRMPA). On behalf of the committee, the Chair congratulated Mr Joshua Thomas on his appointment as the new CEO of GBRMPA. In his opening statement, Mr Thomas provided the committee with an assessment of the health of the Great Barrier Reef and the impact of recent weather events, commenting:

I'm pleased to report conditions for the 2018–19 summer on the Great Barrier Reef have not resulted in mass coral bleaching. While early autumn sea surface temperatures on most of the reef are still up to one degree Celsius above average, these conditions are unlikely to cause mass coral bleaching at this time of the year. While the reef has escaped a severe coral bleaching event this past summer, this was due to weather events cooling sea surface temperatures, most notably four different cyclones and the February monsoon event.⁴

4 Mr Joshua Thomas, General Manager, Acting Chief Executive Officer, Great Barrier Reef Marine Park Authority, *Proof Committee Hansard*, 4 April 2019, p. 88.

2.19 Other matters discussed by the committee included:

- the selection process for GBRMPA's new CEO (pp. 88–91);
- an update on the recovery of the Great Barrier Reef following the coral bleaching events in 2016 and 2017 (pp. 91–92 and 93);
- shark control measures inside the marine park (p. 92);
- Freedom of Information responses provided by GBRMPA (pp. 93–94); and
- GBRMPA's current funding and staffing levels (pp. 95–96).

National Wind Farm Commissioner

2.20 The chair welcomed Mr Andrew Dyer, National Wind Farm Commissioner. In his opening statement, Mr Dyer provided the committee with a summary of the complaints received by his office, stating:

The clear majority of complaints received are about proposed wind farms, with a decline in complaints being lodged about operating wind farms. As of 31 March 2019, the key complaint statistics since inception of the office are as follows: a total of 297 complaint matters have been received and 286 of these matters have been closed. Of the total complaints received, 65 were about operating wind farms, 199 matters related to proposed wind farms, 29 matters did not specify a wind farm and four matters have been received about proposed solar farms.⁵

2.21 Other matters discussed included changing community attitudes to wind farms and the nature of the complaints received (pp. 40–42), as well as ongoing studies into the relationship of wind farms and community health (pp. 42–43).

Office of the Supervising Scientist

2.22 The chair welcomed Ms Kate Turner, Acting Assistant Secretary, Supervising Scientist Branch. Ms Turner provided the committee with an update on the roles and functions of the Office of the Supervising Scientist and regulatory activities concerning the rehabilitation of the Ranger uranium mine site (pp. 43–44).

Snowy Hydro Limited

2.23 The committee called Snowy Hydro Limited (Snowy Hydro) and discussed the progress of the Snowy 2.0 project (pp. 16–18), including the projected costs of the project and the future prospects of privatising Snowy Hydro (pp. 18–26).

5 Mr Andrew Dyer, National Wind Farm Commissioner, *Proof Committee Hansard*, 8 April 2019, p. 38.

Communications and the Arts portfolio

Department of Communications and the Arts

2.24 The committee commenced its examination of the Communications and the Arts portfolio on 4 April 2019, by calling officers from the Department of Communications and the Arts. The following matters were discussed:

- the release of the Government's Australian and Children's Screen Content Review (pp. 100–101);
- the impact of the automatic repeal of legislative instruments on the regulation of online platforms (pp. 102–103);
- legislative and policy responses following the terrorist shooting in Christchurch, New Zealand (pp. 104–108);
- congestion affecting the fixed wireless network (pp. 109–112);
- the Government's new Regional Connectivity Program (pp. 113–115); and
- the \$30 million taxpayer grant to Fox Sports for coverage of women's and niche sports (pp. 117–118).

Outcome 1: Promote an innovative and competitive communications sector, through policy development, advice and program delivery, so all Australians can realise the full potential of digital technologies and communications services

2.25 Officers from the department were called in relation to Program 1.1: Digital Technologies and Communications Services. Matters canvassed included:

- the location of base stations under the Mobile Black Spot Program (pp. 5–10);
- new penalties for social media companies that broadcast violent content on their platforms (pp. 11–13);
- changes to the Government's refundable tax offsets for international film productions (p. 14);
- current status of the Government's partnership with Free TV Australia to provide Australian commercial content to Pacific broadcasters (pp. 15–16);
- the status of the second exposure draft of the Radiocommunications Bill 2017 (p. 18); and
- the department's support for the implementation of the Sustainable Development Goals (SDGs) (pp. 20–22).

Outcome 2: Participation in, and access to, Australia's arts and culture through developing and supporting cultural expression

2.26 The committee called officers in relation to Program 2.1: Arts and Cultural Development. The committee discussed the funding and implementation of initiatives including: Live Music Australia; Women in Music Mentor Program; and the Indigenous Community Music Program (pp. 69–71).

2.27 The committee also canvassed the following matters:

- funding and board appointments for portfolio arts agencies (pp. 71–75);
- content quotas for subscription-video-on-demand services (pp. 76–77); and
- purpose and value of art, in the context of government regulation (pp. 77–78).

Australian Broadcasting Corporation

2.28 The committee called officers from the Australian Broadcasting Corporation (ABC). Matters discussed included:

- the ABC's airing of content from broadcaster Al Jazeera (pp. 129–130);
- the freeze in ABC annual funding indexation from July 2019 (pp. 130–131);
- funding for the ABC's Enhanced Newsgathering initiative (p. 131); and
- consultation regarding the Government's Criminal Code Amendment (Sharing of Abhorrent Violent Material) Bill 2019 (pp. 132–133).

2.29 The ABC was also required to appear, via video conference, at the hearing on 9 April 2019 and the committee canvassed the following matters;

- the costs associated with the conduct of the efficiency, and competitive neutrality reviews (p. 80);
- the ABC's monitoring of its social media platforms in the wake of the Christchurch attack (pp. 82–83);
- purpose of the *National Transmission Network Sale Act 1998*, and proposed divestments or transfers of assets under this legislation (pp. 83–84); and
- the identification of instances of underpayment of casual employees over the past six years, and the servicing of such underpayments (pp. 84–85).

Australian Communications and Media Authority

2.30 The committee called officers from the Australian Communications and Media Authority (ACMA). In her opening statement, Ms Fiona O'Loughlin, updated the committee on the ACMA's investigation into whether content aired by Australian broadcasters of the Christchurch attack breached current rules. Ms O'Loughlin noted:

The investigation is well-progressed. We have a significant amount of footage to review and to consider against the current rules. We will work through the investigation as quickly as we can and consistent with our obligations to comply with procedural fairness requirements. We have not reached a view at this stage in regard to any noncompliance, and I will expect that it will be some weeks before our findings are concluded and are able to be made public.⁶

6 Ms Fiona O'Loughlin, Chair, Australian Communications and Media Authority, *Proof Committee Hansard*, 9 April 2019, p. 37.

2.31 The committee also discussed the following matters:

- the ACMA's guidance to government and industry following the Christchurch attack (pp. 38–39);
- operation of the Commonwealth classification scheme (pp. 39–40, 47–49);
- the scope of the ACMA's investigation into content aired by broadcasters of the Christchurch attack (pp. 40–41);
- the implementation of the National Consumer Protection Framework for Online Wagering in Australia (pp. 42–45); and
- the Regional and Small Publishers Innovation Fund (pp. 46–47, 51–53).

Australian Postal Corporation

2.32 The committee called officers from the Australian Postal Corporation (Australia Post). The following matters were discussed:

- Australia Post's financial results for the first half of 2017–18 (pp. 119–120);
- the decline in revenue from decreasing letter volumes (pp. 120–121);
- the government appointments to the Australia Post board (pp. 122–123); and
- the issuing of commemorative stamps to mark the same-sex marriage postal survey (pp. 124–126).

NBN Co Limited

2.33 The committee called officers from NBN Co Limited (NBN Co). In his opening statement, Mr Stephen Rue, Chief Executive Officer, noted that NBN Co was marking its 10th anniversary as a company and provided the committee with an update on the rollout, commenting:

In the coming weeks we are rapidly closing in on nine million premises ready to connect. Just last month, we passed a huge milestone, with five million active premises on the network. As is our usual practice, in early May we will publish on our website our quarterly operational and financial results. These will again show great progress during the quarter, in build, connections and revenue, and in line with corporate plan targets for 2019.⁷

2.34 The committee also canvassed the following matters:

- expenditure on promotional advertising and merchandise (pp. 24–25);
- decision making around NBN Co's continued use of the hybrid-fibre coaxial (HFC) network (pp. 25–28);
- current take-up rates for fibre-to-the-node (FTTN) and fibre-to-the-premises (FTTP) (pp. 28–29);

⁷ Mr Stephen Rue, Chief Executive Officer, NBN Co Limited, *Proof Committee Hansard*, 9 April 2019, p. 23.

- an update on the number of congested cells on NBN Co's fixed wireless network (pp. 29–33); and
- the number of missed appointments by NBN Co technicians (pp. 33–35).

Office of the eSafety Commissioner

2.35 The committee called officers from the Office of the eSafety Commissioner (OeSC). The following matters were discussed:

- an update on the OeSC's key initiatives and programs (pp. 56–58);
- the use of e-safety resources in schools (pp. 58–59); and
- the OeSC input into the Criminal Code Amendment (Sharing of Abhorrent Violent Material) Bill 2019 (pp. 60–63).

Screen Australia

2.36 The committee called officers from Screen Australia. Matters discussed included the impact of funding reductions since 2013 (p. 78) and the funding for Indigenous projects and programs (p. 79).

Special Broadcasting Service Corporation

2.37 The committee called officers from the Special Broadcasting Service Corporation (SBS). In his opening statement, Mr James Taylor, Managing Director, provided the committee with an update on the SBS's current programs and services.⁸

2.38 The following matters were also discussed:

- ratings data across SBS's platforms including both linear and digital services (pp. 63–64);
- the importance of Australian and children's content (p. 64);
- the moderation of hate speech on SBS's social media platforms (pp. 65–66);
- the SBS's funding levels, and advertising revenue (pp. 66–67); and
- appointments to the SBS Board (p. 68).

Senator Jonathon Duniam Chair

8 Mr James Taylor, Managing Director, Special Broadcasting Service Corporation, *Proof Committee Hansard*, 9 April 2019, p. 63.