

The Senate

Economics
Legislation Committee

Additional estimates 2018–19

April 2019

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Senate Economics Legislation Committee

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Senator Jane Hume (<i>Chair</i>)	Victoria, LP
Senator Chris Ketter (<i>Deputy Chair</i>)	Queensland, ALP
Senator Jenny McAllister	New South Wales, ALP
Senator the Hon. Arthur Sinodinos AO	New South Wales, LP
Senator Amanda Stoker	Queensland, LP
Senator Peter Whish-Wilson	Tasmania, AG

Senators in attendance

Senator Cory Bernardi	South Australia, AC
Senator the Hon. Kim Carr	Victoria, ALP
Senator Kristina Keneally	New South Wales, ALP
Senator David Leyonhjelm	New South Wales, LDP
Senator Sue Lines	Western Australia, ALP
Senator Rex Patrick	South Australia, NXT
Senator Tim Storer	South Australia, IND
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Chapter 1

Overview

1.1 On 14 February 2019, the Senate referred the following documents to the Senate Economics Legislation Committee (the committee) for examination and report in relation to the Industry, Innovation and Science, and Treasury portfolios:

- Particulars of proposed additional expenditure in respect of the year ending on 30 June 2019 [Appropriation Bill (No. 3) 2018–2019];
- Particulars of certain proposed additional expenditure in respect of the year ending on 30 June 2019 [Appropriation Bill (No. 4) 2018–2019]; and
- Final budget outcome 2017–18—Report by the Treasurer (the Hon. Josh Frydenberg MP) and the Minister for Finance (Senator the Hon. Mathias Cormann).¹

1.2 The committee is required to report to the Senate on its consideration of 2018–19 Additional Estimates on 2 April 2019.²

Portfolio allocation

1.3 Following the Administrative Arrangements Order of 28 August 2018,³ the Jobs and Innovation portfolio was split into two parts, which saw the 'Industry, Innovation and Science' and the 'Jobs and Small Business' elements become two distinct stand-alone portfolios.

1.4 The committee has responsibility for examining the expenditure and outcomes of the Industry, Innovation and Science portfolio and the Treasury portfolio, as allocated by the Senate on 17 September 2018.⁴

1.5 Despite the name change of the Industry, Innovation and Science portfolio, no agencies or bodies within the portfolio were re-allocated to other portfolios.

Portfolio Additional Estimates Statements (PAES) 2018–19

1.6 The Portfolio Budget Statements (PBS) and the Portfolio Additional Estimates Statements (PAES) inform senators of the proposed allocation of funding to government outcomes by agencies within the portfolio. However, unlike the PBS, the PAES summarise only the changes in funding by outcome since the 2018–19 Budget. The PAES provides information on new measures and their impact on the financial and/or non-financial planned performance of programs supporting those outcomes.

1 *Journals of the Senate*, No. 140, 14 February 2018, p. 4692.

2 *Journals of the Senate*, No. 133, 29 November 2018, pp. 4328–4329.

3 Commonwealth of Australia, Amendments to the Administrative Arrangements Order, 28 August 2018, <https://www.pmc.gov.au/resource-centre/government/aao-amendment-28-august-2018> (accessed 28 February 2019).

4 *Journals of the Senate*, No. 118, 17 September 2018, pp. 3768–3769.

Hearings

1.7 The committee held hearings on 20 and 21 February 2019 to hear from the Department of Industry, Innovation and Science and the Department of the Treasury in relation to all outcomes as well as from relevant portfolio agencies.

1.8 The following outcomes and agencies appeared before the committee for the Treasury portfolio:

- Department of the Treasury—Secretary, Macroeconomic and Corporate Groups;
- Department of the Treasury—Markets Group (with the Foreign Investment Review Board);
- Department of the Treasury—Revenue Group;
- Australian Taxation Office;
- Australian Charities and Not-for-profits Commission;
- Department of the Treasury—Fiscal Group;
- Inspector-General of Taxation;
- Australian Securities and Investments Commission;
- Productivity Commission;
- Australian Competition and Consumer Commission with the Australian Energy Regulator; and
- Australian Prudential Regulation Authority.

1.9 The following outcomes and agencies appeared before the committee for the Industry, Innovation and Science portfolio:

- Department of Industry, Innovation and Science—Programme 3: Cross-portfolio;
- Department of Industry, Innovation and Science—Programme 1: Supporting Science and Commercialisation;
- Department of Industry, Innovation and Science—Programme 2: Growing Business Investment and Improving Business Capability;
- Anti-Dumping Commission;
- Australian Nuclear Science and Technology Organisation;
- Commonwealth Scientific and Industrial Research Organisation;
- National Offshore Petroleum Titles Administrator;
- Northern Australia Infrastructure Facility; and
- National Offshore Petroleum Safety and Environmental Management Authority.

1.10 The committee thanks the Ministers and officers who attended the hearings for their assistance.

Questions on notice

1.11 In accordance with Standing Order 26, the committee has drawn the attention of the departments and their agencies to the agreed deadline of Tuesday, 26 March 2019 for the receipt of answers to questions taken on notice.

1.12 Responses to questions on notice and additional information provided to the committee are tabled in the Senate and uploaded to the committee's website.

Public interest immunity claims

1.13 On 13 May 2009, the Senate passed an order relating to public interest immunity claims.⁵ The order sets out the processes to be followed if a witness declines to answer a question. The full text of this order has previously been provided to departments and agencies and was incorporated in the Chair's opening statement at the commencement of each hearing.

Record of proceedings

1.14 This report does not attempt to analyse the evidence presented to the committee over the two days of hearings. However, it does include a brief explanation of the main issues that were raised during the examination of each portfolio.

1.15 Copies of the Hansard transcripts and documents tabled at the hearings are available on the committee's website.

Note on Hansard page referencing

1.16 Hansard references throughout this report relate to the Proof Estimates Hansard. Please note page numbering may differ between the proof and final Hansard.

5 *Journals of the Senate*, No. 68, 13 May 2009, pp. 1941–1942.

Chapter 2

Treasury portfolio

2.1 This chapter summarises certain key areas of interest raised during the committee's consideration of additional estimates for the 2018–19 financial year for the Treasury portfolio. This chapter of the report follows the order of proceedings and is an indicative, not exhaustive, account of the issues examined.

2.2 On 20 and 21 February 2019, the committee heard evidence from Senator the Hon. Mathias Cormann, Minister for Finance, and Senator the Hon. Zed Seselja, Assistant Minister for Treasury and Finance, along with officers from the Department of the Treasury (Treasury) and agencies of the Treasury portfolio, including:

- Australian Taxation Office (ATO);
- Australian Charities and Not-for-profits Commission (ACNC);
- Inspector-General of Taxation;
- Australian Securities and Investments Commission (ASIC);
- Productivity Commission (PC);
- Australian Competition and Consumer Commission (ACCC) and the Australian Energy Regulator (AER); and
- Australian Prudential Regulation Authority (APRA).

2.3 Senators present over the course of the two days of hearings included Senator Hume (Chair), Senator Ketter (Deputy Chair), and Senators, Bernardi, Keneally, Leyonhjelm, Lines, McAllister, Patrick, Sinodinos, Stoker, Storer, Whish-Wilson, and Williams.

Macroeconomic Group and Corporate Group

Departmental Secretary

2.4 Mr Philip Gaetjens commenced the role of Secretary to the Department of the Treasury (Treasury) in August 2018. In this his second appearance at estimates, Mr Gaetjens commented on a number of recent global and domestic economic developments. These included, the Mid-Year Economic and Fiscal Outlook (MYEFO), the release of the final report of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry (Royal Commission), global economic uncertainty around Brexit, and the effect of recent floods and the ongoing drought on the Australian economy.¹

2.5 In his opening statement, Mr Gaetjens highlighted the impact that the recent floods and the drought could have on the Australian economy. In particular, Mr Gaetjens commented that there had been major stock losses, as well as the loss of

1 *Proof Estimates Hansard*, 20 February 2019, pp. 5–8.

many farms and houses. He noted that Treasury would 'continue to monitor the flood situation, both for its localised impacts and for any impacts on the macroeconomic outlook'.²

2.6 Mr Gaetjens also noted that the 'expected recovery from the current drought also continues to be a key uncertainty for the forecast':

The drought continues to play out across various areas of the country, particularly south-eastern Australia. As stated in the mid-year review, the decline in agricultural production in 2018-19 is expected to subtract around a quarter of a percentage point from real GDP growth. Downgrades to winter crop production are expected to be partially offset in the short term by increased livestock slaughtering.³

2.7 The final report of the Royal Commission was released in February 2019. Mr Gaetjens informed the committee that Treasury had already begun implementing some of the report's recommendations.

...for example with the APRA capability review team and terms of reference being announced. As you would be aware, Treasury made a number of submissions and provided other background information to the royal commission. We also established a task force to provide advice to government in preparation for the commissioner's final report. Before that, Treasury was involved in a large number of legislative and other measures to strengthen the financial sector and improve its performance.⁴

2.8 Mr Gaetjens also noted that the organisational structure had undergone some changes with the removal of the Structural Reform Group. He explained that the functions of this group had been split across a number of Treasury's other groups, mostly within the Macroeconomic and Fiscal Groups:

Macroeconomic group will increase its focus on productivity and understanding the structural changes occurring in our economy, and the productivity and microdata work from the former structural reform group will move into the macro group. By combining macro and micro into a single group I want to achieve a sharper alignment between whole-of-economy aggregates, forecasting analysis and policy choices about growth drivers and productivity. There will also be greater synergies in analytical and modelling expertise to support work across Treasury.

Treasury's work on industry and sectoral policy reforms will now be located in fiscal group. Having sectoral structural reforms sitting alongside the agency-facing functions within fiscal group will facilitate partnering with agencies on structural reform initiatives and also provide synergy benefits. I believe this dual focus on economy-wide productivity and sectoral structural reform will deepen Treasury's capability in this area of

2 *Proof Estimates Hansard*, 20 February 2019, p. 6.

3 *Proof Estimates Hansard*, 20 February 2019, p. 6.

4 *Proof Estimates Hansard*, 20 February 2019, p. 7.

microeconomics, an area in which I have a deep interest and years of experience earlier in my career.⁵

2.9 Mr Gaetjens commented that this change would 'tangibly demonstrate that structural reform and competition are not the focus of a single group, but are enmeshed across the work of the whole department'.⁶

2.10 Ms Meghan Quinn, formerly the deputy secretary of the Structural Reform Group, is now the deputy secretary of the Macroeconomic group.

Wages growth

2.11 The committee discussed wages growth in Australia with Treasury officials. Noting the relatively positive figures around jobs growth and a falling unemployment rate, the committee asked Treasury officials about what other factors may be causing the seemingly slow wages growth.

2.12 Mr Gaetjens considered that attributing slow wages growth to one or two factors was not possible; however, he noted that Australia was not alone in experiencing a slowing of wages growth:

I think this is an issue that has been happening around the globe as well as in Australia. I would say, though, that the latest figures in Australia would indicate that the wage price index has probably troughed. The last number for that was 0.6 for the quarter, and I think that was 2.3 per cent for the year.⁷

2.13 Mr Gaetjens also commented that although wages were not growing rapidly, neither was inflation:

In fact, the inflation that relates to administered prices by governments is again quite low. It would depend upon the time you measure this, but we'd be round about saying that wages are keeping up in real terms, I think. So it is happening.

2.14 Ms Quinn also noted that the Australian economy has different characteristics to other economies, and noted that wages are picking up in some parts of the global economy:

Globally there has been a shift, and one of the reasons for that is the technology and shifts in what's happening in particular industries. We've seen the productivity improvements in Asia, for example, reduce the price of manufacturing goods. That reduces inflation around the world, and it reduces nominal wages around the world as well. In terms of Australia, we've had the commodity cycle, which has been particular to the commodity countries, such as Australia and Canada.⁸

5 *Proof Estimates Hansard*, 20 February 2019, p. 7.

6 *Proof Estimates Hansard*, 20 February 2019, p. 7.

7 *Proof Estimates Hansard*, 20 February 2019, p. 19.

8 *Proof Estimates Hansard*, 20 February 2019, p. 25.

2.15 Mr Gaetjens further noted that 'that there has been a preponderance of full-time jobs over a longer period':⁹

...in terms of the national accounts, we see wages numbers driven by, in fact, good employment growth. So, in an aggregate sense, we are getting the impact of heads in employment rather than the wages themselves.¹⁰

Jobs Growth

2.16 The committee continued the discussion around jobs growth in Australia, noting the employment growth estimates and forecasts listed in the MYEFO. This forecast indicates that Australia will see the creation of 1.25 million jobs over five years to 2022-23.¹¹

2.17 In explaining how the forecasts were able to reach this total, Ms Quinn noted that the employment projections only go to 2021-22:

In order to achieve 1.25 million jobs, you need employment growth in the order of 1.9 per cent a year. To put that into some historical context, we've had 2.1 per cent as the average for the past five years.¹²

2.18 Ms Quinn noted that in order for the commitment of 1.25 million jobs created to be reached, average employment growth over the next five years would need to be at 1.9 per cent per year.¹³

2.19 The committee noted that the MYEFO forecasts were for a growth rate of 1.75 per cent in 2018-19 and 2019-20, and 1.5 per cent in the two following years. The committee considered that the rate of jobs growth would need to increase considerably in the fifth year, in order to reach the target of 1.25 million jobs in five years.¹⁴

2.20 Ms Quinn highlighted that increasing participation rates would also play an important role in jobs growth. Ms Quinn noted that workers remaining in the labour force longer as well as more women entering the labour force were key factors. Ms Quinn commented:

Some of those workers will have been encouraged into the labour market off the back of the strong employment growth. Others will have done it because we've changed some of the administrative arrangements around retirement conditions, making it easier for people to work part time and transition into retirement. Also, flexible work arrangements have meant that

9 *Proof Estimates Hansard*, 20 February 2019, p. 19.

10 *Proof Estimates Hansard*, 20 February 2019, p. 19.

11 *Proof Estimates Hansard*, 20 February 2019, p. 30.

12 *Proof Estimates Hansard*, 20 February 2019, p. 30.

13 *Proof Estimates Hansard*, 20 February 2019, p. 31.

14 *Proof Estimates Hansard*, 20 February 2019, p. 31.

it's easier for people to juggle family responsibilities. So there are structural and cyclical factors pushing up the participation rate in Australia.¹⁵

Markets Group

Banking Executive Accountability Regime

2.21 The committee asked Treasury about the implementation of the Banking Executive Accountability Regime (BEAR), following the recommendations of the Royal Commission.

2.22 Treasury officials noted that the BEAR was discussed during some of the Royal Commission public hearings and highlighted that the BEAR had been positively received by some banking officials as well as the regulators. Treasury officials explained:

...the major banks that have been subject to the regime, there have been comments that they have found it useful. Mapping responsibilities and being clear who is held accountable are things you would have thought they would have already had knowledge of or clarity about within their organisations, but the imposition of the BEAR has helped them understand those things.¹⁶

2.23 Treasury officials also noted that the final report of the Banking Royal Commission includes several recommendations about the BEAR; notably, that it should be extended to include the superannuation and insurance industries. The final report also recommended that the BEAR should have a greater role in respect of conduct issues:

At the moment, the BEAR has a prudential focus; conduct can affect the prudential standing of an organisation, but it doesn't necessarily cover the full scope of conduct.¹⁷

2.24 The government response to the final report noted its support for this extension of the BEAR. Treasury officials commented:

It wanted to make sure that it covered the full field of conduct issues, and in that sense it gave it to ASIC, and it sets its own separate regime that covered conduct. So one difference that makes is that not only the prudentially regulated entities would be subject to this new accountability regime but that it would extend into areas such as management, which otherwise may not be captured.¹⁸

15 *Proof Estimates Hansard*, 20 February 2019, p. 31.

16 *Proof Estimates Hansard*, 20 February 2019, p. 74.

17 *Proof Estimates Hansard*, 20 February 2019, p. 74.

18 *Proof Estimates Hansard*, 20 February 2019, p. 74.

2.25 Treasury officials also noted that one of the final report recommendations was to further extend the BEAR beyond the prudentially regulated entities, such as wealth management firms and other financial institutions.¹⁹

Australian Securities and Investments Commission

Chair's opening statement

2.26 Mr James Shipton, Chair of ASIC, made an opening statement to the committee which also focussed on the final report of the Royal Commission.

2.27 Mr Shipton noted that ASIC had recently released an update on its planned actions responding to the Royal Commission's final report, highlighting that:

The royal commission's recommendations reinforce, and will inform part of the implementation of, steps ASIC has been taking as part of a strategic program of change that commenced in 2018 to strengthen our governance and our culture and to realign our enforcement and regulatory priorities. The royal commission's recommendations directed at ASIC are one of the key parts of this update. Along with ASIC's extended remit and strengthened powers and penalties, it also deals with referrals from the royal commission and mentions the establishment of an office of enforcement and a why-not-litigate posture. It also touches upon our broader strategic change program and the policy and regulatory reforms advocated by ASIC over the years.²⁰

2.28 Mr Shipton commented that ASIC's deputy chair, Mr Daniel Crennan QC, had recently completed an internal enforcement review, which led to ASIC establishing an Office of Enforcement (Office). Mr Shipton explained that the Office would be accountable to the commission and would 'investigate and take enforcement action where there are contraventions of the law' that ASIC regulates.²¹ Mr Shipton also highlighted that the Office would adopt a 'why-not-litigate enforcement stance'.²²

2.29 Mr Shipton further noted that the impact of these changes would become visible over time, but that some progress had already been identified:

However, as an early indication, since 1 February 2018 there has been a 15 per cent increase in the number of ASIC enforcement investigations on foot and a 50 per cent increase in the number of ASIC enforcement investigations of misconduct by large financial institutions, or their employees or subsidiary companies.²³

19 *Proof Estimates Hansard*, 20 February 2019, p. 74.

20 *Proof Estimates Hansard*, 20 February 2019, p. 85.

21 *Proof Estimates Hansard*, 20 February 2019, p. 85.

22 *Proof Estimates Hansard*, 20 February 2019, p. 85.

23 *Proof Estimates Hansard*, 20 February 2019, p. 85.

ASIC's funding

2.30 The committee discussed the level of funding for ASIC set out in the MYEFO. The committee noted that ASIC's revised level of funding for 2018–19 was \$498 million; and further, that ASIC's funding was due to progressively decrease over the forward estimates as follows:

- 2019–20: \$474 million;
- 2020–21: \$424 million;
- 2021–22: \$423 million.²⁴

2.31 Mr Shipton acknowledged that these numbers showed a decrease in ASIC's funding; however, advised the committee that ASIC is in 'very active and positive discussions with the government right now on our funding and our forward funding for the periods into the future'.²⁵

2.32 The committee also noted that similar decreases could be seen in the levels of funding for staff over the forward estimates in MYEFO. Mr Shipton commented:

In the absence of an increase in funding, yes, there will be constraints and we would be asked—we would be compelled—to look at constraining our expenditure. But, again, I would highlight that I've been actively engaged for quite some time, along with my colleagues, in very productive discussions of this nature, highlighting the fact that resourcing appropriate staff levels, including investments in technology, are an important imperative.²⁶

2.33 Mr Shipton also noted that ASIC's resourcing did not go only to staffing, but also to new technologies and beyond:

But, of course, yes, we have desires in relation to the development of regulatory technology and the use of data analytics. We have a regulatory transformation program which is very technology driven. So, yes, there's a range of asks, and, of course, I would also like to take the opportunity to say that some of the expectations on us moving forward in relation to enforcement are going to require expenditure. We'd also like to expand the regulatory tools that we're applying, like close and continuous monitoring. So, yes, there's a range of different factors, and, again, I'd stress that we are in very positive constructive dialogue with the government, who are aware of what we want.²⁷

24 *Proof Estimates Hansard*, 20 February 2019, p. 97.

25 *Proof Estimates Hansard*, 20 February 2019, p. 97.

26 *Proof Estimates Hansard*, 20 February 2019, p. 97.

27 *Proof Estimates Hansard*, 20 February 2019, pp. 97–98.

Australian Competition and Consumer Commission and the Australian Energy Regulator

Retail Electricity Pricing Inquiry

2.34 The committee discussed the ACCC's final report on the Retail Electricity Pricing inquiry (inquiry). The committee noted that as part of the inquiry, the government asked the ACCC to identify measures which could reduce electricity prices.

2.35 Mr Rod Sims, Chair of the ACCC, noted that the report made a number of recommendations which could see residential and commercial customers' bills reduced by approximately 25 per cent.²⁸ Mr Sims explained:

The first key recommendation was to write down—or introduce measures for similar effect—the regulatory asset base of the network companies in Queensland, New South Wales and Victoria. Of course, network assets are the biggest component of electricity pricing, which sometimes seems to be lost in the public debate.

We recommended ceasing the subsidy for small-scale solar, simply because it was no longer needed. Small-scale solar is now economic, so we weren't forming a view about the pros and cons of small-scale solar; we were simply saying it no longer needed the subsidy. Thirdly, we recommended a default offer—price replace the standing offers of retail electricity companies—both to get those standing offers down, because there are people paying hundreds of dollars more than they need to, and small business the same, and also to use that default offer as the reference point for discounts. At the moment, customers really can't tell whether a 40 per cent discount is a better offer than a zero per cent discount, so we wanted to standardise that. We also wanted to get rid of conditional discounts where you could be on a 40 per cent discount, you miss paying on time by a few days and, all of a sudden, you lose the 40 per cent discount, which could be a penalty of hundreds of dollars and which is completely unrelated to whatever cost the lack of paying on time caused the retailer.²⁹

2.36 Mr Sims also noted several other recommendations including the creation of an underwriting scheme for new generation. Mr Sims explained that this would have 'strict conditions to make sure it was only supporting generation provided by new or currently small generators'.³⁰

Consumer Data Right

2.37 The committee asked officials from the ACCC about open banking and the consumer data right (CDR). Mr Sims explained to the committee that 'there are many benefits to open banking':

28 *Proof Estimates Hansard*, 21 February 2019, p. 4.

29 *Proof Estimates Hansard*, 21 February 2019, p. 4.

30 *Proof Estimates Hansard*, 21 February 2019, p. 4.

...the dominant one I see it is that you can say to your bank, 'I want all my history in relation to my mortgage so that that information is there.' You can either go to another bank that you may be talking or you can go to some intermediary who can help you find the best deal. So you can find the best deal without having to go to all the trouble of going through torturous processes to provide what data is needed. It will help consumers get a cheaper mortgage and it will help competition in the market.³¹

2.38 Mr Sims pointed out that, with the introduction of open banking, the necessary financial information will be readily available and presented in a form that is usable.³²

2.39 In discussing the relationship between open banking and the CDR, officials from ACCC considered that the issue is not 'how the CDR fits in with open banking but rather how open banking fits into CDR', noting that 'it provides for sector by sector, giving consumers access to their data that is currently held by the data holders'.³³

The scheme operates on the basis that the ACCC will write the rules. We'll accredit the third-party data receivers—they're the Fintechs or the switchers. The rules will set out the mechanisms by which the banks might release the data. Consumers will provide the consent and the data receivers how they use that material. We are not doing this alone. We are also working with the OAIC—the privacy commissioner—who is advising government on the designation of future sectors and the privacy issues there, and also advising us on the rules to make sure that there are secure and private platforms to use. We are also working closely with Data61 and the data standards board, who are connected, obviously, and they are providing the technical standards by which the data is released.³⁴

2.40 The committee noted that there were some concerns around privacy and security of the CDR which had delayed its start date.

2.41 ACCC officials advised the committee that 'progressing things in a timely and ambitious way is often an appropriate path to take to achieve good for the economy'.³⁵ Officials noted that security and privacy were two of a number of complexities in developing the CDR:

As we get our teeth into this and understand the issues, we find there's a lot of complexity. A lot of that came through the consultation that we've had, both publicly and with others. I think this is just par for the course when you're dealing with complex issues.³⁶

31 *Proof Estimates Hansard*, 21 February 2019, p. 11.

32 *Proof Estimates Hansard*, 21 February 2019, p. 11.

33 *Proof Estimates Hansard*, 21 February 2019, p. 11.

34 *Proof Estimates Hansard*, 21 February 2019, p. 11.

35 *Proof Estimates Hansard*, 21 February 2019, p. 12.

36 *Proof Estimates Hansard*, 21 February 2019, p. 12.

Australian Prudential Regulation Authority

Housing market

2.42 The committee asked officials from the APRA about the effect of the agency's recent macroprudential measures on house prices in Australia. Mr Wayne Byres, Chair of APRA, commented that APRA had not done any modelling on this issue.

2.43 Mr Byres also noted that Treasury or the Reserve Bank of Australia would be better placed to undertake this type of modelling. The committee noted that Treasury had confirmed it had not done any modelling on this issue.

2.44 Mr Byres pointed out that APRA's work was not focussed on house prices; rather, APRA's macroprudential measures were designed to address lending standards. Further, Mr Byres noted that any modelling of house prices in Australia would include many factors other than lending standards:

There is a whole raft of issues beyond lending standards that impact on supply and demand for housing—for example, population growth, foreign investment. There have been changes to state government taxes, changes to interest rates. There is a whole raft of issues at play here, and any sort of modelling would probably have assumed all of those things anyway, but they have a big impact on house prices—I suspect more than we do.³⁷

2.45 Mr Byres also noted that Australia does not only have one housing market, it has several:

Sydney and Melbourne have obviously had big run ups and are now having a correction; Adelaide has been pretty flat through the period; Perth is still feeling the after effects of the commodities boom, and prices have been declining; Hobart prices have been increasing. So there are very different market conditions. Regional Australia has a different set of conditions and experiences, so modelling all of those things at that level would be extremely difficult I think.³⁸

2.46 Mr Byres did indicate, however, that APRA had considered the impact of tightening lending standards on a range of other measures, including on the supply of credit, the impact on the average borrower, the average lender's loan size, and how would LVRs (loan to value ratios) adjust.³⁹

2.47 Mr Byres also noted that the decrease in house prices in Sydney and Melbourne was 'probably inevitable':

...it's been inevitable after such a sharp run-up that at some point the market has to pause. There has also been a delayed response from the supply of housing stock as well as the supply of housing stock, so there's now a lot of housing stock coming on the market, particularly in Sydney. Population growth has slowed. So you have a number of big macro impacts

37 *Proof Estimates Hansard*, 21 February 2019, p. 23.

38 *Proof Estimates Hansard*, 21 February 2019, p. 23.

39 *Proof Estimates Hansard*, 21 February 2019, p. 23.

that are playing out, and as the demand for housing softens and the supply of housing increases, it's not unreasonable to think that prices will soften and maybe drop back a bit.⁴⁰

Consumer data right

2.48 The committee noted that APRA had previously expressed concern about systems readiness of the big financial institutions to respond to the rollout of reforms including the CDR and asked APRA to update the committee on systems readiness for the introduction of the CDR.

2.49 Mr Byres commented that the introduction of the CDR presented a 'relatively ambitious agenda'; however, he also believed that the banks were working to prepare their systems to meet the obligations of the CDR when it commences.⁴¹

2.50 Mr Byres agreed that the CDR will have major implications for competition, for consumers, innovation, big data flows, privacy, and cybersecurity. Mr Byres also noted, however, that the aim of the CDR is to improve systems:

It's good for the community, it's good for competition and, if done well, from my perspective there are not really any material prudential concerns. In the interests of getting it right, if that means taking a little bit more time—some of the timetables have been adjusted—then I think that's probably a very sensible thing. I'd much rather get it right than have something go wrong in the early days that means the community's trust in the system is undermined.⁴²

2.51 The committee asked APRA whether a more staged approach would be beneficial to the introduction of these reforms. Mr Byres noted that ACCC would be managing the implementation of the CDR, but that APRA did not see the need for a more staged rollout.⁴³

Other topics raised

2.52 The committee discussed a wide range of topics during the two days of hearings with the Treasury portfolio. The above reporting of discussions is not complete. Other topics discussed by the committee included:

- Real gross domestic product (GDP) growth factors;
- Treasury modelling of taxation policies;
- Infrastructure spending;
- House of Representatives Economics Committee inquiry into refundable excess franking credits;
- Methodology used by Treasury for forecasts and projections;

40 *Proof Estimates Hansard*, 21 February 2019, p. 23.

41 *Proof Estimates Hansard*, 21 February 2019, p. 24.

42 *Proof Estimates Hansard*, 21 February 2019, p. 24.

43 *Proof Estimates Hansard*, 21 February 2019, p. 24.

- Tax integrity information campaign;
- Funding for the National Competition Council ;
- Protecting you superannuation package;
- Superannuation Guarantee—amnesty;
- Superannuation (Objective) Bill 2016 and the Super Saver Scheme;
- Procedures for costing revenue measures;
- Capital Gains Tax main residence exemption for non-residents, Treasury Laws Amendment (Reducing Pressure on Housing Affordability Measures No. 2) Bill 2018;
- First Home Super Saver Scheme—commencement of operation; number of participants; Treasury modelling and projections; complaints regarding release of funds; demographic information of participants;
- Disputed debt and ATO recovery action prior to the outcome of a review;
- Appointment of Mr Ian Klug as Chair of the Tax Practitioners Board;
- Small business claims for instant asset write-off;
- Establishment of ATO office in Gosford—staffing, including number of staff from central coast and number of transfers from other offices;
- ATO's enhanced compliance activities;
- Corporate tax minimisation—transparency and reporting;
- GST obligations of political campaigning entities that are not a political party;
- Distinction between subscriptions and donations for tax purposes;
- Tax Transparency Code—Defence companies;
- Black economy measures and procurement;
- Acknowledgment of country in ACNC staff emails;
- ACNC Staff survey;
- Beneficial Ownership register—proposal, consultation and inaction;
- Australian Business Securitisation Fund Bill 2019;
- Update on the office of the Inspector-General of Taxation;
- ASIC's investigation into Queensland Nickel and Clive Palmer;
- ASIC's involvement in ANZ/Goldman Sachs with Malaysia;
- New ASIC power for insurance claims handling;
- Enhancing Whistleblower Protections legislation;
- Unfair contract terms and insolvency;
- Responsible lending guidelines;
- Productivity Commission's final report on the Superannuation inquiry;

- Murray-Darling Basin Plan report;
- Inequality study in Australia;
- APRA's data capability—gaps identified by PC;
- National Energy Market;
- Food and grocery code of conduct;
- Complementary medicines taskforce;
- Milk prices—Woolworths' decision to increase price; and
- Manufacture of fish oil.

Chapter 3

Industry, Innovation and Science portfolio

3.1 This chapter summarises certain key areas of interest raised during the committee's consideration of additional estimates for the 2018–19 financial year for the Industry, Innovation and Science portfolio. This chapter of the report follows the order of proceedings and is an indicative, not exhaustive, account of issues examined.

3.2 On 21 February 2019, the committee heard evidence from Senator the Hon. Matthew Canavan, Minister for Resources and Northern Australia¹, along with officers from the Department of Industry, Innovation and Science (the department) and agencies including:

- Anti-Dumping Commission;
- Australian Nuclear Science and Technology Organisation (ANSTO);
- Commonwealth Scientific and Industrial Research Organisation (CSIRO);
- Office of Innovation and Science Australia;
- Northern Australia Infrastructure Facility (NAIF); and
- National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA).

3.3 Senators present over the course of the day's hearing included Senator Hume (Chair), Senator Ketter (Deputy Chair), and Senators Carr, Patrick, Sinodinos, Stoker, and Storer.

Department of Industry, Innovation and Science—Programme 3

Women in STEM

3.4 The committee asked representatives from the department about government initiatives relating to women in science, technology, mathematics and engineering (STEM).

3.5 Officials from the department noted that work on encouraging women's participation in STEM was an important part of the National Innovation and Science Agenda (NISA). Specifically, the NISA introduced initiatives including the Male Champions of Change, the Women in STEM and Entrepreneurship grants program, the Superstars of STEM, and the Science in Australia Gender Equity project.²

3.6 Officials also noted the recent appointment of the first women in STEM ambassador, Professor Lisa Harvey-Smith. The role of the ambassador is to work on a

1 Minister Canavan was relieved for a short time by Senator the Hon. Simon Birmingham, Minister for Minister for Trade, Tourism and Investment; Senator the Hon. Nigel Scullion, Minister for Indigenous Affairs; and Senator the Hon. Zed Seselja, Assistant Minister for Treasury and Finance.

2 *Proof Estimates Hansard*, 21 February 2019, p. 34.

national scale to raise awareness of the issues that can hold girls and women back from STEM study and work:

She will increase understanding of the opportunities available to girls and women in STEM, aiming to increase their participation. Through her advocacy, the Ambassador will help drive cultural and social change for gender equity.³

3.7 Officials from the department commented that the government is committed to supporting women in STEM:

This is reflected in the 2018-19 budget, where the government committed over \$4.5 million over four years to support long-term strategic approaches to encourage more women and girls to pursue STEM education and careers. This work has included developing the inaugural Women in STEM strategy; support to the sector to develop the decadal plan; and support to develop a Girls in STEM Toolkit to really open up the eyes of school-age girls to the exciting careers that can be there for them in STEM.⁴

Complementary medicines

3.8 The committee discussed the use of the Australian Made logo for complementary medicines. The committee noted the introduction of legislation relating to the Australian Made logo in early 2017, and that the Australian Competition and Consumer Commission's interpretation of the legislation had revealed unintended consequences of the legislation. Specifically, that:

The new definition of 'substantial transformation' focuses more on the imported content of a product than the previous definition. Some products which previously met the substantial transformation test will no longer do so, meaning that they will no longer qualify to carry the Australian Made logo.⁵

3.9 The committee asked what the department was doing to resolve this issue, noting that a resolution may be possible through the introduction of new regulations. Departmental officials noted that 'the government has announced and established a task force to investigate this issue'.⁶ Officials commented:

The work of the task force, including meeting with industry and representations of industry, has demonstrated that this issue is more complicated and more difficult than the claims that may have been made. For example, two of the majority exporters, Blackmores and Swisse, have

3 Department of Industry, Innovation and Science, *Science News*, 'Australia's first Women in STEM Ambassador', <https://www.industry.gov.au/news-media/science-news/australias-first-women-in-stem-ambassador> (accessed 28 March 2019).

4 *Proof Estimates Hansard*, 21 February 2019, p. 34.

5 Australian Made, 'Complementary health and the logo', <https://www.australianmade.com.au/for-business/complementary-health-and-the-logo/> (accessed 29 March 2019).

6 *Proof Estimates Hansard*, 21 February 2019, p. 36.

informed the task force that they don't use the logo on their export products and have enjoyed considerable success overseas.⁷

3.10 Officers from the department advised the committee that the taskforce was due to complete its report and provide advice to the minister by the end of February 2019.⁸

Department of Industry, Innovation and Science—Programme 1

R&D tax incentive

3.11 The committee discussed the research and development tax incentive (RDTI) with departmental officials. In particular, the committee sought an update of the work of the National Reference Group (NRG). Departmental officials confirmed that the NRG had not met since March 2017; however, also noted that consultations had taken place with a number of organisations that form the NRG in relation to proposed changes to the R&D tax incentive in July 2018.⁹

3.12 Departmental officials advised the committee that a new consultation group called the RDTI Roundtable, that comprised existing NRG members as well as other organisations, would have its first meeting on 7 March 2019.¹⁰ Departmental officials clarified:

The difference as well from the NRG to the new RDTI roundtable is that it will be a rolling membership, which means there are a considerable number of members. We are talking about a number of around 30.¹¹

Square Kilometre Array

3.13 The Square Kilometre Array (SKA) is a global project that aims to build the world's largest and most capable radio telescope. The department's website explains:

During its more than 50 year lifetime, the SKA will expand our understanding of the universe and drive technological developments worldwide. Australia and South Africa will each host SKA components. The project is in the pre-construction phase.¹²

3.14 Departmental officials provided the committee with an update on the progress of the SKA over the last 12 months:

The SKA has made a lot of very positive progress over the last 12 months. Both France and Spain have joined the current SKA organisation, and the project is now moving towards a signing ceremony for the SKA

7 *Proof Estimates Hansard*, 21 February 2019, p. 37.

8 *Proof Estimates Hansard*, 21 February 2019, p. 41.

9 *Proof Estimates Hansard*, 21 February 2019, pp. 51–52.

10 *Proof Estimates Hansard*, 21 February 2019, pp. 51–52.

11 *Proof Estimates Hansard*, 21 February 2019, pp. 52–53.

12 Department of Industry, Innovation and Science, *Astronomy*, 'Co-hosting the Square Kilometre Array', <https://www.industry.gov.au/strategies-for-the-future/astronomy/co-hosting-the-square-kilometre-array> (accessed 29 March 2019).

Observatory Convention that we've been negotiating. That signing ceremony will take place in Rome on the 12 March. It will involve all the member countries.

3.15 There are currently 12 member countries of the SKA project, which is still in the pre-construction design phase.

3.16 The committee asked about what outstanding funding allocation still needed to be made by the Australian Government as part of the SKA. Officials from the department noted that there was still a range of funding allocations to be made:

We have an obligation to continue to fund the SKA organisation, so that's the UK company where the headquarters are located. We are also still supporting some companies or institutions that are participating. As I mentioned earlier, we're getting close to the end of the pre-construction phase, so there's still some funding for that. But then we still move into a bridging period, which is between the end of pre-construction to construction. The Australian government is providing some funding to support those activities also.¹³

3.17 Specifically, there is an allocation of \$25 million over 2018–19 and 2019–20, which is part of the \$293 million total that takes the SKA project through to 2025–26.¹⁴

Department of Industry, Innovation and Science—Programme 2

Australian Space Agency

3.18 The committee discussed the establishment of the Australian Space Agency (ASA). The head of the ASA is Dr Megan Clark AC. Dr Clark is a geologist and former director of CSIRO.

3.19 The committee noted the government's announcement in December 2018 that the ASA's headquarters will be located in South Australia. Dr Clark advised the committee that the ASA would be set up inside Lot 14—the site of the former Royal Adelaide Hospital and would be the base for 20 staff.¹⁵ Dr Clark noted that construction on that site is due to commence in mid-2019.¹⁶

3.20 Dr Clark also informed the committee of progress that the ASA had made in relation to establishing agreements with industry:

The agency, in its first eight months, has already done statements of strategic intent with three industry partners: Airbus, Sitael and Nova Systems. Inside those agreements, relevant to South Australia, Airbus has agreed to relocate one of its satellites in the Skynet network and the control centre of that to South Australia. Sitael is an Italian satellite manufacturer, and has committed to manufacturing satellites up to 300 kilograms in South

13 *Proof Estimates Hansard*, 21 February 2019, p. 65.

14 *Proof Estimates Hansard*, 21 February 2019, pp. 65 and 67.

15 *Proof Estimates Hansard*, 21 February 2019, p. 70.

16 *Proof Estimates Hansard*, 21 February 2019, p. 68.

Australia. And Nova Systems, which is based in South Australia, is looking at areas to expand in space situational awareness—that is, the debris in space—and the analytics around that, next generation ground systems and, also, capability assurance services.¹⁷

Australian Institute of Marine Science

3.21 The Chief Executive Officer (CEO) of the Australian Institute of Marine Science (AIMS), Dr Paul Hardisty, made an opening statement which highlighted some of AIMS's activity over the last six months. In particular, Dr Hardisty noted the effect of the recent Townsville floods on AIMS's operations:

I would also like to thank all the AIMS staff, who kept working, even as floodwaters threatened their homes. They volunteered to keep our facilities at Cape Cleveland running, even as our road was cut, and then banded together to help our colleagues whose homes were flooded to clean up and dig out. It was a pretty bad time for a lot of people. I just wanted to acknowledge that. Thank you.¹⁸

3.22 Dr Hardisty also noted that the Reef Restoration and Adaptation Program was nearing a conclusion. The aim of the program is to provide governments with options for at-scale restoration and adaptation of the reef. Dr Hardisty noted that '[c]urrently, such options do not exist'.¹⁹

3.23 Dr Hardisty also noted that AIMS will shortly release the latest edition of its biennial 'AIMS Index of Marine Industry', which measures the economic value of Australia's marine industries:

In 2001 and 2002 total income, based on the marine environment, was about \$27 billion. In 2015–16 it was \$68.1 billion, an increase of over 250 per cent during that period. And for the first time in the history of the index, in this latest version, which will be issued next month, tourism and recreational activities have eclipsed offshore oil and gas production as the main contributor to the Australian economy amongst marine industries.²⁰

3.24 Dr Hardisty concluded:

As Australia's north continues to grow and develop, the marine estate will increasingly deliver more value and be subject to mounting stresses. Vast areas of our northern marine estate remain virtually unexplored. Meanwhile, key marine ecosystems, such as coral reefs, are in decline and will require significant investment if we are to safeguard them and the economic and social benefits they represent for the future.²¹

17 *Proof Estimates Hansard*, 21 February 2019, pp. 68–69.

18 *Proof Estimates Hansard*, 21 February 2019, p. 82.

19 *Proof Estimates Hansard*, 21 February 2019, p. 82.

20 *Proof Estimates Hansard*, 21 February 2019, p. 82.

21 *Proof Estimates Hansard*, 21 February 2019, p. 82.

3.25 The committee asked AIMS about the vessels of its research fleet. Dr Hardisty answered that AIMS has two major vessels: RV *Solander* and RV *Cape Ferguson*. The RV Cape Ferguson is 20 years old, and AIMS has advised the committee it is looking to with replace the vessel or enter it into a life-extension program.²²

3.26 Dr Hardisty noted that replacement of the vessel would be in the order of \$50 million; whereas a life-extension program would be in the \$1–3 million range.²³

Australian Nuclear Science and Technology Organisation

3.27 The committee asked ANSTO about its plans for the use of Building 23. Dr Adi Paterson, CEO of ANSTO, noted that ANSTO had toured the building with the new minister to show her key elements of the challenges that ANSTO will face in Building 23.²⁴ Dr Paterson noted:

I think there is a consensus forming that the replacement plans for building 23 in terms of long-term supply of nuclear medicines in a reliable way in Australia is a matter that many different actors are looking at in a structured way.²⁵

3.28 Dr Paterson explained that whether the plan for refurbishment of Building 23 was planned on a five year or eight year plan, that ANSTO's priority remained the 'proper sustainment of the existing facility'.²⁶

3.29 Dr Paterson also noted that ANSTO had expanded its activities in Building 54 over the last few years. He noted that 'about five years ago that was three to four per cent of world supply. We now undertake 16 per cent of world supply'.²⁷

3.30 In relation to Building 54, Dr Paterson specified:

The building 54 plant is the one that was built in the middle of the 2000s. The ANM plant is currently undergoing its final commissioning. I had a meeting with the regulator in relation to that last week. It is also undergoing the approvals from nuclear medicine authorities both in Australia—that is, the TGA—and in the United States—the FDA. When those nuclear medicine authority approvals are received and the regulator is satisfied with the safe operation, we will be able to begin supply from the ANM facility to the market.²⁸

22 *Proof Estimates Hansard*, 21 February 2019, p. 84.

23 *Proof Estimates Hansard*, 21 February 2019, p. 84.

24 *Proof Estimates Hansard*, 21 February 2019, p. 88.

25 *Proof Estimates Hansard*, 21 February 2019, p. 88.

26 *Proof Estimates Hansard*, 21 February 2019, p. 88.

27 *Proof Estimates Hansard*, 21 February 2019, p. 88.

28 *Proof Estimates Hansard*, 21 February 2019, p. 88.

Commonwealth Scientific and Industrial Research Organisation

Artificial intelligence

3.31 The committee asked CSIRO about work being done in relation to artificial intelligence. Dr Larry Marshall, CEO of CSIRO, noted that work on artificial intelligence is principally undertaken by Data61, the digital part of CSIRO. However, Dr Marshall also noted that artificial intelligence was becoming a more prominent part of CSIRO overall:

...over the last few years, many of the other areas of CSIRO, like agriculture, have become increasingly digital, so that digital capability is diffused throughout the organisation. A lot of the creations inside Data61 find their way into the different industries through the other CSIRO business units. In fact, that tends to be the largest source of growth for Data61. We use artificial intelligence, for example, in our climate modelling now. We call it machine learning. It's an early form of AI, but it is AI. We're using it to improve our seasonal and decadal climate prediction, we're using it in our drought modelling and we're using it in our health group, where we're trying to use AI to analyse and do early detection of cancers.²⁹

3.32 Dr Marshall considered that, for CSIRO, artificial intelligence is 'all about energy, water, health, and, of course, jobs'.³⁰ He pointed to some recent work done by Data61 to map out the impact of digital technologies on the future of work in Australia.³¹

3.33 The committee asked about the application of such work on artificial intelligence to the public service. Dr Smith, Secretary of the department, noted that a number of departments were beginning to look at how artificial intelligence would impact the future of their work; in particular, Dr Smith pointed to the Department of Human Services and the Department of Home Affairs.³²

3.34 Dr Smith considered that more research needed to be done in order to determine what the more precise impact of artificial intelligence might be on jobs, noting:

There are various studies, both those that are quite dramatic and those that are more assuring, in terms of what that means for the changing nature of work. We are still trying to do mapping work between the two departments—the Department of Jobs and Small Business and my department—in understanding the sectoral implications. But, really, it's trying to get that balance between where the opportunities are and where the jobs are that are going to be impacted. There's also work going on in the Public Service to think about what jobs within the public sector will be

29 *Proof Estimates Hansard*, 21 February 2019, p. 92.

30 *Proof Estimates Hansard*, 21 February 2019, p. 92.

31 *Proof Estimates Hansard*, 21 February 2019, p. 92.

32 *Proof Estimates Hansard*, 21 February 2019, p. 92.

impacted. There will be opportunities, but there will also be different types of jobs.

That's a longhand way of saying that there's quite a bit of work in train. It hasn't all come together yet, but we're not unique, as a country, in trying to understand the various dimensions of it and really think about what the positives are, what we need to plan for in terms of the transformation of jobs going forward and how we engage the population, in a digital sense, on where the jobs of the future are.³³

Murray-Darling report

3.35 The committee noted the recent release of the South Australian Murray-Darling Basin Royal Commission report and asked CSIRO about its involvement in the inquiry. Officers from CSIRO noted the following sequence of events in relation to CSIRO's participation:

In terms of the sequence of events there, in early June we received a request for current and former CSIRO employees or staff to appear. Shortly after that, the Commonwealth instituted a High Court action, an injunction, to prevent past and current Commonwealth employees from appearing. We advised the commissioner on 29 June that we would be respecting the High Court process and let it run its course, and then we would advise after that how CSIRO would respond to the commission. That High Court action was discontinued towards the end of August, and there was advice from the Australian government solicitor that there would be voluntary submissions made. CSIRO also advised the royal commissioner on 12 October that we would be making a voluntary submission on the relevant scientific matters. We submitted that on 5 November.³⁴

3.36 The committee raised concerns that CSIRO did not appear at a public hearing the inquiry. However, CSIRO noted that they did make a submission to the inquiry, and that beyond that, there was no particular need to appear.

3.37 Dr Marshall stated: 'Our science is published. It is clear. It stands on its own merits'.³⁵

National Offshore Petroleum Safety and Environmental Management Authority

Seismic testing in the Great Australian Bight

3.38 The committee asked representatives from the NOPSEMA about a recent approval given by NOPSEMA for seismic testing to be undertaken in the Great Australian Bight. In particular, the committee raised concerns about the effect of such testing on local marine life.³⁶

33 *Proof Estimates Hansard*, 21 February 2019, pp. 92–93.

34 *Proof Estimates Hansard*, 21 February 2019, p. 94.

35 *Proof Estimates Hansard*, 21 February 2019, p. 96.

36 *Proof Estimates Hansard*, 21 February 2019, p. 125.

3.39 Officials from NOPSEMA noted that an assessment of the impacts seismic testing on marine fauna had been undertaken:

The short answer is yes, we did answer the impacts on a full range of relevant marine fauna at that time of year and that location, including southern right whales. It was part of the assessment decision-making and also drove part of the conditions that were being established that you mentioned that were attached to the approval.³⁷

3.40 Officials also noted that NOPSEMA had reviewed the environmental impact assessment report on the seismic testing and highlighted that:

We don't have any role in conducting seismic surveys, releasing exploration permits or promoting oil and gas development. We're purely considering whether the environmental impact of the survey, for example, if it's a seismic survey, could be conducted without unacceptable impacts.³⁸

3.41 NOPSEMA confirmed that seismic testing had been approved for between September and November in 2019 and 2020.³⁹

Other topics raised

3.42 The committee discussed a wide range of topics during the hearing with the Industry, Innovation and Science portfolio. The above reporting of discussions is not complete. Other topics discussed by the committee included:

- Possible privatisation of the National Measurement Institute;
- SAGE—Science in Australia Gender Equity;
- European southern observatory;
- Building Ministers' Forum
- Australian Building Codes Board;
- Building regulators' forum—flammable cladding;
- Non-conforming building products;
- Shergold and Weir report recommendations;
- Science policy review;
- Meetings of the Commonwealth Science Council;
- Advanced Manufacturing Growth Fund;
- Space agency activities relating to launches from Port Lincoln;
- Refurbishment and management of asbestos in space agency site;
- Seafood origin working group;

37 *Proof Estimates Hansard*, 21 February 2019, p. 125.

38 *Proof Estimates Hansard*, 21 February 2019, pp. 125–126.

39 *Proof Estimates Hansard*, 21 February 2019, p. 125.

- Australian anti-dumping system;
- Commercial concerns regarding trade diversion;
- Public availability of the trade remedies index;
- Revenue implications of non-compliance;
- Paper dumping investigation and progress of subsequent report;
- AIMS' strategy to 2025;
- Staffing at ANSTO;
- Regulation for nuclear medicines;
- National radioactive waste management facility in South Australia;
- Menindee Lake fish kill;
- Northern Australia Water Resources;
- Coal—demand for exports in Asia/Pacific;
- NOPTA—Bight Petroleum exploration activities;
- Update on investment decisions of the NAIF;
- NAIF Board donations to political parties;
- NAIF Board selection process;
- NAIF Projects in central Queensland;
- Equinor drilling in Great Australian Bight;
- Sound of seismic survey effect on marine animals;
- Prelude project safety issues; and
- Passive acoustic monitoring.

Senator Jane Hume
Chair

Appendix 1

Tabled documents

Treasury portfolio

1. Opening Statement tabled by Mr Philip Gaetjens, Secretary of the Department of the Treasury, 20 February 2019.
2. IMF: Australia: Staff Concluding Statement of the 2018 Article IV Consultation Mission, Completing the Rebalancing after the End of the Mining Investment Boom, 19 November 2018, tabled by Senator Peter-Whish-Wilson, 20 February 2019.
3. Opening Statement, tabled by Mr James Shipton, Chair, Australian Securities and Investments Commission, 20 February 2019.
4. Media Release, helloworld travel limited, 20 February 2019; copy of an email, tabled by Senator Jenny McAllister, 20 February 2019.
5. Opening Statement, tabled by Mr Wayne Byres, Chair, Australian Prudential Regulation Authority, 21 February 2019.

Industry, Innovation and Science portfolio

6. Opening Statement, tabled by Dr Paul Hardisty, Chief Executive Officer, Australian Institute of Marine Science, 21 February 2019.
7. Map: Study area and site locations, central-north South Australia, tabled by Senator Rex Patrick, 21 February 2019.
8. Opening Statement, tabled by Ms Laurie Walker, Chief Executive Officer, Northern Australia Infrastructure Facility, 21 February 2019.
9. Figures showing isovelocity associated with seismic surveys; Graphs: Duntroon Marine Seismic Survey, tabled by Senator Rex Patrick, 21 February 2019.

