

Chapter 1

Introduction

1.1 On 8 February 2018, the Senate referred the following to the Senate Environment and Communications Legislation Committee (the committee):

- Particulars of proposed additional expenditure in respect of the year ending on 30 June 2018 [Appropriation Bill (No. 3) 2017–18];
- Particulars of certain proposed additional expenditure in respect of the year ending on 30 June 2018 [Appropriation Bill (No. 4) 2017–18]; and
- Final budget outcome 2016–17—Report by the Treasurer (Mr Morrison) and the Minister for Finance (Senator Cormann).¹

1.2 The Portfolio Additional Estimates Statements (PAES) for 2017–18 for the two portfolios allocated to the committee—Environment and Energy portfolio and the Communications and the Arts portfolio—were tabled in the Senate on 8 February 2018.²

1.3 A reporting date of 27 March 2018 was set for the committee's report on the 2017–18 Additional Estimates.³ On 26 March 2018, the Senate agreed to extend the reporting date to 9 May 2018 to allow the committee to complete its examination of the proposed additional expenditure and outcomes for the Environment and Energy portfolio and Communications and the Arts portfolio.⁴

Hearings

1.4 The committee's examination of the Environment and Energy portfolio commenced on Monday, 26 February 2018. The committee agreed, pursuant to standing order 26(4), to hold a further hearing on Friday, 26 March 2018 to complete its examination of Program 2.1: Reducing Australia's Greenhouse Gas Emissions and Program 4.1: Energy.

1.5 The committee's examination of the Communications and the Arts portfolio commenced on Tuesday, 27 February 2018. The committee agreed to hold two further hearings on Tuesday, 10 April 2018 and Wednesday, 11 April 2018, pursuant to procedural order of continuing effect No. 9B, to complete its examination of NBN Co Limited (NBN Co) and the Australian Broadcasting Corporation (ABC).

1 *Journals of the Senate*, No. 83, 8 February 2018, p. 2647.

2 *Journals of the Senate*, No. 83, 8 February 2018, p. 2647.

3 *Journals of the Senate*, No. 70, 15 November 2017, p. 2228.

4 *Journal of the Senate*, No. 92, 26 March 2018, p. 2921.

1.6 On 28 March 2018, the Senate passed a motion from Senator Anne Urquhart directing the committee to meet on 10 April 2018, from 2 pm to 4 pm, in Canberra, to further consider the 2017–18 Additional Estimates in the Communications and the Arts portfolio and NBN Co.⁵ The motion required the attendance of the Minister for Communications and Minister for the Arts, Senator the Hon Mitch Fifield, as well as the following officers from NBN Co:

- Mr Bill Morrow, Chief Executive Officer;
- Mr Stephen Rue, Chief Financial Officer;
- Mr John McInerney, Chief Network Officer;
- Mr Peter Ryan, Chief Systems Engineering Officer; and
- Ms Caroline Lovell, Chief Regulatory Officer.

1.7 At the hearing on 10 April 2018, Ms Karina Keisler, Chief Corporate Affairs Officer, attended in the place of Ms Lovell. The committee reports to the Senate that the direction to meet was complied with.

1.8 The committee took evidence from Senator the Hon Simon Birmingham, Minister for Education and Training representing the Minister for the Environment and Energy; Senator the Hon Anne Ruston, Assistant Minister for Agriculture and Water Resources representing the Minister for the Environment and Energy; Senator the Hon Mitch Fifield, Minister for Communications and Minister for the Arts, together with officers from the relevant departments and agencies. The committee thanks the Ministers, departmental secretaries and the officers who appeared before it.

1.9 The following agencies were not required to attend:

Environment and Energy portfolio

- National Wind Farm Commissioner;
- Sydney Harbour Federation Trust;

Communications and the Arts portfolio

- Australia Business Arts Foundation Ltd (Creative Partnerships Australia);
- Australian Film, Television and Radio School;
- Australian National Maritime Museum;
- Bundanon Trust;
- Classification Board;
- Classification Review Board;
- National Film and Sound Archive;

5 *Journals of the Senate*, No. 94, 28 March 2018, p. 2984.

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- National Gallery of Australia;
 - National Library of Australia
 - National Museum of Australia;
 - National Portrait Gallery of Australia; and
 - Old Parliament House.

Questions on notice and Hansard transcript

1.10 In accordance with standing order 26(9)(a), the committee agreed to the following dates for the return of answers to questions on notice, including written questions, or additional information:

- for questions arising from the hearings held on 26 and 27 February 2018—Tuesday, 17 April 2018;
- for questions arising from the hearing held on 26 March 2018—Friday, 11 May 2018; and
- for questions arising from the hearings on 10 and 11 April 2018—Friday, 25 May 2018.

1.11 Written answers and information provided to the committee in response to questions on notice arising from the hearings are tabled in the Senate and posted on the committee's webpage. Links to the transcripts of these public hearings and to answers and additional information are available on the internet at: www.aph.gov.au/Parliamentary_Business/Senate/Estimates/ec

Timeliness of answers to questions on notice

1.12 Answers to the 272⁶ questions on notice for the Environment and Energy portfolio due on 17 April 2018 were provided as follows:

- by the due date—120;
- by Monday, 7 May 2018—238; and
- remaining unanswered at Monday, 7 May 2018—34.⁷

1.13 All questions on notice from the 27 February 2018 hearing with the Communications and the Arts portfolio were provided by the due date. In addition, the committee notes that the ABC provided all its answers to questions on notice arising from the hearing on 27 February 2018 prior to the committee's additional hearing with the ABC on 11 April 2018. This was of great assistance to the committee.

6 This figure includes the 261 questions on notice from the hearing on 26 February 2018 and the 11 questions taken on notice by Snowy Hydro Limited at the hearing on 27 February 2018.

7 Includes 11 outstanding answers to questions on notice from Snowy Hydro Limited.

1.14 However, the committee notes that the answer to question on notice no. 145 lodged by NBN Co on 17 April 2018 did not provide the information requested. The question sought details about the number of premises that are ready for service, in design, and in construction, with a breakdown by technology. NBN Co's response did not provide this information. Instead, it referred Senators to an answer given during a previous estimates round as well as information published at times elsewhere. As the requested information was not provided, the question was again put to NBN Co for response on 24 April 2018 with a requested response by Thursday, 3 May 2018. As at 8 May 2018, a response had not been received from NBN Co.

1.15 The committee reminds the Minister for Communications and Minister for the Arts of the Government's commitment to ensuring the 'freest possible flow of information to the parliament'.⁸ While answers to questions on notice are prepared by agencies and departments, it is the Minister's office that finalises the answer and the timeframe in which it is provided to the Senate. The repeated arbitrary references to information that is only partly available in public reports instead of provision of an up-to-date answer is an ongoing concern to the committee.⁹ Accordingly, the Minister should ensure full and accurate information about factual and technical matters regarding the administration of government policies is provided to the Senate in a timely manner when requested.

Answers to questions on notice – Supplementary Budget Estimates 2017–18

1.16 The committee's examination of the Environment and Energy portfolio for the Supplementary Budget Estimates took place on 23 October 2017. The committee's examination of the Communications and the Arts portfolio took place on 24 October 2017. The committee set Friday, 8 December 2017, as the date for the return of answers to questions on notice.

1.17 The committee held two further hearings with NBN Co on 23 November and 5 December 2017. The committee set Thursday, 25 January 2018, as the date for the return of answers to questions on notice from both hearings.

Timeliness of answers to questions on notice

1.18 The committee received answers to 135 of the 149¹⁰ questions on notice for the Environment and Energy portfolio by the due date of 8 December 2017. All answers were provided by 18 January 2018.

8 Department of the Prime Minister and Cabinet, Government guidelines for official witnesses before parliamentary committees and related matters, February 2015, p. 2.

9 See for example, Budget Estimates 2017–18, Communications and the Arts portfolio, NBN answers to questions on notice nos 301, 307, 312, 313, 314, 315, 342, 344, 354, 355, 361; Supplementary Budget Estimates 2017–18, Communications and the Arts portfolio, NBN answers to questions on notice nos 194, 195, 196, 208, 209.

10 This figure includes four questions taken on notice by Snowy Hydro Limited at the hearing on 24 October 2017.

1.19 The Communications and the Arts portfolio provided 154 of its 290 answers to questions on notice from the hearing on 24 October 2017 by the due date of 8 December 2017. The remaining 136 answers to questions on notice were provided between December 2017 and February 2018.

1.20 Of the 45 questions taken on notice from the committee's hearings with NBN Co on 23 November 2017 and 5 December 2017, no answers were provided by the due date of 25 January 2018. These answers were provided to the committee between 1 February and 22 February 2018.

Claims of confidentiality

1.21 The committee has examined answers to questions on notice from Supplementary Budget Estimates 2017–18 in relation to claims that information was not provided on the basis that it was commercial-in-confidence. The committee notes that some answers from the Department of Communications and the Arts and agencies in the portfolio contained this claim. While a number of answers included an indication of the potential commercial harm of providing the information, some answers claiming confidentiality did not provide any basis for such a claim.

1.22 The committee again draws the attention of departments and agencies to Senate Procedural Order of Continuing Effect No. 11 of 30 October 2003 relating to claims for the withholding of information on the grounds that it is commercial-in-confidence.¹¹ Without the required statement indicating the commercial harm that may result from the disclosure of the information, the committee is unable to consider whether it should require the answer or should not press the question.

1.23 In addition, the Department of the Environment and Energy declined to provide the answers to two questions on notice on the ground that to do so could potentially reveal the deliberations of Cabinet.

1.24 The committee also notes that a number of answers to questions on notice from the Communications and the Arts portfolio were not fully answered as it was indicated that to do so would be an unreasonable diversion of resources.

Senators' guidance document

1.25 The committee would again like to thank the Department of the Environment and Energy for preparing a 'guidance document' for the Additional Estimates hearings. The guidance document provided a comprehensive overview of the outcome structure of the department and was very helpful to committee members in establishing the correct area in which to ask their questions.

11 The Senate, *Standing Orders and other orders of the Senate*, August 2015, p. 131.

Record of proceedings

1.26 This report does not attempt to analyse the evidence presented during the hearings. However, it does provide a brief list of some of the key issues that were canvassed by the committee for each portfolio.

Note on references and additional information

1.27 References to the Hansard transcript are to the proof Hansard; page numbers may vary between the proof and official Hansard transcript.

1.28 Copies of the Hansard transcripts, documents tabled at the hearings, and additional information received after the hearings are tabled in the Senate and available on the committee's website.