



COMMONWEALTH OF AUSTRALIA

Proof Committee Hansard

SENATE

RURAL AND REGIONAL AFFAIRS AND TRANSPORT
LEGISLATION COMMITTEE

(Public)

MONDAY, 14 FEBRUARY 2022

CANBERRA

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RURAL AND REGIONAL AFFAIRS AND TRANSPORT LEGISLATION COMMITTEE

Monday, 14 February 2022

Members in attendance: Senators Abetz, Antic [by video link], Askew, Bilyk, Carol Brown [by audio link], Canavan, Chisholm, Davey, Lines, McCarthy, McDonald, McMahon [by video link], Mirabella, Molan, Patrick, Polley, Rice, Roberts, Sheldon, Urquhart, Waters and Watt

INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS PORTFOLIO

In Attendance

Executive

Mr Simon Atkinson, Secretary
Mr David MacKay, Acting Deputy Secretary
Ms Diane Brown, Deputy Secretary
Mr David Hallinan, Deputy Secretary
Ms Maree Bridger, Acting Deputy Secretary

Airservices Australia

Mr Jason Harfield, Chief Executive Officer
Mr Paul Logan, Chief Financial Officer
Mr Peter Curran, Chief Customer Experience and Strategy Officer

Australian Maritime Safety Authority

Mr Mick Kinley, Chief Executive Officer
Ms Linda Ward, Chief Operating Officer
Mr Michael Drake, Acting Executive Director, Policy and Regulation [by video link]
Ms Leanne Loan, Executive Director, Policy and Regulation

Australian Rail Track Corporation

Mr Mark Campbell, Chief Executive Officer, Managing Director [by video link]
Ms Rebecca Pickering, Acting Chief Executive Inland Rail [by video link]
Mr Simon Ormsby, Group Executive Interstate Network [by video link]

Cities

Mr Matthew Roper, First Assistant Secretary
Mrs Kim Forbes, Assistant Secretary, Deals (Geelong, NSW, Albury-Wodonga, QLD and SA)
Mrs Tiffany Karlsson, Assistant Secretary, Deals (Tas, NT, WA and Melbourne)

Civil Aviation Safety Authority

Ms Pip Spence PSM, Chief Executive Officer and Director of Aviation Safety
Dr Jonathan Aleck, Executive Manager Legal, International and Regulatory Affairs
Mr Andreas Marcelja, Acting Executive Manager Stakeholder Engagement
Mr Rob Walker, Executive Manager Regulatory Oversight Division
Mr Chris Monahan, Executive Manager, National Operations and Standards

Data, Analytics and Policy

Dr Louise Rawlings, First Assistant Secretary, and Head of Bureau
Dr Justin Iu, Head of Bureau

Domestic Aviation and Reform

Ms Janet Quigley, First Assistant Secretary
Mr Phil McClure, Assistant Secretary, Airports
Mr Jason Dymowski, Assistant Secretary, Domestic Policy and Programs
Ms Clare Chapple, Assistant Secretary, Regional and Environment
Mr Ben Vincent, Assistant Secretary, Aviation Programs

Finance, Legal and IT

Mr Brad Medland, Chief Finance Officer

Infrastructure Investment

Mr Phil Smith, First Assistant Secretary

Mr Robert Bradley, Assistant Secretary, VIC, Tasmania and SA Branch
Ms Shona Rosengren, Assistant Secretary, North West Infrastructure Investment Branch
Ms Robyn Legg, Assistant Secretary, NSW, ACT and Targeted Roads Branch
Mrs Elizabeth Murray, Acting Assistant Secretary, Investment Advisory and Business Improvement

International Aviation, Technology and Services

Mr Richard Wood, First Assistant Secretary
Mr Jim Wolfe, Assistant Secretary, International Aviation
Ms Naa Opoku, Assistant Secretary, Safety and Future Technology
Mr David Jansen, Assistant Secretary, Western Sydney Unit

Major Transport and Infrastructure Projects

Ms Jessica Hall, First Assistant Secretary
Mr Mitch Pirie, Assistant Secretary, Inland Rail Operations Branch
Mr Andrew Bourne, Assistant Secretary, Inland Rail Stakeholder and Regional Delivery Branch
Mr Adam Stankevicius, Assistant Secretary, Program and Stakeholder Management
Mr Paul Zagami, Acting Assistant Secretary, Program and Stakeholder Management
Mr Drue Edwards, Director, Inland Rail Stakeholder and Regional Delivery Branch

People, Governance, Parliamentary and Communication

Mrs Ruth Wall, First Assistant Secretary
Ms Stephanie Bourke, Assistant Secretary, Human Resources and Property
Ms Susan Charles, Assistant Secretary, Communication

Regional Development, Local Government and Regional Recovery

Ms Julia Pickworth, First Assistant Secretary
Ms Meghan Hibbert, Assistant Secretary, Regional Programs
Ms Sarah Nattey, Assistant Secretary, Regional Intelligence and Local Government

Road and Vehicle Safety

Ms Lisa La Rance, First Assistant Secretary
Ms Gabby O'Neill, Assistant Secretary, Office of Road Safety

Significant Project Investment Delivery Office

Ms Diana Hallam, First Assistant Secretary
Mr Stephen Sorbello, Assistant Secretary
Mr Bill Brummitt, Assistant Secretary

Surface Transport Policy

Mr Andrew Madsen, First Assistant Secretary
Mr Andrew Johnson, Assistant Secretary, Maritime and Shipping
Ms Paula Stagg, Assistant Secretary, Land Transport Policy
Ms Catherine Gladman, Assistant Secretary, Sustainable Transport and Maritime Safety Review
Mr Mike Makin, Assistant Secretary, Transport Market Reform and Technology

Territories

Ms Sarah Vandenbroek, First Assistant Secretary
Mr Aaron O'Neill, Assistant Secretary, Indian Ocean Territories
Ms Jane Christie, Assistant Secretary, Mainland Territories
Mr Oliver Holm, Assistant Secretary, Norfolk Island

Committee met at 09:01

CHAIR (Senator McDonald): I declare open this public hearing of the Senate Rural and Regional Affairs and Transport Legislation Committee. The Senate has referred to the committee the particulars of proposed expenditure for 2021-22 and related documents for the infrastructure, transport, regional development and

communications portfolio excluding communications. All questions on communications go to the department's appearance before the Environment and Communications Legislation Committee. The committee may also examine the annual reports of the departments and agencies appearing before it. The committee has before it a program listing agencies relating to matters for which senators have given notice. The proceedings today will begin with an examination of corporate matters within the Department of Infrastructure, Transport, Regional Development and Communications.

The committee has fixed Friday, 25 March 2022 as the date for the return of answers to questions taken on notice prior to Friday, 25 February 2022. For questions received after that date, the date for the return of answers will be Friday, 22 April 2022. Senators are encouraged to provide any written questions on notice to the committee secretariat as soon as possible following the hearings.

Under standing order 26, the committee must take all evidence in public session. This includes answers to questions on notice. I remind all witnesses that, in giving evidence to the committee, they are protected by parliamentary privilege. It is unlawful for anyone to threaten or disadvantage a witness on account of evidence given to a committee. Such action may be treated by the Senate as a contempt. It is also a contempt to give false or misleading evidence to a committee.

The Senate, by resolution in 1999, endorsed the following test of relevance of questions at estimates hearings. Any questions going to the operations or financial positions of the departments and agencies which are seeking funds in the estimates are relevant questions for the purposes of estimates hearings. I remind officers that the Senate has resolved that there are no areas in connection with the expenditure of public funds where any person has a discretion to withhold details or explanations from the parliament or its committees unless the parliament has expressly provided otherwise. The Senate has resolved also that an officer of a department of the Commonwealth shall not be asked to give opinions on matters of policy and shall be given reasonable opportunity to refer questions asked of the officer to superior officers or to a minister. This resolution prohibits only questions asking for opinions on matters of policy and does not preclude questions asking for explanations of policies or factual questions about when and how policies were adopted.

I particularly draw the attention of witnesses to an order of the Senate from 13 May 2009 specifying the process by which a claim of public interest immunity should be raised, which will be incorporated in the Hansard:

The extract read as follows—

Public interest immunity claims

That the Senate—

(a) notes that ministers and officers have continued to refuse to provide information to Senate committees without properly raising claims of public interest immunity as required by past resolutions of the Senate;

(b) reaffirms the principles of past resolutions of the Senate by this order, to provide ministers and officers with guidance as to the proper process for raising public interest immunity claims and to consolidate those past resolutions of the Senate;

(c) orders that the following operate as an order of continuing effect:

(1) If:

(a) a Senate committee, or a senator in the course of proceedings of a committee, requests information or a document from a Commonwealth department or agency; and

(b) an officer of the department or agency to whom the request is directed believes that it may not be in the public interest to disclose the information or document to the committee, the officer shall state to the committee the ground on which the officer believes that it may not be in the public interest to disclose the information or document to the committee, and specify the harm to the public interest that could result from the disclosure of the information or document.

(2) If, after receiving the officer's statement under paragraph (1), the committee or the senator requests the officer to refer the question of the disclosure of the information or document to a responsible minister, the officer shall refer that question to the minister.

(3) If a minister, on a reference by an officer under paragraph (2), concludes that it would not be in the public interest to disclose the information or document to the committee, the minister shall provide to the committee a statement of the ground for that conclusion, specifying the harm to the public interest that could result from the disclosure of the information or document.

(4) A minister, in a statement under paragraph (3), shall indicate whether the harm to the public interest that could result from the disclosure of the information or document to the committee could result only from the publication of the information or document by the committee, or could result, equally or in part, from the disclosure of the information or document to the committee as in camera evidence.

(5) If, after considering a statement by a minister provided under paragraph (3), the committee concludes that the statement does not sufficiently justify the withholding of the information or document from the committee, the committee shall report the matter to the Senate.

(6) A decision by a committee not to report a matter to the Senate under paragraph (5) does not prevent a senator from raising the matter in the Senate in accordance with other procedures of the Senate.

(7) A statement that information or a document is not published, or is confidential, or consists of advice to, or internal deliberations of, government, in the absence of specification of the harm to the public interest that could result from the disclosure of the information or document, is not a statement that meets the requirements of paragraph (1) or (4).

(8) If a minister concludes that a statement under paragraph (3) should more appropriately be made by the head of an agency, by reason of the independence of that agency from ministerial direction or control, the minister shall inform the committee of that conclusion and the reason for that conclusion, and shall refer the matter to the head of the agency, who shall then be required to provide a statement in accordance with paragraph (3).

(d) requires the Procedure Committee to review the operation of this order and report to the Senate by 20 August 2009.

(13 May 2009 J.1941)

(Extract, Senate Standing Orders)

CHAIR: Witnesses are specifically reminded that a statement that information or a document is confidential or consists of advice to government is not a statement that meets the requirements of the 2009 order. Instead, witnesses are required to provide some specific indication of the harm to the public interest that could result from the disclosure of the information or the document.

An officer called to answer a question for the first time should state their full name and the capacity in which they appear. Witnesses should speak clearly and into the microphones to assist Hansard to record proceedings. I remind everybody present to switch off their mobile phones or render them inaudible. Senators, departments and agencies have been provided with advice on the arrangements in place to ensure the budget estimates 2021-22 hearings are conducted in a safe environment. This guidance is also available from the secretariat. The committee appreciates the cooperation of all attendees in adhering to these arrangements.

Department of Infrastructure, Transport, Regional Development and Communications

[09:06]

CHAIR: I now welcome Senator the Hon. Bridget McKenzie, Minister for Regionalisation, Regional Communications and Regional Education; Mr Simon Atkinson, secretary of the Department of Infrastructure, Transport, Regional Development and Communications; and all the officers of the department. Minister McKenzie, do you or Mr Atkinson wish to make an opening statement?

Senator McKenzie: The secretary has an opening statement.

CHAIR: Thank you, Minister.

Mr Atkinson: Good morning, Senators. I'd like to update the committee on key developments in this portfolio since my last statement to the committee in October. At that time, I spoke about the work of my department to deliver \$19 billion of investment across our portfolio last financial year to connect Australians, enrich communities and empower our regions. I also spoke about our work to continue to deliver essential ongoing functions, business-as-usual activities and COVID-19 response measures. This includes \$5.2 billion of investment in roads, including road safety upgrades, through \$1 billion invested under the Road Safety Program and almost \$2 billion for rail, including Inland Rail. Our major infrastructure investments also include Western Sydney International Airport. We've delivered more than 130 programs, and \$10.8 billion has been administered by this department, with an additional approximately \$8.4 billion paid to states and territories under our national partnership agreements.

In 2021, our total transport infrastructure investment was \$12.1 billion. This was an almost 60 per cent increase above the average annual transport infrastructure investment from 2013-14 to 2019-20. This is the largest delivery in history and is up from \$7 billion last year thanks to hard work and great partnerships with the states and territories to deliver through COVID. Western Sydney International Airport was more than one-quarter complete as at 31 December 2021 and remains on track to commence operations in late 2026. Construction has now commenced on the terminal building. A total of 133 kilometres of track for the Inland Rail has been completed as at 31 December 2021. The 104 kilometre Parkes to Narromine section is complete. The Narrabri to North Star section is under construction, seeing another 29 kilometres of track becoming operational in November 2021.

Since we last met, my staff have continued to work tirelessly with ministers, APS colleagues, key industries, unions and state, territory and local governments to support essential freight movements through the additional pressures imposed by the latest wave of COVID-19 as well as recent severe weather events. Most recently, my

department has been involved in maintaining important supply chains because the transport sector was affected by Omicron and then the floods in South Australia.

We meet daily to support the reopening of key infrastructure, including road and rail, and to coordinate supply chain responses to disruptions to the supply of food to some parts of the country as well as key water purification chemicals. We're also working with the maritime sector to identify additional shipping capacity. Given this large workload, I restructured the surface transport policy division at the end of last year to better support a sustained focus on transport resilience, productivity, emissions and digitisation. I created a new division of road and vehicle safety to allow a greater focus on road and vehicle safety. The new division is part of the infrastructure group, providing a closer alignment of road safety policy with road safety related infrastructure programs. The surface transport policy division will remain in the transport group.

We've continued to support the aviation industry as it deals with the ongoing impacts of the COVID-19 pandemic. In December, the government released the aviation recovery framework, a strategy developed with industry to help Australia's aviation sector navigate its way back to a position of strength. Programs supporting regional Australia, such as the Regional Airline Network Support Program, Regional Airports Program and Remote Airstrip Upgrade Program, have been extended. In December, the new national road safety strategy was launched, developed by the Australian state and territory governments and the Australian Local Government Association. The strategy includes key priorities for action over the next decade to reduce road trauma and identify areas where improvement is needed most.

In January this year, the third phase of the Local Roads and Community Infrastructure Program commenced. Nearly 200 councils have already nominated their priority projects. Phase 3 of the LRCI program provides a further one billion dollars in funding to improve local road networks and deliver priority community infrastructure projects. Across all three phases, the LRCI program is delivering a total of \$2.5 billion to local governments, with over 6,900 projects nationwide approved worth over \$1.8 billion, with more to come.

Our regional grants funding programs continue to deliver to regional Australia to help address the impacts of COVID-19 as well as growth. Last year, two rounds of the BBRF were progressed, making six in total in operation right now across Australia, delivering social and economic benefits through 461 community investment and infrastructure projects in rounds four and five. A seventh round of the Stronger Communities Program is being delivered to support Australian communities as they recover from the economic and social impacts of the pandemic, with 2,300 applications submitted. We've successfully transitioned from New South Wales to Queensland as the state service provider for Norfolk Island. The two most significant services provided are health and education. The school and the hospital both successfully commenced operating under the Queensland state system from 1 January this year. The department is continuing to deliver the 10 city and regional deals agreed to date, which represents a combined investment of \$17.5 billion over the life of the deals. The government has now committed more than \$1.9 billion towards 72 water infrastructure projects, including the connections pathway, and more than 70 business cases and feasibility studies across Australia as part of the \$3½ billion National Water Grid Fund.

Construction is underway on multiple projects funded through the National Water Grid, building on the strong foundation of nine water infrastructure projects that are already completed. Since October 2021, the Mareeba-Dimbulah water supply scheme efficiency improvement project has been completed, providing greater water availability and security. We are also seeing the completion of the Adelaide River offshore water storage business case.

I would like to thank the people that are my department and do a values callout to them for the informed, collaborative and adaptive way they've prepared for this today. Most of them continue to work from home to support efforts to reduce the spread of COVID during this last wave. I thank our portfolio agencies for their continued efforts. A strong and well-functioning Public Service continues to play a key role in Australia's effective response to the crisis.

In response to a request from Senator Sterle, I would now like to table a number of documents relating to program expenditure across infrastructure investment, regional development, local government, cities and COVID response funding to aviation support, targeted road safety programs and local and community infrastructure projects. Consistent with past practice, my chief of staff will email that to the secretariat as well.

CHAIR: Thank you very much, Mr Atkinson.

Senator WATT: Thanks, Secretary. Can we do our usual thing at the beginning? Are there any areas that you were unable to provide information on in that document you tabled?

Senator McKenzie: It's quite dramatic.

Senator WATT: It is.

Mr Atkinson: It's like the ark of the government being wheeled in.

Senator WATT: You have discovered Fort Knox.

Mr Atkinson: Senator, we did it consistent with last time. The request from Senator Sterle was much more general this time, so it became consistent by the nature of his request.

Senator WATT: We'll look at that and come back if there is anything that you haven't been able to provide.

Mr Atkinson: I think it's got almost everything you need there, based on our previous conversation.

Senator WATT: Great. I want to start with some whole-of-portfolio matters. In last year's budget and again in MYEFO, the Treasurer unveiled a pretty staggering amount of money that was set aside for decisions taken but not yet announced. I think it was about \$16 billion in total. Are you able to give us some insight into how much of that bucket sits within this portfolio?

Mr Atkinson: Probably not. The Department of Finance holds the decisions taken not yet announced because it is held in the contingencies reserve generally.

Senator WATT: But you must have some indication of how much is sitting there for your department to use?

Mr Atkinson: I think we would have an indication of decisions taken but not yet announced where the money has already been transferred into our portfolio as part of cabinet decisions.

Senator WATT: So a decision has been made to allocate to your portfolio some of that \$16 billion in decisions taken but not yet announced?

Mr Atkinson: I don't know, sorry. I don't have the details of the \$16 billion that you are referring to.

Senator WATT: My point is--I'm sure you will remember this from MYEFO--there was a \$16 billion bucket, if you want to put it that way, of decisions taken but not yet announced across government. I thought I heard you say a minute ago that a decision had been taken to effectively assign some of that money to your portfolio.

Mr Atkinson: I would have visibility if they had done that. Does that make sense?

Senator WATT: Okay. Does that mean that, to your knowledge, they haven't done that?

Mr Atkinson: I will just check whether we have.

Mr Atkinson: The Department of Finance has the detail of what is in the \$16 billion that you are referencing, if that is the correct number. If there were any projects or funds in our portfolio, we wouldn't be able to announce them until the government announces them.

Senator WATT: I'm not asking you to tell me the individual projects for which money has been allocated because, as you say, it's a matter for the government to make those announcements. All I'm interested in is the aggregate figure that has been assigned to your department for these decisions made but not yet announced.

Mr Atkinson: Can I take that on notice? Even at program top-up, it is in a [inaudible] held in a [inaudible]. Unless it has flowed into our accounts, we won't necessarily see it. I will take it on notice and we can come back after lunch if we're able to provide anything in this space.

Senator WATT: I would expect that some of the spending relating to aviation programs, for instance, would fall under that category. I'm not asking you to confirm that because I know that is a matter for government. But I would think that in your portfolio it's likely that there would be decisions that had been taken not yet announced around funding aviation projects, funding particular infrastructure projects and funding particular regional grants projects or programs. As I say, what I am after is the aggregate figure for all of them.

Mr Atkinson: They wouldn't usually be in decisions taken but not yet announced. I was looking through the budget measures before.

Senator WATT: Maybe they are bad examples. Across your portfolio, there would be things that--

Mr Atkinson: If you have projects that are inside an existing program, a funding envelope, they would not be entered as a decision taken but not yet announced if we agreed to a project that was going to be funded under the Infrastructure Investment Program, for instance. We've got our Infrastructure Investment Program line in our estimates. Projects just get agreed and announced as part of that. Decisions taken but not yet announced are effectively budget measures that would have a fiscal and underlying cash impact. This is just a printout out of MYEFO for ours. That is the aviation recovery framework. It is the front one. It would be the budget lines that haven't been announced yet. Where you are talking about individual projects, it would only be if it were a new program that was going to be announced or a top-up to a terminating program, that sort of thing.

Senator WATT: So if, for argument's sake, the government wanted to announce a new car parks program or some new type of regional grants program without having announced yet exactly what it is and the types of projects that it will fund, that's the type of fund that would be sitting in decisions taken but not yet announced?

Mr Atkinson: So they could allocate money for a future announcement of a decision that is made to create a new program.

Senator WATT: As I say, could you look and see? I am assuming that your department has one of the biggest budgets of any department across government. It would be reasonable to think that a significant chunk of that \$16 billion will end up being spent through your department?

Mr Atkinson: I wouldn't say that. I will get a sense of scale and I can talk to you about that. I wouldn't necessarily say that, because the Department of Social Services in particular and health budgets move in huge scales that are bigger than my entire budget. So decisions in those spaces are often much bigger.

Senator WATT: Can you do your best to find out?

Mr Atkinson: Yes. I will find out what the scale is.

Senator WATT: As I say, I'm not trying to get individual projects. I get that you can't tell us that. But I think it's pretty reasonable to ask the total figure that will end up being spent through this portfolio. While we're still in corporate, I want to ask some questions--

Mr Atkinson: I will add one thing to that. The government can make decisions to create new programs without having provisioned it in MYEFO.

Senator WATT: Yes. I expect we'll see a bit of that in the budget.

Mr Atkinson: Each economic update has its own things.

Senator WATT: I have some questions about advertising for the department. How much is budgeted for advertising campaigns by this department over this financial year?

Ms Charles: We currently have \$5.2 million allocated to an online safety campaign.

Senator WATT: So \$5.2 million?

Ms Charles: It is a \$5.2 million budget for online safety, of which the department has \$4.2 million.

Senator WATT: So \$4.2 million?

Ms Charles: Yes. Correct.

Senator WATT: That's particularly in your role as the department of communications?

Mr Atkinson: That is communications.

Senator WATT: I know that there must be more than that. I know that in past years there have been transport and infrastructure advertising campaigns as well.

Mr Atkinson: We tend to get funded on a measures basis for that, if that makes sense. We get funded for a campaign for a specific period with dollars. We don't have an ongoing thing.

Senator WATT: No. You don't have a \$20 million a year budget?

Mr Atkinson: No.

Senator WATT: You get X million dollars for a particular advertising campaign?

Mr Atkinson: That's generally how it works.

Senator WATT: Are you saying that at this moment in time the only advertising campaign this department has money for is the online safety campaign?

Ms Charles: Yes. That's correct. I have to make one correction. The allocation is \$4.4 million, not \$4.2 million. That's correct; online safety is the only campaign we have a budget for.

Senator WATT: That's for the 2021-22 financial year?

Ms Charles: Yes. Correct.

Senator WATT: How much has been spent by the department on advertising so far this financial year?

Ms Charles: I will take that on notice. We haven't got any campaigns other than that one. The department does undertake advertising relating to tenders and things like that. I will take that on notice because I don't have those figures.

Senator WATT: I don't have the figures in front of me. I know that one of the things that we've talked about pretty much every estimates session is the infrastructure advertising campaigns. I've forgotten the name of the

campaign. One thing that has been notable in past years is that the amount of money allocated for those campaigns has increased substantially in the run-up to an election. It drops off after the election usually for the next two years. I'm trying to get a sense of whether that is happening again. You're saying that at this point in time there's no money for any advertising campaign around infrastructure this financial year?

Mr Atkinson: The only thing we have is a residual allocation of \$1.5 million that I think is left over from the last campaign.

Senator WATT: Did that campaign run through the previous financial year and into this financial year?

Mr Atkinson: When did it finish?

Ms Charles: The Building Our Future campaign finished on 30 June.

Senator WATT: Last year?

Ms Charles: Yes. Correct. There was an underspend, as the secretary mentioned, of around \$1.5 million or \$1.6 million. That has been moved into this financial year.

Senator WATT: But not yet spent?

Ms Charles: That's correct.

Senator WATT: What was the total value of that campaign?

Ms Charles: The previous phase--

Mr Atkinson: In the last financial year, it was \$8.79 million spent. That is actual expenditure.

Senator WATT: In 2020-21?

Mr Atkinson: Yes. Ms Charles might have more campaign level detail.

Senator WATT: Has the department been asked to prepare any additional advertising campaigns that it does not yet have a budget for?

Ms Charles: No. It has not.

Senator WATT: What was the total spending on advertising by the department in the 2020-21 financial year?

Ms Charles: Again, I will have to take that on notice. We do have information related to that in the annual report. Again, I'll come back to you on that.

Senator WATT: Minister, I know that you and I need to be in another committee at some point.

Senator McKenzie: We do. I was just checking on when the new minister is arriving so that we can go and do that.

Senator WATT: Before we go, Minister, were you the minister who sent a text message to Gladys Berejiklian during the 2020 bushfires describing the Prime Minister as desperate, a fraud and a complete psycho?

Senator McKenzie: Senator Watt, I communicate with the former Premier. We're both strong women of conservative leaning in politics at a particular time. I would never send a text like that, no.

Senator WATT: Have you ever described the Prime Minister as desperate, a fraud or a complete psycho or anything like that?

Senator McKenzie: I've always found the Prime Minister to be upfront. We've had very robust debates and discussions, as you would expect. We're from different political parties. That often results in quite robust discussions, particularly around policy issues. But I have always found him a man who has our national interest at the very heart of everything he does.

Senator WATT: Have you ever sent a text message disparaging him or referring to him in this kind of way?

Senator McKenzie: Senator, I've told you what I think of the Prime Minister. I've said it to his face. I have disagreements to his face. If I have anything to say about the Prime Minister, I say it to his face.

Senator WATT: But you still haven't addressed text messages sent to colleagues. Have you done that disparaging the Prime Minister?

Senator McKenzie: I don't know whether you are asking whether I sent texts to Gladys Berejiklian?

Senator WATT: Well, I started there. But beyond her?

Senator McKenzie: No.

Senator WATT: Did you and Barnaby send texts about Scott Morrison?

Senator McKenzie: Everyone knows how I play my politics. I'm very upfront. I don't play the victim card. I don't play the gender card. I don't background media against colleagues. If I have something to say to you, I'll say it to your face.

CHAIR: Senator Watt, I think that's been quite a bit of latitude.

Senator WATT: This is the last question on this. Has your leader, Mr Joyce, ever sent you a message describing Mr Morrison as a liar or a hypocrite or any of those types of terms like the message that he sent--

Senator McKenzie: As a first principle, Senator, I don't discuss private discussions with colleagues in public. I just explained how I choose to do my politics, for good or for ill. It has its downsides. I chose a decade ago how to conduct myself in this place. I won't be discussing private conversations with colleagues in this public forum.

Senator WATT: So it's possible that Mr Joyce has sent you those types of text messages about Mr Morrison?

CHAIR: Senator Watt, I don't think that's what the minister has said. I think she said she wouldn't discuss private conversations, which is an admirable trait.

Senator McKenzie: I can't be clearer. I'm due in another committee, as you are.

Senator WATT: I have a message on this. I understand that both of us will be here for a bit longer. Has the Prime Minister ever lied or misled you?

Senator McKenzie: Senator, I have been really clear. I don't have a beef with Scott Morrison. I'm not the type of politician that backgrounds against colleagues in the media. I can't be clearer. If I have something negative to say to you, Senator Watt, as you know, I will say it to your face. I won't send Senator McDonald a text about it. You'll know first.

Senator WATT: What about through the sports rorts period, where you got hung out to dry by the Prime Minister's office? Did you feel that you were misled or deceived by the Prime Minister or his office?

Senator McKenzie: Senator Watt, firstly, I don't think that actually is a program that is part of this Senate estimates. In answer to your question, I have been very clear. I am very proud of that program. My public commentary stands about the decisions I made and the success of those projects.

Senator WATT: I don't think you've ever been clear about how the PMO sees it.

Senator McKenzie: In terms of any issues I may or may not have with the Prime Minister, I have that conversation with him directly.

CHAIR: Senator Watt, we have an hour on this topic. You have colleagues here who still have questions. Would you turn back to the expenditure of the department, please.

Senator WATT: I think Senator Sheldon might have some questions.

Senator SHELDON: I refer to the department question No. SQ21-001194 in the supplementary estimates. It was from Senator Glen Sterle. As you are aware, the question was asking about the impact of skill shortages on project delivery and receipt. I'm trying to get to the bottom of the answers here because some of the detail of it wasn't quite clear. Is there more detail that you have about the skills shortage that is holding projects up? Have you got some more detail for us?

Mr Atkinson: Yes. I can probably speak to it a bit. I don't have that one with me because my QON folders are this high. Mr Hallinan might be able to speak more about the skills shortage. He has been dealing with it through infrastructure group.

Mr Hallinan: The question relates to whether or not skill shortages are holding up programs of works or projects specifically in infrastructure or more broadly?

Senator SHELDON: Infrastructure.

Mr Hallinan: We have certainly been receiving feedback from jurisdictions and even from some government entities that are building projects for us--Inland Rail or Western Sydney Airport--to indicate that markets are under some pressure on the supply side at the moment. In fact, we have received it from Infrastructure Australia from some of the work they've done on market capacity in particular. There are some pressures in the market, which is increasing to some extent costs associated with certain projects. It's also increasing timeframes and schedules for certain projects. The sorts of skills that we've seen and heard most about are usually pretty high-end engineering things. It might be train signaling or electrical engineering along train lines. It might be the high-end engineering attached to tunnel boring and, to some extent, feedback I have had from the consulting sector around early design works and geotechnical works around project design.

Senator SHELDON: I appreciate that you've listed a number of different skill sets. Have you got specific details of skill sets that are in short supply that are having an effect on projects, or is it a vague sort of--

Mr Hallinan: It's more generic feedback from the sector. It will depend on the location and the project type as to whether or not there is in fact a pressure in that space. There are some projects going ahead very well with very limited challenges. There are some where there have been limited tender numbers provided, as in limited applications to undertake a project. It's not a generalisable shortage, if I can describe it that way, at this stage. It's still quite--

Senator SHELDON: Is it broken down into regions and states?

Mr Hallinan: We can't really track information in that way.

Mr Atkinson: Workforce moves. We get what I would call a skill shortage where you have a tunneling engineer that is necessary to progress a project and you can't get one. Usually a lot of that skill set comes from overseas. There have been issues with COVID and people moving around. They are some of the key pinch points, particularly in the very technical engineering pieces. As far as the general engineering workforce, there's a lot of movement between projects and in parts of the heavy construction sector. If you are building a \$10 billion project in a place, the workforce doesn't all come from where that project is, particularly the plant and engineering and those sorts of things. So there is a lot of flexibility across the workforce. What Mr Hallinan was talking about was constraints in tender numbers--of how many people are bidding on particular projects. There is a number of reasons for that, including insurance costs, risk profiles and those sorts of things for tier 1 and tier 2 firms, depending on the size of the project. So the ability to attract labour actually drives the price up. Sometimes skill constraints will manifest as having to offer more into the skilled workforce market to attract workers to a particular project. But, as you've seen in my opening statement, we've sort of doubled our delivery last year, moving up from \$7 billion. There has been a massive increase in the size of the infrastructure pipeline. The thing that is most important for the industry is to have certainty as to what the future pipeline looks like so that they can engage and train the workforce going forward. One of the challenges has been previous lumpiness or lack of transparency in those big projects. We're actually going through a period now where there's a big stable investment pipeline that industry isn't able to connect itself to. There's much more work to be done in terms of making sure that we have the skilled workforce we need. But it's sort of moving in the right direction.

Senator SHELDON: Are you able to give us examples of a list of those projects that have been delayed as a result of skill shortages?

Mr Atkinson: I will take that on notice.

Senator SHELDON: How complicated is it to get that information to us? Can you take it on notice today?

Mr Atkinson: The issue would be that we would actually have to go and talk to the states about it. The issue is that lots of factors contribute to projects being delayed. If a project is delayed, there might be a very small number that have a specific skill shortage that has pushed it back. Usually there would be a number of factors, particularly with weather and COVID and all those sorts of things playing together.

Mr Hallinan: It is a little harder to diagnose than to just point to one factor, I think.

Senator SHELDON: Is it fair to say in those general terms you were saying before that it is causing delays on some projects?

Mr Atkinson: In some projects.

Mr Hallinan: In some projects. Generally, it's a pressure that we're getting in feedback from the sector. I think it is fair to say that we are working with both the states and territories and our delivery partners to ensure that there are good feedback loops into the education system and skills system. I think, more broadly, the context at the moment with unemployment where it is and where it's scheduled to head probably indicates that there will be generalisable skills pressures building over the next 12 months or thereabouts. But that, I think, is probably a better conversation in the Treasury estimates.

Senator SHELDON: Is there a project at all that just jumps out in your mind that has a skills shortage issue? You mentioned tunneling.

Mr Atkinson: Usually they are pinch point issues. I couldn't off the top of my head say that there's one sitting there right now but for some skilled workers. We can see if we can find some of them. One of the big constraints for those pinch points has been the international movement of skilled workers.

Senator SHELDON: Are there any states or territories where it is particularly better or worse, if you rank where you are having more challenges?

Mr Atkinson: Most of the engineering firms move between the states based on projects anyway. Certainly for the high-end engineering skills, it's not necessarily location based. I'm not sure about the rest of the workforce.

Senator SHELDON: Mr Atkinson, I appreciate that someone might be in Sydney--I'm going to say this terribly inaccurately--making drawings for something that is happening up in Queensland. Where the projects are actually taking place, are they being delayed as a result? Which states or territories have been more affected for better or worse?

Mr Atkinson: It wouldn't be unusual for a team to do a job in Newcastle and then do a job in Roma.

Mr Hallinan: The only thing that I would point out is that the big difference at the moment is where there are differences in state border controls or movements of people. That can create a challenge for any states that are finding they've got stronger border controls or restrictions in place. If they need to attract people in to build a project, that can actually be an encumbrance to it.

Mr Atkinson: One thing I would say--and this is just a generalisation--is that the states that have the very big projects have the biggest risk exposure.

Mr Hallinan: They do.

Mr Atkinson: But they also have the greatest capacity to manage it over time. Because they've got long tails, they can employ large workforces.

Senator SHELDON: So with those challenges obviously having an impact across the projects, what is the department doing to overcome the challenges that they are facing with these projects being delayed?

Mr Atkinson: There are a few things. One is that we're working with the Department of Home Affairs to make sure that the skilled workers we need get through. The answer to the question actually focused on this part of it. In the question on notice, there's a list of about four or five different things. That includes making sure that we're on the relevant skills list with the skills commissioner. We're working with state and territory colleagues to make sure that they are leaning into their postgraduate systems to support having the skills we need for those other parts of the system.

Mr Hallinan: We also encourage good collaboration between jurisdictions. So there might be a couple of jurisdictions that are, depending on the timing of a major project, in competition with one another for the skills. We'll encourage them to talk and try to figure out appropriate scheduling so that when the tunneling is done here, the tunneling can start over there and you don't end up employing two tunneling workforces or skill sets when maybe one would be appropriate if it stretches over two years instead of one year. So there are scheduling challenges across what is a really quite a large portfolio of activity and projects. Then there is skills feedback into our skills and education system and, more broadly, working with Home Affairs and ensuring that we've got the ability to attract and bring in the right skill sets.

Senator SHELDON: Are you able to give us some specific examples of the scheduling that has been reconfigured because of a shortage of skill sets? You used the example of tunneling before.

Mr Hallinan: I can't give you specific projects off the top of my head. I could take that on notice. That's certainly an example that we've discussed through the I bodies. Each state and territory has an I body. It's a little similar to Infrastructure Australia that provides guidance on what to do inside that jurisdiction. It's certainly a topic of discussion that occurs through the I body conversations. I will take on notice and see if I can come back with any specifics.

Senator SHELDON: Is the skill shortage one of the reasons why the department is falling behind on a number of its projects?

Mr Atkinson: As I read out in my opening statement, we've doubled what we've done previously. So we're well ahead of where this department has ever been in history. I would say that the market is growing to meet the infrastructure pipeline. There are delays here and there, but the actual system itself has doubled in size. Yes, the supply side is growing as well as jobs and productivity.

Senator SHELDON: But there is a downside that there is a skill shortage and concerns about how that's affecting projects?

Mr Atkinson: I would say that there are short-term temporal constraints in some projects. But the system as a whole is moving forward very quickly.

Senator SHELDON: I am going to your answer to the question on notice. You said that you are aware of the skill shortages--and you have been giving evidence to that effect--on a number of these projects. How prepared are we for the skill shortages in the future? It appears that, as you say, there have been additional projects that many could onboard. We've got a skills shortage. We've got a skills shortage that has been going on for some time now. What effect is the skills shortage going to have on the future project and potential delays? I'm talking more generally.

Mr Atkinson: I think that we're actually in pretty good shape. I think it's manageable where we're going. As I said before in my opening statement, last year, we delivered \$12.1 billion of total transport infrastructure investment. That's up from \$7 billion the previous year. So we've actually managed the big cliff in investment. From here, I think it's about \$13 billion or something this year. We've done that in terms of growing the workforce and delivery. It goes up like that from here. I suppose we've dealt with the biggest piece of industry growth. That's probably the anecdote you're hearing around skill shortages across these types of things. The number of skills coming in, particularly in the low skill part of the market, is a factor of economic flows.

Mr Hallinan: It's also worth pointing out that the major civil engineering sector, as part of broader construction, is a smaller element. There can be quite a lot of movement from peripheral sectors with similar and equivalent skills. So some of the work that is happening in the education sector relates to micro-credentialling for changes from a private construction market into civil engineering markets. More broadly, I think the biggest difference that we're getting feedback from the industry on is the ability to recruit from overseas over the last couple of years. It has really created some pressures. As COVID restrictions change over the next few years, some of those pressures will ease.

Mr Atkinson: One of the things that we see across this is that if we have a deep enough pipeline in Australia consistently, we will end up growing and attracting a permanent Australian workforce. Things happen here once or we require a skill set for six months or a year and then it isn't required in Australia for another two or three years. We actually form part of a very high skilled engineering global market. They are some of the constraints that actually have created the pinch points. It's about international skills.

Senator McCARTHY: I did leave the room for a few minutes. Was your statement this morning tabled for us to look at, Mr Atkinson?

CHAIR: Generally we do, but I don't know that you actually said the words.

Mr Atkinson: I don't think I did, sorry. I will table the statement.

Senator McCARTHY: Thank you. I tried to write a fair bit of it down. I think it would be good to read it.

Mr Atkinson: I'm sure my chief of staff is watching. She can email it to the secretariat.

Senator McCARTHY: Thank you very much. At the last estimates, you informed us that within the government's \$5 billion car park rorts fund there was approximately \$800 million unallocated. You also explained that in just over \$2 billion worth of projects the money was considered to be allocated but there was no project proposal report. Can you update us on these figures?

Senator Hume: Before officials do update, Chair, can we have the word 'rorts' please struck from the record? I ask Senator McCarthy to please withdraw that term. The name of the fund is the Commuter Car Park Fund. It is part of the Urban Congestion Fund.

CHAIR: Thank you, Minister.

Senator McCARTHY: Thank you, Chair. Although many people would differ, Minister, I will withdraw.

Senator Hume: I'm quite happy to talk about Labor's park and ride commitments in the same terminology, if you would like, Senator McCarthy.

Senator McCARTHY: I have a question for the secretary.

CHAIR: I want to clarify. We are still in the people, governance, parliamentary and communications, finance, legal and IT section. Do you have any more questions for that section? Otherwise, we will move to the infrastructure section.

Senator McCARTHY: I am happy to move on.

CHAIR: We might release that first section of the department, corporate matters, and move to the infrastructure part of the department. Thank you for your time.

Mr Hallinan: The question was whether or not there is still around \$800 million worth of funds unallocated in the Commuter Car Park Fund?

Senator McCARTHY: Yes. I missed a bit of that. What I have asked for is an update on the delivery project proposal report of those funds that I mentioned.

Mr Hallinan: I will confirm that there remains around \$800 million unallocated in that.

Senator McCARTHY: Sorry?

Mr Hallinan: There remains around \$800 million unallocated in the Commuter Car Park Fund.

Senator McCARTHY: Why is that?

Mr Hallinan: There has been one further decision of government, I think, which Mr Smith can update the committee on. But there have been no further decisions of government to commit that funding other than the update that we provide. I think we are now at 49 live projects in the Commuter Car Park Fund. I will ask Mr Smith to provide the update.

Senator McCARTHY: Just before you do, you said there were no further decisions of government. When was the last decision made?

Mr Smith: In terms of the specific dollars unallocated on the Urban Congestion Fund, there is currently \$848.5 million unallocated. With regard to decisions, there were a number of decisions in MYEFO where some additional money was allocated to Urban Congestion Fund projects. That reduced that unallocated number by about \$42 million. They were announced as part of the MYEFO process.

Mr Atkinson: My statement has now been emailed to the secretary.

Senator McCARTHY: Mr Smith, there was a fair bit of activity going on. Can I clarify what you just said there? You said reduced to \$42 million?

Mr Smith: No. Reduced by \$42 million. I think at the previous estimates we were up around \$890 million. It is now down to \$848.5 million. There was \$42 million announced in MYEFO funding top-ups for five additional projects. They were announced as part of the MYEFO process.

Senator McCARTHY: I will go back to Mr Hallinan's response about no further decisions of government being made. What directions have been given in relation to the remainder of these funds with no decisions being made?

Mr Atkinson: My take on this is that the government hasn't made any further decisions around those funds and so they sit as unallocated.

Mr Hallinan: So until such time as the government decides to allocate the funding to a project--and that could be because we have updated cost estimates or we have new proposals from potential proponents, which we would then put through a cabinet or ministerial process at minimum--that funding will remain unallocated. I think Mr Smith said it was around \$840 million.

Senator McCARTHY: We may revisit that. You also listed \$1.748 billion unallocated within the Roads of Strategic Importance initiative. Can we have an update on that too, please?

Mr Smith: Yes. Just to be clear, all the corridors have been allocated funding. It is within that where the projects have not been allocated on those corridors. It is \$1.6 billion as at 31 December.

Senator McCARTHY: So \$1.6 billion unallocated?

Mr Smith: Yes.

Mr Atkinson: Can I give you a bit more background to it?

Senator McCARTHY: By all means, Mr Atkinson.

Mr Atkinson: In some programs, we allocate directly to an individual road project. In RoSI, individual corridors have been nominated. Inside those corridors, individual projects then get allocated. They are not allocated at a project level but they are allocated at a corridor level, if that makes sense.

Senator McCARTHY: So far, you've told me that there is \$884 million unallocated and \$1.6 billion unallocated?

Mr Hallinan: It is \$848.5 million and I think it is \$1.6 billion.

Mr Smith: Yes. It is \$1.6 billion.

Senator McCARTHY: Lastly, insofar as the Community Development Grants and building better regions grants are concerned, can you let us know how much out of these funds is uncontracted?

Mr Atkinson: Would it be alright to give you that answer when I have my regional people here this afternoon? If you keep going with infrastructure, I may have it in one of my other folders and be able to give it to you. It will take me--

Senator McCARTHY: Maybe they are watching. They may be able to pass some information to you. It's just following on.

Mr Atkinson: I understand the number you're after. Was it uncontracted as opposed to unallocated?

Senator McCARTHY: Uncontracted for Community Development Grants and building better regions grants. At the last estimates, it was around \$700 million uncontracted across the two funds. Since then, there has

obviously been another round of the BBRF. Obviously, we discussed this at length at the last estimates. I'm sure you have people watching. Can they run the numbers and report back to you this morning on that?

Mr Atkinson: Yes.

CHAIR: I understand what you're asking, Senator McCarthy. We are having a couple of hours on regional, which covers BBRF and the community grants section this afternoon.

Mr Atkinson: Can it wait until 3.15 pm until they are here? You are really only after two numbers, though.

Senator McCARTHY: That's right. It won't be hard to get that, I'm sure, if they can just provide you the numbers. But I will leave that with you, Mr Atkinson.

Mr Atkinson: Mr MacKay is actually here by chance. He is the acting deputy secretary of regional.

Mr MacKay: The uncommitted funds for BBRF and CDG?

Mr Atkinson: Uncontracted. I think we should wait.

Mr MacKay: For uncontracted, I can seek to have the right people here this afternoon. I can tell you uncommitted but not uncontracted.

Senator McCARTHY: Tell us what you've got, then.

Mr MacKay: So for BBRF, as at 31 December, uncommitted funds are \$586.1 million. For CDG, again, at 31 December, it is \$520 million.

Mr MacKay: At 3.15 pm when I have the experts here, I'll clarify the definitions of 'uncommitted', 'uncontracted' and 'unallocated' because they are actually slightly different in the programs.

CHAIR: I think that's a good idea.

Senator McCARTHY: Thank you, Mr Atkinson. I am referring now you to departmental question No. SQ21. If it is done, I am done.

Senator SHELDON: We've had discussions several times at these estimates hearings about infrastructure expenditure, of course. We've particularly raised that there is a habit of the Morrison and Joyce government promising a lot and delivering very little. I want to get to the heart of where we're at. Can you please bring us up to date on your estimate expenditure for this financial year for the Infrastructure Investment Program?

Mr Atkinson: For IIP expenditure to date, yes, we can. There is one thing I would say. I talked about record infrastructure investment of \$12.1 billion last year going up from \$7 billion the year before. I have this conversation with all my colleagues. Our expenditure profile actually has quite a steep ramp on it. So expenditure as at today is not largely indicative of where we'll end at 30 June. Another thing to note is that we want to track against our expected expenditure profile as opposed to a linear profile, which some people might think about. The reason is the states' billing practices. They tend to bill us in the last quarter of the year based on what they've achieved to date. That is why we actually have what I would call lumpiness or predictable lumpiness in our expenditure profiles. Mr Smith should be able to update where we're at presumably as at the end of December.

Mr Smith: Expenditure as at the end of December was \$2 billion.

Senator SHELDON: That is so far this financial year?

Mr Smith: That's so far this financial year on the Infrastructure Investment Program.

Senator SHELDON: Can you also remind me how your projected underspend was last time we spoke and what occurred with that? There is a question about projected underspend.

Mr Atkinson: That was prior to last year's budget estimates, I think.

Senator SHELDON: That's right.

Mr Atkinson: We were talking about where we would end up in the FBO.

Senator SHELDON: Yes.

Mr Atkinson: That is the 12 figure that I talked about. The underspend was in the order of a few hundred million. Mr Smith might have more specifics. It depends on which program level you do it at.

Mr Smith: From memory—I didn't bring my final budget figures from last time—Mr Atkinson is right. We landed at \$12.1 billion. That was approximately a \$500 million to \$600 million underspend. We note that was achieving, if we flip it around, 95 per cent of the target. The figures in MYEFO are the most accurate figures that we have. We are still expecting to spend the money announced in MYEFO. If you are looking for a bit of a comparison, noting that there was a fairly large ramp-up this time last financial year, we were sitting at around a \$2.1 billion spend. So we're sort of in similar ballpark territory for that as far as the spend rate goes. Obviously, it

has been a somewhat disrupted year so far with various weather events and border lockdowns as well. So it is a similar story and pattern. So far, \$2 billion has been spent.

Senator SHELDON: I appreciate that you are giving me a ballpark overview of it. Is it likely to be slightly higher, or is it slightly lower?

Mr Smith: I can only announce the forecast in the budget. That would be updated then. That would give you a more accurate estimate. We're still tracking towards our MYEFO update figures. They are the best figures we have at this stage. We note that these figures are as at December and there are six months to go in the financial year.

Mr Atkinson: On last year's \$500 million differential over the 12, that was significantly better than previously in many years before.

Senator SHELDON: Previously, I'm sure, if we delve a little deeper into the bank after the government's \$110 billion investment pipeline. We've discussed this before. You previously provided a table that sets out the various components of the pipeline. It is departmental question No. SQ2-1000328 from last year's budget estimates. Can you please confirm that the Infrastructure Investment Program only makes up around \$77 billion of the \$110 billion?

Mr Hallinan: I can probably give you a rundown of the total program at this point. As at MYEFO, it's a \$115.7 billion total 10-year spend. The Infrastructure Investment Program, which is largely the grant payments to the states but a couple of other things, is currently \$79.1 billion. We can table this for you, if you like.

Senator SHELDON: Yes. That would be helpful.

Mr Atkinson: We'll get that tabled.

Senator SHELDON: There's more than \$5 billion in contingent liabilities for projects that are unlikely ever to be built.

Mr Hallinan: There remains \$5.16 billion in contingent liabilities.

Mr Atkinson: We can give you the same table we gave you before updated with a comparison to last time.

Senator SHELDON: Thank you. Can you step us through, if you're able to do that now, the financing and equity line item.

Mr Atkinson: We'll just read you them all.

Mr Hallinan: The financial assistance grants are \$9.2 billion. There is a bit more detail and precision in what is being tabled. There are total equity allocations of \$19.5 billion and other infrastructure investments of \$2.7 billion. That takes the total investment allocation without contingent liabilities to \$110.5 billion. Then you add the contingent liabilities we discussed earlier and it takes you to a total of \$115.7 billion.

Senator SHELDON: Thank you. I appreciate you may not be able to give us all the detail. You may be able to assist me if you are able to give some detail. I am guessing these are for projects like Inland Rail, Western Sydney airport and the intermodal companies?

Mr Atkinson: If you're asking about inside the equity investment line, yes.

Senator SHELDON: Minister, do you think it's reasonable for the government to claim such a large infrastructure investment pipeline when around 25 per cent is either for secret projects or projects that will never be built as well as a long-term practice of governments of both political persuasions providing financial assistance grants to local governments?

Senator ABETZ: That is a question of opinion as to whether it's reasonable or not.

Senator SHELDON: It's to the minister.

Mr Atkinson: Can I clarify the number you used. You said 25 per cent. The vast majority of that is the equity investments in building the Inland Rail, Western Sydney airport and Moorebank. That's \$19 billion. Contingent liabilities you are referring to is \$5.2 billion.

Senator SHELDON: I will come back to it. I will clarify what that final figure is. Isn't it a concern the amount of money that we've got that is not allocated? We've also got this issue of secret projects and projects that have had moneys allocated that we aren't aware of. It does raise some serious concerns about how we're supposed to be able to make decisions about what is an appropriate project that has been forecast that we should be doing. Doesn't it raise some serious concerns that we have all these billions of dollars set to one side that we haven't actually allocated? People aren't able to make a decision about the appropriateness of the allocation. Doesn't it raise some broader concerns?

Senator Hume: You will have to clarify, Senator Sheldon. Are you concerned that the government hasn't yet paid state governments for the non-delivery of projects? Surely the intention and the principle should be that you only pay for work that has actually been done. Is that correct?

Mr Atkinson: Senator, could I give a sense—

Senator SHELDON: It goes back to a question about making announcements about projects that haven't been set into place properly. This goes to the question of how the government operates. It makes announcements without having the appropriate processes in place. We raised earlier the issue of what has been happening with the car park rorts and what has been going wrong there. Quite clearly, there's money allocated, but the projects aren't being properly followed through. There is no appropriate plan for it.

Senator Hume: I know it has been a long time since Labor has been in government. It has been a long time since Labor has delivered a budget. It has certainly been a long time since Labor has delivered an infrastructure package. The federal government pays states and territories upon the completion of projects, not in advance. Surely that is the best use of taxpayer funds, Senator Sheldon.

Senator SHELDON: We've got a substantial amount of funds that are still outstanding to be spent. A substantial amount of funds has been allocated where the government hasn't, as far as I can see, properly considered how those projects are going to be delivered. We saw that with the car park rorts. We saw that happening with a whole series of projects for works.

Senator Hume: Chair, I would like a little correction to the *Hansard* transcript. The word 'rorts' is entirely inappropriate. In fact, it is the Commuter Car Parks Program and the Urban Congestion Fund. If we would like to talk about rorts and use that vernacular, I'm quite happy to raise the issue of Labor's park and ride fund.

CHAIR: Thank you, Minister. Senator Sheldon, would you withdraw that, please.

Senator SHELDON: I will withdraw the comment but still would like an answer to what is happening with the car parks. That is an example of where the government had made commitments that it wasn't able to deliver on. We're going to this point about the delivery of projects that are announced but not delivered.

Mr Atkinson: I want to clarify a couple of different things, because there are a couple of concepts mixed in there. There is the concept of unallocated funding in a program and then there is the concept of project delivery and maturity, which I expect is where you are getting to. The vast majority of the \$12 billion we spent last year was on major IOP projects. That all went out the door. It is a 60 per cent increase on what the average has been on the last five or six years. Then there is the issue of unallocated funding. It is not unusual for us to have unallocated funding going forward in programs. It gives us head room so that in future budget updates, following discussions and negotiations with the states, further investments can be made or changes to scope can be managed and those sorts of things within those budget envelopes. So having unallocated funding is not an unusual thing in major programs. We would like to have it allocated in the current year, but forward estimates unallocated funding is not an unusual thing. If it were completely allocated in the forward estimates, I would say that we were probably overcommitted. We deal with it through each budget process. There is then the issue of individual project delivery. Projects face different challenges across the course of their maturity at different points. I think we see that across different types of projects.

Senator BILYK: Is this the right place to ask about Tasmanian questions?

Mr Atkinson: Yes. If it is about Tasmanian transport infrastructure as opposed to regional development or cities.

Senator BILYK: It's part of City Deals.

Mr Atkinson: City Deals is this afternoon.

Senator BILYK: Has work begun on the Bridgewater Bridge project?

Mr Hallinan: I think we can probably respond to that.

Mr Atkinson: We can talk about that. Our infrastructure people are actually working on it as well as our cities people. Cities is on at 3.15 pm, though.

Mr Hallinan: There has been quite a lot of work on Bridgewater Bridge over some period of time, reflecting the complexity of what is involved in the construction. I will ask Mr Bradley to provide an update on any movements that we've had since the last estimates hearing.

Mr Bradley: Bridgewater Bridge received an additional \$167.8 million in MYEFO, bringing the total Australian government commitment to \$628.8 million. This funding allowed Tasmania to announce a preferred tenderer and award what is called an early activities deed. The preferred tenderer was selected at the conclusion of

an early contractor involvement process that commenced in 2020. We're expecting a design and construct contract to be awarded later in the second half of this year as at that point the construction will start. The plan is that cars will be operating and using the bridge in late 2024.

Senator BILYK: Late 2024?

Mr Bradley: That's right.

Senator BILYK: There have been some reports recently in the Tasmanian media that the project is already \$170 million over budget. Is that the extra funding that you just told me about? Did the Commonwealth pick up the funding gap?

Mr Bradley: This project is funded on an 80-20 basis with the Tasmanian government, so we both contribute to the project. I wouldn't describe it as a cost blowout. I mentioned that, I guess, the genesis for that additional funding was the early contractor involvement process. That is about, I suppose, selecting two contractors to work on the project, on the design, to work towards a targeted cost and the most competitive price they can get. I guess it gets to a point where we decide what will be the final decision and cost. I think the additional money reflected the outcome of that process and made sure that the Tasmanian government can now take that project to tender and deliver it. Included in that additional funding, I think it's important to note, is that there was also enhanced scope. I think at one stage the project was proposing to use the existing causeway across the river. Now it will be two lanes in each direction. There will be enhanced interchanges at either end of the approaches to the bridge. There will also be a shared pathway. The height of the bridge will match the Bowen Bridge to allow high mast yachts and ships to move under it.

Senator BILYK: I'm just trying to remember how high the Bowen Bridge is. It's not particularly high. Have you got a height specification for the Bridgewater Bridge?

Mr Bradley: It does need to match the existing bridges across the river to ensure that it won't become a blockage. So it will be matched.

Senator BILYK: You talked about the enhanced scope. Did you say there were two contractors selected and then you went down to one? Is that how it worked?

Mr Bradley: The Tasmanian government runs that process. The early contractor involvement was about bringing two contractors in, I suppose, to be competitive. That is about driving the best price we can and the most efficient designs. We went through that process. At the end of that, I guess that gave them a sharper idea of what the final costs will be and looked at the value for money they're going to get around the two. So they are competing designs to deliver on the scope they specified.

Senator BILYK: So there's not a final design plan. Is that what you are telling me?

Mr Bradley: At the end of that early contractor involvement, they've now awarded what they are calling a preferred tenderer. They'll have an early activities deed. As part of that early activities deed, that's where they'll take the design they've developed through that early contractor involvement and really refine that down and get that fine detail.

Senator BILYK: When will the public be able to see that plan?

Mr Bradley: I think there is a fairly good flyover on the Tasmanian government website, which shows the graphic in terms of what the bridge will look like and how the shared pathway will work. There's quite good visibility on the early concept designs.

Senator BILYK: Did you say that they weren't going to use the causeway?

Mr Bradley: I think one of the original plans was that the existing causeway would be used as an approach to the bridge to span the remaining section. The new plan is actually talking about independent two-lane bridges. It is a two-lane bridge on either side.

Senator BILYK: But in the same place?

Mr Bradley: It won't be going over the top of the causeway but in the same place, yes.

Senator BILYK: We're expecting it to all be completed by late 2024?

Mr Bradley: That's the date we're targeting to have vehicles using the bridge, yes.

Senator BILYK: I think that's all I've got for the Bridgewater Bridge at the moment. I will declare a bit of self interest in that area. I have a brother who lives one side and a brother who lives the other, and I see both of them.

Mr Bradley: That's going to be a very good project.

Senator BILYK: If the groundworks manage to deal with the traffic flow when they get started. Thanks. I want to ask about a couple of other things. One is the southern outlet fifth lane. Do you know anything about that? It will probably come up later in the afternoon.

Mr Hallinan: Could you repeat that?

Senator BILYK: It's part of City Deals.

Mr Atkinson: We could do City Deals with the City Deals people this afternoon.

Senator BILYK: That's fine. The Hobart congestion fund, I presume, is in City Deals?

Mr Bradley: Is that the northern suburbs transit corridor?

Senator BILYK: There is \$25 million of the funds unallocated.

Mr Hallinan: We can provide a short update on the congestion package here and the northern transit corridor. There have been some movements since last time we spoke. I will ask Mr Bradley to update on them. I think we've got a detailed conditions report of the corridor itself, which indicates certain limitations on what can and can't be undertaken. I think it was an old freight line.

Senator BILYK: Yes. The train line.

Mr Hallinan: Mr Bradley might have an update.

Mr Bradley: Certainly. I think that goes a long way to a lot of the update. I think at the last estimates we talked about how the Tasmanian government had engaged a consultant as the first stage of that process to undertake a conditions report. The idea of that, I suppose, was to understand whether the existing rail line could be used for a public transport project, what state it was in and whether there were any limitations. The department received the conditions report in December last year. Whilst I need to be a bit careful because it is a Tasmanian document that hasn't been—

Senator BILYK: Sorry, Mr Bradley. I've got a hearing impairment. Even this close I'm finding it a bit hard.

Mr Bradley: Maybe I will take my mask off. I think the key finding out of the report was that the existing freight line there is not in a state that could be used for a public transport process. I think there might have been some expectation or hope that perhaps that rail line could have been used for a light rail solution. The finding of the report is that isn't the case. The existing rail line would need to be removed. I think as Mr Hallinan has suggested, in other parts of the corridor, there are some width issues. In terms of removing a rail line in Tasmania, you may be aware that there are a few legislative processes that the Tasmanian government would need to go through in order to change a rail corridor, I guess, so it could be used for a purpose other than rail. I think Tasmania needs to go through a bit of work to understand the implications of the conditions report. We're working closely with Tasmania to understand the options for the \$25 million. I think part of the conditions report showed that the level of remediation work required in that corridor would be significantly beyond the \$25 million, so we need to work a bit at the options to stage it or identify interim projects or how we can continue to work to meet that commitment.

Senator BILYK: Do you have any information on how much of the \$25 million remains unallocated?

Mr Bradley: We've allocated \$2 million for the completion of that conditions report. I guess Tasmania paid for the initial work out of it, so they haven't claimed any of that money against us. We understand that it's not likely to cost the full \$2 million. So it is the majority of the \$25 million.

Senator BILYK: So Tasmania still has between \$23 million to \$24 million left?

Mr Bradley: I would estimate thereabouts, yes.

Senator BILYK: Besides the condition report, do you know of anything else that has been spent out of that \$25 million?

Mr Bradley: There hasn't been anything else spent out of that \$25 million.

Mr Hallinan: It would be fair to describe it as still in the planning stage. We're working very closely with our Tasmanian counterparts to identify the best options available. We would anticipate further consideration by government as proposals are put forward by the Tasmanian government for the use of the funds.

Senator BILYK: Have any other projects been agreed for funding since the committee last met?

Mr Hallinan: Not for the Hobart congestion package, no. We have detailed consideration with officials, though.

Senator BILYK: You said that the southern outlet fifth lane comes up this afternoon in City Deals. Is that right?

Mr Hallinan: Yes.

Senator BILYK: What about the airport upgrade?

Mr Bradley: I can talk about the airport upgrade. I think there are a couple of projects that have been completed around the airport. There is the Hobart airport to Sorell Southern Bypass. Is that the one?

Senator BILYK: That's one project.

Mr Bradley: There's the Hobart airport interchange as well.

Senator BILYK: Yes.

Mr Bradley: If you like, I can start with the interchange. That is a new interchange that will lift the Tasmanian highway over Kennedy Drive and Holyman Avenue with the on and off ramps there. That project is currently under construction. It started in December last year.

Senator BILYK: I know. I deal with the traffic at the airport.

Mr Bradley: The good news is that we are expecting construction to complete on that in mid-2022, so hopefully it won't be too much longer.

Senator BILYK: I've got to tell you that I don't know if anyone from Canberra has been down there. It's a dog's breakfast, not just because there's actual roadworks going on. To go to the airport from Hobart, you have to drive through two roundabouts with traffic coming from the left. We had a near miss last week when I came up in the Comcar because people don't know they have to stop. I don't really think that this solution is going to last. There needs to be a dedicated lane from Hobart airport to the city. Have there been any conversations about that you know of?

Mr Bradley: Are the concerns you had last week more to do with the traffic conditions due to construction?

Senator BILYK: No. It is the fact that you have to go through two roundabouts. If you are coming from the south, you have to go through two different roundabouts in the one area to get on to what the locals call airport drive. It has another name; I just can't remember it.

Mr Bradley: The advice I have is that the new interchange will lift the Tasman Highway over Kennedy Drive and Holyman Avenue, as I mentioned, with on and off ramps serving the connecting roads. So dual lane roundabouts will be built underneath the highway to efficiently and safely control the intersections.

Senator BILYK: That's right. But the dual lane highway heads north.

Mr Atkinson: He's saying that is over the top.

Senator BILYK: Yes. But that's for the traffic heading north. As I understand it from the plans and from seeing it and using it, the traffic from Hobart from the south will still have to go through these two roundabouts.

Mr Hallinan: Unfortunately, for us, there has been pretty limited ability for Canberrans to get around the country for the last two years.

Senator BILYK: Sure.

Mr Hallinan: I certainly haven't made it to Tasmania since I have been in the department for almost two years now. There have been too many restrictions. But the plan itself, I think, is a dual lane flyover with off and on ramps down to a two-roundabout solution.

Senator BILYK: To these two roundabouts, exactly.

Mr Hallinan: I think it's due to the technical challenges associated with the number of intersecting roads that occur. I think you end up with a junction of around five or six roads, from memory. So the solution that was identified was two on what I'm going to call the western side and two on the eastern side as well as the dual carriageway. There is a pretty complex interchange design trying to deal with all the traffic movements there.

Senator BILYK: Complex but not necessarily easy to use, I think.

Mr Bradley: I will also mention that we are funding another project: the Hobart airport to Sorell Southern Bypass.

Senator BILYK: That's right.

Mr Bradley: As part of that project, we're seeking to duplicate the Tasman Highway between Hobart Airport Interchange and the Midway Point Causeway. So we're expecting construction to commence on that in mid-2022.

Senator BILYK: To start on that mid-2022?

Mr Bradley: Yes. And be completed in early 2023. I'm not sure whether that might assist the situation a bit.

Senator BILYK: We very briefly had direct flights to New Zealand last year. Did these flights attract any financial support from the Commonwealth?

Mr Atkinson: Are you talking about the green lane that we had into New Zealand?

Senator BILYK: From Hobart?

Mr Atkinson: I don't think so.

Senator BILYK: Can you take that on notice and check for me?

Mr Atkinson: I can. Transport group will be able to answer it definitively. I am almost certain there was no financial aid. It was the removal of quarantine requirements that allowed the airlines to do it profitably—well, maybe not profitably.

Mr Hallinan: I think that's scheduled for 2.15 pm this afternoon.

Senator BILYK: I'll see if I can get back for that. If not, I might put it on notice, if that's okay. I will go back to this whole issue on the eastern shore from before you get to the airport from the south to further north of the airport, which is the last Tasman Highway redevelopment you spoke to me about. How much was that?

Mr Bradley: That was a project that we committed to in the 2019-20 budget. The Australian governments committed \$92.87 million for a total project of \$116.09 million. That is for the Hobart airport to Sorell Southern Bypass. For the Hobart Airport Interchange, the Australian government has committed \$37.13 million toward a total project cost of \$46.41 million.

Senator BILYK: Has anyone from the department received any representations from the Tasmanian government regarding the Commonwealth contribution to upgrade the Mornington roundabout, which is a bit south of the airport coming from Hobart?

Mr Bradley: It doesn't ring any immediate bells with me, Senator. I know the team meets regularly with their counterparts in Tasmania. It might be safest to take that on notice.

Senator BILYK: Great. One of the other few questions relates to the bus transit centre under City Deals.

Mr Atkinson: I think we will need to deal with that with the cities people.

Senator BILYK: And do you think that's about 3.15 pm?

Mr Atkinson: That is what is scheduled, yes.

Mr Hallinan: Cities is 3.15 pm.

Senator BILYK: That is all from me.

Senator SHELDON: I want to go back to the infrastructure investment pipeline. What I was trying to explain was that within the equity and financing loan item, if we're looking at what's actually going where, when you add that to the FAGs, you have approximately 25 per cent of the pipeline there. Is that correct?

Mr Atkinson: Are you talking about when you add the equity, the grant payments and the contingent liabilities?

Senator SHELDON: The equity and financing line item together, yes.

Mr Atkinson: The equity and grant? There are other components of one-off grants in there as well. The equity, of course, is the bulk. It is 19.5 per cent. It would be something like what you are talking about.

Senator SHELDON: When we add the other amount, it comes close to 25 per cent, doesn't it?

Mr Atkinson: Are you talking about the contingent liabilities?

Senator SHELDON: Yes.

Mr Atkinson: That seems about right.

Senator SHELDON: Thanks. So there's roughly 25 per cent. We have the issue about what has actually been allocated.

Mr Atkinson: No. The unallocated were subelements within the IIP. I could be wrong, but the exact value of equity contributions is often not fully disclosed in advance because of commercial arrangements that need to be put in place and commercial sensitivities. Is that the concern inside the equity for WSA and ARTC et cetera?

Senator SHELDON: That's part of it.

Mr Atkinson: Because that is the bulk of the money.

Senator SHELDON: In the Urban Congestion Fund, there is an amount for projects without a delivery PPR. Is that correct?

Mr Atkinson: Yes.

Senator SHELDON: Can you give me that figure again?

Mr Atkinson: I think Mr Smith might be able to help you with that. It is the number of projects with an announced amount that doesn't have PPR.

Senator SHELDON: Yes. What that total is.

Mr Smith: In terms of the amount that is in planning, it is \$1.9 billion.

Senator SHELDON: So \$1.9 billion hasn't been allocated in those circumstances?

Mr Smith: No. I will describe it differently. There is \$848 million that has not been allocated. That is setting aside. The rest has been allocated to states and projects barring some \$64 million. Of the allocation to the individual states, they go through various phases in planning and then into delivery. It's \$1.9 billion worth that is currently in planning and undertaking various stages of scoping and design work at this stage. Once that's finished and they get a delivery PPR from the state, the government makes a decision about whether they wish to proceed. They move along with that. There's about \$1.5 billion in delivery as we speak.

Mr Atkinson: I will add a bit of clarity. Unallocated is things that aren't allocated to any project. Without a PPR, it is more akin to what people would describe as uncontracted. Once we receive a PPR and accept that, that's when we create a funding agreement with the state. If people are after what you would call an uncontracted amount, those ones without a PPR would fit that definition.

CHAIR: I understand that Senator Brown is seeking the call. Senator Brown, are you still seeking the call?

Senator CAROL BROWN: I am.

CHAIR: Please go ahead.

Senator CAROL BROWN: I want to ask questions following up from Senator Bilyk's questions on the Urban Congestion Fund and the conditions report.

Mr Hallinan: In the Hobart congestion package?

Senator CAROL BROWN: Yes. I am particularly interested in the conditions report. You said it was finalised and delivered to the state government in December 2021. Is that right?

Mr Bradley: It was provided to the Australian government by the state government in December last year.

Senator CAROL BROWN: And that was the absolute final? You were talking about a draft last time?

Mr Bradley: Yes. That's correct. At last estimates, we were expecting a draft. We received a final of that conditions report.

Senator CAROL BROWN: When did the state government receive it? Around the same time of December?

Mr Bradley: Yes. It was around the same time. I think it was slightly early. They took a bit of time to consider it themselves. I think it was very much around the same time, yes.

Senator CAROL BROWN: Have there been discussions around publicly releasing the conditions report?

Mr Bradley: I think that would be a decision for the Tasmanian government.

Senator CAROL BROWN: You have indicated that you may be asked to pay for the report. You don't have any ownership of it, then?

Mr Bradley: We tend not to. The Commonwealth tends not to release reports that have been prepared by state governments. I think in this case it is certainly up to the Tasmanian government whether they wish to release this report.

Senator CAROL BROWN: Has there been any discussion around releasing a summary, particularly around the key findings?

Mr Hallinan: We can certainly consult with the state government and seek agreement to either release the report or some portion thereof. It's not something that we have actively sought to do at this stage. We have been considering the nature of the report with them to figure out what options might be available to make best use of the \$25 million for the congestion package.

Senator CAROL BROWN: Those discussions have been through the working group; is that correct?

Mr Bradley: Yes. The outcomes are progressing through the working group. It next meets on 3 March.

Senator CAROL BROWN: I think the last time it was meeting in October. Is that right?

Mr Bradley: It met on 26 October.

Senator CAROL BROWN: Was that the last time?

Mr Bradley: That's correct.

Senator CAROL BROWN: So there have been offline discussions, obviously?

Mr Bradley: We work closely with the Tasmanian government. I guess our city colleagues may be working more closely with the City Deals partners. I guess most of the discussions that I've been having have been with the Tasmanian department.

Senator CAROL BROWN: From this funding envelope of \$25 million, are you able to fund reports?

Mr Bradley: Sorry, I missed that?

Senator CAROL BROWN: I am wondering whether it's allowed under the \$25 million and the funding envelope. Forgive me, but I don't know which program it came from or whether it was a City Deals grant program. Are you able to fund reports like this?

Mr Hallinan: We can, yes.

Senator CAROL BROWN: You can?

Mr Hallinan: Yes. It would be the ordinary activities of government to identify and scope a project.

Senator CAROL BROWN: Have you had any discussions about the federal government actually picking up the bill for this report?

Mr Bradley: The expectation is that the Tasmanian government will claim back the cost of the report. As I say, we made \$2 million available for that. At this stage, we will wait essentially for them. I think they'll probably finalise the final costs. We expect to see a claim for payment come through the monthly reporting process.

Senator CAROL BROWN: Have you had any discussions about the state government actually doing that or whether they are going to pick up the cost themselves?

Mr Bradley: I think the expectation is that the Commonwealth will pay for it.

Senator CAROL BROWN: It is a simple question. Have you had any discussions about the Australian government paying for it?

Mr Bradley: Yes.

Senator CAROL BROWN: That wasn't hard, was it? The condition report--I'm not going to take much longer because I know we will be able to talk to the City Deals people--also looked at other projects. Yes? It wasn't just about the condition of the rail freight corridor, was it?

Mr Bradley: The main focus of the condition report was, I guess, understanding the condition of the existing corridor and what would need to be undertaken to bring that to an appropriate standard. I think the element you are talking about there that we discussed last time was that it might also identify some priority next steps that the government's commitment could be used toward.

Senator CAROL BROWN: Yes. I understand that. My understanding from questions that were answered in the October estimates was that there were other things that the conditions report would seek to look at.

Mr Bradley: Not outside the corridor. It was only looking at how we might prioritise--

Senator CAROL BROWN: Other projects that might have been suggested along the corridor.

Mr Bradley: No. I don't think that's the case.

Mr Hallinan: Insofar as the conditions report is a detailed assessment about the conditions of the corridor itself, including what would be necessary to remediate it. That might also include junctions, intersections and bridges attached to that corridor. Insofar as there may be relevant projects attached to the corridor that you could unpick from the conditions report itself for remediation, it could. But I wouldn't describe it as a specific element of the conditions report to identify other projects that aren't attached to that corridor, no.

Senator CAROL BROWN: Well, my understanding was that you were looking at future transit projects along the corridor in terms of this condition report. Can you quickly repeat your response to Senator Bilyk around the key findings?

Mr Bradley: The key finding is that the old freight rail track would not be suitable to support a light rail public transport solution. So, in any situation, that track will need to be removed to allow either a light rail solution or a bus rapid transit solution.

Senator CAROL BROWN: Does the report go to the cost? Do they indicate the cost of doing that well--taking up the track or what remediation is required?

Mr Bradley: It does go to costs.

Senator CAROL BROWN: And?

Mr Bradley: I think it's fair to say it's significantly more than the \$25 million commitment.

Mr Hallinan: The condition of the corridor is such that remediation itself would be substantially more than the \$25 million commitment. That is why we're in discussion with Tasmanian officials at this point on the best options available for that transit corridor to update it either within the existing funding envelope or consider alternative options.

Senator CAROL BROWN: So what is the estimated cost of the remediation? I think Tasmanians deserve to know. It is ongoing not only within the scope of City Deals. It is a conversation that has been had in the Tasmanian community for over a decade.

Mr Hallinan: We would need to go through first, I think, a budget process with the government to determine the options before we could identify the cost of any potential solution for that location. We would need to do that in close collaboration and consultation with Tasmania and ensure that anything we released, I think, is in keeping with the policy choices or considerations of both the Tasmanian and Commonwealth governments. I think we're a bit too early to provide that detail.

Senator CAROL BROWN: Yes. You have already said that the cost of remediation along that corridor would be a considerable amount more than what has been allocated in terms of the \$25 million or, as Senator Bilyk has indicated, \$23 million or \$24 million. I think it is reasonable for you to give me the figure about the estimated cost of the remediation. I'm not asking about project costs. I'm asking about remediating the corridor.

Mr Atkinson: We might take that on notice and discuss with our Tasmanian colleagues whether they are comfortable with us releasing that information. Obviously, it's their report. Mr Bradley has been very forward leaning in trying to explain what is in it. I wouldn't want to endanger our relationship with the Tasmanian government by releasing their information without consulting with them first.

Senator CAROL BROWN: Things are in a parlous state if you think just giving me that information would endanger your relationship. But I accept what you say. Is this a question I would be able to ask the City Deals people? Would they be able to answer it? Will somebody be there? I want to revisit the question later.

Mr Atkinson: I don't think we will be able to give any further detail about what is in the report in the cities part.

Senator CAROL BROWN: Okay. When can I revisit it? I am sure Minister Ferguson or his adviser is listening intently to the estimates hearing. When can I get an answer? That is my question.

Mr Atkinson: The answer I would have to give as we sit here today is that we can't release the details of the report that has been given to us by the Tasmanian government before we have had an opportunity to brief the government about it, they have an opportunity to consider it and we have talked to the Tasmanian government about their approach to release and how they would like the information released.

Senator CAROL BROWN: Essentially you're saying that any light rail along that corridor is going to be considerably more than \$25 million, which I think we all knew?

Mr Atkinson: Mr Bradley has suggested that. I think that's probably correct.

Senator CAROL BROWN: That's right. Does the report rule out light rail?

CHAIR: Senator Brown, the report is something that the department has said they will go away and brief and come back to you on. Would you like to put it as a question on notice to receive a copy of the report?

Senator CAROL BROWN: I think I asked that. I think the secretary was going away and having a look at that anyway.

CHAIR: Thank you.

Senator CAROL BROWN: Was there an answer to my last question? Then I will wind up.

Mr Bradley: I think your last question was about whether the report ruled out any transport solutions. It wasn't the intention of the report to do an options analysis. It was about looking at the condition of the existing corridor. So it didn't jump to solutions at all.

Senator CAROL BROWN: But you particularly raise the Hobart light rail.

Mr Bradley: The point I was making was that the existing rail tracks for the freight rail projects--the ones that are there--would not be able to be used for a light rail solution. They obviously couldn't be used for a bus rapid transit either. I guess there might have been some hope at some stage that the existing tracks could be used for a

future solution. The point I am making is that the key finding of the conditions report is that those tracks will need to be removed regardless of what future solution is put in place.

Senator CAROL BROWN: We all can agree that \$25 million was always going to be underdone? It was never going to be able to deliver any projects along that corridor?

Mr Hallinan: I don't think we can agree with that. There may well still be projects that can provide some assistance with that corridor through that budget amount. Ultimately, it will be a decision of governments through further briefing processes and cabinet processes both at the Tasmanian and Commonwealth levels.

Senator CAROL BROWN: I will forgive you for that answer since you haven't been down to Hobart to have a look.

Mr Hallinan: Once I can, I will.

Senator CAROL BROWN: And I will ask the question again.

CHAIR: Thank you, Senator Brown.

Mr Atkinson: I have an answer to Senator Bilyk's question about Tasmanian flights. We provided no specific funding for services between New Zealand and Tasmania, but we did provide Border Force services in Tasmania to allow the flights to happen.

Senator BILYK: Can you repeat that for me?

Mr Atkinson: We didn't provide any funding for flights.

Senator BILYK: For the actual flights?

Mr Atkinson: No. But obviously we provided Border Force services for Hobart airport.

Senator BILYK: For checking passports and things like that, you mean?

Mr Atkinson: Yes.

Senator BILYK: Do you know the cost of that?

Mr Atkinson: I wouldn't know that. It's just part of the normal border services that Border Force provides at all airports.

Senator BILYK: But they have been the staff that were already in Hobart?

Mr Atkinson: I don't know the answer to that. I would have to ask Home Affairs. I don't know how they are staffing that.

Senator BILYK: I accept that.

Senator McCARTHY: I want to go back to the car park rorts fund.

CHAIR: Senator McCarthy, I think we've been over this. Would you mind calling it by its correct name, please.

Senator McCARTHY: We're upset about that, are we? The Urban Congestion Fund. How much in total has been expended through this fund?

Mr Atkinson: Mr Smith might be able to help you once he is established.

Mr Smith: As at 31 December 2021, \$604.3 million had been expended.

Senator McCARTHY: At estimates in May, we were told that the department had downgraded the projected 2021-22 expenditure from \$1.2 billion to \$776 million. According to MYEFO, that has now fallen further to \$739.2 million. How much has been expended so far this financial year?

Mr Smith: I will see if I have that in my notes. Payments this financial year are \$61.2 million. I think it's worth noting that Mr Atkinson specifically said that our payment cycle normally ramps up in the second half of the year. That was certainly evident last year as well. We spent \$2 billion, and then we spent about \$12 billion in the final six months.

Senator McCARTHY: What is the projected expenditure now?

Mr Smith: The figure I have for the 2021-22 budget is actually \$745.7 million.

Senator McCARTHY: I don't know if I have hearing problems.

Mr Smith: The figure I have for the 2021-22 budget is \$745.7 million.

Senator McCARTHY: These revisions and underspends have been a running problem with this program. Why does that keep happening?

Mr Atkinson: We just talked about the \$25 million downgrade between estimates.

Mr Smith: I've still got a higher figure.

Mr Atkinson: Are you talking about the initial movement? The initial estimates, as I've said previously, had allocated money early on to make sure that there was sufficient money to deal with what the states could do. As we moved into the detail of individual project proposals, we revised our estimates based on the further information we had. I think that has stabilised now. As Mr Smith said, it hasn't moved much between budget and MYEFO estimates. Is that correct?

Mr Smith: No. That's correct.

Senator McCARTHY: How many projects are finished and how many are under construction?

Mr Smith: Forty-four have been completed, and there are 38 under construction.

Senator McCARTHY: How many are still in the planning phase?

Mr Smith: That would be residual. I will see if I can get someone to get me that number.

Senator McCARTHY: Come back to us, Mr Smith. Are there any projects that do not have a delivery timetable? Can you table that?

Mr Smith: I think we answered that question on notice last time. We can update that and take it on notice.

Senator McCARTHY: Thank you. How many projects will be completed after this year?

Mr Smith: I don't have that figure. What I can say is that there is a further 70 to commence in 2022.

Senator McCARTHY: Could you please table a list of all projects, including status, scheduled start and finish date and the delivery partner?

Mr Smith: Yes, we can. I should point out that the documents Mr Atkinson tabled will have the expected cash flows for the Urban Congestion Fund, including the commuter car parks, in there. Obviously the final payment will probably represent roughly the expected completion date. But we can take those specifics away because I think we've answered something similar before.

Senator McCARTHY: And that lists all the projects, doesn't it?

Mr Smith: That will certainly have all the information on it.

Mr Atkinson: Senator Sterle's list has all the projects.

Senator McCARTHY: Great. He's in WA.

Mr Atkinson: I'm not sure whether I'm referring to that list properly, but he's the one who asked for it.

Senator CAROL BROWN: They have been emailed to us all now.

Senator McCARTHY: I will have a look.

Mr Atkinson: There's quite a lot of information in there.

Senator McCARTHY: I will check that it includes commuter car park projects and for those projects that specify whether a site has been selected.

Mr Smith: It will certainly have the commuter car parks in there. You have to read the table carefully, for instance. If you look at, say, the Gosford roads package, you see that it's listed as one line item. There are a number of projects under that item. They list the number that are complete in the description column.

Senator McCARTHY: I have some questions specifically on projects in Brisbane. Ahead of the last election, \$226 million was promised for 13 projects across Brisbane. How much money has actually been spent in Brisbane through these projects?

Mr Atkinson: I will give my spot to the branch head who has the detail, if that's alright.

Mr Hallinan: Are you referring specifically to Brisbane based Urban Congestion Fund projects or a broader set of projects?

Senator McCARTHY: Correct.

Mr Hallinan: UCF, yes.

Ms Rosengren: We've got 33 urban congestion projects in broader Brisbane across 32 sites. We've paid \$66 million towards them. Their total allocation is \$663.1 million.

Senator McCARTHY: The *Brisbane Times* reported last month that, of these 13, only one is underway. You've said 32 sites. Only one is underway and one is completed. Is that true?

Ms Rosengren: No. We've got five completed UCF projects across Brisbane. The Commercial and Doggett intersection, Williamson and Day intersection, Oxley Drive and Brisbane Road intersection, Hoyland Street and Barbour and Norris intersections have all been completed.

Senator McCARTHY: That is five out of 32?

Ms Rosengren: No. That is five out of the 30. Two projects have two sites included with them. We've got a further 10 that are underway: the Gympie arterial; Mooloolaba access; Mount Lindesay Highway between Stoney Camp and Chambers Flat Road; the M1 exit 41; and Chelsea Road and Rickertt Road intersection. A further nine projects that have been approved are due to start in the upcoming months.

Senator McCARTHY: So there are 10 underway and a further nine due to start?

Ms Rosengren: There are six finally still in planning, where we haven't got the designs quite right. We are still doing some community consultations.

Senator McCARTHY: I want to turn to the commuter car park component. This is to update existing figures. Can you remind us how many commuter car park projects were announced?

Ms Rosengren: Just in Queensland?

Senator McCARTHY: Let's say Queensland and then let's go nationally as well.

Ms Rosengren: In Queensland, we have five car park locations which are set under four projects. Beenleigh commuter car park has been approved. It is putting in an extra 495 new spots. We're expecting that to be starting later this year. There is the Coomera car park. We're looking at putting 509 spaces at that location. That commenced in the last couple of weeks. The Loganlea station is part of the relocation of the existing station. We're still doing work around what the station will look like and where the car parks will go from there. The final two stations are, as I said, part of one project but at two locations. There's Ferny Grove. Works are underway there putting in 247 new car spots. Mango Hill is approved. They are expecting to go out for tender for the works in the upcoming month. That will deliver 284 new spots.

Senator McCARTHY: So how many were cancelled?

Ms Rosengren: No car parks have been cancelled in Queensland.

Senator McCARTHY: You've gone through the five of them in terms of construction. You mentioned briefly five of them. Are they all under construction?

Ms Rosengren: Coomera and Ferny Grove are both under construction. Mango Hill we're expecting to commence shortly. As I said, it's about to go out for tender. Beenleigh is due later this year as is Loganlea.

Senator McCARTHY: Are any completed?

Ms Rosengren: No.

CHAIR: We're going to have a morning tea break.

Senator McCARTHY: I have one question.

CHAIR: By all means.

Senator McCARTHY: How many don't have the sites selected or a delivery partner?

Ms Rosengren: They've all been agreed with the Queensland government. As I said, we don't have a tangible spot on the ground at Loganlea. We know it's going to be at the station. We're waiting to finalise where the relocated station will be and where the car parks will be on that site.

Senator McCARTHY: I am happy to finish there.

CHAIR: Thanks, Senator McCarthy. We're going to take a 15-minute break. We'll see you back here at 11.15 am.

Proceedings suspended from 10:59 to 11:17

CHAIR: Good morning. Welcome back, everyone. I'm going to go to Senator Sheldon.

Senator SHELDON: On the commuter car park rorts, or the Urban Congestion Fund, depending on how you want to describe it: in an article in the *Age* on 29 November last year it was reported that Minister Fletcher had sent a letter to—I don't know if I will pronounce this correctly—Glen Eira council, stating that deciding not to build two commuter car parks 'could well have the long-term consequence of reducing the chance of future applications for Commonwealth funding for the City of Glen Eira being successful'. This was despite the council having received independent advice that these car parks could in fact cause additional congestion around the parks rather than remove cars from the road. This is my question: as Minister Fletcher's letter made threats regarding the

council's success in future applications for Commonwealth funding, do you accept that the council did not apply for this funding given the nature of the administration of the Commuter Car Park Fund?

Mr Atkinson: I'm sorry; I'm not aware of the letter. But it's my understanding that there was no application at the start. Mr Smith might be able to confirm that.

Mr Smith: That's correct. The car parks were selected by the government. I can add a little bit in regard to that. Obviously the government committed to a number of car parks in that council area, and the funding is specifically for those car parks.

Senator SHELDON: Are you aware of whether, after the threat made to the council regarding future applications for Commonwealth funding, there has been any additional funding in your area of responsibility?

CHAIR: Senator Sheldon, given that the department hasn't seen the letter—nobody has seen the letter—and you're characterising the contents of the letter, I think it's a bit tricky for the department to answer that.

Senator SHELDON: I'll get a copy of the letter and I'll come back to it.

Mr Atkinson: I'm happy to answer—you had a funding question at the bottom there that didn't relate to the original letter. Are you saying post that—

Senator SHELDON: Post that, have there been any consequences for Glen Eira council?

Mr Atkinson: I wouldn't have thought so, but we can take that on notice.

Senator SHELDON: Have they had any applications for funding knocked back or reconsidered?

Mr Atkinson: Not that I'm aware of.

Mr Hallinan: Certainly not that we're aware of. For what it's worth, I call it 'Glen Eira', but that could also be incorrect—

Senator SHELDON: Well, I'm thinking of Era, in the Royal National Park in New South Wales. That's why I'm pronouncing it 'Era'.

CHAIR: We will now be flooded with local advice—

Senator SHELDON: We should be!

CHAIR: on how it should be pronounced.

Mr Atkinson: Explaining to both of you!

CHAIR: That's right!

Senator SHELDON: We're probably wrong on both places, and I lived there for a very long time!

Mr Atkinson: It's 'Glen Eira'. Sorry, Senator; I'm not aware of any, no.

Mr Smith: Before your next question: Senator McCarthy asked a couple of questions about car parks in terms of how many were under construction and how many are complete. I've got those answers and also how many are in planning across the broader UCF. If I could table that, that would be great.

CHAIR: Thank you, Mr Smith. Please do that.

Mr Smith: In terms of the broader number of UCF projects in planning, there are 104. In terms of how many commuter car parks nationally are complete, there are six, and six are under construction as well.

Senator SHELDON: So the Glen Eira project is not operating, from what you have just said to me? Is that correct? Is that a correct understanding?

Mr Smith: When you say 'not operating'—

Senator SHELDON: So it hasn't been commenced, has it? It hasn't been engaged.

Mr Smith: No. My understanding is that they're still in planning. I'll just confirm with the relevant officer. Yes—still in planning at this stage.

Mr Hallinan: There are a couple of projects in Glen Eira council. We can find the details for them now for you.

Senator SHELDON: Thank you.

Mr Bradley: Yes, Glen Eira are delivering a number of car parks. I will just check my folder. I understand that they're out for community consultation at the moment, but, certainly, there haven't been any changes to the original commitment or recent changes around those projects. They're continuing as expected.

Senator SHELDON: In documents tabled at the most recent estimates hearing, no funds were forecast to be spent on the Narre Warren station project, a project fully funded by the Commonwealth until 2025-26. Why is

pressure being put on the Glen Eira and Bayside councils to begin projects now, while other projects are left waiting for more than five years to commence?

Mr Bradley: My understanding from the media reports was that the letter to the council was about clarifying what the funding could be used for. So I think there may have been a suggestion that council was asking if they could take the money away from car parks and deliver other infrastructure priorities in council. I think the suggestion was that the minister wrote back to reinforce that the commitment was for car parks and that the expectation was that car parks would be delivered.

Senator SHELDON: Regarding the waiting time to commence of more than five years, is it because these projects are in the electorate of Goldstein and Mr Wilson is scared of losing his job in the not-too-distant future?

CHAIR: I think every estimates we go through whether or not the department tracks projects by electorate. I just want to make sure we don't spend too long down a rabbit hole, Senator Sheldon.

Senator SHELDON: Thank you, Chair.

Mr Bradley: The Glen Eira council is delivering the Bentleigh car park, on the Frankston line, and the Elsternwick car park, on the Sandringham line.

Senator SHELDON: Can you tell me how many letters Minister Fletcher has sent to local governments advising that their funding will be withdrawn unless projects are progressed?

Mr Bradley: I couldn't answer—

Mr Atkinson: Before that: based on what Mr Bradley said, I'm not sure that the characterisation of that is necessarily exactly what was in the letter. It sounded to me—I haven't seen it—that the letter was actually in answer to asking to reallocate the funding to things outside of what was agreed in the project's scope. If someone asked us if they could take money off one project and put it in another thing, it wouldn't be unusual for us to write back saying no.

Senator SHELDON: I'll table that letter.

CHAIR: Thank you. How about we go to another line of questions while you let the department read that, Senator Sheldon.

Senator SHELDON: That's fine.

CHAIR: Senator Urquhart.

Senator URQUHART: My first question is about the Cradle Mountain cableway and the community development grants.

Mr Atkinson: Those are actually in our regional development group, who are coming up this afternoon. I think they're at 3.15.

Senator URQUHART: In which section is that?

Mr Atkinson: That's in Regional Development, Local Government and Regional Recovery, and they're scheduled from 3.15 to 6.30 tonight.

Senator URQUHART: Okay. I'll come back to them. I've also got some questions about highway funding—Roads of Strategic Importance. Is that here?

Mr Atkinson: Yes, that's these guys.

Senator URQUHART: I knew I'd get some of them right! The first one is the Bass Highway, from Cooee to Wynyard. It was announced on 14 May 2019. Was there any federal expenditure on this project in 2019, 2020 and 2021, and, if so, can you tell me how much was spent and when?

Mr Bradley: I think that's the project they refer to as the 'Cooee crawl'. Is that the one?

Senator URQUHART: Yes.

Mr Bradley: That was a 2019 election commitment. The Australian government is providing \$40 million to that project, for a total cost of \$50 million. In terms of how that money has been paid and profiled, I don't have that on me. I'd need to take that on notice.

Senator URQUHART: Are you able to come back to me today on that?

Mr Bradley: Yes, I think we should be able to come back on that one.

Senator URQUHART: Thank you. And can you also specify how much was spent and when in those years?

Mr Bradley: We'll do our best to get that for you.

Senator URQUHART: Can you update me on the progress of the project?

Mr Bradley: The project is currently under construction. It comprises three stages that will improve the road safety and traffic congestion, particularly the movement of freight.

Senator URQUHART: What are the three stages?

Mr Bradley: Stage 1 is the Somerset to Wynyard realignment. The contract for that was awarded in March 2021. The start of construction works commenced on 24 January this year, and we're expecting construction on that project to be completed in late 2022. Stage 2 is the Cam River Bridge replacement and Murchison Highway realignment and signalisation. The request for tender for that project closed on 8 February.

Senator URQUHART: This February?

Mr Bradley: That's correct. Tasmania is currently going through its tender assessment project. We're anticipating construction to commence on that stage of the project in mid-2022 and to be completed in late 2023. The final stage of the project is the Somerset to Cooee pedestrian crossing. Those remaining identified works in the corridor will be submitted for approval at a later stage. There's a little bit of further scoping work that needs to be completed there; that one is not as advanced as the others. But we are expecting that the entire project will be completed in mid-2024.

Senator URQUHART: Great. If you could get me that other information today that would be great.

Mr Bradley: The profiling—yes.

Senator URQUHART: The next one is the Lyell Highway, from Queenstown to Strahan. There was \$15 million of federal money, and it was announced on 1 April 2019. Expenditure on the project now stretches into the 2023-24 financial year. Can you tell me why that has now stretched out into those years?

Mr Bradley: It was a 2019-20 budget commitment. The Australian government is providing \$15 million for a total project cost of \$18.75 million. Again, I don't have the detail of how that money is profiled over the years, but the project is currently in planning. The project was advertised for tender in June 2021, but I think there were some issues with the Tasmanian construction market at that stage and there weren't any tenders received. Tasmania is going through a process of needing to retender that project. It will be retendered in 2022, with construction expected to commence in September/October. But, as you'd be aware, it's always 'weather permitting' in that part of Tasmania.

Senator URQUHART: Construction in October/November this year?

Mr Bradley: Yes. The west coast of Tasmania has a very short construction period, though, due to the weather down there.

Senator URQUHART: I know that the Tasmanian government website says that the tender for stage 1 and stage 2 will be advertised in the first quarter of this year in preparation for delivery in the next construction season, starting in 2022-23. But you said October/November 2022?

Mr Bradley: It's our expectation that construction would begin in September/October 2022, but, again, it's with the caveat of weather permitting.

Senator URQUHART: So the federal government committed the \$15 million and it's been substantially delayed. Can you guarantee that the funding will continue to be available and that this project will be delivered in 2022-23?

Mr Bradley: The commitment is in budget.

Senator URQUHART: So that money is locked in in the budget?

Mr Bradley: Correct.

Senator URQUHART: Given that the money was committed in April 2019 and the project is only now going out to tender, three years later, are you able to guarantee that the \$15 million of federal funding will be sufficient to deliver?

Mr Bradley: We understand that it will be. I haven't received any advice from Tasmania otherwise.

Senator URQUHART: The next one is the Murchison Highway. It's a \$35 million federal commitment. It's under construction at the moment. Can you provide an update on this project—how far advanced is it, and how much of the \$35 million commitment has been expended so far?

Mr Bradley: Certainly. Again, that's a corridor upgrade that's being undertaken in a number of stages. There are four stages.

Senator URQUHART: Yes. I travel that highway very, very regularly, so I'm very aware of how it's being done. I'm just interested in how far advanced it is and how much of that \$35 million has been committed.

Mr Bradley: The full \$35 million is committed toward the project.

Senator URQUHART: But how much has been expended so far?

Mr Bradley: Again, I'd need to take the expenditure and profiling on notice. We'll come back to you on that. In terms of the progress of the four stages—as you noted, the project is under construction. Stage 1 is the strengthening of four bridges on the Murchison and Zeehan highways. That was completed on 24 January 2019. Stage 2 is the Mackintosh Bridge to Pieman Road. That was completed last year, on 21 January 2021. Stage 3 is Mackintosh Bridge to Sterling River Bridge. The contract for that was awarded in November 2020, and construction commenced early 2021. Construction is expected to be completed in the middle of this year. There was also some widening of the southbound shoulders associated with that stage, and that was completed in July 2021. Stage 4 will continue the additional works identified between the Stitt River Bridge and the Zeehan Highway; the Zeehan Highway, between the Murchison Highway and the Little Henty River Bridge; and the Fossey River Rest Area. We're expecting all of that work, on the entire project, to be completed by mid-2025.

Senator URQUHART: The next bit is Marrawah to Wynyard. The Bass Highway, between Wynyard and Marrawah, is a key link for freight, tourism and people movement in the far north-west but also for the key ports of Burnie and Devonport, and it then goes further, to Launceston and Hobart. The \$60 million federal commitment to the upgrade of that section of the highway was announced in the first half of 2018. Can you tell me how much of that \$60 million has been expended so far?

Mr Bradley: Again, those questions about expenditure and future profiling we'll take on notice. Given there are a few of them, we'll do our best to get those to you today, but we may need to come back to you on notice for that.

Senator URQUHART: Okay.

Mr Bradley: Again, there are three stages to that project.

Senator URQUHART: Yes. The department's website says the project is due for completion in 2023.

Mr Bradley: Yes, mid-2023 is when we're expecting that it'll be complete.

Senator URQUHART: Is the project on schedule to be delivered in 2023?

Mr Bradley: Yes.

Senator URQUHART: With the federal commitment of \$60 million and the Tasmanian government commitment of up to \$40 million, could you tell me exactly what elements of the Bass Highway master plan are supposed to be delivered as part of this project?

Mr Bradley: Yes, sure. The project will deliver the target upgrades of the Bass Highway between Marrawah and Wynyard to improve freight efficiency and reduce travel times on the Bass Highway corridor. The works will include four overtaking lanes, 13 sections of road that will be realigned, 63 junctions that will be upgraded, and 55 kilometres of shoulder widening, 20 of which have been identified as high priority.

Senator URQUHART: Okay. The next one is the Launceston to Devonport \$40 million. Given that the Tasmanian government's Bass Highway corridor strategy and implementation plan for Launceston to Devonport was expected to be released in late 2021, do you have that plan as yet?

Mr Bradley: I'll just find my place. That's a Bass Highway project?

Senator URQUHART: That's right.

Mr Bradley: Would that be Deloraine to Devonport?

Senator URQUHART: Launceston to Devonport.

Mr Bradley: Okay. Is that a \$40 million commitment?

Senator URQUHART: Yes.

Mr Bradley: I'm just wondering. Forgive my challenges with the geography down there, but I'm just wondering: is Deloraine—

Senator URQUHART: Deloraine is just before Launceston, so you might have it referenced as Deloraine.

Mr Bradley: I think we're talking about the same project, yes. Sorry, what was your question about that one?

Senator URQUHART: Do you have a plan as yet for that?

Mr Bradley: The project is currently in planning. The next stage in the process would be for the Tasmanian government to provide us with a project proposal report for those works.

Senator URQUHART: So you haven't received the plan. What work on the highway does the department expect to be funding? What sections of that are you funding?

Mr Bradley: We would expect that to target upgrades between Deloraine and Devonport to improve road safety, reduce congestion and improve travel times along those sections of the highway—noting that it's a little bit different to the other ones. It's a 2020-21 budget commitment, so we think that, as the first step, there will need to be a little bit of planning done to identify exactly how that will be achieved.

Senator URQUHART: So you don't know what you'll actually be funding on that yet?

Mr Bradley: I think the scope that I've defined there is the expectation of what will be delivered, and the proposal will be received from Tasmania fairly soon.

Senator URQUHART: Can you tell me how the department arrived at the figure of \$40 million?

Mr Bradley: I can't tell you definitively, but it would have been, I would imagine, in consultation with the Tasmanian government.

Senator URQUHART: Do you have a breakdown of the figures and what comprises the \$40 million?

Mr Bradley: I don't have that, no.

Senator URQUHART: Are you able to get that?

Mr Bradley: We'd need to take that on notice.

Senator URQUHART: If you could, that would be useful. If construction on this project is expected to be completed by late 2025, which I think is stated on your website—

Mr Bradley: Yes.

Senator URQUHART: is 50 per cent of that expenditure still pushed out into 2026-27 in the forward estimates?

Mr Bradley: I'd need to take that question about the profiling on notice, but the construction is expected to commence in late 2023, with completion in late 2025, as you suggested.

Senator URQUHART: So a late 2023 start. The next one is the Old Surrey Road/Massy-Greene Drive upgrade. There is a \$16 million federal funding commitment there that was announced on 1 April 2019 by the then Deputy Prime Minister, Michael McCormack, during the Braddon by-election. The Infrastructure Australia website says:

This project would complete upgrades at the intersections of Old Surrey Road and Massy-Greene Drive, including bridge works, to become a dedicated heavy vehicle route ... Improve freight productivity as the route joining Old Surrey Road and Massy Greene Drive feeds into the Bass Highway near Burnie and supports freight movement in agriculture and manufacturing industries ... Construction is expected to commence in mid 2022 with construction expected to be completed by late 2022.

On 29 October last year, the Tasmanian government announced that it had:

... started a corridor strategy to identify upgrades for the Ridgley Highway in the State's North West.

... ..

The Ridgley Highway is a key link for freight between mining sites at Hampshire and a woodchip mill, to the Burnie Port, via Old Surrey Road and Massy Greene Drive.

We're now three years on from that, and there's not a plan. The Premier of Tasmania stated that the strategy is not even expected to be completed in mid-2022. Can you tell me: how can it be that funding has been announced for that project but there's no strategy or plan for the project?

Mr Bradley: I understand that the Department of State Growth in Tasmania is working with the local council to resolve a minor outstanding land-ownership matter in relation to this project. Our expectation is that, on resolution of that, the project will commence mid this year and be completed later this year.

Senator URQUHART: So your understanding is that that time line is still scheduled to commence construction in mid-2022 and finalise at the end of 2022?

Mr Bradley: That's the advice we have from Tasmania, yes.

Senator URQUHART: The next one is tranche 3 of the freight rail revitalisation, upgrading the shiploader on the Port of Burnie. It's a \$64 million fully funded federal commitment. On 13 December 2021, three months ago, the Infrastructure Australia website read, 'The project is expected to commence construction in late 2021 and be completed by late 2022,' but that website now says, 'The project is expected to commence construction in early 2022 and be completed by early 2024.'

On 25 November 2019, the Prime Minister announced:

\$40 million for the Port of Burnie Shiploader

- Funding to flow immediately and over the next three years to enable the commencement of works after previously being allocated beyond 2021-22 under Tranche 3 of the Tasmanian Freight Rail Revitalisation program.

In the same press release, the Prime Minister is quoted as saying:

We've identified projects that are shovel-ready and are getting them moving so Tasmanians can benefit from better infrastructure and the jobs and investment that come with it.

Can you tell me on what basis it was announced that this project was shovel ready, when clearly it wasn't, given that it's now been pushed out from that? Why is the project so significantly delayed?

Mr Bradley: Senator, as you noted, we're expecting that project to start in early 2022. It received an additional \$24 million in the 2021-22 budget. That was to include the upgrade of the bulk minerals export facility to enable bulk commodities to be transported to container ships for domestic and overseas exports.

Senator URQUHART: So why has it been pushed out significantly? Why was the announcement that it was 'shovel ready' when in fact it wasn't?

Mr Smith: Perhaps I can provide some context on the 'shovel-ready' projects. The government requested from states, as part of various stimulus activities, projects that they deemed shovel ready. They were provided and they would have had various commencement dates, and we would have taken that pretty much on face value, because they were deemed to be shovel ready by the states.

Senator URQUHART: So it's the states' fault—you blame the states. Why has it been delayed? What's the rationale for that? Infrastructure Australia has clearly put two different dates on their website. Why has it been delayed?

Mr Bradley: I might take that on notice and come back, but I wouldn't be surprised if it had a little bit to do with the additional scoping work associated with expanding the scope of the project, with the announcement, as I mentioned, that there'd be an additional \$24 million to provide for a larger scope of delivery. Let me take that on notice and come back and confirm that.

Senator URQUHART: Take that on notice, but with the other ones on notice—the figures—I'm hoping that you can get them to me today.

Mr Bradley: We'll do our best.

Senator LINES: I see Mr Bradley is working off a spreadsheet there. Is that able to be tabled?

Mr Hallinan: I think that one in particular has got notes written all over it that may be unhelpful.

Senator LINES: A clean copy?

Mr Hallinan: We can go and have a look at what's on it and try to get you some information.

Senator RICE: I want to return to the commuter car parks. First of all, I have in front of me two of the FOI requests that were made about the commuter car parks. One of them is FOI 22-018 and the other is 22-105. One of those documents 156 pages and the other is 242 pages. I haven't had a chance to do the calculation, but my estimate is that 70 or 80 per cent of those documents are pages which are all redacted. First of all, I want to go to the rationale for those redactions. Can you talk me through the codes for the rationale for those redactions? You've got 47F, 47C, 22, 34 and 3. First of all, can you tell me what they are?

Mr Smith: Obviously I don't have those FOIs in front of me, but the redactions that are specified would be listed against sections of the FOI Act. Sections 47C, 47F and the various numbers you're quoting are under the act and they would be specific for that. Some of them would be out of scope. Some of them would be commercial interest. Some of them would be cabinet in confidence. There would be a whole variety of things there, which is why the redactions reference back to the act itself.

Senator RICE: Have you got those codes there? Would you be able to bring them up?

Mr Atkinson: They are references to the sections in the act.

Senator RICE: I know that. Sorry, I could have found the sections in the act and talked you through them.

Mr Hallinan: Usually the covering letter also explains the rationale for each of the reactions. It might be a relatively long cover letter that talks through why those sections are referenced and the rationale behind them. I don't have those FOIs in front of me though.

Senator RICE: It was an FOI request from a journalist, not from me. It was notable to me that the vast majority of the documents that were provided were redacted; so, in fact, there is very little useful information that has come out of the FOI request.

Mr Atkinson: Often it goes the other way: If something is largely cabinet material, then almost all of it is excluded. It really depends on how the various elements fit under the act.

Senator RICE: And obviously whether it's reasonable or not—you can't tell, because it's all redacted. If the claim is that it is cabinet information—it seems that everything that is within cooee of cabinet suddenly becomes cabinet information.

Mr Atkinson: There are formal administrative appeal processes. The applications under FOI form part of that. And there is an internal review process. And then there is a review process through the Information Commissioner if there are challenges. And I'm sure what is beyond that—the Federal Court or the AAT. All of this gets done formally as part of that process, and every one of those assessments is subject to review through formal processes.

Senator RICE: Okay, let's go to that process. Who was the FOI decision-maker in this instance?

Mr Atkinson: That would have been in the letter.

Senator RICE: I don't have the covering letter in front of me.

Mr Smith: Depending on the numbers, I would have done a few myself.

Senator RICE: I have just given you the numbers—22-018 and 22-105. Can you confirm whether you were the FOI decision-maker.

Mr Smith: 018 seems familiar. I would have to go back and check my records for 015, but it would be on the website.

Senator RICE: It would be on the website as to who was the decision-maker in each one?

Mr Smith: I'd certainly have some records back there of the ones I've done. The point is that the documents are looked at in accordance with the act and the decision-maker makes decisions. If the applicant is not satisfied with those decisions, there can be internal reviews and there can be appeal processes around that.

Senator RICE: That takes an awful long time. When you're three months out from an election, it's very good to have this process go on a long time down the track—which means the accountability is just not there. Could you find out for me whether you were the decision-maker on both of those that I'm interested in?

Mr Smith: Certainly.

Senator RICE: So you think you were for 018 but you're not sure about 015?

Mr Smith: Yes. 018 rings a bell, but I would have to check the other one.

Senator RICE: Let's go to 22-018. When did you make that decision?

Mr Smith: I don't have the FOI file in front of me, but it would have been done before it was put onto the website. There's the statutory period—when the applicant put the application in. And we can take all that on notice and give you the specifics of the dates and time frames. But they would have contacted the FOI as required. That would have then been allocated. I would have got that. We would have done the necessary searches. We would have gone through those searches and looked at the documents to see which ones should be released and which ones would be exempt under various aspects of it.

Senator RICE: Did you communicate with the minister's office prior to making a decision?

Mr Smith: The minister's office normally gets, as part of standard practice, a notification of the decision at the end of the process.

Senator RICE: But did you communicate with the minister's office prior to the end of the process?

Mr Smith: They would have got, through the normal processes, a notification about the proposed redactions; yes.

Senator RICE: Can you talk me through that? You're considering the FOI request, and, when you're proposing redactions, that goes to the minister's office—

Mr Atkinson: Senator, could I just be really clear about this: this is an independent administrative process of the department. The minister's office has no role in it. They are notified at the end of the process, but the decision-maker exercises an independent decision-making capacity.

Senator RICE: But Mr Smith was just saying that the minister's office, in fact, would be notified—

Mr Smith: They're notified, as I said—

Mr Atkinson: Of the outcome.

Mr Smith: at the end of the process. As Mr Atkinson outlined, whoever is the delegate for the decision-maker makes the decisions. They are allowed to consult internally. They might consult with third-party stakeholders if they're involved, and they would obviously consult, if there are cabinet redactions, with the cabinet area of PM&C.

Senator RICE: Right. So you would have consulted with the minister's office and with PM&C over proposed cabinet redactions, is that right?

Mr Smith: Well, PM&C are the ultimate gatekeeper of what is a cabinet redaction; yes.

Senator RICE: So, basically, you look at this, you think, 'This should be a redaction because it's cabinet-in-confidence', and so you then consult with PM&C—or do they propose what's cabinet-in-confidence?

Mr Smith: No. We consult with what we're proposing, and they go through and decide whether it's an appropriate decision or not. So they would go back and check their records. I think the documents you're probably referring to, Senator, are a lot of documents around project selection, which would have all gone through cabinet processes and would have been subject to public immunity claims as well.

Senator RICE: Were there things that you were proposing were not cabinet-in-confidence that PM&C then looked at and said, 'No. That is cabinet-in-confidence.'

Mr Smith: No, I don't think that would be the case, but I'd have to go back and check. As you say, Senator, there's an awful lot of documents there. From memory we were also running 10 or 12 FOIs at the same time, so there was an awful lot of FOIs, and we would have to go back, look at the scope, look at the documents we provided—but I don't recall them coming back and saying, 'You haven't redacted that—you should redact this.' No, I don't recall that.

Senator RICE: You don't recall that. Can you take that on notice, then, as to whether that was the case?

Mr Smith: I can certainly take it on notice, but, as I said, I do not recall them coming back and saying, 'You haven't asked for a redaction under this section and you should redact it.' I don't recall them ever saying it.

Senator RICE: If you could take that on notice, and could you also just take on notice what the dates of those communications with PM&C were?

Mr Smith: We certainly can.

Senator RICE: The involvement of the Prime Minister's office in deciding what information is coming out about these car park rofts is very critical information—

Mr Atkinson: Sorry, Senator; Mr Smith was talking about the Department of Prime Minister and Cabinet, not the Prime Minister's Office. They're not involved at all.

Mr Smith: We don't involve with the Prime Minister's Office. We only go to the department.

Senator RICE: Okay. Was the minister's office or the Prime Minister's Office involved at all?

Mr Smith: In an FOI?

Senator RICE: In an FOI. Do they get notified that there is an FOI request?

Mr Smith: I'm not sure—I would have to check with the FOI people whether they get notification of an FOI request, but, as we outlined, they're not the decision-maker—

Senator RICE: No.

Mr Smith: and they're notified at the end of the process.

Mr Atkinson: They don't have a role in decision-making.

Senator RICE: No—officially they don't have a role.

Mr Smith: Unofficially as well.

Senator RICE: As we have seen, with the politicised nature of this urban congestion fund, it's pretty clear that there's a political role to these decisions—absolutely clear.

Mr Smith: Any redactions have to be consistent with the act.

Senator RICE: But there are—

CHAIR: Senator Rice, I think you're casting aspersions on the department's professional role in this—

Senator RICE: I'm not casting aspersions on them; it's that this is a politicised process. It is not the department's choice for it to be a politicised process, but it is. Can the department tell me, just to confirm: was there any communication with either the minister's office or the Prime Minister's Office when these FOI requests were put in, or during the process, or after they had been finalised?

Mr Atkinson: I'll take the specifics of that on notice. My initial assumption would be not at all. The only thing is that I think there might be a list—I think the minister's office might get, weekly or monthly, a list of FOIs that have been received, with just the names of them. It's a standard practice that has been in place for 20 or 30 years. So there might be an FOI report that says the names of the FOIs that the department has in front of it. I think the process is that, at the end of an FOI, the Prime Minister's office gets notified of what the outcome is. But I will check that, and the specifics of whether there was other engagement, on notice.

Senator RICE: Certainly, given their high profile, I find it remarkable that about 80 per cent or more of these very extensive documents have been completely redacted. It's freedom from information rather than freedom of information.

Mr Atkinson: The vast majority—if you asked for the Infrastructure Investment Program decision-making that went forward in the budget, there would be hundreds of pages of pure cabinet documents. So there would be nothing, because it would all be cabinet. So I am actually surprised—

Senator RICE: There's an awful lot of stuff that becomes a cabinet document just because it is waved within cooe of cabinet, because it's convenient for those documents to be hidden—and there have been appeals processes that have actually resulted in these so-called cabinet documents then being made public. It's certainly very convenient in this instance, with these car park rorts, for it to be totally untransparent about what a corrupt process this was.

Mr Smith: The cabinet definition is outlined in the act as well. That's why, again, it goes to Prime Minister and Cabinet to make sure it falls within that definition.

Senator RICE: I want to go to the process that is currently underway for the car park at Camberwell station. I don't know whether it's the state government or Boroondara Council who are currently undertaking a community consultation process. Is that correct? Could you talk me through where you think the Camberwell car park is currently at.

Mr Smith: I might get Mr Bradley to give you specifics, but it's out for public consultation at this stage. From our classification, it would still be in the 'in planning' phase. Once that community consultation is finished, we would expect the council to provide us with an update and, at some stage, should they wish to proceed with it, a delivery PPR that the government would then consider through its normal processes.

Senator RICE: So what we're looking at, according to the summary and the media reporting, is a spend of about \$20 million on the car park.

Mr Bradley: The commitment to that project is \$20 million, and, as Mr Smith said, it's currently out at the community consultation stage.

Senator RICE: Again, the reporting says that we might get around 90 car parks for the \$20 million.

Mr Bradley: One of the options that the council is looking at is an underground option at Junction West, which will provide around 202 spaces. But the ultimate design of the car parks, the number of spaces they'll deliver and the final cost will be influenced by the outcomes of the community consultation process.

Senator RICE: Where does the estimate of around 90 car parks come from?

Mr Bradley: It's not a number that I have in front of me.

Senator RICE: The reporting said that the plans for the Camberwell site showed that the local council plans around 90 car parks:

Plans for the Camberwell site show the local council plans "around 90" to be constructed.

"This would be funded by the Australian Government as part of its Urban Congestion Fund. We would receive \$20 million from this fund to complete the project," Boroondara Council's website states.

That's what's currently out for consultation.

Mr Bradley: The council is actually out consulting on the three car parks that they're delivering—at Camberwell, Canterbury and Glenferrie.

Senator RICE: Ninety car parks for \$20 million—that work out at \$220,000 per car park. Do you think that's value for money?

Mr Bradley: Any value-for-money assessment will be undertaken at the conclusion of the scoping stage when a final proposal is put to the department. We will undertake that value-for-money assessment and provide it to government to make a decision at that point.

Senator RICE: But \$220,000 is very much at the upper end of the cost of a car park, isn't it?

Mr Hallinan: Ultimately, with this one, we're in a planning stage. The council is off planning. They'll put to us a proposal once they have done that planning. At this point, there's speculation on numbers in the media and there's speculation on the numbers on the council's website, but we don't have a proposal to do that at this stage. At some point, we may. And, at some point, when we do get a proposal like that, we would have to make a consideration on the grounds that you've just identified.

Senator RICE: I mean, 90 car parks! Given that most cars driving up to a railway station have only got one person in them—so that's one person per car—that's half a train carriage full of people.

CHAIR: Senator Rice, I thought the department said that the council was considering another underground site that was over 200 car parks.

Senator RICE: That's still over \$100,000 per car park for half a train carriage full of people. Again, does this seem to be a good use of taxpayer money? We had so much evidence in the inquiry into this that it is an absolutely appalling urban planning process to be spending this amount of money to be getting 90 people—half a train carriage worth of people—to have a car park at the station.

Mr Hallinan: Ultimately, we would undertake an assessment of the costs and the benefits as we're going through that process. But, as we've explained on a few different occasions, we're not yet at that stage on each of the projects that was announced by the government, and we are going through that stage.

Senator RICE: It's out for community consultation at the moment, and the good residents of Boroondara are going to be putting in their submissions. I suspect you will get a lot of pushback against spending this amount of money and, in fact, increasing congestion around the station by encouraging people to drive. What happens if the council says, 'This isn't something that our community wants'?

Mr Hallinan: I think that's a hypothetical about a future possible action of the council, and I can't really speculate on it.

Senator RICE: It's a very likely outcome.

Mr Hallinan: We would cross that bridge when we came to it, and we would consider whatever the position was that was put to us by the council, as would the government.

Senator RICE: If council came back to you and said, 'We'd actually prefer you to spend \$90 million to improve pedestrian and cycling access and improve the other parts of the municipality, including public transport connecting up with each other,' would you be open to doing that?

Mr Hallinan: That would be a matter for government consideration. It would be outside the existing policy remit for that funding.

CHAIR: Senator Rice, you're just about at the end of your time.

Senator RICE: I'm done.

Mr Smith: Senator, I can confirm: I was the decision-maker for 018 and another SES officer was the decision-maker for 105.

Senator RICE: Thank you.

CHAIR: Senator Watt.

Senator WATT: I want to dig further into something that one of my colleagues touched on. It's about the UCF projects around South-East Queensland. I think it might have been Senator McCarthy who was asking earlier about the \$226 million that was promised for 13 projects across South-East Queensland prior to the last election. Are you familiar with what I'm talking about?

Ms Rosengren: I'm not sure which are the 13. We've got 30 UCF projects across South-East Queensland, across 32 sites, and they were the ones that I ran through and gave Senator McCarthy a status update.

Senator WATT: I'll see if I can track down the article, but I remember there was a *Brisbane Times* article which focused on 13 projects. I don't have copies with me, but it was an article in the *Brisbane Times* on 28 January headlined 'Still waiting: Coalition's SEQ cash splash before 2019 election an enduring flop'. The article read:

Queenslanders promised 13 'congestion busting' road projects by the federal government in a pre-election cash splash through marginal and Coalition-held seats in 2019 are still waiting for construction to begin on almost every one of them.

I can't remember how the article distinguished between these 13. I'm not sure whether it was 13 of the 30 that were labelled as 'congestion busting', maybe?

Ms Rosengren: All 30 were under the Urban Congestion Fund—busting congestion. As I said, we have 10 underway, nine approved to commence work shortly, five completed and six in planning, so I imagine that the 13 are a subset of those 30. As I said, five have been completed, 10 are underway, nine are approved to commence shortly and six are still in planning.

Senator WATT: Am I right that what you said earlier was that \$66 million has been spent from the Urban Congestion Fund in Queensland in total?

Ms Rosengren: That's right; that's what we have paid.

Senator WATT: How much of that \$66 million is for car park projects?

Ms Rosengren: I will just check what we have paid for car parks. Currently we've paid \$130,000 for the Ferny Grove and Mango Hill car park. We have not paid any money for the Beenleigh car park. That one, as I mentioned, was due to start later this year. The Coomera car park—again, we have not paid anything, but construction is underway; it commenced in January. We have \$4.44 million remaining to be spent this year on that Coomera car park. For my final one, the Loganlea station car park, we have not paid any funding to that project yet.

Senator WATT: So there's only one in Queensland that the federal department has paid money for, and that's Ferny Grove and Mango Hill. Incidentally, they're suburbs that are a long way apart. I'm wondering whether they were—

Ms Rosengren: It was just that the announcement was that they were a joint project. There was a \$15 million commitment to both those projects.

Senator WATT: So they are separate projects?

Ms Rosengren: They're not being delivered together.

Senator WATT: I was going to say, that would be a 10- or 20-kilometre-long car park!

Ms Rosengren: No, they're just grouped together for our reporting purposes.

Senator WATT: No worries. The remainder of that \$66 million is for road upgrades, essentially?

Ms Rosengren: Yes, that's right.

Senator WATT: While I am sticking with Queensland projects, I think it was at budget estimates—it might have been the October-November ones; I can't remember—I was talking about the amount of new infrastructure funding that had been allocated in last year's budget for Queensland relative to other states. By adding together the different programs, the 2021-22 budget allocated about \$3.3 billion in new infrastructure funding for New South Wales, about \$3 billion for Victoria and only about \$1.6 billion for Queensland. Do you recall, or are you familiar with those figures?

Ms Rosengren: I certainly know that \$1.6 billion was the commitment to Queensland at that 2021 budget.

Senator WATT: How much of that new \$1.6 billion has been spent?

Ms Rosengren: I would have to go through individual projects, but I can certainly give you a status update on where we are up to with those projects. At budget we have spent \$29.27 million on the Gold Coast light rail stage 3. We have paid \$1.69 million to the Mount Crosby Road interchange on the Warrego Highway. That's what we have paid for the projects announced at budget.

Senator WATT: Of the \$1.6 billion in new infrastructure funding for Queensland in last year's federal budget, basically about a total of \$30 million has been spent to date.

Ms Rosengren: That's right. I guess that was because 10 of those announcements were for new projects, so a lot of the planning work and design work is underway for those projects at the moment.

Senator WATT: Do you have similar figures for New South Wales and Victoria?

Ms Rosengren: I don't.

Senator WATT: Does one of your colleagues?

Mr Hallinan: We are unlikely to be able to give you the spends on every project across each state. As a general principle, I make the point that major infrastructure projects take time, and we wouldn't anticipate major spends on most projects for—they are multiyear projects. Bruce Highway upgrades, for instance, will be going for many years. The Pac Highway upgrade from Newcastle to Brisbane took the best part of 20 years to do. It's a space where the announcement on day one and the spend will actually profile out over some years thereafter.

Mr Smith: Yes, and, just for further information, the tables we documented this morning will have all these projects in them and will have the estimated profiling.

Senator WATT: Across the country?

Mr Smith: Across the country.

Senator WATT: Ms Rosengren was very helpfully able to tell me, by project, the situation in Queensland. We can't get a similar update for New South Wales and Victoria?

Mr Smith: We can certainly ask people back in the office to grab that information for us, yes.

Senator WATT: Who's your counterpart? Who deals with New South Wales and Victoria, Ms Rosengren?

Ms Rosengren: Ms Legg.

Senator WATT: Are you able to enlighten us with some of the figures?

Ms Legg: I'm sorry; I don't have those with me, but I'm happy to reach back to you—

Senator WATT: Would we be able to get someone to maybe get them back to you after lunch or something like that?

Mr Hallinan: Yes, I think we can.

Senator WATT: I'm just interested in doing a comparison between the states.

Mr Hallinan: We'll see what we can do, and I'll certainly read whatever we've got into the record sometime today.

Senator WATT: Sure. I don't know if Mr Atkinson is around, but I asked earlier this morning about decisions taken but not announced. The question I was asking was this. The government as a whole allocated \$16 billion in MYEFO for decisions taken but not announced. I'm working on the assumption that a considerable portion of that would be assigned to your portfolio. Have you been able to work out what that figure is?

Mr Atkinson: Obviously, the management of the contingency reserve and the decisions taken but not yet announced are the responsibility of the Department of Finance, and then it's the decisions of government as to when any decisions taken but not yet announced will become decisions announced. So it comes down to announcement timing. Those provisions, in the case of DTBNYAs, which is what you're talking about, are usually for program top-ups with projects against them that will be announced in future and are provisioned for as part of the contingency reserve. Obviously, I can't preannounce the government's decisions taken but not yet announced. The one thing I can confirm is: as is usual practice, there is an element of that that relates to some parts of our portfolio.

Senator WATT: So essentially you're saying we need to get that from the Department of Finance?

Mr Atkinson: Yes.

Senator WATT: Do you know, or do your officers know, how much of the \$16 billion has been assigned to your department?

Mr Atkinson: It doesn't really work as 'assigned'—

Senator WATT: Well, that's the word I'm using, but—

Mr Atkinson: As to the \$16 billion, I think you'd find a net figure of ons and offs. This is just speaking generally. There's expenditure on the one side that can be a decision taken but not yet announced, or there could be a decision taken but not yet announced that's a revenue figure from the sale of something. Both of those may be commercially sensitive and so they don't get announced until that has been addressed, or there could be other timings on announcements. So Finance can explain to you what the \$16 billion represents, because it's an ons and offs figure. In terms of our portfolio, I think that I could say that there are elements that relate to our portfolio that are inside of the ons and offs.

Senator WATT: Okay, but maybe the word 'assigned' is the wrong word.

Mr Atkinson: The related decisions that would be administered by this portfolio.

Senator WATT: Yes. Are you or your officers aware of how much of that \$16 billion relates to decisions that will be administered by your department?

Mr Atkinson: As part of the cabinet processes, we would have access to those decisions.

Senator WATT: So there are people in your department who know the figure, but you're not able or not willing to provide that figure?

Mr Atkinson: Yes. It would become a decision announced if I announced it.

Senator WATT: No, no—I've made very clear from the beginning that I'm not trying to get details of individual decisions. I respect the fact that that's a matter for government to announce. What I'm after is the aggregate, which doesn't then reveal anything.

Mr Atkinson: I'd have to look. We wouldn't have a list that adds up like that. And, depending on how decisions were made, in which parts of processes, and how provisions were made—whether they were made at macro line levels or whether they were made as a series of project things that were added up—would depend on how the Department of Finance constructed it.

Senator WATT: But it's called 'decisions taken but not announced' for a reason. Decisions have been taken. Cabinet, or a subcommittee of cabinet, or ministers have taken decisions to allocate certain funds for certain programs—

Mr Atkinson: Not necessarily. It could be across multiple portfolios as cross-portfolio measures and those sorts of things.

Senator WATT: But, even there, it's possible to work out how much of a cross-portfolio decision will be administered by your department and how much would be administered by Health, social security—

Mr Atkinson: Yes, and the Department of Finance is the master of that.

Senator WATT: They're funds that are to be administered by your department, so surely it's reasonable to ask you to disclose what the aggregate figure is.

Mr Atkinson: We'd have to do work to put that together as an aggregate. We would, I suspect, have access to all the funding movements. I'm not sure whether we would know what each of the things inside of them are.

Senator WATT: Could I ask you to do that work to aggregate those decisions, because I think people are interested to know how much of the \$16 billion pork barrel that the government has put aside in MYEFO will be spent in infrastructure and regional development, and how much in other portfolios.

CHAIR: Senator Watt, that's not fair. I don't think regional Australia thinks that.

Senator WATT: That is a reflection on ministers, not on you.

Mr Atkinson: I will take that on notice. I won't adopt your language but, on notice, I'll see what we can do, noting that I think most of it would be covered by our inability to release cabinet information in advance. Department of Finance will be able to lean closest into that, if you ask them in their hearings.

Senator SHELDON: A letter has been circulated to the Glen Eira City Council. In the fourth paragraph, it reads:

I trust Council will consider this issue before taking any decisions to cancel these two commuter car parks. Such a decision could well have the long term consequence of reducing the chance of future applications for Commonwealth funding for the City of Glen Eira being successful.

Is that normal practice for councils to be threatened by the minister?

Mr Atkinson: I might just read the paragraph before that, which is probably the operative piece here:

Decisions by the Australian Government to commit investment in infrastructure are for specific projects, with a specific scope and within a determined funding allocation.

That's a very normal thing. It continues:

As such, and to provide clarity I wish to advise that the Australian Government's funding allocated to the Commuter Car Park Upgrade projects ... can be only used for the development of these commuter car park projects. If Council is unable to deliver these projects the funding will be retained by the Australian Government.

It's very normal for us to say: 'We've got an agreed scope, we've got projects, and you can't cancel the project'—

Senator SHELDON: With due respect, I'm not asking about that aspect.

Mr Atkinson: I was getting to the next bit. It references that in terms of the government's approach to infrastructure and investment they take into account capacity to deliver. When you read the whole paragraph, that's effectively what they're saying.

Senator SHELDON: Effectively, what it's saying is: 'If you don't do the two car parks, we're going to be considering the long-term consequences and reducing the chances of future applications.' That is one sentence following the other; one applies to the next. It's in the same paragraph and it's in the same line of commentary from the minister. Is it usual to say to councils that if they don't make a particular decision there will be 'long-term consequences of reducing the chance of future applications for Commonwealth funding'? Is that the usual terminology, or language, that you use?

Mr Atkinson: I think that the operative piece you are missing out of that paragraph is where it says that we take into account a number of factors, including priorities and the council's ability to deliver—that's actually the preamble to the bit you're quoting. I wouldn't say that it's usual, but it's clarifying that someone can't redirect funding out of a particular project. The capacity to deliver is a factor in future considerations—I wouldn't say I've seen that particular formulation before.

Senator SHELDON: Thank you, but I think you're conflating the two paragraphs. I appreciate that you've said it's unusual. I'm paraphrasing what you said, the unusual way that that's been delivered, in this particular letter to Glen Eira City Council. Do we send letters saying, if a council won't implement a congestion-busting plan—in this case, it applies to stations being built that will actually increase congestion; then they get threatened that they'll have future funding affected. Isn't this a bizarre thing to be doing? You have a congestion-busting plan threatened if you don't implement the car park, which will cause more congestion, and you'll have funding taken off you in the future? So they're following what the program is supposed to be about, but they'll pay a consequence if they turn around and don't follow the intention of having a car park that will do the direct opposite of what it's intended to do.

Mr Atkinson: My read of this letter—and, as I said, I had not seen it until you tabled it today—is that it's really about clarifying that the money can't be used for things other than the projects that have been put forward.

Senator SHELDON: I appreciate you've said that but you're conflating two very clear, different issues that have been raised in this letter and the two aspects of the commuter car park. It's going specifically to the question of the consequences. It can't be clearer:

I trust Council will consider this issue before taking any decision to cancel these two commuter car parks.

Following directly after that sentence comes:

Such a decision could well have the long term consequence of reducing the chance of future applications for Commonwealth funding for the City of Glen Eira being successful.

I understand you said that's not usual language. Regarding that comment, Minister Fletcher's letter to Glen Eira Council goes on to say:

Funding will not remain allocated to these projects unless Council can demonstrate it is progressing these projects as quickly as possible.

This is the exact same line Minister Fletcher used in a letter to Bayside Council. Do we have that letter?

In the case of the Bayside Council, if I take you to the fourth paragraph, about halfway down, it says: 'I trust council will consider this issue before taking any decisions to cancel this commuter car park. Such a decision could well have the long-term consequences of reducing the chance of future applications for Commonwealth funding for the City of Bayside being successful.' So this unusual language has now been used twice, with a threat that, if you don't follow through on the commuter car park decision, such a decision will have the long-term consequences of reducing funding chances for future applications by the City of Bayside.

There's a pattern here, isn't there, between these two matters? The language is certainly the same. It's two unusual commentaries that have been put into a letter, based on your previous estimate.

Senator McKenzie: Chair, is the senator asking the official for an opinion?

CHAIR: Senator Sheldon, the department can answer what is usual practice, and I think Mr Atkinson has done that. You've tabled another letter. Can I assist you in getting to the point of your question?

Senator SHELDON: In documents tabled at the most recent estimates hearing, no funds were forecast to be spent on the Narre Warren station project, a project fully funded by the Commonwealth until 2025-26. I will draw you to the commentary in this letter. Why is pressure being put on Glen Eira and Bayside councils to begin a project now, while other projects are left waiting for more than five years to commence?

Mr Atkinson: I'm not sure whether Mr Smith can update on what the timing around Narre Warren was.

Senator SHELDON: So some can wait five years, and others have to be done, and, if you don't do them now, causing more congestion, you could have your funding taken off you. That's the threat.

Mr Atkinson: I'm not sure that I agree with any of the language that you're characterising this as. Each project progresses on its own time line, so they're at different levels of maturity, and we work through these things. Mr Smith might have something on Narre Warren. I'm not sure what's driving the timing there.

Mr Smith: Narre Warren—certainly the tables we've tabled have got the profile there. It obviously is in the out years. That profiling would have been determined following consultation with the relevant delivery partner for that. Again, consistent with Mr Atkinson's view, I think the letter needs to be read as a whole. The letter addresses individual car parks. They need to be read as a whole. They're not separate topics.

Senator SHELDON: I'm more than happy to read them as a whole. But the fact is that there is a clear statement projected in the fourth paragraph. We've got Bayside and Glen Eira councils being threatened if they don't go ahead with their projects. I've got to think then: what is the similarity between those two councils in comparison with the council with the Narre Warren Station project? That's fully funded by the Commonwealth until 2025-26, and there's an opportunity for a five-year delay. There seems to be one threat to two councils, and another council that's not having the project until 2025-26. There is going to be a five-year delay. The only thing that seems to be consistent with Glen Eira and Bayside councils in comparison with the Narre Warren Station project is that it's because the project is in the electorate of Goldstein, and Mr Wilson is scared of losing his job in the not-too-distant future. How can you tell me that those two things are different?

Mr Atkinson: The piece of analysis that I haven't seen, and I have no idea of what you've just talked about, is whether or not the scope, scale and circumstances of the car park in Narre Warren bear any similarity to the car parks that are in these letters. My recollection of these projects is that they're actually all quite different.

Mr Smith: Certainly we can come back with the specifics on Narre Warren, but, from my memory of it, it's a much more complicated scenario. Mr Bradley might have some details he can provide here about the size of it. All car parks are individual and unique, but I have a feeling Narre Warren was a particularly complex site.

Senator SHELDON: I particularly want to go to this question of the letters. Let's just stay on that for the moment. How many letters has Minister Fletcher sent to local governments advising that their funding will be withdrawn unless projects are progressed?

Mr Atkinson: Sorry, Senator; these letters don't say that.

Senator SHELDON: 'I trust council will consider this issue before taking any decision to cancel this commuter car park. Such a decision could well have the long-term consequences of reducing the chance of future applications for Commonwealth funding for the City of Bayside being successful.'

Mr Atkinson: Yes, that's what the letter said. Are you asking how many other letters there are?

Senator SHELDON: And there is the same one to the City of Glen Eira, and they're both in Goldstein.

Mr Atkinson: Sorry; was your question: are there other letters with that particular sentence in them?

Senator SHELDON: Yes.

Mr Atkinson: I will have to take that on notice.

Senator SHELDON: Have there been other letters that say that funding will be withdrawn unless projects are progressed?

CHAIR: Isn't that the question you just asked?

Senator SHELDON: It is the question I just asked, yes.

CHAIR: He just said he would take it on notice.

Mr Atkinson: Sorry, Senator; the letter doesn't say what you just said.

Senator McKenzie: I think, Chair, with respect, the senator's line of questioning is full of assumptions and political insinuations that the officials are not at the table to answer.

Senator SHELDON: I've taken into account that this is unusual language that is used in these letters. It's already been given in evidence. That's two letters which are in the seat of Goldstein. I'm trying to ascertain—I appreciate that Mr Atkinson has taken it on notice—how many other similar letters there have been. You will understand it is unusual, from previous evidence that was just given.

I'll go to another line of questioning, on another matter. In December 2021 Minister Fletcher announced \$18 million for a commuter car park at Kananook station. Can you confirm this is the same station that previously had a commuter car park project that was abandoned?

Mr Smith: It's the same geographic area, but my understanding is it's not the same site. Council wrote to the Australian government requesting a car park, and the Australian government took a decision to fund the car park. It will go through its normal planning processes from there.

Senator SHELDON: The original amount, if I remember correctly, was \$7 million for the original car park.

Mr Smith: I think that sounds right, but I'll confirm if that's wrong.

Senator SHELDON: And the money from the council for the Kananook and Seaford car parks was then combined with the Frankston project.

Mr Smith: Correct.

Senator SHELDON: And that's covering cost blowouts there. Is that right?

Mr Smith: I wouldn't characterise them as cost blowouts. I think we've explained how the process works. As projects go through design and planning phases, the costs become more certain and then the government makes a decision. If there are additional funds required, they make a decision at that stage.

Senator SHELDON: Did the amount that had to be put into that project go up?

Mr Smith: Yes, it did.

Senator SHELDON: That says cost blowout to me, but I appreciate you have different language for that. What is the estimated cost per car park for the Frankston and Kananook projects?

Mr Smith: For Kananook it was \$18 million.

Senator SHELDON: I'm looking for the cost per car park.

Mr Smith: They're in planning at this stage—and again we've gone through this in previous estimates—so until the planning is done we don't know the final costs and we don't know the number of car parks. At that stage we'll provide a brief to the minister that includes benchmarking costings, and the minister can then make a decision as to whether to move to a delivery phase after that.

Senator SHELDON: For clarity, is there an expectation—is it 20 or 220? What's the broad expectation of the number of car parks that are being pursued?

Mr Smith: I will have to take that on notice and come back to you on that.

Mr Hallinan: I can come back to you on the Narre Warren station. Narre Warren is a project in partnership with the Victorian government, and the reason for the timing is the Victorian government is looking at level crossing removals through a range of stations across Melbourne. We'll be timing the car park upgrade to the level crossing removals program, which is why it pushes out beyond the 2023-24 period into 2025-26. That's to align it with another complex project, otherwise we could have two complex projects and potentially one conflicting with the other. It's a deconflicting process.

Senator SHELDON: I appreciate that there are two areas where two councils have been approached in Goldstein and threatened for future funding, which is why we have correspondence—

CHAIR: I think—

Senator MIRABELLA: Chair, can I ask a question?

CHAIR: If it's further to this, thank you.

Senator MIRABELLA: I'm reading this to say that effectively this question is questioning the council's ability to deliver on its own priorities and therefore this is fair warning that says, 'If you can't deliver on your priorities, these factors will always be considered in the future.' I'd see that as fair warning. You're characterising it as some kind of threat, but I don't see that. Is that a fair construction of that paragraph?

Mr Atkinson: That's at least as valid an interpretation of that construction, yes.

Senator SHELDON: I won't restate what I have already said because it seems obvious.

Senator MIRABELLA: Do we know what the council's priorities were? Did the council have any particular priorities that were stated or declared prior to this?

Mr Atkinson: Not off the top of my head.

Senator SHELDON: Where is the additional funding for the Kananook car park coming from?

Mr Smith: That was announced recently, so that would come from that unallocated portion.

Senator SHELDON: That was for the previously abandoned project. Is that right?

Mr Atkinson: No, there was unallocated funding available.

Senator SHELDON: Yes, sorry. After cancelling the project because it wasn't viable, the Morrison government has now re-announced a cancelled project on the brink of an election. Is that right?

Mr Atkinson: I think what Mr Smith said is that it was a different project in a different location.

Senator SHELDON: It's in broadly the same area, isn't it?

Mr Atkinson: Yes.

CHAIR: In the same shire.

Senator SHELDON: We've dumped one and we've turned around and put another one in the same shire.

Mr Hallinan: It's a different proponent. The first one was with the state government and the second one is with the council.

Senator SHELDON: So, the \$7 million that was originally for the other project was abandoned. That \$7 million goes back into the—I won't use the word system; that's very broad.

Mr Hallinan: It goes back into that unallocated pool in the UCF—I think it's that \$48.5 million. Where we've described that as being contingency available for project design or changes, that's exactly what it would go into; it's fungible.

Senator SHELDON: I want to go to another car park. What is the status of the Mont Albert car park? I understand the station's been closed.

Mr Hallinan: Before we go there, can I quickly answer a question that Senator Watt had. At this stage, there has been no payment made for new projects announced in the New South Wales portfolio spend in the last budget. We were at about \$30 million in the Queensland projects, and it's at zero at this point with the New South Wales projects. Not unsurprising though, with the stage of where the projects will be at.

CHAIR: Thank you.

Mr Bradley: Mont Albert: is that part of the northern line? On the Lilydale-Belgrave line we're delivering car parks at Camberwell, Canterbury and Glenferrie. I'm not sure that Mont Albert is one of the sites that we're delivering on.

Senator SHELDON: If someone can see if that's correct or not, I'll come back to it. I'll go to another question. The initial promise for the four Kooyong car parks was \$65 million. Is that sufficient?

Mr Bradley: Do you have the names of the car parks rather than the electorate?

Senator SHELDON: No, I don't; I haven't got the four of them. I'll get the names. I'll have to come back to that as well. I've seen some reporting suggesting that Camberwell car park is actually being built some 450 metres from the train station, right next to an existing shopping centre. Is that accurate?

Mr Bradley: Camberwell is one of the ones that we discussed earlier. That's currently in the scoping development phase. The Victorian government's exploring options on state land for the project as part of its feasibility assessments. They're looking at underground options on Wattle Valley Road for about 130 additional spaces there.

Senator SHELDON: So, 130 spaces there?

Mr Bradley: About 130 additional spaces. As I mentioned, their community consultation commenced in December and is expected to conclude later this month.

Senator SHELDON: Is that 450 metres from the station?

Mr Bradley: Sorry, I've given you the details of Canterbury—sorry, I'll jump back a page. Camberwell's also in the scoping development phase. That's the option they're exploring at Junction West for approximately 202 net spaces. There was discussion before that the Boroondara council have 90 spaces on their website. That's looking at an option to build additional capacity at an existing site. There is currently a site there—I think the 90 additional spaces will bring it to a net total of 202 spaces.

Senator SHELDON: We may be talking about the same site, so if you can just clarify for me—

Mr Bradley: Camberwell.

Senator SHELDON: Is that site next to the—

Mr Bradley: Junction West.

Senator SHELDON: existing shopping centre?

Mr Bradley: It's at Junction West. I have to admit: I haven't been there to visit the location.

Senator SHELDON: So, you can't tell me whether it's next to the existing shopping centre?

Mr Bradley: I can't from what I have in front of me, no. Unfortunately, I haven't been able to get down there with the travel restrictions.

Mr Hallinan: We can certainly take it on notice though, Senator. What's the substance of the question, assuming it's correct that it's near a shopping centre and 400 metres from the train station?

Senator SHELDON: If it's 450 metres from the train station and right next to the existing shopping centre—and thank you for that—how is the government ensuring that these places are reserved for commuters and not being utilised by staff or shoppers?

Mr Hallinan: That goes into the design and access protocols for the car park itself—swipe in access protocols and other things that are built into the car park.

Senator SHELDON: My experience of the car park is going in when I do my shopping. If you're suggesting that somehow there's a system that will apply where it will only be used for commuters, not by shoppers, how does that work?

Mr Hallinan: It will be part of the design of the car park. In order to access the car space you would need to be signing in with whatever your public transport system is. One of my colleagues might have a bit more detail on it, but it's built into the design protocols for the car park.

Mr Bradley: That's generally something that the councils would manage and possibly even discuss with the community as part of the consultation process.

Senator SHELDON: Just so I am clear—this is a little bit to the side, but I'm interested—these car parks, built into the spec, can have swipe cards, which would basically be cards that you use for public transport which would then be used for this. What happens if you do use public transport and you're going shopping and you don't plan on using public transport because you have a card in your pocket and you just use it?

Mr Hallinan: We could probably take the specifics on notice, but for each of the car parks there needs to be a provision in there that ensures that they're actually being used for the purposes of commuters. If they could be used by anybody just driving in off the street they wouldn't be something that we would approve through our systems and processes. Commuter car parks exist already with those technologies in place. We can take on notice for you what that looks like.

Senator SHELDON: I am sure many of those shoppers have cards which allow them to use public transport. Are you aware of any way of differentiating somebody who's got a card but is going shopping?

Senator MIRABELLA: Can I just interject here?

CHAIR: Yes.

Senator MIRABELLA: The Melbourne metro myki card, if you're going to swipe that at a car park—

Senator SHELDON: Sorry, Senator, you are putting the question to them not to me.

Senator MIRABELLA: A myki card will cause—

Senator SHELDON: Chair, I am not here to answer questions from other committee members.

CHAIR: That's correct, Senator Sheldon. Senator Mirabella, perhaps you could inform the department of how the local council or government does that.

Senator MIRABELLA: Yes, I will.

CHAIR: Would you like to continue? I am interested. Senator Mirabella, do you want to finish that comment for the purposes of the department?

Senator MIRABELLA: I've seen this elsewhere. When you swipe the Melbourne myki it at a car park or anywhere else it records on a system. You can either park your car or you can catch a train. You still pay.

CHAIR: You pay once you swipe your card?

Senator MIRABELLA: Yes. You swipe when you get on at the station. You're already logged on so you're not paying extra.

CHAIR: Okay. Thank you.

Mr Bradley: I think I can confirm that that location is 400 metres from the station, not 450.

Senator SHELDON: I gather it depends where the access point is, doesn't it?

Mr Hallinan: I've said we'll take it on notice. It will be different depending on the transport system. I will take it on notice.

Senator SHELDON: The project was promised to provide up to 2,000 parks. When will the full 2,000 be delivered?

Mr Bradley: Which projects are you referring to?

Senator SHELDON: This is Camberwell.

Mr Bradley: We spoke about providing a net total of 202 parks.

Senator SHELDON: And the four Kooyong car parks? We're still trying to track down and give you the name of those car parks. Turning to Panania and Woy Woy car park projects, what is the status of these projects?

Ms Legg: I will pull up the latest for those projects. I'll start with Panania, if that's okay. In September 2020, New South Wales undertook a rapid viability assessment and identified a preferred corridor on Weston Street for the Panania car park. The scoping phase has been approved for that, and the Australian government has paid out

some funding towards that. The next step is that we're expecting the delivery phase PPR to be submitted probably in the next month. I've got early 2022 here. The other one was Woy Woy, I believe.

Senator SHELDON: Yes.

Ms Legg: I think we provided an update at the last estimates. Again, Woy Woy car park was part of the rapid viability assessment conducted by Transport for NSW on behalf of the Australian government. Two sites have been identified for further scoping, and we're expecting the development PPR this month, and, once assessed and approved, that community consultation will begin on the preferred site.

Senator SHELDON: Has the necessary funding been committed for both those car parks?

Ms Legg: Yes, it has.

Senator SHELDON: And what's the completion—sorry.

Ms Legg: I was just going to confirm that, for Panania, it's \$7.5 million, expected to commence in September 2022 and be complete in June 2023. For Woy Woy, the commitment is \$5 million, expected to commence in December this year, and, once we have the final designs, we'll have a better idea about the end construction date.

Senator SHELDON: What did you say were the completion dates for those?

Ms Legg: Woy Woy is unknown at this point, until we receive the development PPR.

Senator SHELDON: And I missed Panania's.

Ms Legg: Panania is June 2023.

Senator SHELDON: Righto. Thank you. Just so I'm clear, has the concept design for Woy Woy been completed?

Ms Legg: No.

Senator SHELDON: I understand that it was promised that it would be completed by July 2021. What's happening?

Ms Legg: At the moment we're awaiting the development PPR. We would expect that to provide us with the preferred site, and New South Wales would begin the design process and begin community consultation. There have been some delays on that project because of the constraints around the train station, including what it's possible to build along the side of the railway alignment itself.

Senator SHELDON: So we still haven't got a time line, then, for that?

Ms Legg: No. We're expecting the PPR this week, actually, so I should have more information for you at the next estimates.

Senator SHELDON: I want to move to special projects, to the North-South Corridor in Adelaide. There was a lot of media coverage yesterday of the new announcement from the government about more funding for the North-South Corridor in Adelaide. Do you know how many times this project has been announced?

Mr Bradley: The \$2.2 billion announced yesterday was to complete stage 2 of the Torrens to Darlington Project. I think it's a 72-kilometre corridor. There have been a number of projects completed within that corridor. Just looking at a map I have here, there are one, two, three, four, five, six, seven, eight different projects dating back to 2010. I think the original announcement to upgrade the full corridor was made by former prime minister Mr Abbott in 2013. But I think yesterday was the first time that we've announced funding to complete the entirety of the project. That will complete both stages of Torrens to Darlington.

Senator SHELDON: I recall that there was some funding for it in the last budget as well. Is that correct?

Mr Bradley: At the last budget, the funding that was announced was for stage 1 of the final stage of Torrens to Darlington. The amount of funding that was announced there was an Australian government commitment of \$4.9 billion dollars. Stage 1 was \$2.7 billion that was announced. The final state announced yesterday was \$2.26 billion, bringing the total of both stages to \$4.975 billion.

Senator SHELDON: Is that the total cost of the project?

Mr Bradley: It is on a 50-50 basis with the South Australian government. It is \$9.95 billion to complete the final stage.

Senator SHELDON: Can I also just confirm if the money announced yesterday is new money?

Mr Bradley: That is correct, yes.

Senator SHELDON: I seem to recall approximately \$1.87 billion or thereabouts announced for the same project in last year's budget. Does that money form a part of yesterday's announcement or is it all new?

Mr Bradley: The money announced yesterday is new funding.

Senator SHELDON: Can you let us know on what period of time the promised new investment is based?

Mr Bradley: We expect stage 1 to commence in late 2023. Stage 2 will commence in 2026. This additional commitment provides surety to the South Australian government to allow it to go to tender for both stages. We are advised that it is quite a competitive market at the moment. Advice from South Australia is that, to get the most optimum outcome and competitive prices at the tender box, it is important that both stages go to market at the same time, as they both involve fairly significant tunnelling components.

Senator SHELDON: Do you know if there has been a proper business case and cost-benefit analysis on this project done?

Mr Bradley: Yes, throughout there has been a business case undertaken. The entire corridor has a benefit-cost ratio of two.

Senator SHELDON: How much will the Princes Highway upgrade in New South Wales cost in total?

Ms Legg: There are four projects, from memory, along the highway. Was there a specific one you are interested in?

Senator SHELDON: Just the four projects, yes.

Ms Legg: The Princes Highway upgrade program in the New South Wales section is \$1.125 billion shared between the Australian government and the New South Wales government. It is a \$900 million AG commitment, of which \$400 million has been committed to the Milton-Ulladulla bypass, \$100 million to the Jervis Bay intersection and \$400 million to the Jervis Bay-Sussex Inlet Road stage 1.

Senator SHELDON: Do you know when those projects were announced, the dates?

Ms Legg: The last two, the two Jervis Bay projects, were announced in the last budget. I will check for you about the Milton to Ulladulla one. They were announced just before the 2019 election, I believe.

Senator SHELDON: When do you expect them to be completed?

Ms Legg: The Milton-Ulladulla bypass is expected to commence in April 2023 and complete in December 2026. The Jervis Bay Road intersection is expected to commence in October 2023 and complete in October 2025, and the Jervis Bay Road to Sussex Inlet stage 1 is expected to start at the end of this year, December 2022, and finish in December '26.

Senator SHELDON: I note that some of the works here are primarily on South Coast New South Wales between Moruya and Wollongong. How is this determined?

Ms Legg: The last two projects were prioritised by New South Wales, following a corridor study that they had undertaken on the route. That is my recollection of those two. I might have to take on notice the Milton-Ulladulla bypass. Why that decision was taken predates me.

Senator SHELDON: Thank you. The Reid Highway interchange in Western Australia was promised at the 2020 budget; is that correct?

Ms Rosengren: The Reid Highway interchange with West Swan Road?

Senator SHELDON: Yes.

Ms Rosengren: Yes. This one was delayed in the WA budget this year. They announced a delay. They were getting some high cost escalations, so that has been delayed about two years. It's now in planning. It has an expected start date of early 2026 and completion date of late 2027. There's also a second project on the Reid Highway—the Altone Road, Daviot Road and Drumpellier Drive grade separation intersections. They are in planning now and they're due to start in early 2023. So the intention is to do those interchanges first and then go on with the West Swan interchange after that.

Senator SHELDON: Is there a reason why these particular projects are needed?

Ms Rosengren: It's just the Reid Highway, so cutting down on congestion, ensuring traffic flow for those current interchanges and removing the traffic lights at those locations. So it's planning for the future to make sure that they have the demand capability along the Reid Highway.

Senator SHELDON: Just so I'm clear: some of these projects are not expected to begin until 2026; is that correct?

Ms Rosengren: That's right. As I said, there are a number of interchanges being upgraded on the Reid Highway. The first ones will start in early 2023, which is the Altone Road, Daviot Road and Drumpellier Drive

grade separation intersections. They will start at the beginning of next year and go through until mid-2026. Then the West Swan interchange will commence after that and the works will continue until 2027.

Senator SHELDON: Thank you. Why does it take seven years from announcement to delivery for these projects? What's the cause?

Mr Hallinan: There's a broader piece here that goes to the notion of having a 10-year rolling pipeline. As a way of ensuring that industry has predictable work and there is a predictable work schedule, which allows appropriate employment practices for construction firms, the government is committed to a 10-year rolling pipeline. Projecting as far forward as we can is helpful for the sector to be able to build its workforce, plan appropriately, and train and educate on a sustainable basis. That's the way we principally try to remove peaks and troughs across the system. We were having a discussion earlier about the nature of skill shortages through other pressures built into the system. That's fundamentally what the 10-year pipeline is about. If you have a 10-year pipeline, you're going to have some projects that don't end for some time. These are among them.

Senator SHELDON: I want to go to the Hawkesbury River third crossing. Australian government funding of \$400 million is being provided through its commitment to the Hawkesbury River third crossing via the Infrastructure Investment Program. What is the status of the project?

Ms Legg: The status is that the preferred-option report went on display in June, so it's in planning, although we are hopeful some early works will be able to commence shortly. The community engagement sessions were slightly interrupted through COVID, and I know Transport for NSW worked to extend the operations for the community there to have a different style of interaction from the normal face-to-face and, consequently, extended the period. The stage 1 ref was displayed from 15 November and closed on 10 December, and registrations for stage 1, which is for design and contract, opened in December and closed in February. Concept design and the ref for stage 2 of the project is planned for early 2023, and the development phase funding of \$90.4 million was approved on 21 July.

Senator SHELDON: How much money has been expended so far?

Ms Legg: I would like to confirm that on notice, but I believe it would be 90.4 in development phase funding. There may have been some scoping funding earlier. I will take on notice the exact amount.

Senator SHELDON: Thank you for that. I think you mentioned this, but, so I am clear: when will it be completed?

Ms Legg: It's expected to be completed in December 2026.

Senator SHELDON: I want to go to the Katoomba-Lithgow Great Western Highway project in New South Wales. What's the status of this project?

Ms Legg: This project is currently in planning. It's well underway. The strategic design was completed in July 2020, and the design concept is 50 per cent complete. The New South Wales government are currently undertaking environmental assessments, and that process is in train. The detailed design stage for the project will follow once the planning and environmental approvals are obtained. At this stage, construction will start in December 2022 and is expected to complete in June 2026.

Senator SHELDON: How much money has been expended on this project so far?

Ms Legg: I will have to take on notice the exact amount—actually, no; I can confirm that no money has been spent, because it was one of the budget projects. In answer to Senator Watt's earlier question, I confirmed that.

Senator SHELDON: I go back to the answer you gave before. The department's website states that this project is expected to be completed by mid-2026.

Ms Legg: That's right. That is the date I have here.

Senator SHELDON: If that's correct, the information provided last estimates suggests that the final funding won't flow until 2029. How will the project be finished three years before all the money is made available?

Ms Legg: It's a co-funded project. There are three sections of upgrade to the Great Western Highway, of which the Australian government is funding the east and west sections and New South Wales are funding the middle. Our funding profiles correspond to major construction but also when New South Wales believes they'll claim those milestones for major activity. Often there are still expenses even once the road opens. There may be additional expenses into that final year. I have to take it on notice. I would need to ask New South Wales why their profiling is through to 2029. I don't have that with me to confirm if that's the case.

Senator SHELDON: Could you come back to me on that. I go to the Central Coast roads package. How many projects are involved in the Central Coast roads package?

Ms Legg: From memory, there are 29, but let me go to my notes. Yes, there are 29 projects under the Central Coast Roads package, of which 21 are complete, four are under construction and 23 are in planning.

Senator SHELDON: Could you table a list of the projects with the expected starting and finishing date of each project?

Ms Legg: Sure. I believe they're included in the document we presented this morning.

Mr Hallinan: They should be in the tabled documents in the box.

Senator SHELDON: If they're not then take it on notice, and thank you if they are.

Ms Legg: We will confirm.

Senator SHELDON: In regard to the flood resistance projects in Western Sydney, on 27 January this year, the government announced \$33 million for a program to fund more than 100 infrastructure improvements that will boost the resilience of the flood evacuation network throughout the Hawkesbury-Nepean valley. Have those projects been identified?

Ms Legg: No, they haven't as yet. That was what I was reading from in error when I was looking for Hawkesbury River crossing information. Planning is underway to develop a program of works which will address more than 100 identified road infrastructure constraints to assist with existing flood evacuation routes, particularly in the Hawkesbury-Nepean valley. The treatments are likely to include road widening, new culverts, bridge structures, road raising, pinch points, upgrades and drainage improvements.

Senator SHELDON: Have the projects been identified at all from a process—

Ms Legg: I believe that a number of the sites have been identified. They are now planning for the treatments. When I sought an update from Transport for NSW, they advised that the list would be available when the review of environmental factors is announced.

Senator SHELDON: What's that process time line?

Ms Legg: I'll have to take on notice the time line for when they expect to provide that information. I would think it would be when they begin community consultation, but I'll confirm that.

Senator SHELDON: I know you touched on it there, but can you tell me again: what is the process for that selection? Can you briefly take me through the steps of that process?

Ms Legg: I'll just see if I have the notes here.

CHAIR: While the department is getting that answer, I have a couple of questions I'd like to ask before the lunch break. How are you going?

Senator SHELDON: Why don't you ask your couple of questions, and I've got some more.

CHAIR: Yes, because we'll finish this section at 1.15. It's not on this topic, so I don't want to get the department up and down.

Ms Legg: I'll read what I have here and, if it doesn't answer the question, I'm happy to take anything further on notice. The project will deliver a final business case for more than 100 identified road constraints to improve the flood evacuation routes. The project follows on from the New South Wales government's strategic business case, which was released in 2020. The work aims to reduce the current and future risks and impacts to the economy, obviously, of the regional flooding. The planning work commenced in September 2021. As I said, my information is that they will announce the sites as that planning progresses and release those as part of the review of environmental factors. The planning project is expected to complete in 2025.

CHAIR: We just have a couple more questions to ask on projects that we'd like to get through quite quickly because this section finishes at 1.15.

Senator SHELDON: There are probably more than a couple.

CHAIR: We've been moving very slowly to date. I thought we were padding time. If you need to push a few through, do it quickly, because we do have the rest of the day scheduled, and I have a couple of questions too.

Senator McCARTHY: We've probably still got at least 20 minutes after lunch.

CHAIR: Senator Sheldon, if you wouldn't mind asking your questions a little more quickly so that we can move through them a little bit more quickly, that would be appreciated. Thank you.

Senator SHELDON: I can certainly go to my questions, but I'm happy if you want to ask your couple of questions first.

CHAIR: My questions are on the oversight of ARTC and Queensland Rail projects. My question is about a project that's known in Queensland as 'Project Cooper'. I believe it is now getting a name change. My

understanding is that Queensland Rail are trying to outsource the maintenance of regional rail routes in Queensland. I want to understand what oversight the department would have of that. When it happened in Western Australia, it was a particularly bad outcome for grain producers. I want to know who's overseeing ARTC signing off on such agreements and QR privatising rail by stealth.

Ms Hall: Yes, we are aware of Project Cooper. It's part of conversations that ARTC are having more broadly around Inland Rail as well. The ARTC board is actually responsible for any decisions around that. There have been no final decisions made at this stage, as I understand it, but we can confirm that with ARTC this evening. With regard to what they will actually have to notify the respective shareholder ministers about with regard to those decisions—I'm just checking with Mr Pirie. Mr Pirie will be able to tell you the details about the specific notifications that they'll actually have to provide to the shareholder ministers with regard to any decisions, but we are across the issue.

Mr Pirie: ARTC is required to notify shareholder ministers of significant events. Matters regarding interface arrangements or particular lease arrangements would be considered to be significant notifiable events.

CHAIR: Given what happened in Western Australia with the privatisation of those regional rail routes, would it be that ARTC can make the decision on taking on those rail routes in Queensland without approval from the federal shareholding ministers?

Mr Pirie: In terms of notifiable requirements, that's a consultation requirement in line with corporate planning processes, outlined under the PGPA. It's not a decision necessarily taken by shareholder ministers, but certainly ARTC would consult in advance of any decision to do that.

CHAIR: They're doing that currently, I would assume?

Mr Pirie: Yes.

CHAIR: So Queensland Rail is privatising regional rail routes by stealth in Queensland. The circumstances, when it happened in Western Australia, were very poor for grain producers. Grainex and others have raised this with me. I just want to be sure that it doesn't slip through and that we're not left with an outcome that is not in the best interests of regional producers because ARTC has done some sleight of hand with Queensland Rail.

Ms Hall: We will get some more information and come back to you on that.

CHAIR: Thank you. Senator Sheldon, back to you.

Senator SHELDON: Thanks, Chair. I just want to go to Ballarto Road, Skye, in Victoria.

Mr Hallinan: While we're with Mr Bradley, I'd like to respond to a question we took on notice: payments made to date on the Hawkesbury River's third crossing are \$1.3 million.

Senator SHELDON: Thank you.

Mr Bradley: Sorry, Senator; while we're addressing earlier questions, we've got some profiles for the Bass Highway. Are you happy for me to read those into the *Hansard*?

Senator SHELDON: Yes, thank you.

Mr Bradley: For the Cooe to Wynyard project, which the Australian government is funding with \$40 million and Tasmania with \$10 million: in funding year 2019-20 there was \$750,000 profiled, and that amount was paid; in 2020-21 there was \$1.44 million profiled, and that amount was paid; in 2021-22 there is \$10 million profiled of which \$6 million has been paid; in 2022-23 there is \$4 million profiled; and in 2023-24 there is \$23.81 million profiled.

For the Murchison Highway corridor upgrade: in 2018-19 there was \$2.2 million profiled, and that was all paid out; in 2019-20 there was \$2,687,111 profiled, and that was entirely paid; in 2020-21 there was \$1.1 million profiled and paid; for 2021-22 there was \$5.5 million profiled and paid; next year there's \$1,736,236 profiled; and in 2023-24 there is \$21,776,653 profiled.

The final project is the Marrawah to Wynyard project: in 2019-20 there was \$1.95 million profiled and paid; in 2020-21 there was \$4 million profiled and paid; this year, in 2021-22, there is \$20.05 million profiled, of which \$16.05 million has been paid; in 2022-23 there is \$23,137,908 profiled; and in 2023-24 there is \$10,862,092 profiled.

CHAIR: It's now 1.15 pm. We're going to break for lunch for an hour. Senator Sheldon, we're calling back this department; is that correct?

Senator SHELDON: Yes. Thank you, Chair.

CHAIR: Thank you. Let's hope we can move with greater alacrity after lunch.

Proceedings suspended from 13:15 to 14:16

CHAIR: We are in continuation of the agenda on transport and infrastructure, and Senator Sheldon is going to continue asking questions, he tells me, for another 20 minutes on this topic.

Senator SHELDON: This regards the Ballarto Road project in Skye, Victoria. When was the project first announced?

Mr Smith: Let me just clarify. There are 29 packages. Twenty are complete, two are under construction and seven are in planning.

Senator SHELDON: Thank you, Mr Smith. Mr Bradley?

Mr Bradley: There were also questions earlier, I think, about the actual expenditure on the last project. In Victoria there hasn't been any expenditure against those projects. Ballarto Road in Skye was a 2019-20 budget commitment. The Commonwealth has committed \$30 million to that project.

Senator SHELDON: How much of that \$30 million commitment has been spent so far?

Mr Bradley: I would need to come back to you on that one.

Senator SHELDON: Do you know when the project will be completed?

Mr Bradley: The project's currently in the scoping and development phase. We're expecting it to start later this year and be completed in mid-2024.

Senator SHELDON: There are three UCF projects in the area around Geelong and Ocean Grove or Corangamite. These are the intersection of Cape Otway Road and Winchelsea-Deans Marsh Road; the Grubb Road upgrade, Ocean Grove; and the Murradoc Road upgrade. For each of these, could you please tell me the status, how much we have spent and the completion date?

Mr Bradley: Sure. The first one was the intersection of Cape Otway Road and Winchelsea-Deans Marsh Road. That one was a 2019-20 budget commitment, and \$6 million of Australian government funding has been committed to that project. Construction is expected to commence later this year, and I will have to come back to you with the expenditure figures, unless they are included in the table that we provided this morning. Would they be there?

Mr Hallinan: The profile of expenditure would be included in there, but I don't think the expenses to date are captured.

Senator SHELDON: You can take that on notice.

Mr Bradley: Yes, certainly. What were the other two projects?

Senator SHELDON: There was the Grubb Road upgrade, Ocean Grove.

Mr Bradley: For the Grubb Road upgrade, construction is expected to commence in April this year. That's a project the Commonwealth has committed \$5 million to.

Senator SHELDON: What was the completion date?

Mr Bradley: It's expected to be finished later this year.

Senator SHELDON: Thank you. And the Murradoc Road upgrade?

Mr Bradley: Scoping development is underway on the Murradoc Road upgrade. We're expecting construction to commence fairly soon on that one, in March. We're also expecting it toward the middle of this year. It's a fairly small project—a \$5 million commitment.

Senator SHELDON: These were all promised ahead of the 2019 election. Why aren't these projects underway?

Mr Bradley: I think the first stage of all these projects has been to undertake that scoping development work. We need to get Victorian government time to take those works and to work out what the best options are, both to design and procure these projects.

Senator SHELDON: I want to go to the Warragamba dam-raising project.

Mr Hallinan: Warragamba Dam—is it an infrastructure road project or the dam upgrade?

Senator SHELDON: It would be the road project.

Mr Hallinan: We're not aware of any—

Senator SHELDON: No, it's okay—

Senator McKenzie: It's definitely a water project.

Senator SHELDON: it's Infrastructure Australia Assessment Framework.

Mr Hallinan: The IA Assessment Framework. IA has not been requested to appear this time. What's the question?

Senator SHELDON: Has there been any federal government funding made available for the Warragamba raising project?

Mr Hallinan: That's specifically for the Warragamba Dam project. I think they're listed for Friday—the National Water Grid Fund, yes.

Senator SHELDON: Where is the federal government sourcing its \$16.5 million for the New South Wales Road Resilience Program, which has been agreed to on a fifty-fifty funding arrangement with the New South Wales government?

Mr Hallinan: This is the Western Sydney—

Ms Legg: That's the project you asked a question about earlier: the Hawkesbury River and the Road Resilience Program.

Senator SHELDON: Yes.

Ms Legg: The Australian government commitment is \$16½ million, on a fifty-fifty basis with New South Wales.

Senator SHELDON: Can the minister's office or the department provide a list of the hundred projects that Transport for New South Wales has identified for road infrastructure improvements which the federal government has committed fifty-fifty funding for across four Western Sydney local government areas?

Ms Legg: As I explained earlier, I sought an update prior to estimates from the department, Transport for New South Wales. The information they provided was that there may still be some movement as the planning occurs and that they expect a final list of the projects to be released with the review of environmental factors. I may have taken on notice to get a time line for you on that, but if I didn't I'm happy to do that.

Senator SHELDON: If you could, thanks, yes. Are you able to table correspondence between the New South Wales and federal governments concerning the Warragamba Dam raising? No, we'll deal with that on Friday.

I just want to make sure that we haven't already covered these: the Cradle Mountain cableway? No, I'll leave it—it's fine. Most of these questions are for Infrastructure Australia. I have some questions about the board and CEO appointments.

Mr Hallinan: We can do that. But I can quickly run this down for you: we paid \$1.95 million in May for Ballarto Road; \$600,000 for Grubb Road in May, for scoping; and for Murradoc Road we paid \$2.53 million in total—\$530,000 in April and \$2 million in December, both in 2020.

Senator SHELDON: Thanks. This question is about the Infrastructure Australia board and CEO appointments. We know that in December the Deputy Prime Minister, Barnaby Joyce, announced a number of new appointments to the board of Infrastructure Australia. We know that in December the Deputy Prime Minister, Barnaby Joyce, announced a number of new appointments to the board of Infrastructure Australia. It appears that there's a party-political affiliation in the key selection criteria for these appointments. Is that correct? Of the seven new appointments to the board, four have been discoverably links to the LNP.

CHAIR: I don't think the department is going to be able to answer your questions on political affiliations. I can tell you, Senator Sheldon, I'm very delighted to have somebody from northern Australia, finally, on the Infrastructure Australia board—that's probably not what you're asking!

Senator SHELDON: What are the criteria for the selection process and the board and the CEO appointments?

Mr Atkinson: The requirements for the board are set out in the Infrastructure Australia Act.

Senator SHELDON: As you see them, how do those requirements operate in general terms?

Mr Atkinson: I might get Mr Hallinan to speak generally to that.

Mr Hallinan: The Infrastructure Australia board is an advisory board, so it provides advice into the Infrastructure Australia company itself. There are requirements for the board to maintain and have appropriate both geographic spread and spread in expertise that captures transport, water, energy, communications and social infrastructure and in the disciplines of economics, finance, planning, engineering and Indigenous relations and social policy. So the board appointments themselves need to ensure there's a balance of that experience set across the board.

Senator McCARTHY: Did you say Indigenous relations, Mr Hallinan?

Mr Hallinan: Yes, I did.

Senator McCARTHY: What does that refer to?

Mr Hallinan: The criteria here is 'Indigenous relations or social policy experience', so people with experience in dealing with Indigenous communities or Indigenous issues.

Senator SHELDON: I appreciate there's a broad cross-section there. Could you just step me through again what the actual selection processes are?

Mr Hallinan: For this set of board appointments?

Senator SHELDON: Yes.

Mr Hallinan: I think the department turned its mind to board appointments probably late of the first quarter of 2021. We consulted with the then Infrastructure Australia board chair and undertook some searches for relevant personnel, or potential options, both for people who could continue in roles and new appointments to roles. We provided, I think, advice to the then Deputy Prime Minister in May 2021. We then provided further advice to the new Deputy Prime Minister in late June, and again in August, on options for board appointments. It is a cabinet process, so the Deputy Prime Minister wrote to the Prime Minister seeking agreement to board appointments, based on both advice from the department and other sources. We undertook a process of due diligence against the requirements of the board, as part of that cabinet process, across the October-November period, and cabinet agreed five appointments on 9 November and a further two on the 17 November 2021.

Senator SHELDON: What was the process for actually approaching people? What was that process, and how many people were put on the short list?

Mr Atkinson: Senator, you're now starting to get into the detail of the processes that support the cabinet deliberations. I think it is enough to say Mr Hallinan has leant quite a long way into that. In essence, the board appointments go through a cabinet process. There's a proposal from the relevant minister, who writes to the Prime Minister seeking appointments, and the cabinet considers those and either approves or rejects or makes another choice. And, in this case, the appointments that you're talking to came through that process, and the decision was made.

Senator SHELDON: Going back to the question of appointments: are you able to outline on what basis the appointments should be considered? What are the criteria for somebody who is on the board? What attributes are supposed to be considered?

Mr Atkinson: It's about looking at the board as a whole and how all the necessary attributes are mapped across the entire board.

Senator SHELDON: What are those particular attributes you are looking for from the board?

Mr Atkinson: Mr Hallinan read out the extensive list. It's set out in the IA legislation.

Senator SHELDON: There is a fundamental problem we have got. Out of all the contexts of all the people that could be selected for the board, we have got Barnaby Joyce announcing a number of new appointments to the board of Infrastructure Australia. Of the seven new appointments, four of them have easily discoverable links to the LNP. Minister, was a party political affiliation a key selection criterion for these appointments?

Senator McKenzie: These aren't my board appointments. You've heard the key selection criteria that the officials have outlined, and I didn't hear party political affiliations mentioned once. This is a skills based board. Similarly, when Anthony Albanese was infrastructure minister, he put Garry Weaven on it. He put the godfather of superannuation on his board—quite a heavy in the trade union movement at the time.

What I think is fantastic about the Infrastructure Australia board at the moment is that it actually has fifty-fifty representation between men and women. That's a huge shift. If you look at when Albo was in charge, only 15 per cent of the roles in Infrastructure Australia went to women. Despite what he says about backing equity between the sexes, you've actually got to look at what he does. Barnaby Joyce has got fifty-fifty on the board, which I think is fantastic, and also a lot more experience around rural and regional Australia and how the work of Infrastructure Australia will be received and its impact. For the work of this particular board, that is also a particularly important skill set and experience to bring to the table.

Senator SHELDON: You're right, Minister; certain skill sets are required, as was outlined by the department earlier.

Senator McKenzie: So you didn't really need to ask that question, did you, Senator Sheldon?

Senator SHELDON: I just want to raise that of the seven new appointments to the board, four have been discovered to have links to the Liberal and National parties. I'll just work through this. The new chair, Colin

Murray, describes himself as a fairly solid Barnaby supporter. Amanda Cooper, a former Brisbane city councillor is Vice President of the Queensland LNP. Elizabeth Schmidt was the LNP candidate for Dalrymple at the 2011 and 2015 Queensland elections—

CHAIR: Also the Mayor of the Charters Towers, a significant transport operator and—

Senator SHELDON: Vicki Meyer is a former Liberal branch president who has more recently turned against Sussan Ley.

Senator DAVEY: A point of order, Chair. I thought when employing people in Australia you are prohibited from making employment decisions based on political affiliation.

Senator WATT: Not in this government!

Senator DAVEY: I want to know what Senator Sheldon is trying to ascertain here. Is he suggesting that the question must be put: 'Have you got political affiliation? And if so, we can't employ you'—which would go against our employment law.

Senator SHELDON: Mr Watt—sorry, Senator Watt has some questions.

Senator McKenzie: Don't get ahead of yourself, Senator Sheldon! Did you just call him Minister Watt?

Senator SHELDON: I said 'Mr Watt'.

Senator WATT: Isn't that exactly point? This government, particularly in relation to this organisation, has considered people's political affiliations when it came to deciding who would be appointed.

Senator DAVEY: Have you evidence that the political affiliation was part of the consideration, or are you just making that assumption because you have found that political affiliation?

Senator WATT: Chair, questions are from senators to witnesses.

CHAIR: I thought Senator Davey's point was well made. Please go ahead, being conscious that we have run over time. I have given Senator Sheldon another 20 minutes with this section of department. I appreciate if this is about expenditure of the department, if you have a line of questioning, please continue with that, Senator Watt.

Senator WATT: Minister, is it a coincidence that, of the seven new appointments, four have strong connections to the LNP?

Senator McKenzie: Four of seven members are living and working in rural and regional Australia—

Senator WATT: Not everyone who lives in rural and regional Australia is a member of the LNP.

Senator McKenzie: and I think that is actually a positive thing and a positive lens to bring to government spending, hence I sit in the political party that I do in this place.

Senator WATT: But not everyone who lives in regional and rural Australia is a National Party member. It's just that these people are.

Senator McKenzie: I can only go to the facts. Fifty-fifty gender representation—fantastic. Under Albo, under your government, when you guys last had the keys to the city, it was only 15 per cent. I'm interested in facts, not pathetic political pointscore, Senator Watt.

Senator WATT: So it's a coincidence—that being a member of the LNP has nothing to do with the appointments of these people—is it?

CHAIR: Before you say that all these people are members of the LNP, I don't think that was Senator Sheldon's assertion.

Senator WATT: The new chair, Colin Murray, describes himself as a 'fairly solid Barnaby supporter'—

CHAIR: It doesn't make him a member of the LNP, I don't think, Senator Watt.

Senator WATT: Amanda Cooper is a vice-president of the Queensland LNP, Elizabeth Schmidt was the LNP candidate for Dalrymple, and Vicki Meyer is a former Liberal branch president. It's just a total coincidence, Minister, that they found themselves appointed to the Infrastructure Australia board?

Senator McKenzie: The minister went through the appropriate processes and has as appointed an Infrastructure Australia board, and I'm sure they'll be doing an excellent job on behalf of the government and those in rural and regional Australia.

Senator WATT: Minister, are you aware that the Infrastructure Australia Act specifies that members of the board have to have a range of specific qualities?

Senator McKenzie: You weren't here earlier, Senator. You've run in to save Senator Sheldon—

Senator WATT: Hardly!

Senator McKenzie: The officers did go through the selection criteria in great detail earlier on, and I'm happy for them to do it again for your benefit.

Senator WATT: But what was really special about these people was their membership of the LNP. That was the really special quality they had.

Senator McKenzie: I'm happy for the officers to go through the process again. I know we enjoy this little repartee every estimates. I'm happy to go there—

Senator WATT: Well, no, it's not a joke.

Senator McKenzie: It has been a bit quiet without you this morning.

Senator WATT: It's not a joke—

Senator McKenzie: No-one's joking about this, Senator.

Senator WATT: to see cronies of your political party—

Senator McKenzie: Appropriate processes were followed.

Senator WATT: repeatedly appointed to important government bodies that influence the spending of billions of dollars.

Senator McKenzie: Mr Hallinan, could you please outline the process again for Senator Watt—

Senator WATT: There's no need to go back over it again.

Senator McKenzie: and the details of the act and the types of things that were taken into consideration.

Senator WATT: Apart from being 'a fairly solid Barnaby supporter'—

CHAIR: Senator Watt, are you interested in the criteria?

Senator WATT: No, they're already on the record, so we don't need to go back over them again.

Senator McKenzie: Chair, when I was simply trying to assist the senator with his line of inquiry, he continually spoke over me—

Senator WATT: What qualities under the act does the new chair, Mr Colin Murray, have, aside from his being, in his own words, a 'fairly solid Barnaby supporter'?

Senator McKenzie: Mr Hallinan?

Mr Atkinson: Obviously Mr Hallinan can't make any assessments with respect to appointments, but he can run through the criteria.

Senator McKenzie: That was the first part of the question, about skills sets.

Senator WATT: They were appointed by the minister, weren't they?

Mr Hallinan: They were cabinet appointments.

Senator WATT: Cabinet appointments led by the minister—

Mr Hallinan: I went through the process, Senator, in that there's—

Senator WATT: It's probably more appropriate for the minister to answer what qualities under the act—

Senator McKenzie: These are cabinet processes, Senator. We don't talk—

Senator WATT: This is your opportunity to tell us—

Senator McKenzie: We did this last time. We don't talk about things in cabinet outside of cabinet.

Senator WATT: This is your opportunity to tell the committee and taxpayers what it is about the new chair of Infrastructure Australia, Mr Colin Murray, that makes him a suitable person to be the chair apart from his description of himself as being a 'fairly solid Barnaby supporter'.

CHAIR: If you've been able to google his comments, perhaps you'd be able to google his CV as well.

Senator WATT: They're government appointments. Surely the minister can tell us what it is about Mr Murray that makes him—

Senator McKenzie: I'm representing the minister responsible, so I will go to the advice I've been provided with. I'm advised that Mr Murray has knowledge and experience in local government and that he has significant experience in the understanding of issues, including infrastructure affecting regional cities and communities. He was first elected to the Tamworth Regional Council in 2004. He first became mayor in 2010 and will finish his term on council later this year. He's also a director of Regional Cities New South Wales, a director of Regional Capitals Australia and a councillor of the University of New England. Mr Murray was formerly chairperson of Regional Cities New South Wales, deputy chairperson of Regional Capitals Australia, chairperson of Namoi

Councils Joint Organisation, a director of Harness Racing New South Wales and managing director of Murrays Earthmoving. That's quite a suite.

Senator WATT: All of which qualifies him to be the chair of a body that have influences billions of dollars of infrastructure spending across the country?

Senator McKenzie: Well, Senator, we've run through the process, and it's an appropriate process. It's gone through cabinet, and Mr Murray's the chair of Infrastructure Australia.

Senator WATT: Secretary, can I ask about the process for the reappointment of the CEO of Infrastructure Australia? At the last estimates you told us that was currently being considered. Can you update us on that?

Mr Atkinson: I think Mr Hallinan's best placed to give an update on that.

Mr Hallinan: It would still be a process that's under consideration, Senator.

Senator WATT: How long's it been going?

Mr Hallinan: I think the appointment runs out mid- to late April this year, and we're in consultation with the Deputy Prime Minister with advice on options for the DPN and would anticipate having an outcome on that in the not-too-distant future.

Senator WATT: So you have provided advice to the Deputy PM on the appointment of the new CEO?

Mr Hallinan: In fact, from memory, Infrastructure Australia has written to cabinet on it, and we've also provided advice on appointment options for the CEO.

Senator WATT: You've put forward names to the Deputy PM?

Mr Atkinson: The Deputy Prime Minister will take a proposal into the cabinet at an appropriate point in time.

Senator WATT: I know that's what will come. I'm asking about advice that you've provided. I'm not going to ask you what the advice says, but you have given advice to the Deputy PM as to potential names for appointment?

Mr Atkinson: Our advice in this sort of circumstance can range from saying there is an appointment that needs to be filled all the way through to which people might have the skill set to fill that job, or there might be approaches to market and those sorts of things.

Senator WATT: That's what generally happens, but what's happened here? This is a highly paid position, influencing billions of dollars of infrastructure spending. Have you got as far as recommending names, or is it more of a process to come up with names?

Mr Atkinson: The government hasn't made a decision yet. When the government's made a decision out of cabinet—

Senator WATT: I'm not asking you what decision the government has made; I'm asking you about advice that you've provided. So, you've provided advice to the Deputy PM—

Senator McKenzie: Which is part of the cabinet process—

Senator WATT: Well, it hasn't gone to cabinet yet by the sound of it.

Senator McKenzie: which I think is what the Secretary is trying to tell you.

Mr Hallinan: By answering some of what you've asked, we might be providing outcomes and deliberations.

Senator WATT: I hardly think that it's disclosing cabinet secrets to inform the committee of whether you have suggested names to the minister. I'm not asking what the names are. All I'm asking is: are we still going through a process to identify names, or have names been identified?

Mr Atkinson: As far as cabinet processes and appointments go, sometimes we don't even provide names at all.

Senator WATT: No.

Mr Atkinson: Sometimes we're just given names. Sometimes we do provide a name.

Senator WATT: Sometimes the Deputy PM gives you names.

Mr Atkinson: Governments of all persuasions have given me names over time. The process works by names going forward from the relevant minister into the cabinet process. We support that, but the level of support in various things varies.

Senator WATT: Do you have any update on the status of Mr Joyce's new Statement of Expectations, which we understand will be issued soon, in relation to Infrastructure Australia?

Mr Hallinan: It's not yet been issued, but it's a matter for approval through the Deputy Prime Minister.

Senator WATT: So that's still being worked on?

Mr Hallinan: It hasn't been issued yet.

Senator WATT: Who's the government consulted about its Statement of Expectations, whether it be ministers or departmental consultation?

Mr Hallinan: There's certainly been departmental consultation on the Statement of Expectations, but I couldn't confidently explain what other consultations have occurred through the Deputy Prime Minister. I could take that on notice.

Senator WATT: Yes, maybe the minister could take that on notice. Who's the department consulted—

Senator McKenzie: We'll take that on notice.

Mr Atkinson: We can take that on notice.

Senator WATT: As to who the department has consulted?

Mr Atkinson: Yes.

Senator WATT: Okay. My colleagues probably have a better idea than me about where we're up to in our questioning.

CHAIR: Thank you very much. That means we've come to the end of Infrastructure Investment, and Major Transport and Infrastructure Projects. We release that part of the department. Please go with our thanks.

We are now moving to Domestic Aviation and Reform; International Aviation, Technology and Services; and Surface Transport Policy. We have allowed one hour to ask questions of this division. Let's see how good we are at managing time. Senator Sheldon, we are only half an hour behind time; please take the lead.

Senator SHELDON: Minister, I just want to turn to some questions on road safety and the National road freight network. Obviously we have seen significant disruption in recent weeks, and we will be putting some questions about this to the ARTC later this evening. From a road freight perspective, do you think the government has put sufficient effort and investment into securing the component of our supply chain resilience?

Senator McKenzie: Sorry, is it road safety or supply chain issues? This isn't my portfolio, so I am just trying to find the right advice.

Senator SHELDON: It's the road section of the supply chain. We will go to more details this evening regarding to the ARTC. Obviously, road transport is part of the supply chain.

Senator McKenzie: Absolutely. We'd be lost without them.

Senator SHELDON: So I am looking at that aspect of it.

Senator McKenzie: I might hand to the secretary, and then I'm happy to come in.

Mr Atkinson: I might just make a start. Under the Freight and Supply Chain Strategy, the priorities have been set out and agreed between the Commonwealth and the states and territories, and we use that to guide investment decisions across the road and rail networks. One of the things we've seen through COVID has been disruption to supply chains as states and territories have closed their borders, and we've worked with the states and territories on things like the Freight Movement Code and other things to allow the supply of freight to move across, even when we have restrictions on people movements. That has worked relatively successfully.

The other big challenge we have had is extreme weather events that severely damaged some infrastructure, both road and rail, in recent weeks. Is that what you are referring to, Senator?

Senator SHELDON: Particularly, and the investment we've made to be in a safe place dealing with some of the—

Mr Atkinson: I think one of the things you need to think about, though, is when you have what I think was a once-in-200-years weather event—

Senator McKenzie: It was. We had a year's rain in 24 hours. Are you talking about the South Australia event?

Mr Atkinson: Yes. And one of the things that is interesting is that, when we have those things on the coast, where lots of people live, everybody hears about it on the first day. This has been a huge weather event that's damaged a lot of infrastructure. ARTC and many others have been working to get the rail lines back together and the roads open again. I might be able to pass to Ms Brown to give an update on the road reopening.

Senator SHELDON: I might refine it a bit further for you so we don't go too far off track on what I want to ask about.

Mr Atkinson: Well, we've got hundreds of kilometres of track that's been fixed.

Senator SHELDON: And we will do that with the ARTC this evening. What I want to ask about is the road freight and road aspect of what's being done. You say that we've got sufficient systems and investment, except for the fact that we've had these recent events. So, if there has been a history of sufficiency—and this is to you, Minister—why did the Australian Trucking Association put out a statement on Friday calling for 'an end to the underfunding of Australia's crumbling road freight infrastructure and national leadership on the quality of our road network and rest areas'? Minister, how should you be responding to the calls by the Australian Trucking Association, which is the peak body for the employers?

Mr Atkinson: I might be able to give a little bit more background on the Trucking Association. One of the things that they're looking for is increased productivity in the road network so that they can move larger trucks and faster, so that they can drive higher productivity. So they will always be asking for roads that can take heavier loads. Obviously, there are constraints on some roads that make it difficult for the states and territories to open those up, because if the road's not strong enough then they actually start to crumble if you take overweight trucks on them. The Trucking Association is trying to get—

Senator SHELDON: Mr Atkinson, they're not asking for overweight trucks. If anyone knows anything about trucks, then they'll know that B-doubles and B-triples actually are a lot more sufficient, and carry weight in a more efficient way, to make sure there isn't road damage. What they're raising is the broad question of the crumbling infrastructure as they see it.

Senator McKenzie: It's also about building resilience more broadly, I think, over the longer term. If you see this weather event as part of an increase over time of variability and intensity, as we are—and I've got my emergency management hat on at the moment—that is absolutely a question that we're considering in an ongoing way. It's about making sure the infrastructure we build, particularly in disaster-prone areas, is resilient to cyclonic flooding events such as we've seen in this recent period. That is something that, I think, not just the federal government but also state governments are going to have to actually seriously consider, because it's not just federal roads that were impacted.

How do we actually get B-doubles from Adelaide to Darwin, in this particular event? I know that the minister himself, the secretary and my own agency head, Joe Buffone in Emergency Management Australia, spent a long time talking with industry about how we could reroute between Adelaide and Darwin, trying to get particularly into those communities north of Adelaide and, similarly, getting supplies to the west of Adelaide following that event. I think personnel, officers and industry—including the trucking industry—have worked incredibly hard to make sure community supply has been maintained during this very difficult time. But the question you raise, I think, is a sensible one.

Senator SHELDON: I think the Australian Trucking Association have raised some serious concerns they've got about the infrastructure and the consequences of the recent events, but they also say more broadly that there's crumbling infrastructure and they're raising concerns about that. I want to go to this question for the secretary: Mr Atkinson, could you explain how much money the government has spent, let's say since the last election, on road freight infrastructure?

Mr Atkinson: We spent over \$12 billion last year, which is around a 60 per cent increase on the year-on-year averages for the last six months, and it's a lot more than was ever spent before that. Our infrastructure investment pipeline is the largest in history. I'd say that there's a lot of infrastructure investment going on in this space. They've completed things like the duplication of the Pacific Highway and lots of other huge projects that have been ongoing. If you've driven on those roads, you'll know that it is not crumbling infrastructure. A generalisation about infrastructure in a nation the size of Australia misses the complexity of the fact that some roads are in excellent condition and others need to be upgraded. We're working with the states and territories to upgrade those that need it for both road safety reasons and also freight productivity reasons. We'll continue to work on those things.

Senator McKenzie: I've just been advised that the DPM has tasked the department to commission an independent road and rail resilience review to determine how we can protect the supply chain into the future.

Senator SHELDON: Thank you. When's that review reporting?

Senator McKenzie: I'm seeking more advice. As soon as it becomes available, I'll provide it.

Senator SHELDON: Secretary, I note that the National Road Safety Strategy 2021 - 2030 was released just before Christmas without a media release from the infrastructure minister, Barnaby Joyce, or the assistant minister for road safety. You and the other department officials have spent the past few Senate estimates sessions claiming that the strategy enjoyed broad support from the majority of road safety stakeholders. During the estimates hearing on the 25 October last year it was put to you that perhaps the strategy was not supported by

stakeholders. I wish to raise with you a letter to the Deputy Prime Minister, Barnaby Joyce, dated 17 November, which was reported in the *Australian* newspaper. This letter is signed by 12 stakeholders representing a diverse group of bodies from the transport, motoring, medical and safety fields. These stakeholders collectively expressed dissatisfaction with the draft strategy under the heading, 'The right to express our dissatisfaction with the draft national road safety strategy and action plan.' The letter goes on to say:

... Australia needs a national plan that's serious about its goals and how they're to be achieved. The inherent vagueness of the documents as drafted needs to be replaced with clarity on who is responsible for doing what; how they will be incentivised to deliver; and how we'll all know what's been done and achieved."

I want to take you back to your comments in previous estimates hearings and ask: how can we claim that the strategy enjoys broad support when these 12 significant stakeholders have all expressed a view that the strategy as drafted will fail to achieve its purpose?

Mr Atkinson: Firstly, I didn't say what you said I said. Secondly, they didn't say that it would fail to achieve its purpose, in my reading of it. There are two elements that you need to look at here. One is the road safety strategy, but the other is the National Road Safety Action Plan, which is the detailed piece that sits underneath it. All of these are products of the infrastructure and transport ministers' meeting, so they're by agreement of the states and territories with the Commonwealth. The road safety strategy itself, which is the overarching document, went through those processes. There's always a trade-off between how far people would like people to go in terms of ambition in these, and then the action plan that sits underneath it has the specific actions that people will take in terms of supporting the objectives in the road safety strategy.

Senator SHELDON: Mr Atkinson, how many times in the last seven years have those 12 stakeholders, who represent a diverse group, expressed those views as a group about their concerns about the plan not being up to scratch?

Mr Atkinson: I don't have the documentation in front of me. I would say that members of the group that you're referring to are very strong road safety advocates and they have pushed strongly for more ambition across road safety for a very long time, either jointly or individually. Individually, I've certainly heard that.

Senator SHELDON: I note that a spokesperson for the Deputy Prime Minister, Mr Joyce, made a statement to the media at the end of January in relation to stakeholder concerns about the strategy in which the spokesperson said:

The Deputy Prime Minister appreciates industry's ongoing concerns regarding data collection and the need for action items to be strengthened, to ensure the strategy's goals can be delivered.

That's why the Deputy Prime Minister has listed those issues for discussion at the next infrastructure and transport ministers' meeting scheduled for next month

The infrastructure and transport ministers' meeting was held last Friday, 11 February, as you're aware. I note the meeting was due to discuss the next steps to a draft national road safety action plan to 2025 and the intergovernmental agreement on data sharing for road safety data. Can you outline what the ministers considered at that meeting and the outcomes and next steps?

Mr Atkinson: In essence, the outcome was that the draft road safety action plan would go for further consultation and back for further discussions between the states and the Commonwealth on the actions that people would be willing to take under the action plan to pursue the elements of the road safety strategy.

Senator SHELDON: How is the department sure that the action plan rectifies the deficiency in the strategy, as identified by the 12 leading organisations involved with road safety and as acknowledged by the Deputy Prime Minister? And how are you going to ensure that it contains the transparency, reporting and accountability that's appropriate and necessary for this very important area?

Mr Hallinan: As I said earlier, the Road Safety Action Plan is actually a joint document with all of the states and territories. We will go into a round of Commonwealth-state negotiations with the states and territories to try to make sure that we get the sufficient data transparency as part of the process and what's agreed to as well as additional ambition to support the road safety goals of the people you were talking about.

Senator SHELDON: Can you explain the data hub and what that has been able to achieve over the past 12 months or so? This goes to the important issue of the strategy.

Mr Atkinson: I might get Gabby to update where the data hub is up to.

Senator SHELDON: Ms O'Neill, could you give us a quick overview of what the data hub has been able to achieve over the last 12 months? I might go to a second question in light of the time. Is there a reluctance from the states and territories to share data? Is that correct?

Mr Atkinson: No, that's not correct. States and territories have been providing the data that they have and are working towards acquiring the data that we've asked for that they don't yet have. There's also some difficulty in having data provided that doesn't fit in with our systems and network. There are some interoperability issues. Receiving the data is not as easy as feeding it all into one system. They're all different systems, and we're trying to work out compatibility issues and harmonisation to make it easier to tell a national narrative.

Senator SHELDON: Have we yet got to a national, consistent method of collecting and reporting the basic road safety statistics such as the number of serious injuries?

Mr Atkinson: There's a national definition for serious injuries, which is hospitalisation irrespective of length of stay, but not all states and territories or transport agencies collect the data in that way. They may have conditions on that, so we take it from the hospital records, which take some time to come through. They come through the Australian Institute of Health and Welfare data series. We get preliminary data from states and then we verify it against the Australian Institute of Health and Welfare data.

Senator SHELDON: Senator Waters.

Senator WATERS: Hopefully, we have the right folk in the room. The Brisbane Airport advisory forum released its first quarterly programs report on 19 January this year and recommended that an independent specialist advisor be appointed to review and make recommendations on all aspects considered by the Airservices Australia post-implementation review. What is the department doing in response to that recommendation?

Mr McClure: Airservices have engaged with an overseas firm, Tracks International, who basically will be providing advice, testing assumptions and working through that airspace design work with Airservices, but it's an Airservices process because they're the agency basically in charge of those flight paths and flight path design. We're engaged fairly closely with Airservices on a range of things, including the Brisbane Airport work and through the forum itself, but Tracks and Airservices will lead that work.

Senator WATERS: Can I just check something? I asked about this last year in a QON and was told that Airservices was engaging an independent specialist adviser on airspace design, operations and engagement. Are they the same folk that they've have now engaged—Tracks International—and that you referred to? Or is it a separate adviser?

Mr McClure: That's right. They're a British firm—I think they're British—that has worked with a number of different governments overseas. They come highly regarded. Airservices obviously made the decision to partner with Tracks, but, yes, they're providing some independent advice on that airspace design review.

Senator WATERS: Did the department have any involvement in appointing Tracks, or was that purely an Airservices—

Mr McClure: No. It was an Airservices decision.

Senator WATERS: Noting what you've just said, are you aware of how Tracks was identified and selected?

Mr McClure: Not specifically, no.

Senator WATERS: Do you know anything about the terms of engagement, the length and the cost et cetera?

Mr McClure: They're all going to be made public, if they're not already public. They have been engaged for a period of time. I would have to take the specifics on notice. Airservices could answer the question more specifically.

Senator WATERS: I think they are on at 10.30 tonight, so I can't guarantee that anyone will have the stamina to be asking them in person. If you wouldn't mind taking that on notice, that would be really helpful. Thank you.

Senator WATT: Some of us will be here.

Senator WATERS: Well, I may well be in a different room.

Senator McKenzie: Come on—there are no banker's hours in the Senate.

Senator WATERS: The department has accepted the recommendation of the Brisbane Airport advisory forum to implement a 12-month trial of extending SODPROPS, removing intersection departures and requiring jets to remain on departure paths until they reach 10,000 feet. Can you tell me a little bit more about that and whether or not the department's satisfied that those measures will collectively achieve enough noise abatement?

Mr McClure: I'll just take a step back. The independent forum that the government established to work alongside Airservices has met with a range of stakeholders, particularly the community groups, to hear their views and has worked with Airservices and Brisbane Airport on potential measures that could be trialled. As part of their first quarterly report, they had a range of recommendations and the outcomes of those discussions with

Airservices and the like. The government welcomed that report and welcomed Airservices and Brisbane Airport in particular being very engaged.

They're trials, so it's hard to say exactly what the outcomes of the trials will be, but anything that can potentially mitigate some of the noise on communities is welcome. I think the first couple of those trials will kick off at the end of this month, but Airservices will be able to give you a little bit more detail.

Senator WATERS: So is the department satisfied that those measures will collectively achieve significant noise abatement?

Mr McClure: They're trials, so it's hard to pre-empt what the outcomes will be. We're very happy to see that the trials have been put in place and that there are some interim measures being looked at while the longer-term post-implementation review runs its course.

Senator WATERS: What are some of the options being proposed in that longer-term post-implementation review—pardon my ignorance—and how do they differ from the ones being trialled?

Mr McClure: The main game is really the reviewing of flight paths and the designs and looking at any tweaks or alternatives to that, and that's the work that Airservices will really be concentrating on over the next few months with Tracks. Whilst these measures are good steps and will be welcome early measures, it's really those flight path tweaks which, ultimately, will potentially have the most impact.

Senator WATERS: Over what time frame are those potential changes to flight paths being considered or trialled?

Mr McClure: The post-implementation review runs for about 12 months. So, by about August or September this year, that process will have run its course. It's really in the second half of this year that some information will come out on those.

Senator WATERS: I didn't quite follow. When will the—

Mr McClure: The post-implementation review, which started around the middle of last year, runs for 12 months. The outcomes of it will be publicly known around July, August or September, as it's finalised and Airservices look to implement the outcomes of those reviews.

Senator WATERS: I see: in September of this year?

Mr McClure: It's hard to say. It's a 12-month process, and then they'll need to understand the results. There will obviously be a process of going through the board.

Senator WATERS: You won't see any flight path changes until at least August this year?

Mr McClure: We're seeing immediate trials of the intersection take-offs and so forth, so there are some immediate steps, but these are fairly significant considerations for safety, efficiency and so forth. It will take a while for those more complex questions to be answered.

Senator WATERS: What work has the department done to assess any potential compensation to affected landholders whose property values have been impacted by increased noise?

Mr McClure: We've done no work on that.

Senator WATERS: Is it anybody's job to do that?

Mr McClure: If the government were interested in us providing advice, we could.

Senator WATERS: It would be your area of responsibility, if asked?

Mr McClure: It would be the department that would likely look at that.

Senator WATERS: But you've not been asked to do any of that?

Mr McClure: Not currently.

Ms Brown: It would be very hard to ascribe certain movements in the property value to certain things, particularly in a market where property prices have actually been increasing.

Senator WATERS: I understand, although I'm sure you'd find a way if you were asked. Has the department considered recommending that Brisbane Airport be declared a leviable airport under the Aircraft Noise Levy Collection Act, which could allow the levy to be used to assist residents to manage noise?

Mr McClure: Not at this stage. It's fair to say that what we're focused on at the moment is letting the post-implementation review run its course and seeing what improvements to community circumstances can come from that before looking at any further measures.

Senator WATERS: How many people have the department dedicated to doing this work, specifically in relation to the Brisbane Airport noise issues?

Mr McClure: I have a team that looks after Queensland and NT airports, broadly, and this is part of their work. We don't have dedicated officers specifically for Brisbane noise. We're providing a secretariat to the forum, so there's a lot of work in that space, but they're not necessarily dedicated only to that role.

Senator WATERS: How many are on that broader team that covers all Queensland and NT airports?

Mr McClure: There are six.

Senator WATERS: What proportion of the work would you say Brisbane Airport is for that team of six?

Mr McClure: In the last quarter of last year, when the forum was very active and we were meeting with all the constituents, it was probably 60 per cent of their work.

Senator WATERS: What is it now, for example?

Mr McClure: They've got a significant workload. Brisbane Airport is obviously the largest of their airports that they look after and it generates the most activity. It is not all around noise; there are major development plans, building plans and so forth that we deal with as well. Brisbane Airport itself is probably 60 per cent of their work.

Senator PATRICK: I'm sure you'll have a great interest in this line of questioning, as will Senator McKenzie. I want to go back to airport security, particularly regional airport security. Just to give some background: this committee conducted a reference inquiry looking into airfares in regional areas, and it was during that time that we discovered the department was going to pay \$50.1 million for airport upgrades for security screening equipment, but not for the ongoing costs, which this committee estimated, based on evidence, would be somewhere between \$500,000 and \$700,000 per annum. It appeared at the time that no-one had done any analysis as to the effect this would have on regional aviation, and then your department, I think, in conjunction with Home Affairs, did a study that looked at some of the airports. We found Whyalla was going to have to pay \$52 extra per seat for flights; in Tamworth, I think, it was an extra \$10 or so. We heard evidence from airlines operating out of those jurisdictions, out of those airports, basically saying they would stop operating because the margins sometimes were \$3 to \$4 a seat. I moved a disallowance in relation to that, and Senator McKenzie stood up when that disallowance was moved, not supporting it, because the government had come to an agreement to make sure that regional airports and councils wouldn't bear the cost. In evidence this morning Home Affairs have advised that there has been no direction from government to look into this beyond what they're already doing in respect of paying security costs for COVID, and they said you guys are responsible. So I'd like to know what's happening in that space.

Ms Brown: I'll kick off and then Ms Quigley might have additional information she can add. There is work going on. The department is working with the Department of Home Affairs on this work. It remains ongoing. But there are some assisting programs, which I think you alluded to, the Regional Airport Screening Infrastructure program, which provides support for security costs for a number of airports, until 2023 when that program ends.

Senator PATRICK: For the capital costs?

Ms Brown: Capital and some initial operating costs. But Ms Quigley will be able to elaborate on the work that has occurred between the department and Home Affairs.

Ms Quigley: We co-commissioned a report by HoustonKemp last year with Home Affairs, to try and compile data to understand what the operational costs are in regional airports to understand where the pressures are. It's a fairly complex dataset, because I think airports of similar sizes can have very different operational expenses. They went out to about 44 airports but only got about 13 returns. So the dataset has been quite small. I'm sure that's because of the implications of COVID, and contributing to this dataset was an extra burden at the time. We are also looking at the program information that comes from our COVID program. As you would be aware, we're currently funding regional airports under a program called RASI, which goes until 2023, where regional airports have access to capital and operational funding. So the immediate pressures are being alleviated through those COVID programs, and we are looking at that dataset to try and understand where those pressures are and how you might design a system for that more enduring support.

Senator PATRICK: I'll go back to the fundamentals. Home Affairs said they had not been directed by government to find a solution to this. Has your department been given such a direction from government?

Ms Brown: I don't like contradicting Home Affairs.

Senator PATRICK: Sure.

Ms Brown: I believe there has been—

Senator PATRICK: It's okay.

Ms Brown: a decision of government that both departments look at this issue.

Senator PATRICK: Okay.

Ms Brown: And that's why we have been working with Home Affairs on this and continue to do so.

Mr Atkinson: We will be providing advice to government.

Senator PATRICK: Okay. So let's look at the time frame for this. This has been ongoing for some time. This committee handed down its report in June 2019, which is quite a long time ago. The disallowance was dealt with quite some time ago. When does this RASI funding run out in 2023, what month?

Ms Quigley: It would be the end of the financial year, so June 2023.

Senator PATRICK: End of the financial year. So you can assure us that, up until that time, those costs for operations are covered? Is that correct?

Ms Quigley: So the airports that are eligible for that funding will burn through that money at different rates, depending on their operational requirements.

Senator PATRICK: Sure.

Ms Quigley: So the program is in play until 2023, but airports may come off that at different points in time depending on what their operational activity is.

Senator PATRICK: Which airports are likely to—and I'm happy for you to take this on notice—come off in what time frame? When's the first one likely to come off?

Ms Quigley: We'd have to take that on notice. I think some of the information that is provided around this needs to be thought through from a security perspective, because it is about their activity, so I just have to look at how much information we can give you. But there have been estimates on what that expenditure would be.

Senator PATRICK: I wouldn't require the spend, just when you expect Whyalla airport, for example, to come off that; when you expect Tamworth airport; when you expect Mount Gambier and so forth.

Ms Quigley: Sure. We can have a look at that for you.

Senator PATRICK: There's not much operational; that's a financial data point.

Mr Atkinson: We should be able to do that, or at least provide a range of when they will come off based on current cash flow.

Senator PATRICK: Do we know when the earliest one will come off? You must be targeting a particular date to come up with a schema. The understanding the committee got was that in Sydney, they paid—and I've got this number wrong, but it's of this order—85c for people to be screened and in Whyalla it was going to be \$52. That was clearly an unacceptable proposition. How are we getting to the point where we're going to get an answer out before the first airport hits their spending cap?

Ms Quigley: The HoustonKemp report had done some analysis on what you would think would be a reasonable cost to pass through to airlines and then onto passengers. We need to now overlay that with what the operational costs are of the airports, which is where this data from the airports is so important, and we didn't quite get enough through this initial process. So, over these next six months, we'll be looking to try and go back to the airports, gather that data and, as I say, draw data from our existing COVID programs, which will also provide us with some information that we need.

Senator PATRICK: Just to be clear: you talked about airlines and what they can, in effect, bear in terms of cost. The cost is actually levied by the councils, typically.

Ms Quigley: Typically, security costs through airports are passed onto airlines, which are then passed onto tickets.

Senator PATRICK: That's right. The council runs it, and they have to refund it through some ground charge, which then gets added onto the ticket price.

Ms Quigley: That's right. They're negotiations that they would have with the airlines when they're all arranging their contractual arrangements for use of the airport.

Senator PATRICK: Sure. We've seen—this committee's seen—some of those negotiations between for example, Rex and councils, and they sit in a position of power and the negotiations haven't been pretty. In fact, the day that the committee was in Mount Gambier, there were some discussions. This was conveyed by Senator McKenzie in the chamber—and I have the speech in front of me—that this problem was going to be a problem solved by government. Every one of the Nationals, and I am sure anyone who represents anyone in a regional

area, knows that if we don't get this right this will kill some airlines operating into these regional towns. They are the lifeblood of these towns—that's how people connect to education, to medical services, to family—and, without reasonable air costs, that drives them onto the road, which is dangerous. It really is imperative that we get this right. Where are we up to?

Mr Atkinson: Senator, can I just add a couple of things? We share that complete commitment to maintaining a regional air network, which is why we put the regional air network subsidies in throughout COVID to make sure that the regional airlines were there—and even the solvency work that kept them all in the space. So, we're deeply committed to that.

Senator PATRICK: But, respectfully, this instrument—and I get it that it was Home Affairs that drove this—was going to be inserted. It was only this committee's work that forced the original examination of, I think, six airports. This was a decision that was being made in the Canberra bubble by public servants who just don't know how things work in the country.

Mr Atkinson: I think you might be referring to some Home Affairs activity, probably, more than us.

Senator PATRICK: Well, no. Home Affairs effectively drove the decision, but this committee—I can remember Senator O'Sullivan getting very animated about this—was quite disturbed that no modelling had been done, and it was only when this committee got somewhat angry about it that the modelling was commenced.

Mr Atkinson: I would anticipate that following the next round of Ms Quigley's work that we would be providing options to government for a government intervention in the cost side, and they will range, I suspect, from pass-through charging all the way through to direct government subsidy. These would be the options that I would see, and, possibly, things in-between, based on the cost base of the airports and capacity to pay in terms of the routes or, potentially, as we've seen with many regional things, the government sometimes just does a subsidy for the full value.

Senator PATRICK: I'm hoping that's where we're headed on this because, as Senator McKenzie and Senator McDonald know, \$2 or \$3 can make the difference in terms of a charge.

Mr Atkinson: I understand it's an incredibly thin market, but it's incredibly important for servicing regional Australia, particularly in remote areas.

Senator PATRICK: I thought the idea might have been to make people in Sydney pay 95c instead of 85c.

Senator McKenzie: We love a cross-subsidy.

Senator PATRICK: Yes, we love cross-subsidies.

Mr Atkinson: But that is—

Senator PATRICK: But, Senator McKenzie, you know this is a national security cost, not a local security cost. I know you're on side and you're with me on this.

Mr Atkinson: Senator, I can't pre-empt what the government will decide. I can tell you what types of options we would normally provide.

Senator PATRICK: Can you please provide some advice on the time line, from the first airport that's going to hit the cap? So you are going to give me all of the airports that you are currently funding under RASI and when they hit the cap, as well as the time line that gets us from where we are with your work right now to a decision from government before that date.

Mr Atkinson: The other variable is that the government could extend RASI to push the time line.

Senator PATRICK: Sure. That's an option on the table. That's a good option.

CHAIR: Thanks, Senator Patrick. I support Senator Patrick in his questions, and I would just make the observation that it is a national security issue. If you're flying from Mount Isa to Brisbane and you are going through security, why should it only be people in Mount Isa who pay \$36 per passenger, if it's 85c in Sydney or, I assume, a bit over a dollar in Brisbane? That would seem to be grossly unreasonable.

Senator PATRICK: Particularly if Brisbane is likely to target Mount Isa.

CHAIR: Mount Isa is the centre of the universe!

Senator WATT: I thought Cloncurry was!

Senator McKenzie: It's just down the road.

CHAIR: You are absolutely right. It depends how granular you get.

Mr Atkinson: Just to be clear: at the moment, I don't think anyone is getting charged for Mount Isa to Brisbane.

CHAIR: I believe they are. It's Cloncurry that's not being charged—I'm sorry, because of the subsidy. Yes, you're quite right. May I ask a follow-up question on the very important issue of road maintenance and safety? It is my understanding that there are 40-odd bridges that are weight restricted in Queensland, on the Bruce Highway, and I'm sure there are others. Can you tell me about the federal government's bridge program, which is about supporting state governments to identify bridges that are weight restricted? Is that something that this area can tell me about?

Mr Atkinson: We do have a bridges program, but it's in fact in the Infrastructure group.

CHAIR: Fantastic—oh, we've missed it.

Mr Atkinson: Yes, they just left.

CHAIR: How disappointing! Senator Sheldon and I will have to hold our breath until the next estimates to ask our questions.

Mr Atkinson: It is all published, though. Our bridges program is public.

CHAIR: So, specifically, the bridge on the Atherton Tableland, the—I'm going to have a terrible blank. You'll be able to tell me, I'm sure. It's weight restricted and down to one lane, and I believe the bridges program is looking at it. But you won't know, because that's not the group that's here. Have you had an application from the Queensland state government for the Kuranda Range Road to be considered as a national road of significance?

Mr Atkinson: That is also Infrastructure group. Sorry, I have 24,000 projects, so I don't personally—

CHAIR: You don't memorise the ones that each senator is going to ask about, no!

Mr Atkinson: Interestingly enough, the branch heads all do, which is why they come up to the table. They spend many weekends memorising projects.

CHAIR: Terrific. I'll—

Mr Atkinson: I'll take both of those on notice and give you an answer as to where they're up to.

CHAIR: Thank you. Senator Sheldon.

Senator SHELDON: I want to go back to some of the Road Safety Program questions. They're in relation to the questions I was raising before about the data hub and the Road Safety Program, the \$3 billion project. In relation to the \$3 billion safety program, how much of the program has been spent to date?

Mr Atkinson: That was the \$3 billion road safety investment program?

Senator SHELDON: Yes.

Ms O'Neill: Paid out as at 31 December: \$940.6 million.

Senator SHELDON: Thank you. We might need Mr Atkinson back in the room. At the final Senate estimates hearing in October last year, Senator Sterle tabled some written questions on notice regarding the Road Safety Program expenditure guidelines and data reporting. Questions on notice 137 and 139. I note that answers to these questions are now marked overdue on the committee website. Can you advise us when the answers to these questions will be tabled?

Ms O'Neill: I would expect them imminently.

Senator SHELDON: Imminently—is that today?

Ms O'Neill: I'm not the one who tables them, so I couldn't be that specific.

Senator SHELDON: Can anyone else or Mr Atkinson be of any assistance?

Ms La Rance: Yes, we are expecting that to be any day. As Ms O'Neill said, we don't table them, but we can follow up on the timing for you.

Senator SHELDON: Can you give me a more definitive time? Is it today or tomorrow? Is it in the next five days?

Ms La Rance: We'll see if we can come back to you on that.

Senator SHELDON: So you'll come back to me today about what you can do about coming back to me?

Ms La Rance: I will do my very best.

Senator SHELDON: Thank you. Mr Atkinson, I note there has been a restructure in the department with the roads and vehicle safety division.

Mr Atkinson: Yes, I addressed that in my opening statement.

Senator SHELDON: In your opening statement you touched on what you hope the restructure to achieve. Is this an acknowledgement that road safety must be embedded in infrastructure decision-making and that it perhaps hasn't been occurring in the past?

Mr Atkinson: I wouldn't say that, as we've seen the largest ever investment in road safety by a Commonwealth government, in terms of the stimulus in road safety, money worth \$3 billion, which has never happened before in the Commonwealth that I am aware of. We've had big linkages between road safety and infrastructure decision-making in the last couple of years and we've seen the benefits of that. What I've done is structurally embed the decision-making with the restructuring.

Senator SHELDON: Thank you, Mr Atkinson. I want to go to Western Sydney airport. Maybe it'll be of assistance if either Ms Brown or Mr Wood can be here. I want to go to some questions regarding flight paths. Can you please briefly step us through the work that has been done so far in terms of developing flight paths for the new Western Sydney airport?

Ms Brown: I might ask Mr Wood to do that. He can probably give a more comprehensive summary than I can.

Mr Wood: The flight paths for Western Sydney have been under development for some time. It's a very complex process. Western Sydney, as you'd be aware, is in one of the more complex bits of airspace—certainly in Australia but in global terms as well. Airspace was initially considered through the environmental impact assessment several years ago. Since that time, we've been undertaking very detailed work, which the department is leading but informed by some consultants, to develop airspace plans that take account of the conditions that were put in place through the airport plan.

For example, those conditions are to maximise the use of head-to-head reciprocal runway operations when safe to do so, particularly during night-time; no changes to the existing noise arrangements for Kingsford Smith airport; obviously, taking account of safety as an absolute priority; minimising the overflow to residential areas and noise-sensitive facilities such as educational facilities; and not converging over a single merge point, which you will recall was a point of considerable discussion through the last EIS. That work is ongoing. One of the key pieces of work in recent months has been getting industry input. It's one of the really critical pieces of work so our consultants can come up with very good, rigorous flight paths. They still have to go through the simulators of the actual industry participants to make sure that those operations can be flown safely and appropriately. We've been working through that. The flight paths are at a reasonably mature stage, which is going to now enable the environmental assessment work so we can actually be assured of the impact of those flight paths before they're released for full consultations through an environmental impact assessment process.

Senator SHELDON: What's the broad time line for those steps?

Mr Wood: Minister Fletcher announced late last year that those would be expected in mid-2023.

Senator SHELDON: Who has carriage of the work? Who's in charge?

Mr Wood: At the current time, the department is leading the work. As I indicated, our consultants are doing most of the technical work, but there's an expert steering group consisting of ourselves, Airservices, CASA, Western Sydney airport—and, indeed, KSA is an observer—and the chair of the forum on Western Sydney airport, who assess that work for robustness. Airservices have a strong technical input to that work as well. Ultimately, Airservices will be responsible for the delivery of flight path services.

Senator SHELDON: Have you determined what the likely routes are?

Mr Wood: No, Senator. As indicated, we are in a relatively mature stage of the draft plan. Ultimately, the final plan will be determined after consultation and assessment through the environmental impact assessment process.

Senator SHELDON: It wasn't clear before; what's the time line for publicly releasing the routes?

Mr Wood: That will be as part of the environmental impact assessment, and Minister Fletcher indicated it would be mid-2023.

Senator SHELDON: How will the public be engaged regarding the flight paths? What are the steps once we get to that point?

Mr Wood: There will be some community engagement in the lead-up to that process to increase the understanding of flight paths and how the community will be able to engage through the consultation. At that time—and I don't want to be definitive on this, because this will be potentially subject to guidance from the environment minister in establishing the EIS—we would expect a range of inputs through town hall outreach style

meetings and that sort of thing, as well as formal submissions, and through some web and digital presence. We will be looking to have a very thorough consultation procession.

Senator SHELDON: When the flight paths are released, will there be any genuine opportunity for the community to influence them? I know you're talking about having community consultation, but what's the capacity to actually change anything once you've gone through this very long process?

Mr Wood: I think we want to come up with a robust set of flight paths that seek to balance the environmental impact of the flight paths. Of course, given this has been through an EIS process already, we've been able to take into account the very strong feedback from community there, and that's set out in the principles that I touched on earlier. But we still need to assess what the environmental impact is, and an important part of that will be community feedback.

Senator SHELDON: I want to go to the Aviation Recovery Framework. Mr Wood, 20 December is a somewhat unusual time to release a document that the department has been working on for a long period of time, was it not?

Ms Brown: That's right, senator, yes.

Mr Atkinson: I think it was about the time of MYEFO.

Senator SHELDON: Can you please tell me how long the department had spent preparing this report?

Ms Brown: The work was done while the department was also managing the impacts of the pandemic, so it was a busy time for both the department and the industry. There was extensive consultation, which Ms Quigley can elaborate on, but the report actually reflects the changing nature of the industry and what it was seeking to achieve in the document as the pandemic changed and continued. The framework reflects, in fact, strong feedback from stakeholders that they were looking for more work around how you recover in the initial return to activity as the pandemic eases.

Senator SHELDON: Thanks, Ms Brown. Just to be clear: when did the Future of Aviation Reference Panel conclude its work?

Ms Quigley: I think it was about March-April last year.

Senator SHELDON: Minister, I appreciate it's not your area, but you may have some comments on this. In your experience, if the government is excited about or pleased with a new report or project, wouldn't you expect a press conference announcement to accompany such a project?

Mr Atkinson: Can I just add something?

Senator McKenzie: Please.

Mr Atkinson: If you think about what was happening in February-March last year, we were moving into the next round of the pandemic. The aviation reopening that we thought would happen got stalled at various points because of COVID restrictions put in place by the states and territories. When we were looking at the future of the aviation industry that changed over time as the pandemic progressed. The market structures changed and the supports changed. Many of the issues we're dealing with evolved over time. So the aviation recovery framework actually has now taken the focus to what's going to happen in the COVID endemic world, which Ms Quigley can go to in more detail. In February-March last year it became clear when this information came to government and they had choices to consider that we were in the position of the pandemic still being an ongoing issue that needed to be dealt with, as were state border closures, which are the things that had the biggest impact on the aviation sector.

Senator SHELDON: Thank you, Mr Atkinson. I appreciate there was a series of challenges during that period, but my point goes to—

Mr Atkinson: Senator, I remember you asked us a lot of questions at the time.

Senator SHELDON: Yes. My point goes to that the government quietly released this report just a few days before Christmas.

Mr Atkinson: I think it was just after MYEFO though, which is where the decisions get made. MYEFO is usually in the week before Christmas too.

Senator SHELDON: Can you briefly take us through the key elements of the report, Ms Brown?

Ms Brown: Of the framework?

Senator SHELDON: Yes.

Ms Brown: I am looking up the diagram which summarises it.

Mr Atkinson: I will start with the six strategic priorities and support measures: supporting aviation efficiency; revitalising GA; optimising airport infrastructure; connecting regional communities; building a sustainable pipeline of workforce skills; and embracing new technology, including drones.

Senator SHELDON: And this is contained in the document that is publicly available?

Ms Brown: That's right. It's on page 9 of the framework.

Senator SHELDON: How has the sector responded to news of the ADS-B technology grant program? What are their views?

Ms Brown: I might get Mr Wood to answer. That actually sits in his division, but it is aimed at improving safety for the aviation sector.

Mr Wood: The feedback that we've had has been positive. The guidelines for that initiative are still being finalised, so we expect to see more feedback once those are released. But it has been positive. Indeed, this is an issue that was partly formed in response to feedback from the sector.

Senator SHELDON: Would you describe it as one of the most well received elements of the plan?

Mr Wood: I'm not sure that I would distinguish, Senator. We love all our children.

Senator McKenzie: That's a good answer.

Senator SHELDON: Minister, it strikes me that, despite nearly a decade in office and having spent billions on the aviation sector, this report is really little more than a plan to have a plan. We're not getting a press conference. We're not getting fanfare. We're not getting—

Senator McKenzie: What do you want? If we have a press conference, you criticise.

Senator SHELDON: You have a press conference and—

Senator McKenzie: If we don't have a press conference, you criticise.

Senator WATT: No. We want you to follow through for once.

Senator SHELDON: It just seems that so much criticism has been of the government not following through. Now they're not even making a statement when they actually put a plan out, so they're taking one step further away. Here's a plan they can say they did, they're not there to be cross-examined and questioned about it, and the government are not giving clear time lines on what the plan is for the aviation industry. That seems to be self-obvious with such an important plan. So much time has been spent on bringing this together. I appreciate the issues raised by Mr Atkinson—

Senator McKenzie: With the COVID.

Senator SHELDON: about February and March, but that doesn't explain it all many, many months later. Yet there's no fanfare and no commitment from the government saying what their plan is for the aviation industry. It's quite disturbing.

Senator McKenzie: I'll take that as a comment.

Senator SHELDON: Well, Minister, what is the plan for the aviation sector? We've got a plan for a plan, so what are we actually doing?

Mr Atkinson: I think that I just ran through the strategic priorities in terms of boosting the aviation sector's recovery, which builds on the \$5.3 billion in support since the start of the pandemic and the series of other measures that were announced—in MYEFO, I think—as part of the plan to support the next step in aviation recovery.

Senator SHELDON: The report in large part has not dealt in any real detail with some of the key issues facing the aviation sector—for example, the need to transition away from government support; the need to address competition between airports and airlines, particularly with the range of new security improvements, as we've touched on before, that are required in the year ahead; and the aviation sector's contribution to net zero. These are all critical issues, yet we don't have details of how all those things are going to be achieved—do we?

Mr Atkinson: When I look at the markets, I look at them through a series of lenses. I want them to be sustainable, accessible, competitive, efficient, safe and secure. Different markets have different levels of maturity about each of those things and different issues facing them. The Australian aviation sector for the last couple of years has faced a challenge on the sustainability and accessibility front that's much bigger than those other challenges. Many years ago it had a big security challenge, and we focused on that. At the moment, my focus is on having a sustainable and accessible—at a reasonable price point for Australians—aviation market going forward. That is the big focus that I've had for the last two years.

Senator SHELDON: Mr Atkinson, you'll appreciate that there is a lot going on in aviation.

Mr Atkinson: Yes, there is.

Senator SHELDON: There is a big responsibility in getting it right, because it's so economically important to this country.

Mr Atkinson: Absolutely.

Senator SHELDON: Not a week goes by without that being reinforced by senior political leaders across the spectrum, yet we haven't got a plan that has details. I appreciate that you've said there was one particular issue you had to concentrate on recently, and I appreciate that it does require your concentration. But it also requires your concentration to have a plan about how we're going to move forward, and I'm yet to really see it.

Mr Atkinson: That's what I was talking about. It's actually that we've got a recovery framework designed to make sure we have a sustainable, accessible, competitive, efficient, safe and secure aviation market on the other side of this. That's what the framework is focused on and that's what the \$5.3 billion of investment over the last couple of years has been about.

Senator SHELDON: Ms Brown, there doesn't seem to be much real reform contemplated with respect to airports, for example, beyond reviewing the existing regulations—is that correct?

Ms Brown: The review of the Airports Act is in itself a very large project. It will involve a few years of reform, but there is a real commitment there and a program of reform to improve the efficiency of airports. Ms Quigley might be able to elaborate on that. That work started in recent months and will continue over a number of phases of work over a number of years. It is a significant piece of work.

Mr Atkinson: I would just add that a very important part of the economic structures that underpin the profitability of our airports is changing the approach to what happens with international movements for our large international airports. You understand the economics of how airports work, but I think our internationals are running at about 15 per cent at the moment. That's actually a huge thing in terms of their capacity to both bear costs and participate in the market at the moment. As I said before, the recovery piece to get us back is really important, as much as are the longer term reforms that will be envisaged as part of these reviews.

Senator SHELDON: Ms Brown, how is the sector responding to the framework?

Ms Brown: The conversations I've had with industry have been supportive. The net zero was one remark that one particular stakeholder raised with me. I think it's not unexpected that people would wish to see different things in the report—more in the report—but generally it has been well received as addressing a lot of the goals or priorities they were looking to achieve.

Senator SHELDON: Ms Brown, I appreciate you gave a balanced answer there. What are the other issues of concern that have been raised about the report? For instance, have there been complaints that the submissions that people have put in haven't been properly recognised?

Ms Brown: Ms Quigley is shaking her head. There was a General Aviation Advisory Network, GAAN, meeting recently, where there would have been an opportunity to raise that type of feedback and comment. I'm going to check with Mr Wood as to whether they did in fact raise any feedback during the course of that meeting, which I believe was only last week.

Mr Wood: I wasn't actually at the meeting, so I'll just check with a colleague who was present. But the feedback I had was certainly that there was a lot of interest in the framework and a genuine positive response to the issues in the framework that relate to the GA subsector, which was the purpose of that meeting. The General Aviation Advisory Network advise the Deputy Prime Minister, and their work on the strategy was one of the inputs into the framework.

Senator SHELDON: Thanks. I'm mindful of time.

CHAIR: Thank you, Senator Sheldon; I really appreciate that. That brings us to the end of the transport section. We will now release that part of the department. Please go with our thanks. We now move to Regional Development, Local Government and Regional Recovery, Territories, and Cities.

Mr Atkinson: Senator Sheldon, with respect to the road safety QONs, three of those will be tabled today.

Senator SHELDON: Thanks.

Senator BILYK: Mr Atkinson, I might start with some of the questions I had earlier.

Mr Atkinson: Senator, we have one set of answers on unallocated funding to read into the transcript. Someone asked us earlier.

Senator BILYK: Possibly me.

Mr MacKay: I think it was Senator McCarthy, actually.

CHAIR: You can provide that answer, and then Senator Bilyk will ask her questions.

Mr MacKay: The question, from this morning, related to uncontracted and unallocated funds in CDG and BBRF. I just wanted to update the committee. As at 31 December, in CDG there was \$545.9 million in uncontracted funds and no unallocated funding, and in BBRF there was \$306.5 million in uncontracted funds and \$279.6 million in unallocated funds.

CHAIR: Thank you. Senator Bilyk.

Senator BILYK: As I said before, I have a couple of questions that I pre-empted this morning, but then I've got some others as well. Is the Hobart bus transit centre project regarded as part of the Hobart City Deal?

Mr MacKay: Yes, it is.

Senator BILYK: Can you provide us with an update on the progress of that project?

Mrs Karlsson: The 10-year, \$1.7 billion Hobart City Deal is on track. In relation to the bus transit, the Tasmanian government is progressing the development of the Hobart Transit Centre, and it's going to be located in the Hobart CBD. Where we're at at the moment is that a range of sites have been explored, with work continuing to determine the recommended site.

Senator BILYK: Is the current city hall one of those sites?

Mrs Karlsson: I'm not sure of the exact locations. This particular project is being led by the Tasmanian government, and there is no Commonwealth money that is attracted to this particular project. But I can take on notice the exact sites that they're exploring at the moment.

Senator BILYK: If you could, I'd be very interested in the sites they're considering. In regard to the transit centre, are you able to tell me what the planned expenditure is for the project for each year?

Mrs Karlsson: The deal commitment is \$750,000, and that's the Tasmanian government expenditure. That was for the preliminary feasibility study. That study has been completed, so essentially that city deal commitment has been done. Obviously there will be ongoing work by the Tasmanian government, but in terms of the city deal itself that component has been done by the Tasmanian government.

Senator BILYK: The study has been completed. Do you know if that's public information?

Mrs Karlsson: I don't think it is, but I'll take that on notice. If it is, we'll undertake to provide that.

Senator BILYK: Thank you. So there was \$750,000. They have done a study. They're still looking at sites. When was the city deal signed? It was 2019, wasn't it?

Mrs Karlsson: It was. It was 2019.

Senator BILYK: So it's three years, and so far we've got a study that's been completed. But, as far as you know, that's it?

Mrs Karlsson: That's the city deal component. I do know that, early this year, the preferred site is going to be confirmed, and then community consultation will be undertaken on the draft concept design.

Senator BILYK: Early this year? We're in the middle of February.

Mrs Karlsson: Yes, so in the next couple of months, I would expect.

Senator BILYK: That'll be an announcement by the state government, presumably.

Mrs Karlsson: By the state government, correct.

Senator BILYK: And you've taken it on notice to get me a list of the preferred sites?

Mrs Karlsson: Yes.

Senator BILYK: Alright. That's all for the transit thing at the moment. The next one was the Southern Outlet fifth lane. In 2019 the Tasmanian government mentioned, in a release titled 'Work progressing as we deliver on key Hobart City Deal projects', that this is part of the city deal. Is that correct?

Mrs Karlsson: Correct. The fifth lane on the Southern Outlet is part of the Hobart City Deal. In terms of the commitment, it's \$72.3 million committed by Tasmania. The Kingborough Council has committed \$4.5 million for that. The Australian government doesn't have a monetary commitment, but obviously, as it's part of the city deal, we're highly interested in that project.

Senator BILYK: What does that mean? Does that mean you yea or nay it? You said there is no financial contribution.

Mr MacKay: No, there is no financial contribution from the Commonwealth. That's right. But each city deal has a governance structure that brings together three levels of government over the whole deal, and I think that's what Mrs Karlsson is referring to—that, even though the Commonwealth doesn't have money involved for this particular commitment, we are involved in the governance of the city deal across all of the commitments.

Senator BILYK: The Tassie government's 2019 infrastructure pipeline said that construction of this project would commence in 2020-21. I suppose you're not able to provide me with any construction time line or anything? What are you saying to me? Are you saying that the Commonwealth has just got a watching brief over it?

Mr MacKay: No, we produce, with the deal partners in each city deal, an annual progress report which details against each of the commitments in the deal for that 12-month period what progress has been made. But, as Ms Karlsson said, different levels of government lead on different projects within each deal.

Senator BILYK: It's of great interest to me because for 30 or 40 years—however long it is I've been living south of the city—it has been an issue. I am not sure that the fifth lane is the correct response. What I'm trying to find out eventually is what happens when that traffic hits the two lanes in Macquarie Street and Davey Street? That is where the issues always are. It's the same from the north and from the eastern shore. I think the fifth-lane issue is a bit of a furphy because you've got five lanes and you're pushing them into two again. That's where the issue is. The issue isn't so much on the outlet, which I travel constantly—and I mean constantly, sometimes three or four times a day. I am trying to work out where we're actually at. I know some homes were under review to be compulsorily acquired. Have you got any information on where that whole thing is at?

Mrs Karlsson: Yes, I can give you a bit more information on that. We do know the southern outlet is a very challenging section of road, and the road alignment doesn't really meet the road design standards. That's why it is part of the city deal—we know it's a significant issue and we do appreciate that. We know there are houses very close on either side, so that has been part of the consultation that the Tasmanian government has been undertaking. Towards the end of last year, Tasmania was doing a lot of consultation in terms of what locals in the area would like to—

Senator BILYK: The consultation began with a letter telling people their house would be compulsorily acquired. If that's what they call consultation, so be it. I didn't mean to interrupt, it's not your fault, Mrs Karlsson, I know.

Mrs Karlsson: Following on from that consultation, that's going to inform the detailed designs of what the next southern outlet transit lane is going to look like. Once that stage is complete, we'll be able to provide a bit more information.

Senator BILYK: What's the time line?

Mrs Karlsson: The latest statement from Tasmania is that they're working on those detailed designs following on from the consultations. I don't have before me information about exactly when they're going to be releasing those detailed designs.

Senator BILYK: Are you able to find out?

Mrs Karlsson: Yes.

Mr Atkinson: We can ask. It is a little bit different to projects where we've got a financial contribution.

Senator BILYK: If I have got any other questions that I can think of with regard to either of those issues, I will put them on notice. I did also want to ask about the Macquarie Point—

Mrs Karlsson: Antarctic and science precinct?

Senator BILYK: Has it been determined that that's going to happen?

Mrs Karlsson: The process that we've been going through is the detailed business case process. We went through the first business case and we went through the detailed business case process at the end of last year. Those considerations are currently with government to inform what the government decides might be the next steps in terms of progressing there. The city deal commitment was to look at that detailed business case, and that was finalised in October. The next steps will be a matter for government, in terms of any decisions there.

Senator BILYK: The Tasmanian government?

Mrs Karlsson: The Commonwealth and the Tasmanian governments, in partnership.

Senator BILYK: It has been over a decade, I think, since Macquarie Point was touted as a potential area. It seems to have been around since I was born, but I think that's an exaggeration. It has been around for a very long time. In the original city deal, there wasn't really that much information around. Are we able to get a bit more

information about all of that? Is there more information that we can ascertain? Sorry, what did you tell me the city deal was for, and how much of it is for the probable move, I hate to say, of the AAD and CSIRO?

Mrs Karlsson: There's the larger process and then there's the city deal component. The city deal component is largely around the business case process and activation of that precinct. There will need to be a Commonwealth government decision on what investment and what ongoing decisions they might like to make in progressing it from there. In our city deals we do often include things like feasibility studies or detailed business cases to see if a particular infrastructure project might be feasible, then it's a matter of decisions for government about the future steps that might be taken, which is probably quite a prudent way to go about it: 'This seems like a great idea; let's explore what it might involve and whether it's feasible.' That's the situation here with the Antarctic and Science Precinct in looking at that detailed business case and determining whether it is a viable project to go ahead.

Senator BILYK: Are you able to tell me what the budget is for the potential probable move of the AAD from Kingston to Macquarie Point?

Mr Atkinson: Sorry, are you talking about the whole precinct or the city deal?

Senator BILYK: I would like both, if I could.

Mr Atkinson: One of the issues with the precinct is there are acquisitions and disposals, so if you move something, you buy and sell land and build infrastructure and sell infrastructure. I think that is what the business case process is about: actually working that out.

Senator BILYK: Okay, but currently the AAD is in a building that is leased, I understand, so there wouldn't be any sale or anything for the AAD.

Mr Atkinson: No, there would be a future lease budget. What I am saying is they are complex business cases.

Senator BILYK: I understand the lease is due either this year or next year.

Mr Atkinson: But I suspect there is a forward budget for it. I wouldn't want to jump into it, because it's in another portfolio, but what we're doing is partnering with people in moving the precinct project forward. What I don't know is where they're up to in the decision-making point.

Mrs Karlsson: So the part of the city deal that attracted the Commonwealth money was a million dollars to do that early study and investigatory work. As for the different elements that have gone into that detailed business case you're absolutely right; there are a range of different things that we've been exploring in terms of different buildings and possible proponents and tenants and so on. That has been subject to the detailed business case, and that's what's currently before government. I can't comment on the different costs and different elements within that detailed business case at this point before the government has made a decision.

Mr MacKay: Could I just add to Mrs Karlsson's answer? I think you also alluded to the broader Macquarie Point site, which is being managed by the Macquarie Point Development Corporation within the Tasmanian government. In addition to the details that Mrs Karlsson has gone through, if it would assist, we could take on notice to get you an update from our Tasmanian colleagues on the broader Macquarie Point site as well, in addition to the specific Antarctic matters.

Senator BILYK: Yes, thank you. I am just a bit confused because I thought there was \$450 million—

Mr MacKay: On Macquarie Point?

Senator BILYK: that has been allocated for the AAD to move. That's what I heard. That's what I've been told.

Mr MacKay: That's not a figure that I have seen.

Mr Atkinson: I'd check that with them.

Senator BILYK: Alright, I might check that and just put anything on notice.

CHAIR: Senator Bilyk, just giving you a time warning: could you start coming to the end of your questions?

Senator BILYK: Okay. The whole issue has been going on for about three years, as I understand it—around the AAD, I mean. Is that correct—about the potential move?

Mr Atkinson: You're better off talking to the relevant department which has the AAD as one of its divisions.

Senator BILYK: It's not your area; is that what you're telling me?

Mr Atkinson: No. I think they're at estimates today, though.

Senator BILYK: So, in those studies the state government does, or KPMG or someone—

Mr MacKay: In the case of this—

Senator BILYK: I think I heard KPMG at one stage.

Mr MacKay: In the case of this detailed business case, it was jointly commissioned by us and Tasmania.

Senator BILYK: Does that look at the loss to the area where the AAD's moving from, with regard to the local businesses? We're not talking 20 minutes drive; we're talking 10 minutes drive from the city to Kingston. The AAD's quite a large employer in Kingston. It's the area I live in and the area my office is in, so I know it very, very well. It's a very large employer and it's probably the largest employer in that area. I've got really grave concerns about what will happen to that area if the AAD move. Are things like that looked at, or is it just a case of—

Mr Atkinson: Senator, I think you're better off having that discussion with the Department of Agriculture, Water and the Environment, who the AAD is actually part of, as to where they're up to and what's being looked at in detail.

Senator BILYK: I understand that, but you do have involvement, even though you haven't put finances in there.

Mr Atkinson: We do. It's just that they have the detail on who commutes from where and all of those sorts of things.

Senator BILYK: Alright. Anything else—thanks, Chair—I will put on notice.

CHAIR: Senator Urquhart.

Senator URQUHART: I'll try to move through these really quickly so we can get to the break on time. On 16 May 2018, then prime minister Malcolm Turnbull, in the middle of the Braddon by-election, dashed to Tasmania to announce that the federal government would commit \$30 million to the Cradle Mountain cableway project, which is part of the Cradle Mountain Master Plan. The then Premier of Tasmania, Mr Hodgman, said he hoped to have the cableway open as soon as possible. At the time, the project was described as 'a significant and game-changing investment in Tasmania's future' that would 'unlock new construction and tourism jobs in Tasmania' and as a great example of what can be achieved with a Liberal government in Tasmania and a coalition government in Canberra working closely together. In September 2021, 3½ years later, the Tasmanian Coordinator-General, John Perry, said that detailed analysis of cableway routes was underway and a draft business case was nearing completion.

It's now nearly four years since the announcement of the federal funding, and there's no sign of a cableway ever being built. Can you tell me why there's such a lengthy delay in this project actually getting underway?

Mr Atkinson: I might get Ms Hibbert to give an update as to where the project's up to, and then we can talk about how we got there.

Ms Hibbert: The Cradle Mountain cableway is a commitment under the Community Development Grants Program. It's not contracted yet. We are waiting for the state to provide us with information so that we can assess the project. We understand that there's a business case that's being prepared by the Tasmanian government. That will need to go through approvals and so on. My notes say that community consultation will happen after that. And then, once that's happened, the state will provide us with the information we need to assess the project.

Senator URQUHART: That doesn't tell me, though, why there's a lengthy delay in the project actually getting underway. It's been nearly four years. Why is that the case?

Ms Hibbert: What I can say is that we're unable to execute our agreement because we're waiting for information from the Tasmanian government.

Senator URQUHART: Right. So it's 'blame the state government'. Has any of the \$30 million been spent so far? If so, how much?

Ms Hibbert: No money's been spent. It hasn't been contracted.

Senator URQUHART: Okay—so no money spent. Has any of the \$30 million been transferred to the Tasmanian government or any other Tasmanian entity?

Ms Hibbert: No.

Senator URQUHART: How long can the \$30 million in funding under the Community Development Grants Program be held over? Can it be held over indefinitely?

Ms Hibbert: All projects for the Community Development Grants Program need to be completed and acquitted by the end of the period, which is the end of the 2026 financial year.

Senator URQUHART: Acquitted and completed?

Ms Hibbert: Yes.

Mr Atkinson: Noting that the government could extend that.

Ms Hibbert: Yes.

Senator URQUHART: Sorry?

Mr Atkinson: Any government would have the choice to extend that.

Ms Hibbert: As at today.

Senator URQUHART: So, if it didn't happen by then, the Tasmanian government would have to come back—

Mr Atkinson: No, the Commonwealth government could extend the deadline.

Senator URQUHART: Does the Tasmanian government have to ask the Commonwealth government to do that?

Mr Atkinson: The Tasmanian government, as the proponent, needs to put forward a business case that's capable of being agreed to and contracted so that we can progress the project.

Senator URQUHART: Okay. If the project was such a 'great example' of what can be achieved with a Liberal government in Tasmania and a coalition government in Canberra working closely together, is this still a great project?

Mr Atkinson: The project is just government policy. We can't comment on it one way or the other.

Senator URQUHART: Thank you.

CHAIR: Thank you to everybody for your commitment to the afternoon tea break.

Proceedings suspended from 16:15 to 16:30

CHAIR: Welcome back after afternoon tea, and welcome to Minister Duniam. Senator Davey, you have some follow-on questions from the last section?

Senator DAVEY: Yes, thank you, Chair. It is directly relevant to the previous line of questioning. It pricked my ears: the funding for the Cradle Mountain cable way. Minister, I ask you because you are Tasmanian—

Senator POLLEY: You're interested in Tasmania!

Senator DAVEY: I am. I've had the pleasure of walking some areas of Cradle Mountain—not far, because I am not a huge hiker. But I've been there and I love it. It's gorgeous.

Senator POLLEY: Hear, hear!

Senator DAVEY: The food and wine are even better.

Senator Duniam: Hear, hear!

Senator DAVEY: This investment—what value will it bring to that regional area?

Senator Duniam: Senator Davey, I think some have coined this project 'the MONA of the north'. You'd be aware of the Museum of Old and New Art down south, which of course transformed the visitor economy—a good thing, frankly. It is an important investment and one that all stakeholders and interest groups have shown immense support for, which is why it's important to get it right. Had there been a plan on the shelf when funding was announced for this those years ago, as we heard before from Senator Urquhart's questions, you would fully expect us to be much further down the track.

Having worked closely with the Tasmanian government as a Tasmanian senator, some of the things they've had to deal with—we can't forget this is inside a World Heritage wilderness area, the Cradle Mountain Lake St Clair National Park. Every item of work that is undertaken inside these areas requires multiple levels of approval, and we have to get it right. I want to make sure that my children, their children and so on and so forth get to benefit from a world-class tourism attraction done properly to complement the natural values of that area. I know the Tasmanian government have been working very hard through the Office of the Coordinator-General and through parks and other government agencies, and I commend them for that. As former premier Will Hodgman said, as soon as possible. 'Possible' means getting it absolutely right. Noting the complexity of it, that takes time, but we must get it right so we can attract the people we want to come and spend their time and money in Tasmania.

Senator DAVEY: The federal government's financial commitment for the cable way is on the table, but the federal government themselves can't go out with bulldozers blazing and start progressing without—who's got the final responsibility for actually constructing and delivering the project?

Senator Duniam: The money is there, as you say, and it's ready to flow when everything is ready to go in terms of all the approvals and planning and final designs, et cetera. As the officials have said before, it is really in

the remit of the Tasmanian government to get it right. Having observed their process, they are making sure they get it absolutely right. There are also consultations with other private landholders and other interest groups who might have a contrary view about the project, and we have to get it right as well. That work they are taking seriously. Having observed firsthand how seriously they're taking it, I know we will get a first-class, world-class project at the end of it, and I'm excited about that. I look forward to having a ride on it with you, Senator Polley.

Senator POLLEY: Thank you, Minister—as long as you pay!

Senator Duniam: My shout! Beautiful. I can do that.

Senator DAVEY: That's on *Hansard*. That's all I have. I just wanted to make sure I understood who has got to deliver the project, because some of the questions seemed to imply that we should be out there with the bulldozers rolling already. I note that it is a World Heritage site.

Senator POLLEY: I don't think that was the vein in which the questions were asked.

Senator SHELDON: Mr Atkinson, I wanted to follow through on a question that was asked earlier in the day, regarding the \$3 billion in new funding on infrastructure promised to Victoria at the last budget. You were going to come back and say how much has been spent so far, if I understood correctly.

Mr Atkinson: It's \$3 billion on road safety over the last two years?

Senator SHELDON: I thought it was infrastructure and I understand that there was \$3 billion. The question was asked regarding \$3 billion in funding promised to Victoria at the last budget and how much of it has been spent so far on infrastructure.

Mr Atkinson: So \$3 billion in the May budget that's just been, and how much of it has been spent?

Senator SHELDON: Yes.

Mr Atkinson: New money? I will follow that up.

Senator SHELDON: If I have got that clear—if not, I will clarify it in two seconds.

Mr Atkinson: It's just an odd spent-unspent question.

Senator SHELDON: It was odd. I will clarify it if it needs to be clarified, which it probably will be.

Mr Atkinson: I am sure Mr Hallinan is watching and he will be right onto that.

Senator POLLEY: I turn to the infrastructure commitment that was made by this government in relation to the Albert Hall in Launceston redevelopment. I know the minister will be very keen to see that redevelopment undertaken. Can you give me an update as to where that project is at, when it was announced, how much money has been spent and if there have been delays, what's the foundation for those delays? There seems to be a theme running through projects that are announced in Tasmania; they just never see the light of day.

Ms Hibbert: The update I have is that construction started in November last year. The first milestone report has been met and once that milestone payment has been processed, we will be releasing payment of \$250,000 for that milestone.

Senator POLLEY: Can you remind me of the initial milestone that has just been reached?

Ms Hibbert: I don't have that detail and it would be part of the contract. I can get that before the end of the session, if that's helpful.

Senator POLLEY: Thank you. Have there been any delays due to a lack of contractors? When is the second milestone expected to be completed and is that on schedule?

Ms Hibbert: I will have to take the detail around the second milestone on notice. I will come back to you with that one. I do have notes to indicate that the stage I of the Albert Hall redevelopment did not start as expected because there were delays with contract availability. I don't have the details of why they were unavailable.

Senator POLLEY: If you could take that on notice. When was the project first announced?

Ms Hibbert: I will have to take that on notice.

Senator POLLEY: My understanding is that stage II is to commence next month. Can you confirm that?

Ms Hibbert: Design works are advanced for stage II and the construction is due to commence in March, yes, this year.

Senator POLLEY: Is it correct that stage III won't commence until March 2023?

Ms Hibbert: That is what I have in my notes, yes.

Senator POLLEY: The \$250,000 has not yet been paid over to the state government; is that correct?

Ms Hibbert: That's correct. We have received the paperwork for us to assess the completion of milestone one. Once we have progressed that, once we are satisfied that the evidence has been met and the milestone has been met then that payment will be made quite quickly.

Senator POLLEY: Are you aware that some of the delay has been caused because of a leasing arrangement between the Launceston City Council in relation to the Albert Hall?

Ms Hibbert: I do not have that information.

Senator POLLEY: Is it possible to get that either confirmed or denied today?

Ms Hibbert: I can come back to you on notice, yes.

Senator POLLEY: In relation to that, is it still the case that the business that is operating out of the Albert Hall? How confident is the department that the works will start next month, March 2022?

Ms Hibbert: The department does not have any information to indicate that the construction won't commence as indicated. I will have to take on notice the rest of the information you have asked for.

Senator POLLEY: In relation to stage III that won't commence until March 2023, what's the final date and expectation the project will be completed?

Ms Hibbert: 30 December 2022.

Senator POLLEY: It can't be completed because—

Ms Hibbert: Sorry, December 2023.

Senator POLLEY: My understanding is that this was announced some three years ago—and, again, there's a similar vein of delays with projects, particularly in Tasmania, that are announced but not completed. There have been delays, which is a concern. So you're confident then that they will start next month and that the whole project will be finalised in December 2023—at a cost of how many millions? What's the final cost?

Ms Hibbert: The project is a \$10 million project. The Australian government has committed \$10 million. The way that the Community Development Grants Program works is that we need to do a robust value-for-money assessment before we can contract the project. We need all of the information for us to do a risk assessment and do feasibilities on the viability of the project and the grantee and so on before it can be contracted. Sometimes, in a complex project of this nature, that can take some time. The payments are then made in arrears, as I said, once the milestones have been met. So sometimes it can look like it's a long time before any payment is made, even though work has already started.

Senator POLLEY: People may be a bit cynical when they see the photo opportunity but no delivery for a long period of time. Given the delay with this project, are you confident that it's not going to overrun the budget?

Ms Pickworth: Further to what my colleague Ms Hibbert said, with the CDG Program, at the point of announcement my team works very closely with the proponent to set up the contract to ensure that it meets value for money. Then, at the point of delivery, with a number of our projects, separate to this one, we have encountered delays to do with supply chains and contractors. They're not specific to this project, but there have been those things. Then the team works very closely with the project proponent to ensure that the contract is delivered, that milestones are met and that payments are made in arrears. We have some 16,000 projects on our books. Ms Hibbert came with some detail, but I think we would need to take on notice the level of detail that you're after and come back to you with a bit more information on what we expect with this contract from here on and whether we expect any further slippage or delays.

Senator POLLEY: Or any overspends as well.

Ms Hibbert: Any cost overruns are the responsibility of the grantee.

Senator POLLEY: I want to move on to the next project, which is Regent Square down in the George Town redevelopment. Again, I'm sure the minister is very familiar with George Town. Could you give us an update on whether or not that project has been completed, at what cost and whether there have been any delays.

Ms Hibbert: We gave an update last estimates. Since that time, no further payments have been made on the project, but we are assessing another project report. Sometimes contracts are set up where you need to meet a milestone but no payment will be made; it's just for us to make sure that the project is tracking along. So they have met another milestone, but it doesn't include any payment. There's a new date to complete the project, because of weather issues, and the new date to complete is 30 June this year.

Senator POLLEY: It was estimated that there would be six full-time jobs during the construction and one full-time role post construction. Is that still the case?

Ms Hibbert: That's still the information that we have. That information is provided by the grantee, so that's what we have in our records.

Senator POLLEY: Can you outline to us some modelling that was completed regarding the ongoing economic benefits of the project?

Ms Hibbert: I don't have that information. I'll have to take that on notice.

Senator POLLEY: If you could, thank you—

Ms Hibbert: What I can say is that for this project, like for all other CDG projects, we undertake a robust value-for-money assessment. We take into account the feasibility of the project, the risks associated with it, the sustainability of the project once the grant funds have been expended and so on.

Senator POLLEY: Georgetown, in my view, is about to hit a boom with the hydrogen hub going in, hopefully, down there, and we'll see the benefits. How is this redevelopment going to assist in the economic benefits of Georgetown itself? Was any of that covered in your feasibility study?

Ms Hibbert: The department doesn't do feasibility studies, but we will request business cases and information from the grantee, so I don't have information of that nature, and we wouldn't have done that ourselves. What I can tell you is that, as part of the Community Development Grants Program, those projects are infrastructure projects that support stable and viable and secure communities and help inject jobs and business into the economy. In a general sense, this project contributes the same as every other CDG project.

Senator POLLEY: If there's any detail, can you take that on notice and provide that to us? That what would be good.

Ms Hibbert: Yes, I can take that on notice.

Senator POLLEY: There is yet again another northern recreational hub. Can you give us the detail in relation to any delays? As I understand there have been delays with this project. What has been the cause of the delays, and how far behind is this project, which I understand is to the value of \$15 million and announced in August 2019. Can you give me an update?

Ms Hibbert: Yes. The update since last estimates is that we've sent a letter of offer to the grantee. We sent that, I believe, last week. We're waiting for the grantee to be happy with that contract. Once they sign it and we sign it, the project will be contracted and it will be executed and things will start. No payments have been made. The project will need to meet its first milestone before any payments are made, and the project is due to be completed in December 2023.

Senator POLLEY: It seems for all of these projects there's a long time from the announcement in 2019. Here we are in February 2022. Do you see this length of time as being acceptable—from the announcement of a project to when there is some economic benefit to the community?

Ms Hibbert: It can depend on what stage a project is at. Sometimes we'll get fully formed, fully costed projects. Sometimes there are delays to people getting co-funding or approvals and those sorts of things, so they're not in a position to contract until all those things are in play. Many of the Community Development Grants projects have other contributors, and they might have issues or approvals they need to put together before we can do our work.

Senator POLLEY: Has the final site for this project been determined yet? There's still some debate in the community, as I understand.

Ms Hibbert: I will take that on notice to confirm, but to contract a project we would need to have a confirmed site. I just don't have the detail on me.

Senator POLLEY: If you could get that back to us today, that would be very helpful. Did you say the completion date is December this year?

Ms Hibbert: December 2023.

Senator POLLEY: As I said, I think there's a pattern emerging. I'll move on to the regional cities project. There was a commitment given for, as I understand it, \$140.7 million for the river health action plan. That was also announced some time ago. Can you give us an update as to whether or not milestones 1 and 2 have been reached yet?

Ms Pickworth: Can you just repeat the name?

Senator POLLEY: It's the river health action plan for the Launceston City Deal.

Mr MacKay: Mrs Karlsson will have details on that one.

Senator POLLEY: In Launceston there's a lot of interest in the river, as the minister would fully understand. It's very sensitive to our community.

Senator Duniam: There are a range of projects across Tasmania in which there is a high level of interest.

Senator POLLEY: There certainly is, but there are long delays, Minister.

Senator Duniam: I could run through a list, if you like, of completed ones. How about I do that while we're waiting for the official, just to fill in the time?

Senator POLLEY: The officer is already here at the table.

Senator Duniam: Just before we do carry on, some of the ones that have been completed out of the 2019 commitments include the Fern Tree Park redevelopment, a gateway to kunanyi/Mount Wellington, \$800,000—

Senator POLLEY: Not Bass.

Senator Duniam: Georges Bay foreshore multi-user track, \$2.1 million—

Senator POLLEY: Bass? No.

Senator Duniam: Orford Rivulet bridge replacement, \$1 million; Flinders Island airport runway upgrade, \$3.6 million; Agritas robotic dairy—excellent and worth a visit, up there at Smithton—\$2 million; the Huonville tennis court upgrade, \$73,000; and the redevelopment of the Derwent Valley PCYC community and sporting precinct, \$500,000. So there's a few there. Just to talk about patterns—

Senator POLLEY: Not many; not big ones; not big projects—

Senator Duniam: I thought I might just inject a bit of reality into our theme here.

Mr Roper: I'd just add to that, in terms of the overall picture for the Launceston City Deal: 15 of the original 33 commitments are now complete, with five new commitments added. In terms of the River Health Action Plan, I will ask Mrs Karlsson to give you the detail on that.

Mrs Karlsson: The \$140.7 million River Health Action Plan is funded through the Launceston City Deal. It's working to improve the long-term health of the Tamar estuary by delivering improved catchment management actions—

Senator POLLEY: We know what it's supposed to do. What I want to know—if I can, because I'm going to be cut off and won't get to ask my questions—is: have stage 1 and stage 2 milestones been reached?

Mrs Karlsson: I can give you an update as of 30 December last year. So 289 kilometres of fencing has been completed on the grazing and dairy farms to exclude the stock from waterways—

Senator POLLEY: I'm sorry—can you speak up a bit. So it was 289—

Mrs Karlsson: Two hundred and eighty-nine kilometres of fencing have now been completed, as of December last year, and that's excluding the stock from waterways. Of those kilometres, 177 have been funded directly by the Australian government. One thousand, three hundred and eighty-six hectares of riparian area have been managed for regeneration outcomes. The completion date for the catchment actions has been extended to 2024-25 to reflect the variation to that one. We've also commenced infrastructure upgrades to the combined sewerage and stormwater systems, so they have already commenced.

Senator POLLEY: I'm sorry—could you tell me what work has been commenced?

Mrs Karlsson: Yes. TasWater has commenced a program of minor upgrades that are being rolled out across the network. There is also an accelerated works package for St John Street in Launceston that's nearing completion. And the completion date for the infrastructure upgrades is expected in mid-2024, with the necessary approvals in terms of environmental approvals there.

Senator POLLEY: So how much money has been allocated and paid over for those? And the fencing is going to be completed not in mid-2022, this year; it will be 2024-25 before the fencing is completed—is that correct?

Mr MacKay: The 2024-25 is the catchment—

Unidentified speaker: That's correct.

Mr MacKay: action for fencing and the riparian area regeneration.

Senator POLLEY: Have there been any delays with those in terms of not being able to get contractors?

Mr MacKay: There has been an agreed change to the project agreement.

Mr Roper: Yes.

Mr MacKay: I'm not sure if my colleagues have got the details of whether that was around contractor availability; if not, we can take that on notice for you.

Senator POLLEY: Thank you very much.

Mrs Karlsson: We will take that on notice.

Senator POLLEY: And the dollars?

Mr Roper: We're just trying to find the spend for you.

Mrs Karlsson: It is a \$3.5 million commitment and that's the state commitment.

Senator POLLEY: So the contribution to this project was \$7.9 million, as I understand it, and the delivery of those catchment actions is well underway and due to be completed in 2024. So you will take on notice whether or not there have been any delays with that. The infrastructure upgrades to the combined sewerage and stormwater system have also commenced, as you said, and that's going to roll out from 2024-25. Is that correct?

Mr MacKay: No. Completion is expected in the middle of 2024.

Senator POLLEY: Excellent. I can move on when I get those figures.

Mr Roper: We will have to take that on notice.

Senator POLLEY: Okay.

Mr MacKay: Just to be clear: is the question about how much the Commonwealth has paid out under that?

Senator POLLEY: Yes.

Mr MacKay: We'll see if we can get that for you before the end of the session rather than taking it on notice.

Senator POLLEY: Thank you. If I can move on to another project—this is the Defence and Maritime Innovation and Design Precinct. Have I got the right people here for that one?

Mrs Karlsson: Yes, you do.

Mr MacKay: You do, up to a point. Beyond that, it'll be for the Department of Defence. But we can certainly start.

Senator POLLEY: Excellent. I'd just like to understand more about the ongoing development work at the Defence and Maritime Innovation and Design Precinct. Again, this is in Northern Tasmania. The Department of Defence is exploring possible options with the AMC to deliver sovereign capabilities to meet the needs of the country, and we know that the AMC are looking to expand now that the university is moving mostly out of that area. Can you give us an update as to what's happening? I have a lot of interest in how the AMC is going to fare.

Mrs Karlsson: Certainly. The Defence and Maritime Innovation and Design Precinct is part of the Launceston City Deal. Work is currently progressing on the development of the precinct, the identification of research capability upgrades and the infrastructure development, in line with Department of Defence requirements. The precinct has achieved its project design milestones and is currently working with the Defence Science and Technology Group on a forward implementation plan. I think the Department of Defence will have a bit more detail if you need anything beyond that.

Senator POLLEY: Do you think that a capacity to increase infrastructure buildings on the AMC site is going to be necessary?

Mrs Karlsson: I'm not sure at this point in the process. I'm not sure if Defence will have more information on that specific question.

Senator POLLEY: Has the government got an overview of the long-term strategic vision for the AMC and what this project will mean for Northern Tasmania?

Mrs Karlsson: I think we set it out in the city deal itself; I'm just trying to find the correct reference.

Senator POLLEY: I think all of the questioning and the interest within the community are because Tasmania seems to have lost out. I know the defence department have given their contracts to other states, so, with this project, we'd like to see some more of the Defence money coming into Northern Tasmania.

Mr MacKay: Questions on allocation of Defence spend would be for the department. Mrs Karlsson, do you have the detail of how it was reflected in the city deal?

Mrs Karlsson: I'm just trying to find it.

Senator POLLEY: I just would have thought that you would have an overview for the whole project.

Mr MacKay: Indeed.

Mr Roper: I could talk to the detail that's in our deal, and then we may need to refer the other detail to Defence. There is a \$30 million commitment in the deal to develop the precinct at the AMC. To the extent of the

deal, that's the figure, but we may need to refer to our colleagues at Defence in terms of exactly what that means on the ground.

Senator POLLEY: Of that \$30 million, how much has been expended thus far?

Mrs Karlsson: The total Australian government spend to date is \$3.25 million.

Senator POLLEY: That was also 2019, wasn't it?

Mrs Karlsson: So \$3 million was spent last financial year.

Senator POLLEY: So there's still a lot of money to come. Let's talk about the regional projects in Bass. Is it possible to get a list of all the projects and how much money has been expended—the total cost of the project?

Mr MacKay: Can I just clarify, is that within the Launceston City Deal?

Senator POLLEY: In the Launceston City Deal.

Mr MacKay: That will be covered in the annual progress report that's produced for the City Deals. We can certainly take that question on notice, of expenditure and progress against each of the elements of the deal, but it also is public information through the annual progress reports.

Senator POLLEY: Yes, that would be very helpful. Thank you very much.

CHAIR: Thank you, Senator Polley. Senator Sheldon.

Senator SHELDON: Back on that question regarding the \$3 billion. Thank you, Mr Atkinson.

Mr Atkinson: There are a number of elements to that budget commitment. There were some new projects and some top-ups to existing projects. For most of that you will find updates on those projects in the documents that were tabled for Senator Sterle at the start of the day, including expenditure against those projects. I believe that there was an element of that related to the intermodal terminals and work is ongoing with the Victorian government with respect to progressing those.

Senator SHELDON: There is \$2 billion. There hasn't been any money spent on that, is that correct?

Mr Atkinson: I'll take on notice exactly as to whether any of the \$2 billion has been spent at this point, but I don't think so.

Senator SHELDON: And the other projects making up that \$3 billion. I am not sure if it had the actual amount that's been spent to date in the documents.

Mr Atkinson: When a project is first agreed there's usually very little expenditure in the first year or even the second year of it. The projects are agreed. They're in detailed design and scoping work until design business cases are agreed. It's in the construction phase of projects that the bulk of the money is spent. While many billions of dollars will have been spent in Victoria this year they will be the projects that were announced in years before. I would be surprised if a new project that got announced in May for a major infrastructure project has material expenditure as at December of the same year. But the major projects will all be in Senator Sterle's response.

Senator SHELDON: Just so I am super clear, from the announcement from 10 May about these projects, you're saying that the amount that's been spent to date will be in those documents sent to Senator Sterle?

Mr Atkinson: Yes. If the infrastructure investment projects have been announced they will be in Senator Sterle's document. To the extent they're not we'll provide the rest on notice.

Senator SHELDON: Thank you.

CHAIR: Thanks, Senator Sheldon. Senator Watt.

Senator WATT: Thanks. I'll keep going with City Deals for a little bit, turning to my state of Queensland. The Townsville City Deal is of interest to Senator McDonald as well. I am trying to keep up to date with where the funding for this has gone. Obviously, prior to the last election a commitment was made to fund the Haughton stage 2 water pipeline and some other projects—I have forgotten the detail. That funding has since been reallocated to other projects after the state government decided to fund the water pipeline. Can you remind me what is now proposed to be funded from that city deal or under that city deal?

Mr Roper: Yes. From the \$195 million, \$71 million has been reallocated to five projects. Those are the Reef HQ Aquarium, \$40 million; the RFDS super hub, \$15 million; Lansdown Eco-Industrial Precinct, \$12 million, a business case for the concert hall for \$2 million; and a feasibility study into recycled water infrastructure to support industry, \$2 million.

Senator WATT: So \$71 million of that \$195 million has been reallocated?

Mr Roper: Yes. That's correct.

Senator WATT: And what's happening with the remaining \$124 million?

Mr Roper: I might ask—

Mr McKay: As Mr Roper said, the last two items there are a business case and a feasibility study. So the balance is dependent on the outcome of that business case and feasibility study.

Senator WATT: Right. But has a decision been taken to fund those projects once the feasibility studies are finalised?

Mr McKay: No. The decision was to fund those activities—the business case and the feasibility study. But—if I can put it this way—no further decisions were taken to spend the funds anywhere else. The decision was to fund the business case and the feasibility study.

Senator WATT: And the two we're talking about are?

Mr McKay: The concert hall.

Senator WATT: Yes.

Mr McKay: That's the business case. And the feasibility study is recycled water infrastructure.

Senator WATT: Okay. And where is the business case and feasibility study for those projects up to?

Mr McKay: Both are in development now; that's probably the best way to describe it. The work is in the field.

Senator WATT: No time line for when they're expected to be completed?

Mrs Forbes: The RFQs for both the water feasibility and the business case for the concert hall closed just before Christmas. The assessment has been undertaken with all the deal partners and the contracts are due to be ready soon.

Senator WATT: Okay. This has obviously had a bit of chequered history between the federal and the state government. There was an article in the *Townsville Bulletin* in August last year reporting that \$55 million of this funding was committed to projects by Minister Fletcher without the approval of the state government and Townsville City Council. Doesn't that go against the collaborative principle of the City Deals?

Mrs Forbes: Minister Fletcher met with the Deputy Premier and the Mayor of Townsville Council a number of times to work through a number of options. Through that process, a selection of projects were put forward and matched with the vision and the objectives of City Deals.

Senator WATT: Right. But it's not correct to say that all three levels of government signed off on that funding, as was the original intent behind the City Deals.

Mrs Forbes: Those projects were put forward by all three levels of government and worked through, and the merits of each of those projects were looked at.

Mr McKay: But it's also the case that the \$195 million in question is only Commonwealth money. There are no other levels of government funding those projects.

Senator WATT: There was another *Townsville Bulletin* article in October last year which quoted Minister Fletcher as saying, 'This is Commonwealth money'—as you say—'Yes, we want to consult, but ultimately the Commonwealth politicians are accountable for how the money gets spent.' So, again, doesn't this undermine the partnership nature of City Deals? Doesn't this kind of attitude spell the end for collaborative deals, City Deals, if federal ministers can just come over the top and decide what's going to happen?

Mr Atkinson: I wouldn't say yes to that. I think it's much more in the nature of the normal ebb and flow of Commonwealth-state relations; there are multiple deals across hundreds of different projects and deals in infrastructure and City Deals—and the relationship between ministers and departments at state and Commonwealth levels. There's a bigger focus and more control where someone is a one-hundred-per-cent funding partner. So the partnership continues through these sorts of things. I think we see through them. I just see that as in the nature of the normal ebb and flow of Commonwealth-state relations on projects of this type.

Senator WATT: When will the South-East Queensland City Deal be signed?

Mr Atkinson: I can't pre-empt the agreement between the Commonwealth and the Queensland government on that.

Senator WATT: I know Minister Fletcher has claimed that a list of projects has been agreed between the federal government and the South-East Queensland Council of Mayors, so the only hold-up now is the Queensland government signing on.

Mr Atkinson: I just have to check that.

Mrs Forbes: Senators, all deal partners are working very closely. You're correct: the Australian government has been working closely with the Council of Mayors of SEQ as well as the Queensland government on a suite of commitments that will develop the South-East Queensland City Deal.

Senator WATT: But, again, why isn't the government working collaboratively with the state government to develop a vision for the City Deal in partnership, rather than what seems to be giving the state government an ultimatum to sign up?

Mrs Forbes: The three levels of government have been working quite closely ever since the statement of intent, which outlined the vision and objectives for the South-East Queensland City Deal, and partners have been working collaboratively throughout that process. There's been a number of leadership group meetings where all three leaders have been working together on the potential suite of commitments that will contribute to the vision and objectives of the City Deal.

Mr MacKay: Just to add to Ms Forbes's answer, that leadership group of the minister, the Queensland Deputy Premier and the Brisbane lord mayor on behalf of the Council of Mayors met on 18 November, 17 December last year, 17 January this year and will meet next on 18 February.

Senator WATT: In Townsville we had the federal government ultimately come in and say, 'These are the projects we're going to fund' without the agreement of the local or state government. In SEQ, the federal government reached an agreement with the Council of Mayors and presents that to the Queensland government to sign on. Has it got to the point where the government considers that city deals are just an opportunity to fund their preferred projects rather than actually come to a genuine agreement with different levels of government?

Mr MacKay: I can ask colleagues to speak to the consultation process that's informed the proposed or the potential package of commitments for the City Deal, but the package of commitments that's been the subject of discussion at those leadership group meetings is one that has been developed collaboratively over a number of meetings between all levels of government.

Senator WATT: I think Senator Sheldon has some more questions, Chair, if that's okay.

CHAIR: Terrific.

Senator SHELDON: Regarding the Melbourne city deals: city deals were promised for Melbourne's south-east, and north and west more than a thousand days ago. Can you please update us on the status of those deals? When do you expect them to be signed?

Mr Roper: The department's working closely with Victorian officials and local government to progress the North and West Melbourne City Deal. Negotiations are continuing on what a deal could look like. The intent, as you've referred to, that's been made public is that the City Deal will leverage planning and investment activities in Melbourne, including the Melbourne Airport Rail link and the intermodal terminal arrangements. Of course, the alignment of timing of the deal with major investments from both the Australian and Victorian governments will deliver benefits for precinct development, employment opportunities and value capture to assist funding. In terms of your question on progress, I'm not sure that I could say more, but Ms Karlsson might have more detail for you.

Senator SHELDON: Specifically, just to the question about when's their expectation that deals will be signed?

Mr MacKay: Senator, in the context of all of the deals, time frames for signing the deal are something that is the subject of discussion between three levels of government and through that leadership group process that we discussed in the context of the SEQ City Deal. To your question about where particularly the north-west Melbourne deal is at, it's the subject of regular engagement between the Commonwealth team and counterparts in the state government as well as local government. That process of refining a potential set of commitments in the north-west is a pretty big task. You might be aware that the stakeholders in the area—councils, peak bodies and universities in the north and the west—prepared a prospectus for a North and West Melbourne City Deal Plan, I think it was called, which includes 66 projects amounting to over \$200 billion in investment. The process of filtering or refining that prospectus, added to proposals from the Victorian government and some of the Commonwealth investments that Mr Roper has referred to, is necessarily a pretty detailed and iterative process.

Senator SHELDON: If it assists you: I appreciate it's detailed and that there are three levels of government. I appreciate that, in putting these projects together, there is some expectation. As the consultation goes on, there is another expectation about what the time lines would be. I appreciate that there are three parties, but what's your estimate on when we might get an answer on which quarter it is? Is it next quarter? Is it the quarter after? Is there a reasonable time line in which we expect it?

Mr MacKay: I wouldn't want to speculate on time frames that might be agreed between the three levels of government in terms of public announcement or signing of a deal.

Senator SHELDON: So the deal could be far off?

Mr MacKay: I wouldn't want to speculate on time frames, as I say. They are agreed between levels of government.

Senator SHELDON: Can you tell me if there are any that are imminent or just about to be signed—they are on the verge?

Mr MacKay: I wouldn't want to speculate on what might be about to be agreed between leadership group members.

Senator SHELDON: So you don't know.

Mr MacKay: Certainly, the officials involved in the negotiation and preparation of the north-west Melbourne deal meet regularly with both counterparts in the Victorian government and both local governments and broader stakeholders in the north and west of Melbourne. I've participated in a number of those meetings myself.

Senator SHELDON: Last April the department stated that formal consideration of the arrangements by the Australian government, Victorian government and other city deal partners were anticipated by the end of the year. Why has the time line been delayed?

Mr MacKay: The range of inputs into the discussion and the question of alignment of timing with major investments all feed into the time that is taken to negotiate the specifics of what might be considered by members of the leadership group.

Mr Roper: Since that time that you noted last year, the minister met with the Treasurer of Victoria in September. The department met with the north-west Melbourne alliance on 3 November and again on the 16th and met with Victorian representatives on 16 November and on 10 February this year. As I say, the process is ongoing. We're working closely with all of the stakeholders, and that's as much as we can say at this point.

Senator SHELDON: So there's no explanation about the delay from the end of the year other than saying there are ongoing discussions?

Mr MacKay: That's right. As Mr Roper says, we are meeting regularly with our counterparts on the deal.

Senator SHELDON: In August last year, local governments and key stakeholders in Melbourne's north and west produced the North & West Melbourne City Deal Plan 2020–2040, a list of 66 projects that would benefit the region in a city deal. Has this plan been considered by the federal government?

Mr MacKay: Yes. That's the plan I was referring to in my earlier answer. That plan consists of, as you say, 66 projects. If you add all of those up, you see it's a total of \$200 billion in potential or proposed investment. That's one of the inputs that we're considering in building a potential set of commitments.

Senator SHELDON: Is there an expectation of the time line of those? We had a stab at it last time. It is now 1,000 days.

Mr MacKay: As I said earlier, the decision of when to conclude negotiations or to publicly announce a deal is a matter for the leadership group for each deal to consider.

Senator SHELDON: You're stating a very important point, and it's very obvious that it's right. What I am trying to work out is what the expectation is from the federal department about when these deals are likely to be completed, because, at the moment, there is no expectation other than that there are going to be ongoing conversations.

Mr MacKay: From the department's point of view, as Mr Roper has outlined for you, we are meeting regularly with our counterparts to continue to progress official-level discussions and negotiations on the deal, but I wouldn't want to speculate on decisions that might be made between members of the leadership group for the deal.

Senator SHELDON: What engagement has the minister undertaken to progress the north west city deal?

Mr MacKay: As Mr Roper mentioned in his answer a moment ago, the minister met with the Victorian Treasurer in September—for the purposes of the city deals, he's the minister's counterpart in the Victorian government—specifically to discuss the North & West Melbourne City Deal.

Senator SHELDON: There has been that one occasion?

Mr MacKay: That's right.

Senator SHELDON: Minister Fletcher wrote to the councils representing Melbourne's south-east in November last year to inform them that a south-eastern city deal would have to wait until a north-western deal had been finalised. Can you explain to me why that's the case?

Mr MacKay: I think it's a decision of the government to sequence the work on the two deals in that way.

Senator SHELDON: Mr Roper, do you have anything to add to that?

Mr Roper: No. As Mr MacKay said, it's a matter of sequencing and focusing on the deal that we're focused on at the moment first. And—

Senator SHELDON: Is that a lack of resources or is it a lack of interest on the part of the minister?

Mr Roper: I—

Mr Atkinson: Senator, I have a couple of other things. In terms of Minister Fletcher's engagement with the Victorian government: he has broad-ranging conversations with many Victorian ministers across his urban infrastructure responsibilities, as well as his cities responsibilities. Cities are raised as part of those other conversations as well.

In terms of timing: as Mr MacKay was saying, it's a sequencing piece, but it's also a sequencing piece with respect to the relationship with the Victorian government. You've asked on numerous occasions about the timing. We can talk about the maturity of conversations as things progress, as projects get identified and as we get an understanding of where both sides sit. But in the end, with agreement between senior ministers from the Victorian government and the Commonwealth on things this big, the timing comes down to Comm-state agreements. But those are often taken in the context of lots of other big moving parts in the relationship between the states and the Commonwealth. So there are a lot of moving parts and we mature the conversation to get the deals as far as we can. Then there's a point where agreement needs to be reached.

Senator SHELDON: I appreciate that there are time and discussions that take place on these matters, but I'm also very mindful that there was an expectation that these deals would be done by the end of last year. I appreciate that there was a time line given at that point; what I'm trying to ascertain is what the time line is now. Or is there no time line?

Mr Atkinson: Sorry, Senator, I wouldn't have given a time line as to when the Victorian government would agree with the Commonwealth on a series of projects.

Senator SHELDON: The Hobart, Darwin and Adelaide city deals were signed within six months of each other in late 2018 and early 2019. What changed in the department to mean that two deals, which will very much impact each other, cannot be negotiated at the same time when we're talking about the North & West Melbourne City Deal?

Mr Atkinson: I think we've already answered that. I'll be happy to take on notice as to whether there's any more detail about why that choice was made, but it's a prioritisation of the discussions with the Victorian government—that's my understanding. But I'll see if I can get—

Senator SHELDON: Prioritising by the department on discussions with the Victorian government?

Mr Atkinson: Sorry—

Senator SHELDON: Is that a question of resources or a question of the minister not having time to do it?

Mr Atkinson: Sorry, Senator, it's not about ministers or departments. It's actually about discussions with the Victorian government. But what I said is that you've got what's in the letter from Minister Fletcher and I'll take on notice to see if there's any further rationale underpinning that which I can give to you.

Senator SHELDON: Minister Fletcher said that any deal in Melbourne will include the government's existing commitments, including the airport rail link, the intermodal freight terminal and the fast rail link to Geelong. Why is the government trying to recycle projects that have already been committed to and funded in the Melbourne city deals?

Mr Atkinson: City deals are actually about partnerships in a particular geographic location. The existing activities or planned activities on both sides of the equation often form part of what's going to be in the future of that region, and you can't discount the impact of very large things like that. They need to be taken and looked at as part of what the economic and social fabric of that area looks like in the future.

Senator CAROL BROWN: I want to ask the Hobart City Deal officials whether they received a copy of the conditions report.

Mr MacKay: Can I just clarify: are you referring to the Northern Suburbs Transit Corridor report that we discussed in the infrastructure outcome earlier on?

Senator CAROL BROWN: Yes.

Mr MacKay: We work really closely with our colleagues in the Infrastructure Investment division on that project—the Northern Suburbs Transit Corridor. That includes working closely with Mr Bradley, who you asked some questions of earlier on. I'm happy to cover any other questions that you have about the northern suburbs corridor, including, if we need to, with Mr Bradley as well.

Senator CAROL BROWN: My question was simply: did you receive a copy of the report?

Mr MacKay: Yes, we did.

Senator CAROL BROWN: Did you discuss releasing the report to the community publicly?

Mr MacKay: On the question of release, I don't think there's anything I can add to the answers that Mr Bradley and Mr Hallinan gave earlier today. It's a report that's been—

Senator CAROL BROWN: I'm a little bit tight for time. Your next meeting is on 3 March; will you be attending?

Mr MacKay: No, I won't, because the Infrastructure Investment division leads on this particular project within the department.

Senator CAROL BROWN: Is the agenda set prior to the meeting?

Mr MacKay: I have not attended these meetings. I would need to take that question on notice for you.

Mr Atkinson: I imagine so, and I imagine that Mr Bradley would go to it.

Senator CAROL BROWN: Will the public release of either the full report or the key findings of the report be up for discussion?

Mr Atkinson: I'll have to take that on notice.

Senator CAROL BROWN: While you take that on notice, can you take on notice again to provide copies of the agenda from each of the meetings—I think 3 March might be the 10th meeting—and also some understanding of decisions coming out of it. Actually there have been no decisions other than the commissioning of this report in regard to the Northern Suburbs Transit Corridor. I'm interested in receiving copies of the agenda or a summary of the items discussed at these meetings. You took those questions on notice, and I don't believe they've been responded to, unless you can update me here today.

Mr Atkinson: I'm sorry, Senator; that is actually from our Infrastructure Investment colleagues, who you spoke to earlier and who attend that meeting and would have answered those questions.

Senator CAROL BROWN: No. It was taken on notice in previous estimates. Sorry; I should have made myself clear.

Mr Atkinson: Yes, Senator. I'm aware of the questions. I remember them.

Senator CAROL BROWN: So what's the answer?

Mr Atkinson: What I was saying is that the officials who are at the table here are not those who were responsible for answering those questions, because it was the Infrastructure Investment group rather than the Cities group.

Senator CAROL BROWN: I understood that, Secretary, but, if you're able to provide me with why the questions weren't answered after being taken on notice, I'd be more than happy to hear it.

Mr MacKay: Senator, I believe you're referring to what is tracked here as question No. 16 from our last estimates, and the answers given were that the Northern Suburbs Transit Corridor Working Group Meetings are chaired by the Tasmanian Department of State Growth; that the attendees are representatives of the Hobart City Council, the Glenorchy City Council, the Department of State Growth and the Commonwealth; and that the standard agenda items for the meetings include previous minutes, project updates, communication activities, and other business. I understand that that's question No. 16 from last time.

Senator CAROL BROWN: Yes, but—and I'm not going to go through it again—that doesn't actually answer the question I asked. Are you going to give the topics that were discussed and the summary of what decisions were made?

Mr MacKay: I understand the scope of the previous question to have been about agenda items and attendees. In what I have in front of me there wasn't anything about outcomes of the meetings. In addition to what I've just covered in the answer about standard agenda items, I'm happy to take on notice whether there have been any additional items in addition to those standard items.

Senator CAROL BROWN: Okay. Thank you—I think.

Senator WATT: On the Building Better Regions Fund, there's obviously been a lot of controversy about this program over the years. Round 5 involved \$300 million of funding being available, of which coalition-held and marginal seats received around \$270 million. We've been over that in the past. I'll leave it to anyone watching to decide whether they think that's a coincidence or not.

CHAIR: I think we've also discussed the percentage of coalition country in that area, Senator Watt.

Senator WATT: Well, that's what you come back with, and then we say, what about Hunter, Paterson, Lingiari, Solomon—I think people can work out what's going on here.

CHAIR: Potato, potato.

Senator WATT: We know it's rorts. That's just the reality.

CHAIR: Senator Watt, would you mind not saying that, because—

Senator WATT: I know that's a word you find offensive.

CHAIR: In regional Australia I have people begging for these grants, in parts of the world which are further flung than perhaps where you're thinking of and who are grateful for the assistance.

Senator WATT: Sure. And you might find it strange to hear that regional electorates held by Labor members also have needs, and they just seem to be overlooked.

Senator DAVEY: They also do get funds, and it's based on how many applications they have.

Senator WATT: They got \$30 million out of \$300 million. They should be happy, should they? How much has been spent through the Building Better Regions Fund in total?

Mr MacKay: Across the first five rounds of the program, expenditure to date, which covers 1,293 approved projects, is \$517.9 million.

Senator WATT: Is that for all five rounds?

Mr Atkinson: Across all the rounds the total expenditure to date is \$2.7 billion.

Senator WATT: I thought it might be a bit higher than that. So, that's across five rounds. Presumably not all the round 5 money has been fully distributed yet?

Ms Pickworth: The figure of \$2.7 billion expenditure to date is across our major regional programs. So, it's not just BBRF.

Senator WATT: Okay. Can we just go back to BBRF—

Mr Atkinson: Senator, are we just going to have a technical discussion, rather than the broader discussion? If so, I can get Ms Hibbert to just run you through—

Senator WATT: There'll probably be a broader discussion, but—

Mr Atkinson: I'll get Ms Hibbert to give you the numbers, and then I'll come back for the broader discussion.

Senator WATT: Yes. I didn't really have many follow-on questions from that. I just was keen to know, across all five rounds, maybe how much has been committed and how much has been expended.

Ms Pickworth: As at 31 December, 2021, the funds paid to date are \$517.9 million. We read into *Hansard* earlier there are \$306.5 million in uncontracted funds in BBRF and \$279.6 million in unallocated funding for BBRF. To be clear on the definitions, 'uncontracted' are projects that have been announced but not yet contracted and 'unallocated', the \$279.6 million, includes funding for round 6 plus funding for BBRF projects that have been withdrawn, terminated or underspent.

Senator WATT: If I'm asking how much remains budgeted for future rounds, it's \$279.6 million?

Ms Pickworth: Yes. I should clarify, for round 6 there is a commitment of \$250 million. That additional amount is due to projects that have been withdrawn, terminated or underspent. So it comes back into the BBRF bucket.

Senator WATT: Round 6 applications closed last week; is that right?

Ms Pickworth: Yes, that's correct.

Senator WATT: What are the time lines for decision-making and announcement for round 6?

Ms Pickworth: I will defer to Ms Hibbert.

Senator WATT: You're going to say it's a decision for government.

Mr Atkinson: That's how it ends, though.

Senator WATT: You'll probably weave a bit of 'cabinet material' into it, 'FOI'.

Mr Atkinson: No, before that! The key variable in the timing is actually how long it takes to do the assessment process in the department of industry grants hub.

Senator WATT: What are the expected time lines?

Mr Atkinson: I expect that we will be doing it as soon as we possibly can.

Senator WATT: Come on, you can do better than that. Based on past experience, roughly, how long would you expect that assessment period would take? A few weeks?

Mr Atkinson: Somewhere between five and 15 weeks.

Senator WATT: Somewhere before 21 May?

Mr Atkinson: I genuinely don't know the answer to that. It will depend on how much other stuff the grants hub has going on.

Senator WATT: Seriously, do you expect that the assessment process will be concluded prior to caretaker?

Mr Atkinson: Not knowing when caretaker is, it's challenging to answer that. I think it would be challenging to do that.

Senator WATT: I'm just trying to remember caretaker provisions. If the assessment is not undertaken prior to caretaker then any announcements made around round 6 would not be based on the assessment process?

Mr Atkinson: Decisions of government on these projects on something like round 6 would not happen during the caretaker period.

Senator WATT: If the government wants to make announcements prior to the election, the assessment process has to be completed by caretaker?

Mr Atkinson: It would have to be, yes, and then before government decision.

Senator WATT: Yes, of course—so assessment process, recommendations made, government decision all before announcements made. In previous rounds, we've learnt that the panel of government ministers intervened in the selection of more than a third of the projects that ended up being funded. Who is on the panel for this round?

Mr Atkinson: I'm not sure it's been decided yet.

Ms Pickworth: The panel for round 6 has not been assessed.

Senator WATT: Is it likely to be the same ministers as around 5? Have there been changes because of reshuffles?

Mr Atkinson: Previously, it has changed between rounds. I wouldn't want to bind the government.

Senator WATT: It's a long list of ministers; isn't it? It's not a three- or four-person body?

Mr Atkinson: It's a matter of public record—

Senator WATT: It's a dozen or so, from memory.

Mr Atkinson: Yes, it's certainly more than six. About eight?

Ms Pickworth: Yes.

Mr Atkinson: It does change a little.

Senator WATT: Okay, but no decision about the composition of the panel?

Mr Atkinson: No.

Senator WATT: In the information you gave earlier today when I wasn't here, I know you gave the dollar figure for uncontracted and you also gave the number of projects that remain uncontracted.

Mr MacKay: No, we didn't cover the number of projects earlier on; it was just the dollars.

Senator WATT: Do you have the number of projects that remain uncontracted?

Mr Atkinson: I'm sure Ms Hibbert has that answer. We'll come back to you with that number.

Senator WATT: Thanks. I'd be keen to know which rounds those uncontracted projects were funded through.

Ms Pickworth: To give you an indication, as at 31 December 28 per cent of round 5 projects had been contracted, and they're on track for the grants hub to contract the rest of them by March. I can give you the contracted percentages: for rounds 1 to 4, 99.7 per cent of the projects had been contracted. There's a very small number of round 4 projects that remain uncontracted.

Senator WATT: So those that are uncontracted are largely round 5?

Ms Pickworth: Yes.

Senator WATT: If you wouldn't mind coming back with the actual figure.

Ms Pickworth: Yes, we will.

Senator WATT: You're probably aware that one of the journalists who's covered the issues around the BBRF is Michael West. He's written a number of articles about this program. When an application for the BBRF is not successful, what advice do you provide to the applicants about why their application was not successful? Do you say, 'You were close' or 'You needed more information in this area'? What's the general process?

Ms Pickworth: Yes, the grants hub provides both general advice back to unsuccessful applicants and an offer of more detailed feedback to applicants. I'll defer to Ms Hibbert on the details.

Ms Hibbert: Every grantee gets the opportunity to have a conversation with the grants hub about feedback, and they get general feedback about the areas where they could improve their application against the merit criteria or the eligibility criteria. They're told in terms of advice against the guidelines, so generic information.

Senator WATT: I'll get to this in a little while, but we've spoken in the past about examples where projects that were more highly ranked missed out and projects that were scored lower got up as a result of ministers' decisions. In those situations, what do you tell the unsuccessful projects that actually scored more highly than some of those that were successful?

Ms Pickworth: Obviously, as we have discussed before, the BBRF guidelines allow the ministerial panel to take into account additional factors to the initial ranking and assessment that the department provides through to the ministerial panel. I'm not sure we'd be able to go into much more detail about what the grants hub might provide in that context to those proponents.

Ms Hibbert: We could take on notice what the grants hub actually say, but my understanding is that they'd say, 'Your application was assessed by the hub as eligible and value for money, but was not successful in being approved for funding by the panel.'

Senator WATT: So they're not necessarily told that they scored higher than some of the successful projects or that those successful projects were moved up the queue as a result of other considerations by ministers?

Ms Hibbert: What applicants understand and the hub reinforces is what's in the guidelines, which are the discretionary factors that the ministerial panel can take into account. Nobody's advised what their ranking or merit score is because that document is provided for cabinet deliberations.

Senator WATT: Some of the articles written by Michael West about this program claimed that the department changed the way it presented its advice to the ministerial panel for round 5 compared to rounds 3 and 4. Is that correct?

Ms Pickworth: Obviously, we can't go into the specifics of cabinet materials, but we can talk through the process. We discussed last time that there was a large volume of applications for round 5 and that the onus is on us as a department to organise the briefing in the most efficient and accessible way. We therefore used Excel spreadsheets and we use shading within those Excel spreadsheets. The green shading represented 'eligible and value for money', and the pink shading represented 'eligible and not value for money'.

Mr Atkinson: Can I interrupt for one second. Senator, Dr Bacon went through this particular change in great detail last estimates—

Senator WATT: I think I remember that.

Mr Atkinson: and I'm sure that's where the journalist got that assessment from. She explained all of the differences and all of the different circumstances. I think that *Hansard* is probably the—Ms Pickworth has the same document I suspect she's about to read out.

Ms Pickworth: Yes.

Senator WATT: I probably don't need any more detail on what the changes were. I don't remember whether we asked last time who initiated those changes, whether it was the department or the minister or a different department or minister.

Ms Pickworth: The department—we initiated those changes—

Senator WATT: At the department's suggestion?

Ms Pickworth: as part of our continuous improvement approach of looking at how we're providing advice to the ministerial panel, making sure that we are meeting all of the grant rules and guidelines and to most effectively communicate the part of the guidelines that the department is responsible for, which is value-for-money assessment and eligibility. We produce that advice—

Mr Atkinson: It's across a very large number of projects.

Ms Pickworth: Yes.

Senator WATT: I can't remember whether I have asked this previously, but, when the ministerial panel meets to consider applications, is there any process whereby ministers have to declare an interest in a particular application or absent themselves from consideration of projects in their own seats?

Mr Atkinson: Once again, we went through that in great detail around what the probity rules are for this and what's applied in the ministerial panel.

Senator WATT: Can you give me the short answer?

Mr Atkinson: I don't know off the top of my head, but I'm sure Ms Pickworth can give it again.

Ms Pickworth: Ministerial panel members are advised of their responsibilities. In round 5 we understand ministers recuse themselves for projects in their electorates, as per the grant guidelines, and then, as per the grant guidelines, the chair of the panel writes to the finance minister with details of the projects located in the electorates of the panel members. That's been completed as well.

Senator WATT: Okay. The BBRF is advertised as a competitive and merit based grant program, but in relation to round 5, in the general infrastructure stream, as I understand it, the highest-scoring application, which got 36 out of 40, and the second-highest scoring application, which got 35 out of 40, were both not successful. Is that correct?

Ms Pickworth: We can't go to the specifics of cabinet materials.

Senator WATT: I had a look at this before today. I'm not asking you about the deliberations of cabinet, which is beyond our questioning. I'm asking you about how the department scored particular applications. So I ask again whether it's correct that the two highest scored applications both missed out.

Mr Atkinson: I'll take it on notice as a starting point, because there are hundreds and hundreds of applications, so we don't know off the top of the head.

Senator WATT: It's possible that your officials know the answer.

Mr Atkinson: They won't know it off the top of their heads either, I wouldn't have thought, but the document that they would reference is the documentation that was sent into cabinet to allow consideration of these things. I don't know what the scoring looked like, because the program itself allows a ministerial panel to take into account a whole series of factors that are listed, and those get taken into account as part of the process of decision-making. We don't know what happened in that, because it was part of a cabinet process that we were not a part of. We know the outcomes at the end.

Senator WATT: That would be pretty worrying though, wouldn't it, if the two highest-scored applications, scored by your department based on the criteria, both missed out? That would be pretty worrying.

Mr Atkinson: I don't know. I'd have to speculate, because I don't know what the other factors that would apply to two projects that fit the description you just talked about are.

Senator WATT: Such as what ministers wanted. What other factors are there? You've got eligibility criteria—

Mr MacKay: There's a list of factors. Could you please read out the factors?

Ms Pickworth: The BBRF guidelines, under section 8.1, allow ministerial discretion about factors including the regional impact of each project, the spread of projects and funding across regions, other similar projects in the region, previous funding and government priorities. I don't know if that's the exhaustive list. Ms Hibbert will correct me if I've missed any. With the guidelines, as we've discussed before, we provide initial ranking based on four assessment criteria—you have to get 60 per cent in each of the criteria and across all of them—and then we provide that advice through to the ministerial panel. Then, under the guidelines, they can apply additional factors.

Senator WATT: But surely those additional factors would be applied for less highly ranked applications, rather than the top two?

Mr Atkinson: It depends, because if you look at a couple of those with criteria that relate to previous investments, multiple investments in the same place and those sorts of things, we can't speculate with respect to—

Senator WATT: Aren't those sorts of considerations matters that the department considers in the scoring of applications?

Ms Pickworth: The four criteria that we assess against, or that our grants have colleagues assess against, are the economic benefit for the region; the social benefit for the region; the capacity, capability and resources to deliver; and the impact of funding on the project.

Mr Atkinson: So the outcomes are in-cabinet deliberations, and they take into account both those sets of criteria.

Senator WATT: Is it true that seven applications that scored 32 out of 40 were not awarded grants, yet 14 grants were awarded to applications that scored 24 out of 40? This was the lowest score possible, or the lower score, which meant that those project ranked equal last.

Mr Atkinson: Are you talking about a scoring based on the departmental input or are you talking about after the ministerial panel put the other material—

Senator WATT: I am talking about the departmental score.

Mr Atkinson: So, just half the equation?

Senator WATT: Yes. A pretty important half, I would've thought.

CHAIR: Just further to that, I advocate for councils who have incredibly tiny rate bases, who can't compete with some of the bigger towns. Is that taken into account as part of the department's assessment of projects?

Ms Pickworth: The impact of funding on the project would potentially go to that—

Ms Hibbert: It would definitely be factored into account in terms of whether you would qualify for a co-funding exemption, and if you are in a rural or remote area you will get a co-funding exemption of up to 50 per cent. Those sorts of things are definitely factored in, but it is how—

CHAIR: But do they not affect this point system where somewhere like Boulia, with 300 ratepayers, is competing against Hunter, which probably collects more in parking fines than Boulia collects in rates? Not that I'm having a go at Hunter, of course, because everywhere has its own issues, but I'm just wondering about how those little places get a fair go at BBRF rounds. That's the point: you're trying to get money for places that otherwise get nothing.

Senator WATT: What I'm hearing is that the criteria the department apply would mean that those types of projects in smaller councils would actually be scored higher, because a project would have a higher benefit.

Mr Atkinson: I was slightly worried about whether the chair's question was going into a hypothetical space for us. We can't speculate on what an individual project's assessment would be out of the grand sum of the process. We certainly can't talk about the scaling of smaller versus bigger projects, because it depends on how they're assessed against the criteria, what the project is and all those sorts of things.

CHAIR: Is there a criteria that says, 'I'm tiny' compared to 'bigger'?

Mr Atkinson: I don't think they use that language but, between the two of them, Ms Hibbert and Ms Pickworth have both read out the entirety of the criteria.

Senator WATT: Can I get an answer to my question, which was: is it true that seven applications that scored 32 out of 40 were not awarded grants, yet 14 grants were awarded to applications that scored 24 out of 40, which meant that they were ranked equal last?

Mr Atkinson: Senator, I'll have to take that on notice.

Senator WATT: Could I just ask a handful of questions about RDAs before handing over to Senator McCarthy?

Ms Hibbert: I've got an answer to read in relation to some uncontracted projects for BBRF. There are 215 uncontracted projects for round 5 and there are three uncontracted projects for round 4.

Senator DAVEY: Could I just ask a clarifying question on what you were asking: is the departmental scoring of these projects publicly released?

Mr Atkinson: No.

Senator DAVEY: So the information Senator Watt has is not public information; he's got that information from somewhere. I just wanted to clarify because I was feeling left out. I haven't seen this briefing material. Thanks.

Senator MIRABELLA: In terms of statistics, is there any disparity between the number of applications coming out of non-coalition held seats versus coalition held seats, and is there any disparity between the outcomes of grants awarded, statistically speaking?

Mr MacKay: Electorate analysis doesn't factor into the work the department does on the program, so I wouldn't be able to answer that question.

Senator WATT: [inaudible] decisions. In terms of RDAs, did the department commission any audit or review of the Brisbane RDA this financial year that involved bullying claims?

Ms Nattey: Yes, the department did commission an audit.

Senator WATT: Were those bullying claims involving the ministerially appointed chair?

Ms Nattey: The findings have been presented to the department, and we're currently considering those findings. I'm not at liberty to discuss it at this point.

Senator WATT: But there has been an audit done in regard to allegations of bullying involving the Brisbane RDA? But you can't—

Ms Nattey: There has been an independent audit of the Brisbane RDA.

Senator WATT: Who conducted the audit?

Ms Nattey: Protiviti.

Senator WATT: Were those allegations found to be correct?

Ms Nattey: As I've said, we've just received the report, so I'm not at liberty to talk about the findings at this stage.

Senator WATT: Why is that?

Ms Nattey: Because we have to present those findings to the minister for her consideration.

Senator WATT: But I'm just asking you a factual question about an audit. How much did this audit cost?

Ms Nattey: If you just give me a moment, I've got that information here. The total cost of the independent audit was \$33,166.65, GST inclusive.

Senator WATT: So \$33,000 of taxpayer funds were used for this audit. I think people are entitled to know whether these allegations were well founded or found to be true. That's not a matter for the minister to decide. An audit has been done, and it's reached a view on that.

Ms Pickworth: As Ms Nattey said, we're currently considering the findings of the review. We'll consider those and provide that advice through the minister, but we're not in a position to be able to talk about it publicly.

Senator WATT: How many audits or reviews have been conducted by the department in the current financial year of the operations of RDA committees, and have any of these involved workplace bullying claims against ministerially appointed chairs?

Ms Nattey: There have been two audits, of the 53 RDAs.

Senator WATT: Both concerning bullying allegations?

Ms Nattey: No, that's not correct.

Senator WATT: One obviously did—the Brisbane RDA.

Ms Nattey: What I can say is that the scope or the terms of reference for one of those did include testing claims of bullying and/or harassment.

Ms Pickworth: To add to that: there were also some concerns raised beyond that, so the audit had quite a broad remit to look at what was going on and give us an information base on which to provide advice to the minister.

Senator WATT: Leaving aside the Brisbane RDA, which other RDA was audited?

Ms Nattey: It was RDA Pilbara.

Senator WATT: What was the nature of that audit, if it wasn't about bullying?

Ms Nattey: It was around financial governance.

Senator WATT: Has that audit been completed?

Ms Nattey: The findings of that audit have been presented in draft form to the department.

Senator WATT: Draft form?

Ms Nattey: That's right.

Senator WATT: So it's behind the RDA Brisbane one?

Ms Nattey: It is.

Senator WATT: What's the cost of that audit?

Ms Nattey: If you give me a moment, I'll check whether I've got that with me. I don't appear to have the cost of that one, but I'm happy to take that on notice.

Senator WATT: Thanks. When do you expect that the findings of these audits will be released or acted upon?

Ms Nattey: We would take advice about the procedural fairness of any of the findings that come to us, and we would act on that advice.

Senator WATT: You're saying you are going to be passing on these audits to the minister. Is it ultimately the minister's decision or the department's about whether action is going to be taken?

Ms Nattey: It depends on the nature of the advice that comes to us from the independent audit about the responsibilities that sit with the Commonwealth and the responsibilities that sit with the RDA through its governance procedures.

Senator WATT: Is the department aware that there's an RDA CEO who has been terminated by their board—by way of redundancy, with no redundancy payment being given—while there was an outstanding departmental audit into workplace bullying claims against the RDA chair that were raised by the CEO?

Ms Nattey: I'm aware of that issue.

Senator WATT: Has that been investigated? Is the termination of this CEO, while bullying allegations raised by the CEO were being audited, something that is being looked at by the department?

Ms Nattey: If you're asking whether it's part of the audit process, it is not.

Senator WATT: Is it of concern to the department that it appears a CEO has made bullying claims against a chair and, while those claims were being audited, the CEO was terminated?

Ms Nattey: The nature of the independent audit and the terms of reference of that audit were already determined before the actions of the board of the RDA.

Senator WATT: Sure, but someone is able to widen the audit, whether that be the department or the minister, or to set up some other investigation. That's a pretty serious matter if someone is terminated while allegations they've made are under investigation.

Ms Nattey: What we would say about the responsibilities is that it is the Australian government's responsibility to appoint, extend and remove the chair, amongst other things. It is the responsibility of the RDA to appoint, extend or remove the deputy chair after seeking the minister's agreement; to appoint, extend or remove any members; and to engage and manage staff, including appointing a director of regional development and/or a CEO.

Senator WATT: Is the department aware that there's an RDA—and I presume it's the one we're talking about—which has spent almost one-third of its operational budget on legal fees to terminate staff and otherwise deal with employment matters?

Ms Nattey: As I've said, it is the decision of the RDA as to the way in which it manages its staffing matters.

Senator WATT: But surely it would be a concern for the department if a particular RDA has spent a third of its budget on legal fees.

Ms Nattey: It's a concern for the department if the RDA isn't meeting its objectives.

Senator McCARTHY: The \$78 million Barkly Regional Deal was announced in 2019 after a terrible incident involving a young child in Tennant Creek. Nearly three years after the deal was signed, do you have any evidence that children are safer in Tennant Creek as a result of this deal?

Mrs Karlsson: The 10-year \$78.4 million deal is progressing. Of the 28 projects, three are complete and 25 are definitely progressing. As of January this year, \$11.97 million out of a total \$45.4 million of Commonwealth funding has been invested already. That's 26 per cent of Commonwealth funding that we've already invested, not three years into the 10-year deal. In relation to the childcare question, as you know, child vulnerability is definitely a large issue in the region and one of the key reasons that the Barkly Regional Deal was established. A number of the deal initiatives do go to the vulnerability of children, so that includes the crisis youth support, trauma-informed care and the boarding facility.

In terms of the deal commitment itself for child care, the commitment is for the three levels of government to work with community and prospective childcare providers to increase early learning and childcare participation in the region. So the commitment is to develop a service model; it is not a commitment to provide additional childcare places, and I would note that it isn't a monetary commitment as such but it is to develop that service delivery model. As you know, a consultancy to explore those models was endorsed by the governance table in

April last year, and then we tabled that report after the last estimates hearing. So you should have a copy of that, but let me know if you don't have that.

Senator McCARTHY: If I can just go back to the question of whether you have any evidence children are safer in Tennant Creek as a result of the deal, are you saying those three completed projects are evidence of that?

Mrs Karlsson: What I am saying is we are two years into the 10-year deal in terms of child protection. The Barkly Regional Deal is one element of child vulnerability in the region. The NIAA and a range of other Commonwealth entities, as well as the Northern Territory government and NGOs, all have a role to play in that child protection element. The child care element of the deal is an ongoing project that is looking at the service delivery model. So the next steps in that project is that DESE, through its Connected Beginnings group, is working with PricewaterhouseCoopers Indigenous Consulting to develop that service model. That is going to look at the funding and the care model that the community wants, because we are very focused on ensuring that the projects we deliver in the Barkly are supported and what the community wants rather than having the Commonwealth impose something on that community.

Mr MacKay: If I could just add one other point to Mrs Karlsson's answer there, consistent with other city and regional deals there will be a three-year review of the Barkly Regional Deal, which I think will go to some of the questions that you are asking about, across each of the commitments in the deal, at the three years out of 10, what progress has been made, what might need to be adjusted. That three-year review, based on a deal signed in the middle of 2019, is an activity for the middle of this year, so I just wanted to put that on your radar that there is a formal review point for the deal at that three-year mark.

Senator McCARTHY: Thank you, Mr MacKay. I might just pick you up, Mrs Karlsson, on child care. How many extra childcare places have been made available under the deal?

Mrs Karlsson: The deal doesn't claim to create new childcare places. What the deal commitment is going to deliver is a service delivery model. The consultations are underway for that, and PricewaterhouseCoopers Indigenous Consulting is going to develop that service model.

Senator McCARTHY: Have we got that service model developed yet?

Mrs Karlsson: No, so that is under development at the moment.

Senator McCARTHY: And PricewaterhouseCoopers is doing that?

Mrs Karlsson: Yes, the Indigenous consulting arm of PwC.

Mr Roper: If I can just add to that, my understanding of what is happening on the ground in the Barkly is that consultation is trying to work out what will work for the people that need those services. The consultants report previously from Anglicare had pointed out that there were some hub-and-spoke elements to the child care that was needed in the region, and that is really something that needs to be worked through with the people in the community in terms of what that different service model might be, because the traditional model of service for child care, long day care et cetera was seen to be not quite meeting all of the needs of the people in the community. So it is really working through, 'Okay, how do we design a different way of doing things?' and that goes to the regional deal and the way that we are doing things in the Barkly.

Senator McCARTHY: The Tennant Creek youth centre was expected to be opened by the end of last year. Is it up and running?

Mr MacKay: My understanding, or my most recent information, is that the construction tender for the youth facility has been awarded.

Senator McCARTHY: And who has it been awarded to?

Mr MacKay: I will ask Mrs Karlsson to add that detail, if we can. While Mrs Karlsson is finding the details of who the tender has been awarded to, I think consistent with what Mrs Karlsson was saying about child care, the location of the facility and the design of it, I guess, is something that's being done through co-design with Barkly residents.

Senator McCARTHY: With who exactly?

Mr MacKay: Certainly through the governance table and members of the governance table, but I can take on notice the scope of broader consultation on that facility.

Senator McCARTHY: So why is the tender out now when it was expected to be finished being built by the end of last year?

Mrs Karlsson: Sorry, Senator, can I just double-check this is the youth justice facility?

Senator McCARTHY: Yes, the Tennant Creek youth centre, which would incorporate that.

Mr Roper: Senator, while Mrs Karlsson is looking for the detail on that, perhaps I can talk to the general issues that have been faced in delivering projects in the region in the last couple of years. Obviously, as we'd all be aware, there have been restrictions placed on people's movements, whether they be lock-outs or lock-ins and border closures, for significant periods of the last couple of years.

Senator McCARTHY: Mr Roper, I wouldn't go there if I were you. This is something that began in 2019.

Mr Roper: Yes, Senator.

Senator McCARTHY: With these outcomes expected.

Mr Roper: And progress has been made.

Senator McCARTHY: In those areas the lockouts were just in December.

Mrs Karlsson: Senator, in relation to the youth justice facility, construction has commenced. I will need to check in terms of who that contract was awarded to, but the contracts were for off-site construction with on-site installation, subject to an ILUA, an Indigenous land use agreement, and the off-site fabrication has commenced.

Senator McCARTHY: What about the new youth centre promised for Ali Curung under this deal? Is that up and running?

Mr MacKay: My latest information is that Ali Curung youth centre is to be completed in the first quarter of this year, so by the end of March.

Senator McCARTHY: And who is constructing that?

Mr MacKay: I would need to take notice who's constructing that facility, unless my colleagues have got that. No. We will take notice who is doing the construction.

Senator McCARTHY: Alright.

Mrs Karlsson: Sorry, that's the youth infrastructure?

Mr MacKay: That is right, Ali Curung.

Mrs Karlsson: Sorry, the sporting and livability facilities. That's progressing. There have just been some delays because of the approval processes required by the Northern Territory government. The completion has slipped a little because of those approval processes. It will be complete before quarter 4 this year, so by the end of this year it will be complete.

Senator McCARTHY: So, out of the 28 projects promised as part of this deal, you have said three are complete?

Mrs Karlsson: Three are complete; that's right. And, in terms of the infrastructure build, we haven't commenced each of those major builds at the start of the deal. What we have wanted to do, and what the governance table agreed to do and thought wise, was to stagger those builds over the course of the deal so that companies outside the area wouldn't need to be brought in to do those builds. It's been staggered so that the economic benefits can stay within the region, because the regional deal isn't just about the cultural and social outcomes; it's also about the economic development aspect. The deal has been really keen to make sure that those builds are staggered so that the benefits flow around the companies in the region and so that local Indigenous trainees, for example, can get the benefit of 10 years worth of projects rather than just commencing everything right at the start. So it's been a very deliberate decision made by the governance table to stagger those out across the life of the deal.

Senator McCARTHY: Mrs Karlsson, \$78.4 million for the Barkly Regional Deal did give so much hope for people in the Barkly in 2019. Three projects out of 28 doesn't show any urgency whatsoever. I have to say—and this is not a question obviously—that it's deeply disappointing that we've come to this part of that cycle and all we can say is that possibly three have been completed when there is such great urgency out there.

CHAIR: Thank you, Senator McCarthy. We hear your disappointment.

Senator CHISHOLM: I have some questions in the Community Development Grants Program space. I want to follow-up on some questions that Senator Watt asked last time around the Rockhampton stadium. Can you provide me with any update on the project? Has due diligence been completed? What is its status?

Ms Hibbert: The project has been contracted. It was contracted on 20 January this year. The completion date is estimated to be October 2023.

Senator CHISHOLM: When you say 'contracted' does that mean an agreement was reached with the proponents?

Ms Hibbert: That's right and both parties have signed a contract and it has been executed so work could begin.

Senator CHISHOLM: How much is that worth?

Ms Hibbert: It was \$23 million.

Senator CHISHOLM: Does that mean that \$23 million has been transferred to the proponent?

Ms Hibbert: No. No funds have been transferred. The contract will have milestones and payments against some of those milestones. No payments will be made until at least the first payment milestone is met. So we pay in arrears.

Senator CHISHOLM: The Rocky Sports Club's financials for the past three years show it was technically insolvent at the time the grant was announced and remains so today. The current gap between liabilities and assets is about \$460,000. Is it appropriate for the government to hand over \$23 million of taxpayers' money to an entity that is technically insolvent?

Ms Hibbert: The government has made a commitment to fund the Rockhampton stadium and as part of the process we undertake a value-for-money assessment. I don't have an opinion on whether it's appropriate that the government funds this project or not, only that we do a value-for-money assessment and it is very robust.

Mr MacKay: I would emphasise Ms Hibbert's earlier answer. It's paid on milestones in arrears, so it's not transferring the funding in advance.

Senator CHISHOLM: Sure, but do you conduct due diligence on the organisation itself?

Ms Hibbert: We ask for information, including financials and so on, from grantees when we're assessing the grants. I don't have the information about this particular one with me.

Senator CHISHOLM: Did anything in their financial information ring alarm bells for the department?

Ms Hibbert: I'd need to take that on notice.

Senator CHISHOLM: I'm sure that's something you would remember. If you were thinking—

Ms Hibbert: I've got 1,400 CDG projects and 16,000 regional projects. I don't do the assessments myself; my team do. Nothing has been raised with me in that regard. I would know if it had been.

Senator CHISHOLM: The club's auditors seem to indicate that its status as an ongoing concern is contingent on a \$1.5 million loan from club president Mr Shuker not being repaid in the foreseeable future. Is that a concern for the department?

Ms Hibbert: I don't have information on that.

Senator CHISHOLM: Given the precarious financial position of the club, did the government seek any assurance that none of the taxpayers' money will be used to repay the loan to Mr Shuker?

Ms Hibbert: In the contracts that we provide, in addition to having to demonstrate that the milestones have been met—for example, you have to have done 10 per cent of the project or something like that—you need to show that you have eligible expenditure. So, if you don't have that eligible expenditure and you haven't spent it on the right things per the contract, we won't pay those moneys to you. That's how we manage our contracts.

Senator CHISHOLM: I note that Mr Shuker has established a for-profit enterprise called Rockhampton Sports Club Proprietary Limited to stand alongside the not-for-profit Rocky Sports Club Limited. Has the department investigated the relationship between these two companies?

Ms Hibbert: I don't have information to say that we have, so I'd have to take that on notice.

Senator CHISHOLM: You've got no idea about the purpose of the for-profit business?

Ms Hibbert: I don't know, Senator.

Senator CHISHOLM: In 2019 the Rocky Sports Club, despite being technically insolvent, purchased a bowls club in Toowoomba, which is now called Club Toowoomba. Are you aware of that?

Ms Hibbert: No, Senator.

Ms Pickworth: Under the guidelines for CDG, we—and Meghan's team does this—assess against the assessment criteria that are set out in the guidelines. So it's project benefits, project viability and sustainability, and grantee viability. The team who did this assessment would've looked at those things as part of their criteria for assessing this grant. As Meghan has specifically said, our ability to drill into great detail is limited in terms of what we've been able to prepare for estimates. We can certainly take on notice more detailed questions about this grant.

Senator CHISHOLM: Club Toowoomba has been the recipient of a government grant of \$1 million from the Building Better Regions Fund to pay for new bowling greens. Are you aware of that?

Ms Hibbert: I'm not, but I could find out if that was the case quite easily, Senator.

Senator CHISHOLM: So Rocky Sports Club merely leases the Club Toowoomba site. The land itself was purchased by Mr Shuker and another business, so the government has awarded taxpayers' money to a club controlled by Mr Shuker, and he personally stands to benefit from the improvements in the land that he owns. Is it appropriate for a sporting club president to personally benefit from the \$1 million grant to upgrade the greens?

Ms Hibbert: I don't have any comment or information about the dealings of Mr Shuker. What I can say is that the BBRF program, as I've said with the Community Development Grants Program, needs to show that you've spent the money on eligible expenditure in line with the approved outcomes of the project, and if you haven't done that you won't receive those funds from us.

Senator CHISHOLM: Does that sound appropriate to you, Minister?

Senator Duniam: In terms of the guidelines as outlined by the officers and based on the information available to them, a lot of your questions have been taken on notice. I think there's nothing more I can add about the details and whether they're appropriate or not, but I have every faith the officials do their job well.

Senator CHISHOLM: Is the department aware that two members of the Rocky Sports Club board of directors, Russell and Debbie Hughes, are the parents of the club general manager, Jack Hughes, and that he is a co-owner of a business with Mr Shuker called Entrada Solutions. Debbie Hughes is also the company secretary, and she and her husband are the only two directors to have attended every meeting last financial year. Is this something that was brought to the attention of the department?

Ms Hibbert: I'd have to take that on notice. I don't think that's the kind of information we would have on file, but I will check for you.

Senator CHISHOLM: Is the department aware of what Entrada Solutions does? Does it provide services to the Rocky Sports Club?

Ms Hibbert: I don't have that information with me. As I've said, the project's just been contracted, and we've done a robust value-for-money assessment. We've looked at key areas of risk around grantee liability, project liability, project sustainability and so on, and we've received approval to fund this project. That's the only information I have.

Senator CHISHOLM: Is there a process within the department if concerns are raised that these issues are revisited, or once those agreements are in place, does that mean that—

Ms Hibbert: The reason we have milestones in arrears is so that we keep in contact with the grantee and make sure that things are going well, and there are obviously clauses in the contract that state we can terminate the agreement if things are not being met, or you're not complying with what the agreement says.

Senator CHISHOLM: How often does that happen?

Ms Hibbert: We have had agreements terminated before, sometimes mutually and sometimes unilaterally, so it does happen.

Senator CHISHOLM: Thank you.

CHAIR: Thank you, Senator Chisolm. That completes this section of Regional Development, Local Government and Regional Recovery; Territories; and Cities. Did you have something you wanted to add?

Ms Pickworth: I have an answer to a question before about the RDA Pilbara—how much it cost. It was conducted by Protiviti, and it was \$40,859.23, GST inclusive.

CHAIR: Thank you very much. That completes this section.

Proceedings suspended from 18:25 to 19:30

Civil Aviation Safety Authority

CHAIR: I welcome representatives from the Civil Aviation Safety Authority. Ms Spence, do you have an opening statement?

Ms Spence: No, Senator.

CHAIR: Terrific. I'm going to start. Can I say at the outset, just to put some context around this, that I respect you enormously. I've watched you through estimates. You've always been frank with the committee. You're well informed. I think you're doing a terrific job with CASA, and I know that because people keep contacting me to say so. However—

Ms Spence: I knew there was going to be a 'but'.

CHAIR: Sorry! You know that I've been having this general aviation inquiry, and it's because I hear things that are bad, and they are cultural things. But it's very difficult to get people who are willing to talk publicly about it, because they're terrified—they're terrified that CASA will take their licence, involving them in a lot of legal fees, and that their life will unravel. We've seen the worst outcome of that with some of the people who've been before the inquiry. I have now received another one of those, but this gentleman has been incredibly brave and has given me permission to use his name and his example. It is a summary of every bad thing that we hear about CASA. So I want to do this publicly. I want to give it to you, because I want to give you the tools to say to the culture of your organisation: enough! This is no longer acceptable, because we're now in a perfect storm of having no pilots and no LAMEs. Regional aviation is on its knees.

This guy is from Orange. He has, over the last three years, been the target of an investigation by CASA that appears to have no end in sight—and I will give you a copy of his correspondence. He says: 'After concluding its first investigation on 23rd December 2020, after its start date of June 2019, I complied with all decisions and restrictions imposed on me and expected to have limitations lifted in December 2021. However, CASA started a new investigation in June 2021, and it is still ongoing. None of my previous enforcements have been lifted.'

The bits that particularly trouble me—and there are a lot—are about the use of former police officers to hound, bully and harass not only this guy but the people he does business with. There are allegations that they have told people to sign statements concerning this guy and his business and said that if they don't sign them they will be charged with obstructing an investigation. I've heard that over and over, and I can give you the names of the investigators.

The thing that he is now being harassed for is the exactly the same issue as for Glen Buckley—I'm sorry, not Glen Buckley, Mr Hoch—from Mount Isa, who was charging out his plane on a costs basis. This guy has done exactly the same—one to a member of our own parliament, who's been told not to pay the bills because it is somehow not okay to charge out a plane and have a commercial pilot fly it. Of course, this was in the middle of COVID. You couldn't get a commercial flight. Was there any leniency for this bloke? No!

You don't know his case—you know nothing about him—but, if this is the culture of what is going on in CASA, particularly during COVID, particularly with LAMEs and particularly in regional Australia, then this is appalling. CASA should be immediately disbanded if you can't get to the bottom of this, and, again, it is your legal department.

Ms Spence: I think I am aware of who you are talking about. I have had some background briefing on it, and, as with everything, there are two sides to this story, so I think—

Senator PATRICK: There are always two sides to these stories, but you are attacking our aviation industry and driving it into the ground. There will be no safety incidents because there will be no aircraft.

CHAIR: That's right.

Senator PATRICK: And this parliament has expressed a really clear view that you need to take into consideration our ability to grow our general aviation back, and you're not doing that.

Ms Spence: We're very committed to general aviation. We've been working—

Senator PATRICK: That's just a platitude! Let's see it grow.

Senator McKenzie: Chair, can I just intervene and remind everyone that respect—

Senator PATRICK: There are people who are really angry about this, Minister.

CHAIR: And this has been years.

Senator McKenzie: I understand anger, Senator Patrick, and probably a little more than you would actually appreciate. What I am asking for is a little civility and a little respect—irrespective of the substantive issue—for the officer that is here.

CHAIR: That's what's missing for these pilots and businesses who have just been destroyed. This pilot has admitted that he didn't get his medical done in time, and that started an avalanche.

Ms Spence: Obviously, as you said, I think I know the individual is. I don't have the details in front of me, but I would emphasise that, notwithstanding what Senator Patrick just said, there are two sides to this and there are some issues around the way the person—if I'm thinking of the right person—was operating. It's an issue that we've seen in the US; the FAA have been very concerned about the grey lines between commercial and private operations when you're paying for services.

I won't pretend to know the detail, because I'm concerned I might have the wrong person, but we will look into it if you feel comfortable providing the detail to me, and we'll make sure that we give you a more fulsome response around the issues involved.

CHAIR: Just remember that this bloke was hiring out planes during COVID when there were no flights.

Ms Spence: I understand what you're saying, Senator, but we are also—

CHAIR: It was a fully maintained plane with a commercial pilot who couldn't get any other work.

Ms Spence: As I said, I think it's better I take the detail on notice and get back to you with a more fulsome response.

CHAIR: That is a very reasonable answer, so thank you, but my concern is the allegations of having ex-police investigate these matters in a heavy-handed way. I've got a list of people who have come to me with this, but they've said, 'We're terrified. Do not say our name to CASA, because we will never fly again.'

Ms Spence: All I can say is that I'm getting a few approaches from industry people who are confident to talk to CASA about the details, and some of the stories haven't been pretty. But sometimes, as I said, there are also occasions when there's an acknowledgement that some people haven't done the right thing on the other side of the industry as well. It's not unusual in enforcement areas to have ex-police officers to be involved, but I take your point around making sure that we have a measured approach in terms of how we engage.

CHAIR: If I can find one person who'll go on record as saying that they were told that, if they didn't sign a statement about this matter, they would be charged, then that's not okay.

Ms Spence: No, it is not okay. Again, we'll look into it. I'll make sure we can give you a more detailed response in terms of the specifics, including making sure that there's a clearer picture of any issues with the way the operator was operating at the time.

CHAIR: I'm just concerned that the reality is that we have no flying schools left, or a reduced number of flying schools, and almost no LAMEs at all. Surely that's a more dangerous situation than one where we're able to work with people and say, 'Right. What was the problem? You need a penalty.' His licence was suspended for 12 months—that's your penalty for not having your medical done in time. There's no suggestion that he was crook or that he was a danger to anybody, and now he can't even get his licence reinstated.

Ms Spence: As I said, I would much rather give you a more detailed answer once I have all the facts in front of me. As for the point around pilots and LAMEs, that is something we're looking at very closely through the general aviation workplan that we're developing, which won't just be platitudes—we are identifying specific issues and working through the issues that have been raised with us. It will be a public document, and people can hold us to account and measure our performance against what we say we'll do.

Senator PATRICK: Make sure you name some of the people involved inside CASA, because we have a situation where this happens again and again and again, and there is an immunity that sits behind you as the CEO. If your officers are doing the right thing, they won't have any difficulty being named, and if they are doing the wrong thing they ought to be named as well. People need to understand who these people are that are basically attacking our general aviation industry.

Ms Spence: I appreciate what you're saying, but I also want to stand up for the organisation that I work for. There are many people who are incredibly passionate about aviation who work in CASA. I know people hear stories about people who aren't doing the right thing, but the vast majority of the people who work in CASA are committed to aviation. I just want to get that on the record.

Senator PATRICK: How do we get to the situation that we get to?

CHAIR: And why does nothing ever happen to the people who are doing the wrong thing?

Ms Spence: I would argue that's not the case.

Senator PATRICK: How many people has CASA fired for overreach? That's a reasonable question.

Ms Spence: We look to make sure that we operate consistently with what our regulations require.

Senator PATRICK: I am happy for you to take the question on notice. It's a genuine question.

Ms Spence: I'm very happy to take that on notice.

Senator PATRICK: Thank you. I suspect it's none.

Ms Spence: What I'm saying is that we do take action in relation to suggestions about people going beyond what the regulatory framework requires.

Senator PATRICK: Maybe you can also give us the number of people who have been subject to administrative action inside your organisation as well.

Ms Spence: Yes.

CHAIR: Thank you. I will pass this on to you, Ms Spence, and I wish you luck, because I think the culture in your organisation is rotten. If your investigators and the rest of the staff lived in the regions and worked with these pilots, and if they weren't all obsessed with focusing on Qantas and Virgin and the big end of town and they understood what it was like to operate a regional business in a regional place under the extraordinary pressures that we've put them through through regulation, you might have half a chance.

Ms Spence: I can assure you that in the time I've spent at CASA since May last year the vast majority of my time has been spent around general aviation operators and regional operators. We meet with Qantas and Virgin, but it has been much more around how the smaller operators were dealing with the flight ops regulations and fatigue rules. That has been the focus since I joined.

CHAIR: Thank you. I am sorry that this is—unfortunately you have taken on a very difficult role. This is just one more example of a business that has been, I think, incredibly poorly treated under the name of regulation and safety by bureaucrats who operate out of Canberra and just don't care.

Senator McCARTHY: I have some questions here, Ms Spence, on behalf of Senator Sheldon, who may appear during this, but I will put the questions on his behalf. At the last estimates on 25 October, you spoke about the just culture and an issue with a Rex engineer who was given a last and final warning letter by Rex for reporting a safety issue. You said the issue was more complicated than was being described but that you would have to check the details. Could you share any new details with us now?

Ms Spence: At the time I think I offered to do a briefing to the committee. That offer wasn't taken up. I'm sorry, but there is nothing further that I can really think of to say at this point in time.

Senator McCARTHY: Why did you say you would provide further details and not have that—

Ms Spence: As I said, I offered to do a briefing for the committee at the time.

Senator McCARTHY: We are here now.

Ms Spence: I'm sorry, I don't have any information with me now, because I thought that, given the offer wasn't taken up, there wasn't an interest in the issue. I apologise.

Senator McCARTHY: Are you saying that you don't know anything about this now, even to talk about it?

Ms Spence: No, I'm not saying that. I'm saying that I don't have in my briefing pack the details of that specific issue.

Senator McCARTHY: If someone is listening, can they get that briefing pack for you?

Ms Spence: As I said, I don't have a briefing pack on that issue, so I can't answer the questions there. There's no-one here who can do that, I'm sorry. If I'd known that people were still interested in this issue, having offered the briefing and it not been taken up, I assumed wrongly obviously that there was no interest in the issue.

CHAIR: A briefing to this committee?

Ms Spence: That's what I offered at the last Senate estimates hearings.

Senator McCARTHY: The Australian Licensed Aircraft Engineers Association has raised the issue of another Rex engineer who has been treated in a way that is contrary to the principles of just culture. I'm talking about an engineer who was subject to disciplinary action after the aircraft he was taxiing clipped a bin. The engineering investigation found that the line markings on the tarmac for taxiing were in the wrong place and had been incorrectly marked, and no fault was attributed to the engineer. The Rex general manager, however, ordered an investigation be conducted by human resources and determined that the engineer was professionally negligent. Has this been reported to CASA and are you aware of this?

Ms Spence: I'm not aware of it. I will have to take on notice whether it was reported to CASA.

Senator McCARTHY: I do understand that the association has reported it.

Ms Spence: I'm just not aware of it, I'm sorry.

Senator McCARTHY: The association says the engineer was then issued a show cause letter at the direction of the Rex chairman who was situated in Singapore and this was removed following the Fair Work Commission intervention. The general manager then decided to issue instead a letter of warning and revoke the engineer's taxi authorisation and his training and assessment authorisations, and remove the associated monetary allowances to

send a signal to all in Rex engineering. Do these actions comply with the just culture requirements CASA has legislated for the industry?

Ms Spence: Not having the full information in front of me, I don't want to speculate on that question. I don't feel prepared to be able to answer the question without full information in front of me.

Senator McCARTHY: All right, let's step away from the actual example and let's say it's hypothetical. Do these actions comply with the just culture requirements?

Ms Spence: Without full information, I'm not here to answer hypothetical questions.

Senator McCARTHY: I don't think you're here to answer any questions by the sound of it.

Senator PATRICK: PM&C's guidelines in relation to estimates require officers to turn up and be prepared to answer questions. They should have a reasonable understanding of likely questions and you should have officers in the room who ought to be able to answer questions.

Ms Spence: Given the lack of interest when I offered to do a briefing to the committee, I did not expect this line of questioning. I apologise.

Senator McCARTHY: Seriously?

Senator PATRICK: Maybe we need to have a spillover hearing.

Senator McCARTHY: Absolutely.

CHAIR: Ms Spence, you offered to organise a separate briefing and the *Hansard* from last estimates states: As I said, Senator, I wouldn't describe it in the same way that has been put to me in your line of questioning. To ensure you had a more comprehensive picture, we would be very happy to organise a separate briefing for you or the committee more generally.

Two questions and two responses later, Senator Sheldon said:

Thank you for your offer to come back with the details to the committee. That would be a great deal of assistance. Thank you. But we didn't hear anything. I assume that is the briefing you were offering?

Ms Spence: Yes. My recollection is that we did follow-up through our parliamentary team to see if there was an interest in having the briefing. The secretariat is looking at me quizzically. I had asked them to do that; I'm not sure if that actually occurred.

CHAIR: Who is the parliamentary team at CASA.

Ms Spence: We have a small section that deals with government correspondence and parliamentary liaison.

CHAIR: I've never come across anybody.

Ms Spence: It is small. It is more of a coordination team.

CHAIR: This is another example of where the committee is trying to help. We are trying to put our hands into these issues and solve them for pilots and maintenance crew, and nobody has followed up on that. Now, you're left in the difficult situation of having to go back to your team and say—

Ms Spence: We need more information. We will provide something in writing to the committee. We will take it on notice.

CHAIR: I think it is another day though I'm sorry to say.

Senator McCARTHY: We were told CASA was first made of this issue in May 2019 and that the association continued to raise the issue with CASA throughout 2020. Is that true?

Ms Spence: I'm sorry, but I arrived in late 2021. I'm not arguing that the association continued to raise it with CASA, but I wasn't there and so I can't answer that.

Senator McCARTHY: Will you be able to find out?

Ms Spence: Yes, of course.

Senator PATRICK: Is there no-one behind you that's familiar with this?

Ms Spence: I think this would possibly predate some of the people behind me as well. I'm sure they would run to the table if they had an answer that would help me at this point in time.

Senator PATRICK: Okay.

Senator McCARTHY: Has CASA undertaken an assessment of whether Rex is complying with the principle of just culture?

Ms Spence: Not to my knowledge.

Senator McCARTHY: It seems like there is a trend of Rex acting against just culture and discouraging a safe work environment. Ms Spence, I will certainly be looking forward to a spillover on these questions.

Ms Spence: Of course.

CHAIR: Senator Patrick?

Senator PATRICK: Thank you. I want to go to an answer that was provided to me last time around—committee question No. 66. Have you got that one before you?

Ms Spence: I don't have it in front of me, no. If you tell me what the question was about—

Senator PATRICK: It was about search and rescue helicopters. I'm sorry, I didn't quite understand this answer, but it's a good starting point to work from so let's go from there. I guess I was trying to look at the aircraft that I see flying around Adelaide quite regularly, which is the Agusta Bell 412, I believe, a single engine search and rescue aircraft. You've said that there's a new regulation that commenced on 2 December. It is not clear to me, in the way in which you have written this up, because you basically say you take a risk-based approach to operations and I don't know enough detail about how that risk is assessed. As a result of that part 138 being updated is there any change in the operations of those particular helicopters in Adelaide? Are there any things they can't do now that they could do before, or that they can do now that they couldn't do before?

Mr Monahan: In a more general sense, I think the last time we spoke the question was about a single engine versus a two engine and the redundancy that goes with that. You can make up for some of the lack of a second engine to provide that ability to maintain, in particular in something as risky as a search and rescue where you're hovering close in unusual locations—so having that redundancy of a second. There are other things you can put in with it, sometimes an autopilot or a secondary fuel system or secondary flight control systems that go to some of those discussions. But it would be very dependent on the airframe you have and what type of aircraft. If it's a piston versus a turbine—turbines are a little more reliable and considered to have some advantage. As we spoke last time, if we can get the specificity I'm glad to give you a breakdown of what that aircraft might be able to do to help the cause.

Senator PATRICK: I'm going to a specific aircraft and a specific change in regulation. Is the company that now operates these search and rescue aircrafts constrained in any way as a result of the changes?

Mr Monahan: I would have to look and work with the oversight side to see what they want to do with it to see if that's restrictive to what they've asked, or if there's something they want to do with those aircraft that falls outside of that. It depends on what they're asking. It sounds like what you've described is that they feel they may not been able to do something they used to do in the past, but I'm not sure what that might be right now.

Senator PATRICK: Okay, because that's the dominant rescue service that I see. I guess there's SAPOL as well which has some rescue capabilities. What worries me is that we might have brought in regulation that, again, seeks to fetter what an aircraft might do in circumstances where I am not aware, and I could be wrong, of those aircraft having been involved in incidents in the past. You end up constraining them in some way, not on the basis of a past experience, but simply because someone in Canberra wants to make a change.

Mr Monahan: It's certainly not our intent to try to hamper anybody from doing as much as they can with any aircraft they possess. Again, depending on what they're currently doing and what they want to do in the future, or if they feel, of the things they've been doing under Part 138, that they're no longer able to do one portion of that, we're absolutely happy to have a discussion with them to try to figure out what it is and see if we can get them to be able to do as much as they can with it.

Senator PATRICK: The answer might be they can do everything they could do before—

Mr Monahan: Potentially, yes.

Senator PATRICK: They may have had to make a change, but they can do everything they could do before. That's the sort of thing I'd like to have taken on notice. Hopefully, if we end up with a spill over, we might be able to explore this in greater detail at the next session.

Mr Monahan: The aircraft you're talking about is a rescue Bell 412.

Senator PATRICK: Yes, it's a red and white MAC service. I say this because most of the aircraft that you see—the Westpac rescue aircraft—are the more modern aircraft flying around the east coast. We don't necessarily have the luxury of having those particular aircraft available for us in South Australia, and that's why I'm bit concerned about it. I think most of those Westpac helicopters are twin engine, aren't they?

Mr Monahan: Correct. I'll look at what that single-engine type aircraft, the 412, possibly could have done in the past and if there are any substantive changes currently.

Senator PATRICK: It would be the case that, when this change came out, they would have to look at their flight manuals and operation manuals, I would presume. So perhaps the best way would be for you to contact them.

Mr Monahan: That would be great. That would help us define—to give you a more fulsome answer.

Senator PATRICK: I'm asking perhaps if you might have a look. They're a commercial entity.

Mr Monahan: Sure.

Senator PATRICK: I'm looking at this from the outside. They haven't contacted me. Others in industry have raised a concern about it. I think you're in the best position to be able to look at that, and I'd be grateful if you could.

Mr Monahan: Absolutely. We'll reach out to the operator and get to the heart of it. One of the other options that's always available while we have the regulation, is the ability to discuss what they want to do and if there are other ways to accept all needs for compliance to offset the risk, or perhaps do something slightly different that will suit their needs. There's always that option available.

Senator PATRICK: If there is no change, then you don't have to have the discussion. If there has been a change where they're constrained in some way, I accept that there might be other ways of doing things. But, again, I'm interested in this because it's very easy to sit here and drive regulations that then drive costs, which then cause general aviation to say, 'Well, we're not doing this anymore.' I'm not saying that's what has happened here, but that's the exercise I want to look at.

Mr Monahan: Certainly.

Senator PATRICK: Thank you very much.

CHAIR: Is this an issue of emergency services, or the Westpac choppers?

Senator PATRICK: We don't have the luxury of having twin-engine Westpac rescue helicopters in South Australia. We have these MAC Bell 412 aircraft that are single engine. We've seen a regulation change, and I'm wondering how that affects their operations, because that's predominantly all we have in South Australia. It had been described to me that there might be some restrictions on winching and so forth, and that seems fundamental to what a rescue helicopter would do. Again, going back to the past, if they were winching in the past and there had been no issues associated with that, but we bring in a regulation that then stops them doing that, you take away something from my community.

Mr Monahan: I understand your question.

Ms Spence: Senator, are you able to give us the name of the operator for us to follow up with them?

Senator PATRICK: I think it's called MAC helicopter services. They are the red and white Bell 412s. There's probably only one operator in SA. I actually haven't talked to the company.

Ms Spence: That's alright. That gives us enough to go on.

Mr Monahan: That's enough for me to go on. We'll reach out to them and figure out what it is.

Senator PATRICK: And it might be nothing at all, in which case the people who've talked to me might all be wrong.

Mr Monahan: Or if there's a difference, we'll explain why the difference.

Senator PATRICK: Thank you.

CHAIR: On emergency aircraft, I heard either during the bushfires last Christmas or the Christmas before about being able to take firefighters or other personnel onto aircraft. And I understand that now specifically the Black Hawk is not able to take firefighting personnel on the Black Hawk to fly between operations. I wonder whether you could talk me through how it's okay for Army personnel to be in a Black Hawk but it's not okay for rural firefighters who are going into tricky situations and need to get there urgently.

Mr Monahan: That's a request to use a defence helicopter in a civil manner that is typically run through a restricted type certificate process. CASA has a restricted type certificate process that is harmonised with the US and has roughly nine different things you can do under it, and the idea of that structure and that framework is to enable you to quickly go through and address those things. Of that list, one of them is not carrying passengers.

Now, the difference between a defence and a civil aircraft is that they're designed very differently from the beginning. So, they have different things. For some of them there will be overlap. Obviously there are certain safety measures. But they are designed for a different purpose. It doesn't mean they're better or any different from

one another, but they have different purposes, so they have different structures. I would argue that a portion of what the defence design has will marry up fairly well with civil design.

But there's a large swathe of things where, for the civil side, we don't know how they comply with the civil requirements. That's what the RTC, the restricted type certificate process, does. It allows the defence aircraft to map across, but there's still going to be an element of unknown. It's not a matter of what we know and then there's something wrong with it; it's a matter of what we don't know about the design of the aircraft or whether it meets the civil standard. And the expectation is that, while it is a risky job, when they get off the airplane we want that to meet the civil standards while they're on the aircraft, because they are passengers in the eyes of the regulations.

Ms Spence: We are working very closely with the New South Wales fire services just to understand what they want to do with those Black Hawk helicopters. We do see them as being an important part of the aerial firefighting capacity that we know is really needed in Australia, given our bushfire situation. But what we don't want to do, for firefighters who are already going into a very risky environment—flying in smoke over bushfires—is to make it any worse because we don't have full information about the history of the aircraft involved. So, it is something that we're working very closely on, but we are making sure that we're following what our regulations do and also that it's consistent with what's happening in the US, so it's not as though we're out on a limb in the way in which we're operating.

CHAIR: So, just 'spitballing': this is an aircraft that is designed to fly and to not have heavy landings, and it's an aircraft designed to carry stuff, including the pilots and sometimes Army personnel, yet somehow, magically, because it's stopped being Army, it is now not suitable for other humans. And I listened very carefully when Mr Monahan was talking about how 'we don't understand what it will do'. Well, it flies and it carries people. This is the problem: when this comes up again, and there's another bushfire, and we are answering about why we can't get firefighters onto a firefighting aircraft, saying, 'Oh, but it may not be safe' just sounds ridiculous—for a country that has prided itself on being solutions-focused and practical. We're just run by lawyers, are we?

Ms Spence: There are other options that are available, if that's what the firefighting services want to do, to have helicopters taking—

CHAIR: I'm sure they don't have—

Ms Spence: Like I said, we're working very closely with all the fire services in the states and territories. We're not trying to be difficult. We are trying to find ways through, but this one would require a significant amount of work to be done to understand the structural design and the differences between a civil and a military engineering background.

CHAIR: Senator Mirabella.

Senator MIRABELLA: I'm a rural firefighter and I'm also a former soldier. I'm not an expert on airframes or whatever, but I find it very hard to believe that anything you would do in a fire situation would be any worse, any harder on the aircraft, than what I've seen in the Army. Does it basically boil down to: you're using a particular civilian standard that implies that the airframe is not as airworthy? If that is the case then surely what you're doing is risk mitigation, because either it's airworthy and fit for purpose or it isn't. So is it the case then that you're saying, 'It's sufficiently airworthy to carry a crew of two with all the payload you like, but it's just a risk mitigation exercise, because if it does go down it's going to kill fewer people'? Is that what you're saying?

Ms Spence: You are right—and Chris can correct me if I'm wrong—we are looking at what a civil standard would be, and that's why we're looking at the Black Hawk. Yes, they could use the Black Hawk for specific activities, as Chris indicated, that are allowed under the RTC. Whether you say it's risk mitigation or just making sure that we're not making a dangerous situation any worse by putting the firefighters into those aircraft, we're working within the framework that we have and—

Senator MIRABELLA: When you say 'making a dangerous situation worse', are you talking about the payload or are you talking about a casualty minimisation approach? That's what I'm hearing here.

Ms Spence: I suppose you're right—it's basically saying you'd have fewer people on the plane. Chris?

Mr Monahan: You're right: there are two pilots at risk in that aircraft when they're doing firefighting operations. Under the restricted type certificate, firebombing, where they can drop water—that would be part of a certificate, if they could map the engineering to it. There isn't a commercial passenger version of that mission, whereas carrying people from A to B is a commercial activity, in terms of the passenger activity, because they're not part of the aircraft; they're being lifted.

We have spent a great deal of time working with the fire service to try to find a way. The RTC construct isn't the best mechanism, so we've continued to have a dialogue with them to try to find a way to learn more about that

on aircraft, to find a way to map it across. But it's very engineering-intense to try to ensure. Again, I think you would have an expectation that we would have that aircraft up to civil standards before we allowed people to go do something in it and carry people in it. So we're trying to bridge that gap. We haven't been arbitrary about it. We're trying very hard to find a way to optimise these aircraft as best we can.

Senator MIRABELLA: First of all an observation and then a final question: in recent years, in firefighting in south-eastern Australia, particularly in Victoria, we've really increased the emphasis on immediate air assets. We have a lot of air assets on standby, and, as soon as a call goes out, we try and get air there as soon as possible because of the consequences. You can put out the biggest bushfire known to man with a bucket of water if you get to it when it starts. So that's a fundamental approach that is being taken by the fire services now. As a firefighter, I would much rather take my chances being able to get into a chopper now, if that's the only chopper available, and getting a crew to that lightning strike or whatever it is. The risk of letting that fire go for another 15 minutes or half an hour, while we get something else there, is immense. I will finish with a question: do we know whether these aircraft are in use for carrying firefighters in North America?

Mr Monahan: To the best of my knowledge, they are not. In fact, in their approvals for the Black Hawk, the FAA specifically don't allow people to carry passengers under an FAA approval. There is a public use category, which is very different and something that doesn't exist in Australia. They do firebombing, to the best of my knowledge.

Senator PATRICK: Why don't we have those sorts of things in Australia? Why isn't there something? The picture is you have got an Army helicopter that is flying soldiers around, and then you change the paint scheme and suddenly you can't fly firefighters around. Anyone who is watching this would go: 'That doesn't make a lot of sense. That's a whole bunch of legal fettering by CASA.' Now, maybe there are rules, and you don't want to bypass rules, at least not without some due consideration. But surely we can have the mechanism for someone to sit down and go, as Senator Mirabella has suggested, 'There is a real need to get this to a lightning strike quickly, otherwise we are going to endanger houses and other lives.' Recognising these people step off the aircraft into a dangerous environment, it just seems to me that you don't look at the whole picture; you are focused wholly and solely on your set of rules.

Ms Spence: As I said, we are working very closely, and we are trying to understand the outcomes the fire services need. We do see aviation as being at a really important part of the firefighting capability of the country. In many ways, it's a growing understanding of how these aircraft can be used. We are focused on the moment on the immediate firefighting capabilities of these aircraft and making sure they are used appropriately—

Senator PATRICK: Have they got approvals yet?

Ms Spence: I don't even think they have—

Mr Monahan: To my understanding, they don't even possess them yet—the airframes. That would be to the best of my knowledge.

Senator PATRICK: That doesn't mean you can't be prepared to be able to say, the moment they have them, 'We are ready to go.'

Mr Monahan: We have been working with them for quite some time. We would agree that more aircraft and more boots on the ground are force multipliers to help the mission. We are trying to find a way. As I mentioned earlier, the RTC construct by itself is built to help get people through quickly, but this one falls outside. It doesn't mean we can't have that discussion, and we are engaged with them now to try to find a way to do something and find a way.

But one of the differences is it's not an arbitrary legal thing. For our airworthiness, we are concerned that when you use it—an aircraft is designed to do one mission in a particular way and it is built and expected to fly that way. If you now fly it in a different way—it seems simple, it seems like they are identical, but they are not. The question is: is there any difference in fatigue? Is there any difference in the wear? Is there any difference in the inspection cycles required because of that? It also must meet what your expectations are—to have a civil protection—because that is the standard; we are not doing civil to a lesser standard. That's the operation they are currently doing. We don't have a new category for it.

Senator PATRICK: It seems to me the approach is you take something and go, 'Right, let's just not do it until we go through all of these things until we say we can do it,' instead of saying, 'It was flying these soldiers around, so let's just put a temporary "You can fly these things" on it and work your way through the other way to work out if there is some reason we shouldn't let this happen.'

Ms Spence: I actually think that is what we are doing. We are allowing them to be used for a range of functions that will directly support firefighting activities. As we get more familiar with the way in which they are

operating and working through the issues, as you say, the next question would be around carrying passengers. We're not saying you can't use them at all until we have done this work; we are doing it in an incremental way. There is a range of functions they can actually be used for. As they are introduced, as Mr Monahan has already said, we will continue to work with New South Wales and the other states and territories on how they want to use these assets.

Senator PATRICK: Did we have a situation where the same thing occurred with the 737?

Ms Spence: We worked through that with New South Wales around carrying firefighters who are directly associated with the mission. I think that is where it has actually landed now, and a small number of people—

Mr Monahan: They had two missions, and we have other helicopters that have a dual mission that have to be certified to both standards as well.

Senator PATRICK: But, again, anyone who has ever flown in Australia has flown on a 737. That's just the aircraft that is used everywhere in Australia. The idea that there's a 737 sitting over there and you're not going to let people on it is just beyond belief to most people. It's why people look at CASA and go, 'You guys need to be drug tested'. That's kind of where they're at.

Ms Spence: As I said, we have worked through the 737 issue with New South Wales and [inaudible]

Senator PATRICK: Can they now fly with people on board?

Ms Spence: A small number of people is my understanding—about five.

Senator PATRICK: Again, for someone who flies on these aircraft every week, how many people have you restricted them to?

Ms Spence: I think it's five, isn't it?

Senator PATRICK: Five?

Mr Monahan: Five. Last recollection it's—

Senator PATRICK: How many do they want?

Mr Monahan: They have seats that carry substantially more. I'm trying to be cautious here because this is not my main area. My last recollection was that—that's an aircraft with a US tail number on it at the time, and it needs an approval from them, and the US the FAA had not approved them for full passenger carrying. They would have to demonstrate some aspects of a passenger-carrying airline here, which they can do and they were on-boarded, but they didn't have the approval. So they had to demonstrate some proficiency, and that was what took quite a bit of time because they have two missions. They have the water bombing issue, where they're carrying a large amount of water and a big device, and then they switch over and they stop and they carry people. To carry the expanded number, which again is another multiplier, we just needed to work through the process, and I believe the vast majority of those things have been resolved but I have to be careful of stepping out of my area.

Senator MIRABELLA: I haven't seen the original spec but I imagine the Black Hawk was designed with a first order capability of carrying eight to ten heavily laden soldiers as a first order priority. I'll stop banging on now, but I just fail to see how that is any less of a mission than carrying a number of firefighters. That's a comment.

CHAIR: Well, now I'm worried. Now I'm really worried. Because the helicopter has just landed next to a fire that has been started by a car accident and there's three injured people next to it. Are you telling me you won't pick them up and take them somewhere? You couldn't, could you, under the rules?

Ms Spence: I think there are always mercy flight provisions when it comes to the safety of human life. If you had to get someone out to a safe provision then of course CASA is not going to charge people—

CHAIR: You're not going to charge people afterwards?

Ms Spence: No.

CHAIR: You're not going to send in the coppers to investigate?

Ms Spence: Or the former coppers, Senator.

Senator PATRICK: Actually, that did happen with medical transfers a couple of years ago, where you stopped people being medevacked in jet aircraft. That actually happened a couple of years ago. It was quite a big deal in this committee.

CHAIR: Okay. I think you can see how, to the ordinary person on the street, it seems like just sheer lunacy; you can fly this aircraft safely over here with these humans on it. But, if you put these other humans on it—who are by the way still in emergency services, wearing uniforms—this aircraft does not become any more dangerous;

you wouldn't assume that the Army is flying a dangerous piece of machinery. Yet we cannot find the regulations to fix it. If CASA had a minister sitting as a CEO, can you imagine what the opposition would be saying now? They would be baying for blood. But you all don't have the genuine privilege of being elected by people, so this safety provision has just become like molasses around your feet.

Ms Spence: As I said, we are looking at how we can—it's not as though we are simply saying they can't operate until we've sorted everything out. We haven't even actually got an application for them to operate but we've already identified those areas where they can be used when they have their RTC, and we'll continue to work with New South Wales on how we can address the issues that the committee is raising with us.

CHAIR: Thank you. Senator Roberts.

Senator ROBERTS: Thank you for appearing here tonight. For the period 1 July 2020 to the current date, could you please provide, on notice, a report detailing all aviation safety incidents where COVID and/or a COVID vaccination is mentioned as a contributing factor?

Ms Spence: We'd have to take that on notice.

Senator ROBERTS: Secondly, are there practices in place to ensure that aircrew do not fly immediately after a COVID vaccination or booster? And, if so, what are they and why were they determined to be necessary?

Ms Spence: I'm not aware of any restrictions.

Mr Marcelja: I'm the Acting Executive Manager for the Stakeholder Engagement Division, and aviation medicine sits within that portfolio. The way we treat vaccination for COVID is the same as any other vaccination, so it's got a 24-hour exclusion period after you're vaccinated.

Senator ROBERTS: Thirdly, we're informed that there was an incident where the flight crew of a commercial aircraft turned off fuel to both engines during flight. We're informed that a potential factor in this incident was COVID vaccination and the brain fog that sometimes comes. Can you please provide full details of any incident resembling this description and provide full details of the investigation report and recommendations, on notice.

Ms Spence: That one might actually be better directed at the Australian Transport Safety Bureau, but we'll see what we can find at our end as well.

Senator ROBERTS: Have there been any similar incidents where the reported cause was a TIA or transient ischaemic attack—a minor stroke?

Mr Marcelja: We haven't had any incidents reported to us of that nature at all, in relation to COVID vaccination. We'll check, on notice, but, to my knowledge, we've had no incidents reported to us.

Senator ROBERTS: How long after having had COVID-19 or a COVID-19 vaccine are aircrew allowed to pilot a commercial aircraft? I take it it's 24 hours after a vaccine. What about after COVID?

Mr Marcelja: After COVID, it's treated in the same way as any illness is. So it's up to the pilot to assess whether they're impaired or not, and if the impairment goes for more than seven days then they're required to see a medical examiner to clear them back to line, and that's standard for any kind of illness.

Senator ROBERTS: Thank you. I appreciate your direct answers. That's it, Chair.

CHAIR: Thank you, Senator Roberts. I believe that brings us to the end of our questions for CASA for the moment. I look forward to your conversation as you leave here and the first person—who now won't say this—who says: 'Can you believe how little they understand about how we're keeping people safe?' It'll be hovering on somebody's lips. It's really distressing, on the other side. Thank you, Ms Spence. You are doing a great job, though. Everybody in industry tells me so. Go with that happy thought!

May we now hear from the Australian Rail Track Corporation.

Australian Rail Track Corporation

[20:28]

CHAIR: ARTC is ready to go, so we are going to go first to Senator Chisholm. I believe you have questions, or would you like to start with—oh, I'm so sorry. Before we commence, do you have an opening statement?

Mr Campbell: I do, thank you.

CHAIR: Thank you for reminding me, Secretary. Please go ahead.

Mr Campbell: Thank you, Chair; and good evening, Senators. The Australian Rail Track Corporation, ARTC, welcomes the opportunity to be here today and answer questions from the committee. I am the CEO and Managing Director of ARTC. I would like to introduce my team here ARTC: Rebecca Pickering, interim Chief

Executive, Inland Rail; and Simon Ormsby, Group Executive, Interstate Network. The last year has been challenging but reinforces the importance that transport supply chains and the critical role ARTC play in nation's freight industry to ensure the safe passage of goods to Australian consumers. Chair, can you hear us okay?

CHAIR: You are breaking up a little. Can I ask that you try and speak more directly towards the microphone.

Mr Campbell: We're getting a lot of background noise from your end.

CHAIR: Yes, because people are struggling to hear you, I think, so please keep going.

Mr Campbell: Will do. We've seen an unprecedented flooding across Australia in the past 12 months, most recently in central South Australia where parts of the ARTC network between Adelaide and Tarcoola saw over 200 millimetres of rain fall in a 24-hour period. Some of these locations see less than that in an entire year. The flooding caused damage at 18 sites over a 300-kilometre stretch of track between Adelaide and Tarcoola. ARTC crews have worked tirelessly to reopen the line, using significant quantities of raw materials and heavy machinery. As communicated broadly last week, the line will be reopening tomorrow. We ran three test trains today. I want to take this opportunity to thank all those involved for their efforts in the repair works and for their collaborative approach. I also thank our customers for their patience and the government and the community for their collaborative efforts as we sought to recover the rail line.

I'm proud of our workforce across Australia, particularly our frontline staff, who work day in, date out to ensure we support our customers and the community throughout what has been a difficult time. In rising to the challenge, our company, like many others, has worked through these challenges with communities, customers, stakeholders, councils, and state and federal governments to ensure we keep freight moving and that our major infrastructure program is largely unaffected.

ARTC continues to invest in key infrastructure projects to boost efficiency and productivity and meet the country's growing interurban freight task, which is expected to rise 60 per cent between now and 2040. Of course, the Inland Rail project is the most significant of these, and we are making progress. In New South Wales, the Parkes to Narromine section is complete, and construction is well underway now on the Narrabri to North Star section. In addition to the Inland Rail, ARTC has commenced early works on the Botany rail duplication and the Cabramatta loop project. These are just a few of the key projects we're delivering to ensure we can meet the increased freight task and provide an efficient network for our customers.

Since we last met, the Australian government responded to the Senate inquiry into the Inland Rail. I'd like to acknowledge the contributions of the many individuals and organisations who participated in the inquiry over the last two years. Building the Inland Rail is about working together, and our priority is to continue to work with landowners, key stakeholders and government through meaningful engagement and consultation. The Senate inquiry process has been a valuable opportunity to hear the different perspectives about the project and to hear the history, rationale and detail behind the development of this important infrastructure.

We are committed to the delivering an inland rail that enhances connections across the national network and provides benefits for all Australians. If last year has taught us anything it's that we must be prepared for anything.

CHAIR: Thank you very much, Mr Campbell. We'll turn first to Senator Watt.

Senator WATT: Thanks, Mr Campbell, and to your team. We had a little bit of trouble hearing you, so sorry if I cover things that you've already addressed. I think you said that the rail line through South Australia will be repaired by tomorrow.

Mr Campbell: That's correct. We finished the repairs and have run test trains today, and we expect to resume normal service tomorrow morning.

Senator WATT: That means that services from Adelaide all the way through to the Northern Territory will resume?

Mr Campbell: That's correct, both east-west and north-south.

Senator WATT: I sort of lost track of this, but the east-west services connecting Adelaide and WA have also been interrupted. So they'll be back up and running from tomorrow as well, will they?

Mr Campbell: Yes, that's correct, Senator. The part of the network that was affected was effectively between Port Augusta and Tarcoola, so that affected both Adelaide to Darwin and Adelaide to Perth.

Senator WATT: Do you know yet what the cost of those repairs will be?

Mr Campbell: We don't fully understand that yet, but we would suggest at this point that it would certainly be more than \$25 million. It'll be a significant cost in repairs, but we're still evaluating them.

Senator WATT: Do you have a line item in your budget for these kinds of repairs or do you have to cut back on something else to fund them? How does that work?

Mr Campbell: First of all, we're insured, but there is a deductible. The deductible that we have for this type of incident is \$7 million. So, in effect, the shortfall that we will need to find somewhere in order to make up for that is \$7 million.

Senator WATT: I assume it wouldn't be that uncommon that you'd have to do unexpected repairs on the lines that you own and operate. Do you have to seek funding from the government to do those each time?

Mr Campbell: That's not the norm, no. Normally, if we have repairs to be done, we have a budget each year for improvement and for maintenance, so we would spend that routinely. If something happened that was unusual, again, we would try and determine what caused it and, depending on what caused it, that would point us in the right direction as to how we would fund the repairs. In the case that it was a flood, for example, we are insured. If it was a situation where it was caused by, say, a locomotive or a wagon causing damage then we would have recourse to the operator.

Senator WATT: Do you have any estimates for the cost to the broader economy from the disruptions we've seen over the last couple of weeks?

Mr Campbell: No, I don't.

Senator WATT: How much work does ARTC do on resilience from flood, fires and other natural events? Do you model the likelihood of them? What do those models tell you about what we face in the future?

Mr Campbell: We undertake flood modelling, and that's principally what affects the network. We've done various flood studies over the years, and they point us in the direction of making improvements on an ongoing basis.

Senator WATT: Do you expect to see more of these types of events, damage and interruptions, caused by natural disasters?

Mr Campbell: I'm not an expert in those as such. I think we need to, as an organisation, reflect on this particular incident. We need to reflect on our reaction and whether we could have got the line back quicker and whether we could have done anything better or differently. So, we'll certainly reflect on that. We'll also learn from this flooding incident and what the damage was to the network, and see whether we ought to be doing anything differently. I think it's a bit early, to be honest, for us to know all the things that we can learn from this incident.

Senator WATT: Would you agree that getting the geological and hydrological assessments of our major railway lines is an important step in constructing them?

Mr Campbell: Yes. I think it's very important that you understand the hydrological issues before you build an asset. With the east-west that we're talking about, it was built over 100 years ago and, whilst the people that built it did the best they could, they clearly didn't have the skills and experience that the current experts have.

Senator PATRICK: This is a new line; I thought the Port Augusta to Tarcoola was brand new.

Mr Campbell: There's been investment in that line, and the rail was replaced several years ago.

Mr Ormsby: The line was opened in 1917.

Senator PATRICK: Sorry, say that again?

Mr Ormsby: The line was opened in 1917.

Senator PATRICK: Yes, but I know that Whyalla steel, for example, has been used to upgrade the track.

Mr Ormsby: Between Tarcoola and Adelaide, we've undertaken a big rail replacement, but it's only a portion of the asset that's there.

Senator PATRICK: Can I ask a couple of questions, Senator?

Senator WATT: Yes, but just before you do, can I pick up on that one. If it is the case that you think it is important to get geological and hydrological assessments done right, why then has the Inland Rail project ignored advice from experts about the flood risk in the South-East Queensland section of the proposed rail line?

Mr Campbell: I don't believe that we would say we've ignored that, but I might ask Ms Pickering to make a comment.

Ms Pickering: No, I don't believe we have ignored the advice. Certainly there have already been multiple independent reviews of the modelling that we've done on the design work for those Queensland sections of the project. There were a number of independent reviews. Before then there was the establishment of the international flood panel, which was a joint initiative between the Commonwealth and Queensland governments. And that

study, which has been bringing forward reports over the course of the last 12 months or more, the different Queensland segments, has found that the modelling that we have been doing to date is robust for the stage of the project. There have been a number of recommendations that we have taken on board, and those are progressing through our EIS and detailed design processes.

Senator WATT: I think Senator Chisholm has got some questions about that in more detail. Just before I hand over the call, can I ask about the business case that the government has announced regarding a possible extension of inland rail to Gladstone. I don't know whether this is a question best put to ARTC or to departmental officials, but I'm just keen to get a bit of an update how that business is going, whether it's been put out to tender. Can we get an update on that, please?

Mr Campbell: Yes, Senator. That certainly would be a question for the department.

Senator WATT: Is there someone from the department who can help us with that? Mr Hallinan, ever helpful. Do you need me to repeat the question?

Mr Hallinan: It's an update on where the business case for Toowoomba to Gladstone is at?

Senator WATT: Yes. The Deputy PM announced that there would be a business case undertaken to explore an extension to Gladstone, and I'm just interested to know where that's up to.

Mr Hallinan: We're in consultation with the Queensland government about the business case. There's broad agreement between both the Commonwealth and Queensland governments to undertake the business case. Australian government funding at this point is \$10 million towards it, and we would anticipate the business case being finalised in 2023, off current scheduling. So it's on track, but it hasn't commenced in detail.

Senator WATT: And I presume that there'll need to be some kind of tender process or something to choose a consultant?

Mr Hallinan: There will be, yes.

Senator WATT: But that hasn't begun yet either?

Mr Hallinan: No.

Senator PATRICK: Can I ask a couple of questions on the South Australian stuff?

Senator WATT: Yes, that's fine.

CHAIR: Senator Patrick, over to you.

Senator PATRICK: I just want to understand whether you have looked at the failure mode. I think you said there were 18 sections of the track where there were failures. Have you looked at the failure mode, and what do we know about that?

Mr Campbell: Yes, we have. The failure mode was complete flood washout, just enormous. Indications are that it was a one-in-200 to one-in-300 flood event—enormous walls of water, 200 millimetres of rain in 24 hours in an area that gets less than that in a full year. It was a complete washout. Much of this section of track has no formation, which means that, when they built it, they sort of levelled the ground by pulling chains to get it virtually level, then they put ballasts, and then sleepers and rail. What happened in a lot of places was that all that ballast was just washed away. In other places where there was rudimentary formation, that was washed away too. Over very long sections, we literally had steel rail up in the air with sleepers stuck to the bottom of the rail and nothing underneath it other than perhaps a two-, three- or four-metre gap to the ground—just complete flood washout.

Senator PATRICK: This will be my last question. I presume you are now going to go and survey the line for where there's a possible future failure mode, based on what you've learnt from this event?

Mr Campbell: There have been many hydrological studies done over the years on this line. None of those studies actually took account of this level of rainfall in this particular location. It is new, and we'll have to study the after-effect and incorporate that into the modelling. I would say, though, that, when you get this unprecedented level of rainfall in such a short period on a very flat expanse of land, it is very difficult to determine where it's going to go. Nonetheless, we've got to do three things, going forward. We've got to help our customers clear this enormous backlog of containers so that we can get freight moving east-west and north-south. We've got to come back and do more permanent repairs, because we've got the line back up and running, but things like access roads were all washed away, and we need to rebuild infrastructure along this 300-kilometre section, which will take many months. It will be done in parallel with normal operation, as best we can. Then we need to study what happened and what it says about what we can learn from that, going forward, in terms of the flood modelling and the resilience of what is a hundred-year-old asset.

Senator PATRICK: Thank you. Expect questions next time. And thank you, Labor.

Senator CHISHOLM: Any time.

CHAIR: Thanks, Senator Patrick. Senator Chisholm.

Senator CHISHOLM: What is the estimate for the current investment in Inland Rail in terms of the total cost?

Mr Campbell: We won't know the cost until we've completed all of the works in terms of all of the design and all of the tendering processes. They have got some time to go yet. I might ask Ms Pickering for an additional comment.

Ms Pickering: At the moment we've got \$14.5 billion of equity provided by the Australian government, and we're working, obviously, to [inaudible] and spend that money. We've spent about \$2.4 billion, to date, on construction and other design and development works. But, as Mr Campbell said, we're at a key stage of the project where we're out in the market doing a lot of procurement and actually understanding some of the cost bids that we're getting back from the market. In the course of the next six to 12 months we will have received a lot more information to understand how that relates to those initial estimates. But at this point we certainly have enough to get on with the project.

Senator CHISHOLM: But you would expect that there would be an increase on the \$14.5 billion as it currently stands?

Ms Pickering: At this point we're still working to that number. Obviously, as I said, we've still got to receive a lot of information from the market, so at this stage it's really too early to tell.

Senator CHISHOLM: What is the status of the ARTC's environmental impact statement for the New South Wales border to Gowrie section?

Ms Pickering: The current status is that it was out for public exhibition—community consultation—during the middle of last year. Submissions were received, and throughout the second half of last year the Queensland Coordinator-General was assessing those. During January, last month, we received what's called a request for information, which is the Coordinator-General's request for additional information from ARTC that would help respond to some of the issues raised in those submissions. We're currently working through that and targeting a resubmission of our EIS later in the year.

Senator CHISHOLM: My recollection is that you have asked for 12 months to do that. Is that correct?

Ms Pickering: Yes, you are correct. We have recently received from the Coordinator-General an extension on what's called a declaration date: the lapse date of our EIS through to February 2023.

Senator CHISHOLM: You mention the international independent panel of experts on the flood studies before. Have they completed their final report?

Ms Pickering: They have certainly provided reports that we have taken on board through the preparation of our EIS and a number of recommendations in relation to all the Queensland sections, including the New South Wales border to Gowrie. Some of the recommendations we responded to through the EIS and some will get picked up during our detailed design, but in general there are still interactions going on with the panel just to confirm the exact interpretation of the findings and to confirm that we have adequately satisfied those.

Senator CHISHOLM: To get my head around this: do they provide a final report or is it more the case that they provide ongoing feedback and work through a process?

Ms Pickering: They've come to an endpoint in terms the main findings on our flood modelling work. The ongoing interaction that we have at the moment with them at the moment is more that, as we continue to adjust our designs, we have been seeking to confer with them about our interpretation to ensure that the extra work that we're doing is essentially meeting their recommendations.

Mr Hallinan: [Inaudible] report from the flood panel in the next month or thereabout.

Senator CHISHOLM: So they did provide a final report.

Mr Hallinan: They did, and they have provided an independent feedback process throughout as an assurance across the flood—

Senator CHISHOLM: I just didn't know how that works. Thank you for that.

That therefore means that the Queensland government is yet to approve the EIS for the New South Wales border to Gowrie section of Inland Rail. That's correct, isn't it?

Ms Pickering: Correct.

Senator CHISHOLM: Where does that leave the Australian government? Have they had to approve the EIS for the New South Wales border to Gowrie section?

Ms Pickering: No, the Commonwealth government would do that generally after the state. The way the process works is that the state approves and the Commonwealth provides a supplementary approval generally shortly afterwards.

Senator CHISHOLM: I'm curious about the Deputy Prime Minister commenting on this. What would allow him to say this quote that he gave to *Queensland Country Life* on 25 August 2021 that 'the Inland Rail alignment is settled' in reference to the border to Gowrie section. What would lead the Deputy Prime Minister to say something like that?

Ms Pickering: I'd be slightly speculating, but, from my perspective, the alignment is settled in that border to Gowrie section, so I think he's reflecting that there had been some reviews done 12-18 months ago. Those concluded no change to the route. I think it's reference to that, but, as I say, I am speculating a lot on what he was referencing.

Senator CHISHOLM: The international flood panel hasn't provided its final report. The Queensland Coordinator-General hasn't ticked off and the Australian government hasn't ticked off, yet you sit here and keep saying that this is the settled route. I just don't see how you can continue to say that and thumb your nose at all those other locals who have raised concerns about this for years when the fact is that the governments have not actually ticked off on it.

Mr Hallinan: The EIS is unlikely to change the route. What it is likely to do is make sure that there are certain provisions provided that must be undertaken upon that route, whatever that is. The route itself was settled through the processes outlined by my colleague, and that's where the Deputy Prime Minister has come out with the line that the route is settled. We're not looking at or reviewing alternative routes through those locations, and that hasn't occurred through the consultation process or the EISes.

Senator CHISHOLM: What about the business case for Gladstone? Could that not potentially impact on the route?

Mr Hallinan: No, that would be from Toowoomba to Gladstone, as in specifically a line from Toowoomba through to Gladstone, not changing the Inland Rail route as identified from Melbourne to Brisbane.

Senator CHISHOLM: So, as far as the ARTC and the government are concerned, it's full steam ahead on the current proposed route from the border to Gowrie?

Mr Hallinan: It's been reviewed on a number of occasions, and each review came to the same conclusion, which is that the route that's been published and the route that we've undertaken the work on is the correct route.

Senator CHISHOLM: I take it that there is therefore nothing that's going to come in this panel final report that will change your opinion?

Mr Hallinan: We wouldn't anticipate so, no. We would anticipate through the flood panel report assurance processes and assurances on the levels of build that are required and the engineering required to mitigate flood risk and to ensure that the modelling is effective and is the best modelling that can be undertaken in the circumstance.

Senator CHISHOLM: In terms of the additional information for the EIS process in Queensland, how will that work from here? What additional information has been requested, and how will the ARTC go about community consultation on that if that's part of it?

Ms Pickering: Could we get you to repeat the question? I think we lost the very start of that question at our end sorry.

Senator CHISHOLM: I wanted a sense of the request for further information as part of the EIS from the Queensland Coordinator-General. What process will the ARTC go through from here? What additional information has been requested? Will that require additional community consultation?

Ms Pickering: In some aspects, yes. The requests for information were many and varied, covering many facets that were raised from the community. But, yes, depending upon what additional information we're required to gather, if that requires consultation with the community, we would undertake that in putting that information together. The Coordinator-General has also advised us that, when we do update our border to Gowrie EIS and resubmit it, that will endure a further period of formal community consultation—another public exhibition, as we call it.

Senator CHISHOLM: An article in the *Courier-Mail* on 17 January said this sort of request is a normal step in the environmental impact statement process for a major coordinated project. What other stages of the inland rail have had their EIS rejected or reviewed by the state government?

Ms Pickering: To clarify: the EIS hasn't been rejected. It's part of the process of maturing and refining the EIS. So, no, Inland Rail hasn't had its EIS rejected on any of the parts of the alignment right through from Melbourne to Brisbane, in the same way that the process in Queensland with this example has been working. In other areas, the regulators in those states, particularly New South Wales [inaudible] more of the EISes so far. This is a natural part of the process of submitting information, getting comments back and a regulator requiring refinements and adjustments before we finalise an approval and set conditions for the project.

Senator CHISHOLM: With the EIS reviews not due to be completed until next year, when do you anticipate construction to begin in Queensland?

Ms Pickering: In an ideal scenario we will have contractors potentially ready to start early towards the end of this year, but, as you correctly point out, that is subject to us having environmental approval to do those works. That lapse date is essentially a window that's been set, but we will certainly start construction work earlier if that is possible. It is important that we do allow those EIS processes to play out in full. It's important that we pull together all of the latest information, go through the appropriate consultation and get that work.

Senator CHISHOLM: I have a couple of questions about the new railway bridge for Euroa. I understand the community in Euroa is supportive of a road-under-rail solution that would help preserve the streetscape of its township. Can you please let the committee know where things stand in this regard.

Mr Campbell: We've been undertaking significant community consultation in Victoria, particularly in Euroa. There has been a section of the community in Euroa who would much prefer an underpass rather than a bridge, so we have developed designs for both and have been consulting with the community on both aspects—putting forward proposals, consulting widely and gaining views. We've submitted to the Victorian government the planning scheme amendment that has both options still possible. From a time perspective, we're hoping to get feedback on that planning scheme amendment in March. Once that happens, we will then continue to engage with the community in Euroa and the other stakeholders such as the Victorian Department of Transport and others and reach a conclusion. We're currently working through a multicriteria analysis which takes into account a whole series of aspects of either a bridge or an underpass. Community sentiment is one of those aspects, as are the engineering requirements, environmental requirements and other things. We'd hope to be able to bring that to a conclusion in an April, May or June time frame, ideally.

Senator CHISHOLM: Is there any reason why the ARTC wouldn't support the community's preferred option?

Mr Campbell: I think the decision process that we will undertake will be that multicriteria analysis. It will take into account the community's preference, but that's not the only thing that will determine whether a bridge or an underpass will be preferred. However, all things being equal, if, from an engineering perspective and the various perspectives, the two options were lineball and all you had left was community sentiment, I guess that would gain in weighting. I would say from our analysis currently that the majority of the people surveyed in Euroa would prefer an underpass.

Senator CHISHOLM: I have one final section I want to do on the CEO of Inland Rail. Can I get an update regarding the search for a replacement for Mr Wankmuller?

Mr Campbell: First of all, as you know, we've got Ms Rebecca Pickering operating as the interim chief executive at the moment and doing an amazing job, as is the rest of the Inland Rail leadership team. The search for the chief executive is continuing. It's taking longer than we'd expected, but the process is continuing. We have a board subcommittee that are actively working with search partners to seek out candidates. We're regularly briefing shareholder departments and we're working through a process. We're making progress, but it's been slower than we'd hoped.

Senator CHISHOLM: Mr Wankmuller announced his resignation more than 12 months ago. It seems completely remarkable to me that we're 12 months on and still don't have a CEO. He gave you plenty of notice that he was leaving on 30 July.

Mr Campbell: That's correct, and, as I said, the process has taken longer than we would have liked and longer than we'd have expected. However, rest assured, we've got a very experienced leadership team currently in place who are making progress all the time.

Senator CHISHOLM: What's the process for appointing a new CEO?

Mr Campbell: We have a search firm and a board subcommittee made up of, as I said, five members of the board who are working with various candidates. Once we have got some appropriate candidates, we'll engage in a dialogue with the government. It's a key role, as you know. It's a high-profile role and it's a very demanding role, and we need to make sure that we get the right person appointed. We haven't reached that stage yet.

Senator CHISHOLM: The situation is that you provide a recommendation to the government and then the government tick off on that recommendation. Is that correct?

Mr Campbell: I wouldn't say 'tick off', but we want to be comfortable, as a board subcommittee, that the government is comfortable and that we're all comfortable with that person in that role. We haven't yet got to a point where everybody's comfortable with a proposed candidate. I think the other thing to bear in mind is there's a lot of construction activity going on in Australia at the moment and there's demand for senior resources with the type of major program delivery experience we need, and so they're hard to come by. With the border closed, although we've looked overseas that perhaps hasn't provided enough candidates or as many candidates as might have been the case for infrastructure programs in Australia if COVID hadn't been around. But rest assured, the board subcommittee and the search firm are working very hard.

Senator CHISHOLM: Just to be clear, who actually makes the appointment in the end? Is it the board or is it the government?

Mr Campbell: It will be the board that makes appointment. As chief executive I'll make the appointment on behalf of the board.

Mr Hallinan: I make the point that it's a significant appointment. As with other CEO or board appointments, the directions from the ARTC board through the recruitment search will come through to the shareholder ministers who will write to the Prime Minister or cabinet, and cabinet will make a consideration on that appointment before it's finalised.

Senator CHISHOLM: Mr Campbell, did you make a recommendation to the government that Mr Graeme Newton be appointed as the CEO of Inland Rail?

Mr Campbell: We have had a range of discussions about a range of candidates, as just described by Mr Hallinan. I think for confidentiality reasons it wouldn't be appropriate for me to talk about any individual candidates that have been involved in the process. In fact, we sign confidentiality agreements, as they do, so if it's okay I'd rather not mention anybody in particular.

Senator CHISHOLM: There was a media report in the *Courier-Mail* on 15 July last year saying that Mr Newton was poised to be the new head of the Inland Rail authority.

CHAIR: You can't believe everything you read in the papers.

Mr Hallinan: As a general principle, we don't release information about potential candidates for these roles or people who have applied through these processes. We do not wish to have circumstances that would limit the number of individuals who may wish to apply for these roles as that would otherwise limit the capacity of our government agencies to operate and function.

Senator CHISHOLM: I think the issue with this, though, is that the minister responsible for inland rail changed on 22 June. I want to get a sense of the process to see what role the new Deputy Prime Minister played in the potential appointment of the CEO of Inland Rail. That, I think, is significant and something you should answer.

Mr Campbell: As Mr Hallinan's just described, once we get a recommendation from the board, the ministers will agree with that recommendation with cabinet approval. That will come back to ARTC and either I or the chairman will make the appointment. That's the process that we're working through at the moment, and there's no conclusion at this stage.

Senator CHISHOLM: Are you aware that Mr Newton, a senior Queensland bureaucrat, was a proponent of the Traveston dam in Queensland in the 2008 to 2009 period?

Mr Campbell: I was aware of that but, like I said, we're not able to discuss any particular candidates that have either expressed interest or are still in a process; we're not at liberty to do that from a confidentiality perspective.

Senator CHISHOLM: Are you aware that then senator for Queensland Barnaby Joyce campaigned vigorously against the Traveston dam?

Mr Campbell: I was also aware of that. I read that media report and I did my own research.

Senator CHISHOLM: Did your own research—I like it.

CHAIR: Mr Campbell, I've got a couple of questions for you, but first I want to congratulate you on having the repairs carried out around Tarcoola so quickly. Was it three weeks, four weeks? What was the period between the flooding and the repairs?

Mr Campbell: Thank you. It was 24 days.. The team worked very, very hard, and our contracting partners did as well. It was a significant effort to get mobilised in that area of the country as quickly as we did. Thank you; I'll certainly pass on your comments.

CHAIR: We have some experience with that in Queensland from the floods in the north-west of the state when the line was washed out, which shut down all of that northern part of the state. I appreciate what a big job it is, particularly over old lines that were engineered long ago. I just want to acknowledge that. The pressures on supply chains and food in Darwin and WA were really significant, so I think the work that the team did to get it reopened so quickly should be acknowledged. You made some comments around it being a one-in-300-year flood, but I understand that with the Condamine flood plain you're working on a one-in-100-year flood. Am I correct on that?

Mr Campbell: Yes. The Australian standards basically require a one-in-100-year flood. Rebecca, did you want to make a comment to qualify that?

Ms Pickering: Yes. You're right, Senator; right along the alignment, and including through that Condamine area, all of Queensland is designed to be resilient through a one-in-100-year event.

CHAIR: I'm curious, because your organisation's just had an experience of a very significant flood. You've talked about raising the formations that the rails are built on, ensuring that you have greater resilience for the ballast, lines and sleepers to sit on. The Condamine area is a well-known flood plain—it floods after a bath falls over—so I'm wondering if your experience around Tarcoola would not lead you to do greater engineering works on the Condamine flood plain now?

Ms Pickering: With the extensive work in terms of modelling of flood events on the Condamine we've been following the Australian standards and industry best practice, which is really what we want the infrastructure to be—that one-in-100-year standard. That has led to significant engineering of the hydraulics. We have six kilometres of bridge standing across the Condamine flood plain and 500 culverts of up to two metres in diameter—substantial engineering structures to cope with very, very significant events.

Mr Campbell: If I may? That level of infrastructure just wasn't built on the east-west; it's just not built like that. I think the important thing with Inland Rail that Ms Pickering mentioned was that the design of Inland Rail is to be resilient to a one-in-100-year flood. It's not that we're okay for a one-in-99 and it's only for a one-in-100-year that we'll have a problem; Inland Rail will be built to withstand a one-in-100-year flood.

CHAIR: Alright. I understand that Inland Rail has changed the proposal, the EIS, that has been given to the Queensland Coordinator-General nearly a dozen times. Finally, the coordinator-general has put the EIS back to Inland Rail, saying that the information and data provided are not adequate, and she has asked you to have another go. Am I about right that it's nearly a dozen times Inland Rail has changed the EIS and that the coordinator-general is supposed to be making a decision on a document that keeps changing?

Ms Pickering: I don't know the reference that you're making, but the process that the EIS has gone through over a number of years has been that we've continued to consult with the community, refine our reference design and undertake substantial environmental and social impact assessment studies to feed into the drafting of that EIS. That's a normal part of the process, that once you have that information you'll continue to refine it.

We certainly haven't [inaudible] 12 different versions of the EIS, although it has just been one version that's been out for public consultation. As I mentioned, that was on public exhibition during the middle of last year. During the second half of last year, the coordinator-general reviewed all the submissions and came back to us just last month with a request for information—there are some areas where they do want to see some updates to the EIS. That's all part of the process: them looking at the submissions and asking us to explain a number of questions, essentially, that the public have posed. We're doing that work and preparing responses to that. We intend to release an updated EIS later this year.

CHAIR: It's my understanding that the Inland Rail project has put forward different versions or different pieces of information around that larger EIS document, which, of course, would make it very difficult for the Queensland Coordinator-General to make a decision. Anyway, you're going to continue doing that. It concerns me that it was put to members of parliament and the Deputy Prime Minister at the end of last year, that the Inland Rail project was on the cusp of starting work. In fact, I heard out of businesses in Toowoomba who have been briefed by Inland Rail government relations people that this project was going to start within the next two years and that's why they should support this alignment—which of course is not true, given that the Queensland

Coordinator-General has not been able to approve an EIS and has, in fact, gone back for more information. You haven't commenced land acquisitions along the alignment yet, have you?

Ms Pickering: No. We have acquired a relatively small number of properties on a voluntary basis—in particular there have been, say, individual compassionate circumstances or other things. But in terms of the formal process, that's correct. We're working with TMR but we haven't started the formal part of that process yet.

CHAIR: Leaving Inland Rail, I turn to the interactions between ARTC and Queensland Rail with the Department of Transport and Main Roads, regarding existing rail corridors in Queensland.

Mr Campbell: The Australian and Queensland governments signed the bilateral agreement in November 2019. It outlines and acknowledges that sections of Inland Rail are to be constructed and operated broadly within the existing Queensland Rail network in southern and south-west Queensland. The intent was that the governments would work together and enhance the interface between the impacted sections. ARTC is working collaboratively with the Department of Transport and Main Roads to investigate all of the opportunities that the Inland Rail construction provides. Discussions are ongoing and very collaborative. We're trying to figure out between us how both the existing network and the new Inland Rail construction will work together.

CHAIR: Is there information being exchanged between Queensland Rail and the ARTC regarding volumes of rail freight on regional lines likely to compete within Inland Rail?

Mr Campbell: I'd have to take that question on notice. I'm not sure if that's the case or not. We're certainly talking to TMR about various aspects of Inland Rail, and we're discussing with TMR various aspects of the existing lines. I'm not aware that that includes Queensland Rail, to be honest, so I'd have to take that on notice.

CHAIR: You should be able to check *Hansard* for exactly the information I was looking for on sharing freight. Is the ARTC working with Queensland Rail or TMR to shift existing rail users from the QR network to the inland corridor?

Mr Campbell: I'm not aware of that. We are discussing with TMR the things I outlined previously, which is how the new network and the existing network can work together, given they are so close together.

CHAIR: Is project Cooper—I'm not sure if that's its current name, but it was a project discussing transferring the maintenance and possibly the ownership of regional Queensland Rail lines to ARTC. How progressed is that conversation?

Mr Campbell: The conversation we're having with TMR is as outlined, which is that we're looking at various aspects of what Inland Rail means to that southern Queensland Rail network and how best to deal with that, going forward. We're working collaboratively together to come up with what might be some options and the best way forward.

CHAIR: It's my understanding that these discussions and project Cooper are more advanced than you're presenting them to be. I asked questions of the infrastructure department earlier today, and they advised that ARTC would have to notify the relevant ministers of any transfer of maintenance or ownership of Queensland Rail regional lines to ARTC, but they would not have sign-off on it. Is that correct?

Mr Campbell: I would have to take that on notice, but my understanding would be that we would certainly have to notify the government if we were intending to take on responsibility for maintenance of lines that we currently do not have. I would fully expect that we would be notifying the government if that were the case.

CHAIR: You make it sound like this is a very distant possibility, but the infrastructure department earlier today said it was aware of project Cooper and was able to discuss at length what that process would be. Why are you being so coy about it?

Mr Campbell: Apologies, Senator, I don't mean to be. I think we're working very collaboratively with Queensland TMR. The department is across those discussions as well, and there are a lot of discussions underway about what might work best for both parties. But, obviously, for changes to network configuration and the like, there are a lot of discussions—how close the tracks can be together, whether it's a good idea to keep two tracks or combine them into one. I think there are a lot of discussions happening about what might be the right outcome for Queensland and also for Inland Rail. So I don't mean to be coy, but there are a whole lot of discussions underway, and it's my understanding that there are still a lot of discussions to be had.

CHAIR: When regional rail in Western Australia was privatised, it caused a great deal of heartache and difficulty for grain producers in that state. It has been put to me that this proposal from Queensland Rail and TMR to transfer maintenance and operations to ARTC is privatisation by stealth. What do you say to that?

Mr Campbell: Firstly, obviously we're not a private organisation; we're a Commonwealth organisation, wholly owned. So what we've got—

CHAIR: But you do intend to privatise. That was the subject of comments by the then Treasurer, Joe Hockey, a few years ago. He discussed the future of ARTC.

Mr Campbell: Yes, I've seen reports of those comments. I wasn't at ARTC at the time, so I don't have a strong recollection of them. What I would say is that we're working really collaboratively and diligently with TMR to try and figure out the best way forward, and there are still a lot of negotiations and discussions to be had before we come out with the right outcome for Queensland and for Inland Rail.

CHAIR: You talked about how close together rail lines were. I asked you a question earlier about freight numbers. I want to know if any thought has gone into the significant infrastructure, particularly grain silos, that will be left stranded if any of these regional rail routes are transferred to ARTC and then closed to push freight onto the Inland Rail.

Mr Campbell: I'm not specifically aware of that. I don't know whether any of my colleagues are.

Mr Ormsby: Senator, the majority of the grain silos and grain lines in South-East Queensland actually don't run alongside Inland Rail but will feed into the Inland Rail route. So, should there be some transaction with Queensland Rail, it would actually be in ARTC's best interests to increase the grain volumes, because we'll see more traffic coming off those branch lines onto the Inland Rail route.

CHAIR: So you'd still have them coming by rail, not trucked, not taken down to North Star. I'm concerned about the delays on building the Queensland section, and I'm concerned that, with the potential for closure of regional Queensland Rail routes, you would end up just trucking grain to North Star and sending it south. It wouldn't go through the Port of Brisbane.

Mr Ormsby: I don't think ARTC in its history has closed a railway line. We're focusing on opening them and growing them. We don't have any plans to close railway lines, and certainly not to put freight onto roads.

CHAIR: Alright. I've previously raised my concerns about the chairman of Queensland Rail being the former CEO of ARTC. He's denied having any conflict of interest in this matter. But, given the nature of the discussions about potentially transferring Queensland Rail assets to ARTC, an organisation of which he was previously the CEO, how can he not have a conflict of interest?

Mr Campbell: That's a bit hard for me to answer. I have never met the chairman of Queensland Rail or spoken to him. I don't think I can answer that question easily.

Senator ROBERTS: Chair, isn't your question irrelevant? The name of the person in that position seems to be irrelevant. You're suggesting a conflict of interest and it would seem to be clear just from the associations of whoever was in that position.

CHAIR: That's a point well made. It's not who it is; it's the challenge of having held the two roles.

Mr Campbell: I understand the question; I'm just not clear about the answer. I can't speak for his conflict.

CHAIR: No, except that you would end up in front of estimates answering questions about ARTC's potential acquisition of Queensland Rail assets. I want to finish on a final note which is that Grainx tweeted, just in the last few days, their concerns about this issue around ARTC. I won't read the whole thing to you, but they're very concerned about the example of what happened in Western Australia, about privatisation by stealth of Queensland Rail or regional rail assets potentially being shut down and it being grain producers in Queensland who pay the price. I don't have a question there. I just want to get that on the record, that grain producers are asking me to ask these questions because they are very concerned that this is an ARTC play for Inland Rail, but it's going to play out very badly for grain producers in Queensland. I am wondering if anyone is doing any analysis on that, because we don't want to find out, like WA, what happens when you don't think it through. Thank you. Senator Roberts, over to you.

Senator ROBERTS: Thank you, Chair, and thank you all for appearing tonight. What is the current budget for property purchases for the Inland Rail project?

Ms Pickering: It's \$494 million.

Senator ROBERTS: In the last estimates I asked Infrastructure Australia a simple question: who owns the land being purchased by Inland Rail? I received this response on notice: 'The full cost of the property acquired for the Inland Rail project will not be known until all 13 sections of the project are completed.' Cost will eventually come out but apparently ownership will not. Firstly, when is Inland Rail scheduled for completion?

Ms Pickering: Current date of completion is late 2026.

Senator ROBERTS: My office is aware of reports as to who bought land prior to the announcement of the Inland Rail alignment which we, of course, pay no heed to. Is it the position of the minister that the public will

never be told who owned the land the Australian taxpayers will spend \$494 million buying and that we'll have to wait until 2026 or later to find out how much we paid for it?

Ms Pickering: Per that previous answer, it would not be our intent to disclose the information of the federal landowners—

Senator ROBERTS: So the taxpayers are paying for something but won't receive any accountability for it until another four years, if it's finished on time? We can't find out as representatives of the taxpayers? Let's move on. In 2010 the ARTC stated Inland Rail would not be cost effective if completed in 2021, but may provide a positive net value by 2035 against a projected cost of \$9 billion if rail freight demand increased. In the 2015 business case briefing paper No. 2 the ARTC found \$16 billion in GDP increase over the first 50 years. The project—tonight, I understand, we were told—is now stated to have a total cost of \$14.5 billion, with solid third-party independent assessments at over \$20 billion, some well over \$20 billion. When was the last time the cost-benefit of Inland Rail was calculated in terms of net present value, and, specifically, what was the total financial benefit to the taxpayers over the payback period? What is the payback period, and what project cost did you do the sums on?

Ms Pickering: Back in 2020, when the increased equity was provided, there was an update to the economic benefits. There was a revised assessment that came out with a net \$18 billion economic benefit over that same period, 50 years, that you mentioned. In that same time frame, the Commonwealth government also did some further studies that looked at some of the economic benefits that would be catalysed not just from that \$18 billion, which is really associated with efficiency improvements in the supply chain, but then a further \$13.3 billion that was found to be catalysed by the stimulation of further regional economic industry and development. Those were probably the latest updates in that regard that were undertaken.

Senator ROBERTS: Perhaps I can just add the comment that we haven't seen the full business case. Much of it has been redacted, from memory. Just slight changes in the assumptions can dramatically affect the business case and all the claimed economic benefits, and we're kept in the dark about some of the assumptions.

I'll go on to the next question. The Inland Rail business case relies on a series of calculations about transit times, intermodal delays, train speed, track wear, projected freight volumes and revenue, route reliability, amongst many other things. By way of example, the share of freight Inland Rail will attract, supposedly, on the Melbourne-Brisbane route will go from 26 per cent currently to 62 per cent by 2050. That's one of the massive assumptions. These assumptions, models and calculations are said to be commercially sensitive, so, as I said a minute ago, they have not been made public and will not be made public. Is that a correct statement?

Mr Campbell: The business case for Inland Rail was produced in 2015. That was the last one. Simon?

Mr Ormsby: It was certainly published. I'm not sure exactly what assumption you're looking at, Senator.

Senator ROBERTS: I will read them again: transit times, intermodal delays, train speed, track wear, projected freight volumes and revenue, route reliability, amongst other things. Some of the reports that were made by some of the big four accounting firms, or management consulting firms, are not available. We understand that two reports contradict each other.

Mr Ormsby: The information that you went through is available. We could talk through it tonight or we could come back to you outside this session with that information.

Senator ROBERTS: We'd appreciate you coming back. That would be great.

Mr Ormsby: Absolutely. I'm aware of one macro-economic report to do with the assumptions around GDP and also the market share figures which was undertaken by PwC and Deloitte. EY undertook a more specific regional benefit analysis. We're not aware that they contradict. They were looking at quite different elements of the benefit streams of the program.

Senator ROBERTS: Perhaps we could show you what we mean by that with the reports and with some documents at the same time as you come back with your assessment. We're happy to arrange that with our office.

Mr Ormsby: We're more than happy to do that.

Senator ROBERTS: Thank you very much. Minister, why is this project proceeding, when the taxpayers are most likely to lose tens of billions of dollars? If the taxpayers are not benefiting, cui bono—who is?

Senator Duniam: Based on the answers you've received and some of those things that will be taken on notice and subject to further conversations between you and the officers from ARTC, I think some of the assumptions underlying your questions may still be in contention. Obviously, the principle is that it's a project worth backing, and the government remains willing to do that for the good of the country. Further detail is required to satisfy the questions you've asked so far and, hopefully, the officers will give you the answers you're after.

Senator ROBERTS: Chair, I'd like to ask two questions following up on what you asked. The preferred alignment from the ARTC 2010 Melbourne-Brisbane alignment study became the final alignment in the 2015 program business case. Is there any significant change between those two alignments because on a map they look the same?

Ms Pickering: The short answer is: yes, there were some minor adjustments. Off the top of my head, I probably couldn't navigate through all of those, but the Inland Rail Route History document details those and gives further detail. We can come back with more if you need. It's on the ARTC website.

Senator ROBERTS: Last question, Chair—and this may be touching on something that Senator Van asked about. In the last estimates, I asked Major Transport and Infrastructure Projects about Inland Rail environmental impact assessments, and Ms Hall, the first assistant secretary, replied:

The route has actually been set. The purpose of the environmental assessment processes are to give confidence to the communities ... that the environment is actually protected.

So environmental impact assessments are still underway and yet the route is set. Is it a statement of fact that the final Inland Rail route was decided before the environmental assessment of that route had even been started? Are you backfilling the EISs?

Ms Hall: Senator, since you're referring to me: the route has been set. As we've discussed before and as Mr Hallinan said, an EIS process is designed to give assurance to the community and to the regulatory requirements. A coordinator-general, for example, with regard to Queensland, will set the conditions by which that piece of infrastructure needs to be built. That is the purpose of an EIS process.

Senator ROBERTS: Thank you, Chair.

CHAIR: Thank you very much. I'll just ask you to reflect on a final thought. ARTC acquired the Maroona line to the Port of Portland. You acquired the line, signed a deed with the Victorian government and then the line was left to decay. So, that's the concern: you may not close a line, but if you don't maintain it it's closure by any other name.

Thank you very much for your appearance this evening. It was pretty robust, but it's important that we ask these questions in a transparent place. Go with our thanks.

We now call the Australian Maritime Safety Authority, who I understand are in the building.

Australian Maritime Safety Authority

[21:48]

CHAIR: We're now moving to the Australian Maritime Safety Authority. Do you wish to make an opening statement?

Mr Kinley: No thanks, Senator.

CHAIR: Thank you. Senator Sheldon.

Senator SHELDON: I want to go through these questions relatively quickly, so we might see how we go on quick concise answers. Can you provide the committee with an update on any measures that AMSA has recently undertaken to combat bullying and harassment?

Mr Kinley: Yes, Senator, and I don't think we've actually undertaken any new measures. Most recently, I know we've been doing some resilience training with our people. I'm not aware of any recent reports of bullying and harassment that have been significant, so we don't have any specific training underway at the moment. Whether Ms Linda Ward, my chief operating officer, has got anything to add on that—

Ms Ward: No, I don't.

Senator SHELDON: On that very quickly: when was the last bullying and harassment training carried out, and when is the next lot expected to be carried out?

Mr Kinley: It's probably easiest if I take that on notice. We do it as part of our induction training. We do regular refresher training as part of our online training package. I can give you the timing and details of that.

Senator SHELDON: This might be sufficient: roughly how often is there refresher training?

Mr Kinley: Normally we do refresher training across the whole suite of our corporate training, so there will be some elements—whether it's ethics, conflicts of interest, bullying, harassment. It's probably best if I give you the specific modules and how often they're done on notice.

Senator SHELDON: I understand that AMSA has recently withdrawn the ability of senior staff to claim professional hours. Can you outline for the committee what consultations took place with staff prior to this decision being taken?

Mr Kinley: It's not correct that we have withdrawn the ability for staff to obtain professional hours. It is something that remains under our current enterprise agreement. Where staff are entitled to professional hours—and we require staff to work such hours that they are entitled to professional hours—they still have access to those. I think, at last count, there were still about 65 staff on professional hours. Again, we've not removed it. It's still there; it's still part of our enterprise agreement. We have certainly been doing reviews about where staff are required to work those hours. We're looking at other ways of also providing the assurance that they're not working too many hours, with things such as time off in lieu and flex time, as a possibility. But professional hours are still there.

Senator SHELDON: If I understood what you were saying correctly, you're doing a review of the hours in terms of how the relationship with time off et cetera is working. How many internal audits have been undertaken at AMSA over the past five years?

Mr Kinley: How many?

Senator SHELDON: How many audits on that question have taken place in the last five years?

Mr Kinley: How many audits?

Senator SHELDON: Yes. You're saying you're doing a review of the hours, looking at time off in lieu and time taken—

Mr Kinley: Normally, as the review would be done with the manager and the staff member as part of their annual performance discussion—the review of their work—it would consider what hours of work they are required to do. We often require them to work more than that standard 38 hours a week. It would consider what the best way is to manage the hours for that staff member to make sure that we're not overworking them. We've got to look at fatigue and those issues. We can't just say, 'Here are your professional hours; you're now going to work 60 hours a week or 80 hours a week or whatever.' It's a discussion that's taking place between the manager and the staff about the particular circumstances of their work.

Senator SHELDON: How easy is it for staff to access TOIL, time off in lieu?

Mr Kinley: Again, we have procedures for where staff are required to work additional hours beyond the standard 38-hour week. I don't have those procedures in front of me, but there are ways to access them, whether it's professional hours or TOIL. Some shift workers have other arrangements, so there are different arrangements for different people.

Senator SHELDON: I just want to quickly and briefly go back to the question of bullying and harassment. When was the last training that you, Mr Kinley and Ms Ward, did on bullying and harassment?

Mr Kinley: I'd have to go back and check the records on that.

Senator SHELDON: More than 12 months ago? More than five years?

Mr Kinley: No, it would not be more than five years, I don't think. Ms Ward has just started recently with us, and that would have been part of the induction suite of training.

Ms Ward: I think that's correct, yes. But there has been no review, at an organisational level, since I commenced.

Senator SHELDON: Ms Ward, can you remind me when you started? My apologies.

Ms Ward: Early December.

Senator SHELDON: Thank you. Mr Kinley, you mentioned that it wasn't longer than five years. Is it four years or three years?

Mr Kinley: I don't have the actual date, but I can come back on when—

Senator SHELDON: I'd appreciate you coming back with the actual date, but I'm just asking now for a rough period. Is it roughly two years?

Mr Kinley: I have been in the organisation for 26 years now, so sometimes things get blurred. I might think something was only two years, but it turns out to have been longer. So I would rather get the date and come back with an accurate answer.

Senator SHELDON: On notice, could you provide the committee with up-to-date information on the range of TOIL balances held by AMSA staff, along with a report on how much TOIL in total has been accessed each week by staff for the last 12 months—of course, no names named.

Mr Kinley: I'll have to check what level of data we have on how many staff are on TOIL and how the records are kept.

Senator SHELDON: Mr Kinley, you were saying that you do a regular review of the TOIL arrangements. I may have misunderstood you, but I thought you were implying that there was an overarching review of TOIL that takes place as well.

Mr Kinley: No. I said individual managers, when they discuss with their staff their working arrangements, will consider how best to recompense them if they are required to work regularly over 38 hours a week, whether it be, for example, time off in lieu or professional hours. Mike, have you got any more on that?

Mr Drake: There are various ways. A number of staff access both professional leave, as Mr Kinley indicated. For those who don't, there are a number of other options for recompensing them for out-of-hours work—for instance, TOIL. That is done at a manager level. The managers have that relationship with their team to manage it. Some of it is informal. A lot of it is formal. For example, the executive officer of our division took TOIL only two days ago. I would suggest that it's not difficult to access but that the arrangements to record it may vary across the teams.

Senator SHELDON: So you will be able to give us that answer on notice, then. I want to turn to another matter, to do with AMSA and its involvement with the issue of plastics and microplastics in the ocean. Does AMSA have a team or section working on environmental policy and implementation?

Mr Kinley: Importation?

Senator SHELDON: No, environmental policy and implementation. It's my accent at 10 o'clock at night!

Mr Kinley: As part of our policy and regulation area, we have people who are involved in environmental standards.

Senator SHELDON: But, in particular, is there a team or section working on the environmental policy and implementation of plastics?

Mr Kinley: There are people, particularly at the International Maritime Organization, who are working on that issue—marine litter and minimising the amount of plastic that goes into the ocean from ships.

Senator SHELDON: On the broader question of environmental policy and implementation for AMSA, are there current priorities in a work program?

Mr Kinley: Yes, there is a work program for our policy and regulation area.

Senator SHELDON: Are you able to step us through the environmental policy and implementation? I'm particularly thinking of and am mindful of where plastic fits into that.

Mr Kinley: Again, there are things in our corporate plan. I'll see if I have the latest version of it. Marine litter and plastics are probably one of our main priorities in the environmental standards space.

Senator SHELDON: Given AMSA's international role and your role as a regulator, is AMSA contributing to the work being undertaken by government agencies regarding the Prime Minister's commitment to combat plastic pollution in the Pacific Ocean?

Mr Kinley: Our work is around minimising plastic discharge from ships under the international conventions and in that maritime space. Again, under the International Convention for the Prevention of Pollution from Ships, it has been illegal to discharge any plastics from ships for quite some time. The work at the International Maritime Organization is focused on the implementation of that. We have been helping the IMO with providing resources for marine plastic litter management from ships in the Pacific region, for example. We're certainly not a large part of the Prime Minister's plan; our work is with the shipping industry and with the Pacific. But I would have to say though, that compared to land based sources of plastic, the issues with the shipping industry are a lot less than that. The fishing industry remains an issue, and we're working with the Pacific about how they can better manage the plastics coming from fishing fleets in their regions as well.

Sorry, if I'm not quite sure exactly what you're getting at with the question, but it's an important part of our work.

Senator SHELDON: Has AMSA provided any assistance to the Tongan government or other international agencies in monitoring the impact of the recent eruption near Tonga?

Mr Kinley: No.

Senator SHELDON: Just so I understand it, why wouldn't AMSA be involved in that?

Mr Kinley: We're a safety agency responsible for the shipping safety of Australian ships in Australian waters and Australian ships anywhere, and the discharges from ships. We certainly do a lot of work in the Pacific, and we do work with DFAT, for example, funding scholarships for the World Maritime University for nationals, for example, from Tonga. We recently had a student from there who went through the World Maritime University who we were in contact with because she got marooned by the volcano. But, as for any specific issues coming out of the volcano, we haven't had any requests for assistance yet, but should the Australian government be looking at issues, for example, how they're going to replace their aids to navigation, or any of those things, we'll certainly be standing by to provide any expertise that we can.

Senator SHELDON: I just want to move to some matters in regard to the IMO. How many of your senior staff have participated in IMO forums over the past 12 to 24 months?

Mr Kinley: Again, I'll take that on notice, but it would probably be in the order of 20 to 30 people, I would say. There were a lot of late-night meetings because they were all virtual for the last 18 months to two years. Generally, for us, they start at about eight o'clock or nine o'clock at night and go through until one in the morning. So, yes, it's certainly been an issue for us to manage with staff and fatigue, and managing time-off-in-lieu after that.

Senator SHELDON: Can you provide the committee with an outline of the various committees, et cetera, that AMSA participate in on behalf of Australia?

Mr Kinley: Yes.

Senator SHELDON: If it's straightforward to do it now, then now is fine; otherwise, we can take it on notice.

Mr Kinley: It could take a while; stop me if I'm going too much—

Senator SHELDON: I'm going to get what I asked for, am I?

Mr Kinley: For a start, the IMO has a governance body called Council. We're on Council; we recently got re-elected to Council. I lead the delegation to Council, and we're very proud of our transparency and our reform agenda we're pushing there. The major safety committee is the Maritime Safety Committee. Underneath the Maritime Safety Committee, you also have some technical specialist committees such as design and equipment. HTW is another one: human factors, training and watchkeeping. COMSAR—it's not called that anymore; they keep changing the name—is about pollution response and prevention, search and rescue and navigation safety. That's under the Maritime Safety Committee. The primary environment committee is the Marine Environment Protection Committee. That, of course, has really been focused on greenhouse gas issues but also on plastics, marine litter—a big issue—and underwater noise. There are a lot of issues on that marine environment agenda. As I said, who in fact is training and watchkeeping is about the standards for what seafarers need to do to become qualified.

The legal committee is another standalone committee that should be looking after legal issues, but it gets into issues such as abandonment of seafarers. We've also done a lot of work with them before about increasing liability limits under conventions. They probably are the main committees. And then there are subsets of the IMO or adjacent organisations to the IMO, such as the International Oil Pollution Compensation Funds, also run out of the IMO. We have people attending those meetings. And there are the facilitation meetings of the IMO. Our department leads engagement there. We also get involved with the Maritime Labour Convention work under the International Labour Organization.

Senator SHELDON: Obviously staff have a lot of committee work and a lot of difficult work, and I appreciate that you've mentioned before about doing international work, and you're doing a lot of work at night and in the early mornings. I appreciate the work that you guys are doing and when you're doing it. Are the staff who participate in these virtual forums compensated for working these antisocial hours?

Mr Kinley: As I said, we monitor their hours. We've been making sure that they do get time off in lieu where necessary. But generally, no, our staff don't get overtime for that work.

Senator SHELDON: So, if they do the extra hours in the evenings they get compensated for those antisocial hours in some respect through TOIL. Is that correct?

Mr Kinley: And making sure that they're getting the time off for fatigue, and certainly not working at night and then working days—so, working at night and then sleeping in the next morning. Again, we've all been working remotely, so it's probably easier than normal to manage some of those issues. A lot of December was taken up with a lot of council and assembly meetings. Yes, it becomes wearing after a while. So it will be quite good—I don't know whether getting jet lag from going to London for a week is better or worse than doing remote

meetings. But we are pushing that they will continue to have that remote capability in some form. Again, it's about reducing travel costs and greenhouse gas emissions for the future. But face-to-face meetings are still going to have a very clear place in those forums.

Senator SHELDON: Thank you for that. Just so I'm clear on the TOIL: so, people are carrying out work late into the night and early into the morning. Those hours get accumulated under the TOIL program. Is that the way it works? Or am I misunderstanding it.

Mr Kinley: Again, I don't have the actual policy here, but really it's about them working with their manager, managing their time sensibly. As I said, if they're up at night, they can sleep in for the following half-day—and looking to manage their fatigue more than anything, particularly as some of these meetings stretch over weeks, so, keeping some track of their hours and making sure they do get that time off in lieu.

Senator SHELDON: Are you aware of any staff being asked to work the next day, having participated in an overnight virtual meeting?

Mr Kinley: Again, I know staff have been working part of the next day. I'm not aware of people who are being asked to turn to it and do a full day. But if there was anyone who had that issue with the organisation or their manager, I would hope they would escalate it.

Senator SHELDON: Could you take on notice to see whether there are any particular circumstances where that's occurring?

Mr Kinley: I will.

Senator SHELDON: Thank you. I now want to go to the oil spill response equipment. It's been reported that there was a significant delay in the Tasmanian EPA assessing AMSA's oil spill recovery equipment following the Goliath oil spill. Is that correct?

Mr Kinley: Not that I'm aware of. We've certainly advised the Tasmanian EPA that they could access the equipment very early in the event, and I understand that they were quite happy with the access they have. Under the National Plan for Maritime Environmental Emergencies an imports bill is usually something that we would expect the port authorities to deal with. But, in this case, because we have a stockpile in Devonport, we did, very early, make the offer that they could access the equipment.

Senator SHELDON: Are you able to take us through the time line of when the spill occurred, and when the permission to release the equipment was given and the equipment was assessed?

Mr Drake: The advice we have is that we advised that the Tasmanian stockpile of the AMSA equipment was available within one hour of the notification of the incident. That included provision of at least two skimmers. One 15-tonne skimmer from AMSA has been in continual use since the incident.

Senator SHELDON: Thank you. I want to turn to domestic qualifications for masters. Industry is reporting that there are plans to remove or reduce the oral exam from the master. Is that the case?

Mr Kinley: No. Did you have a specific master in mind? I know we've been reviewing Marine Order 505, but we're not planning on removing any part of the current oral exam for the master certificates.

Senator SHELDON: Good. Thanks very much.

CHAIR: Senator Patrick.

Senator PATRICK: Thank you, Chair. I just want to go to Lloyds certifying ships from a SOLAS perspective, which I believe even on oil rigs and so forth is a responsibility of AMSA. Is that correct?

Mr Kinley: If it is a facility under the OPGGS Act, then the Navigation Act is disapplied, and, therefore, our regime does not apply. My understanding is that some operators will keep their facility in class, which is not necessarily the same thing as the regime which would apply in order to issue a statutory certificate, for example, under SOLAS or MARPOL. But the issue that we have with that regime, of course, is that, when a facility disconnects it magically appears in our jurisdiction.

Senator PATRICK: I understand that.

Mr Kinley: I guess my people try to be pragmatic and work with operators to help facilitate them to get those certificates in place for when they magically become a ship under the Navigation Act.

Senator PATRICK: You might recall that NOPSEMA issued a warrant against Lloyds and did an inspection by way of warrant on their surveys. I understand from testimony given to the Economics Committee that they advised you specifically with regard to FPSO *Nganhurra* and their SOLAS safety equipment certificate. Do you recollect them advising AMSA of issues on that vessel? It was a couple of years ago, I know.

Mr Kinley: I'd probably have to go back and check the records. I do recall their issues with the warrant against Lloyds. I know, for us—I don't know whether my colleague Mike has anything at hand—that our regime with class involves a whole lot of controls; that is, we have a memorandum of understanding with them and we do audits et cetera. As I said, with the SOLAS regime, for example, there is no way that SOLAS will let you not dry-dock a ship every five years, particularly for a bulk carrier and a tanker.

Senator PATRICK: An answer provided to me from a QON says that on 10 June 2019 NOPSEMA specialists shared preliminary findings and information obtained from Lloyds with AMSA and put questions to AMSA on these findings and on the Lloyds documentation. In particular, identified anomalies and potential non-conformance related to *Nganhurra* and the *Pyrenees Venture* were outlined in an email to AMSA on 10 June 2019. You have no reason to believe that's not correct.

Mr Kinley: No.

Senator PATRICK: They also said that the NOPSEMA CEO met with the AMSA CEO in Canberra on 26 June to discuss a range of issues, again relating to inspections of FPSO facilities. Some of the issues associated with these vessels are quite serious. I will give you one example, again, from information provided to the economics committee. This is in relation to firefighting, and it's a statement by Woodside. It's in the report. 'Catastrophic failure of a cylinder could result in a single fatality and/or permanent total disability if personnel are in the line of fire. Failure of multiple cylinders could result in sections of the Inogen system becoming inoperable and impairment of the fire suppression system. Once one cylinder has a low-pressure alarm, we will not know if any subsequent failures have occurred without accessing the room to bypass the cylinders with low pressure.' These are serious issues being laid out about this particular vessel. My question goes to you: when you were advised by NOPSEMA of these SOLAS issues, what was your response?

Mr Kinley: I'd have to go back and check on the records. Whether they are actually talking about SOLAS issues or what would be required under statutory certificate under SOLAS or whether they're talking about fire suppression systems in the production train or whatever, I'm not sure. But the problem I have with the regime is that, because the Navigation Act is disapplied, I don't even have the right to send an inspector on board those vessels. That is the regime as it is. I've pointed out these issues in the past, but that is the regime as it is.

Senator PATRICK: You're telling me that AMSA can't issue a SOLAS certificate or is not responsible for SOLAS certificates on oil and gas vessels.

Mr Kinley: I'm saying that if it's a facility they should not legally exist because the Navigation Act, under which they are issued, is disapplied, so they live in a regulatory lacuna, I think is the term.

Senator PATRICK: What's the government doing about it? This is quite serious.

Mr Kinley: I've been dealing with this issue for a long time.

Senator PATRICK: I'm quite concerned. I was hoping that you would say to me, 'We did these seven things.'

Mr Kinley: I know we would have done something because we have had issues with operators. Again, despite that fact that we don't have a legal means to do it, we have called operators in when there have been issues and we've told them to lift their game.

Senator PATRICK: There are photographs in the reports that show corrosion across the bottom of bottles that is clearly unacceptable. I use that as an example of a systematic problem. Can I ask on notice for you to provide the committee with what your response was to the advice from NOPSEMA in relation to this SOLAS issue? It sounds to me as if you've been raising this. Who have you raised it with? Is it the minister and the minister's not listening?

Mr Kinley: I don't know how many reviews there have been with the arrangements in the past.

Senator PATRICK: We've just had an update of the OPGGS Act to deal with some fallout from *Northern Endeavour*. So it's quite possible to get changes to legislation that get rid of the lacuna you're talking about. This is safety—these are fundamental safety issues!

This report from NOPSEMA said that Lloyd's Register is not doing its job properly and may in some sense be committing a fraud in terms of the issuing of certificates—and a lot of that focused on the oil and gas side of things, which is what NOPSEMA does. But there's the SOLAS as well—the safety aspect. What's your response to the concerns about Lloyds issuing SOLAS certificates in circumstances where the organisation has been found to be incompetent?

Mr Kinley: I'm not aware of any issues with vessels that are actually under our jurisdiction under the Navigation Act and where that has been an issue with Lloyds. As I said, we do audits on them and we have controls in place. Actual SOLAS certification has a whole lot more controls than something just being in class.

For example, we have LNG tankers which have been running back and forth from the north-west of Australia under the Australian flag for 30-something years which are still in very good seaworthy condition under that regime.

Senator PATRICK: I was moved when you said to Senator Sheldon that you are the entity responsible for safety at sea for any vessel, with an Australian flag or without, operating in our waters, and now there's a massive hole.

Mr Kinley: I do what the law says I can do, Senator.

Senator PATRICK: Yes, but you're allowed to stand up, as the head of an agency, and say, 'There's an issue with the law,' and make representation to your relevant minister—

Mr Kinley: I've been there and done that in the past—

Senator PATRICK: And no-one has listened to you?

Mr Kinley: There have been reviews. This is not a new issue; it's been in place for a long time.

Senator PATRICK: I just can't believe that there's this hole and no-one has done anything about it! Can you provide the evidence of these reviews and when you've sent stuff to ministers?

Mr Kinley: The reviews which have been done are under the industry portfolio, and so—

Senator PATRICK: Yes, so which minister do I ask about this at estimates? Is it the industry minister? They'll be on tomorrow, I think, or Wednesday-Thursday.

Mr Kinley: I think they were on today, Senator.

Senator PATRICK: Which minister are you responsible to?

Mr Kinley: The Deputy Prime Minister.

Senator PATRICK: Okay, so it's transport?

Mr Kinley: Yes.

Senator PATRICK: In the transport portfolio.

Mr Kinley: But, as I said, I work under the Navigation Act and our certification is done under the Navigation Act. The Navigation Act is disapplied by the OPGGS Act, and so technically my inspectors don't even have a legal basis to go on board a facility because that legislation doesn't apply.

Senator PATRICK: Well, I'm going to use some naval parlance here and say that I'm going to come back around the buoy to NOPSEMA when they appear later this week, to see if they agree with you in relation to this because it's clear that they went and talked to you about it. They wrote to you about it and they sat down and talked to you about it. Your response—and I guess we're going to see this—was: 'It's nothing to do with me. It's not under my act.'

Mr Kinley: Let me actually go back and look at the documentation, because I'm sure that we would have been dealing with the things we can deal with, with vessels under our jurisdiction.

Senator PATRICK: To be clear to everyone: the vessel is no longer in Australian waters. It has been removed, and it was basically shut down as a result, perhaps, of the work that NOPSEMA had done. But I'm worried about Lloyds issuing SOLAS certificates. One would have thought that in those circumstances you would have had said: 'Right, we've got a problem. We need to go and have a look at all the other vessels which they may have certified.' Have they done any certification on vessels that are outside that lacuna?

Mr Kinley: Yes. There are LNG tankers which have been trading—

Senator PATRICK: Are they certified by Lloyd's for SOLAS?

Mr Kinley: Yes, and I've got the utmost respect for Lloyd's.

Senator PATRICK: I'm sorry, but I've got a NOPSEMA report here that says they were incompetent.

Mr Kinley: What I'm talking about is statutory certification under the international conventions that we deal with, with all of the controls that go with that.

Senator PATRICK: Can you provide me with a list of any vessels that are not for oil and gas, that are either operating in Australian waters, that have operated in Australian waters or are Australian flag that rely on a SOLAS certificate issued by Lloyd's Register?

Mr Kinley: Yes.

Senator PATRICK: And can you provide any follow-up you might have done in relation to that? This report was done under warrant— a warrant was executed—and NOPSEMA had a look and found that they were

incompetent. I will read you some of the findings they came up with: 'Statutory and safety equipment certificate is currently unable to be endorsed as we can't enter the room for maintenance and checks. The inspectors conclude that Lloyd's Register should have consulted with AMSA.' It also said: 'The inspectors conclude there was no basis for Lloyd's Register to endorse the IMO SOLAS safety construction certificate on 23 April 2018.' It's very, very clear what they're saying about Lloyd's, and you say you are full of confidence?

Mr Kinley: As I was saying, those certificate shouldn't exist, because the Navigation Act doesn't apply to those.

Senator PATRICK: You're dancing around the law now. I'm talking about the safety of vessels at sea.

Mr Kinley: Well, I actually have to work within the law.

Senator PATRICK: I understand that, but it sounds to me like someone presents you with a problem, and you go, 'You know what? Outside the law. I'm going to sit on my hands and not do anything.'

Mr Kinley: No. I will come back to you on that, Senator.

Senator PATRICK: I'll wait and see where things come back to. I'm happy to provide you, through this committee, the reports that have come to the economics committee, if you need them. It's project 52 class certification, Lloyd's Register inspection number 2011. It's a pretty awful situation.

CHAIR: Thank you for your attendance tonight. Please go with the committee's thanks.

Airservices Australia

[22:27]

CHAIR: Good evening and welcome. Do you wish to make an opening statement?

Mr Harfield: No, I don't.

Senator SHELDON: I just want to ask a question regarding the noise monitors. Is there an intention to install permanent noise monitors in Balmoral, Hawthorne, Northgate and Wavell Heights? This is regarding Brisbane Airport.

Mr Harfield: I'll ask Mr Curran to answer that specifically.

Mr Curran: At this stage, there's no decision been taken to install new permanent noise monitors. There are a range of temporary noise monitors that have been deployed across Brisbane during the PIR—post-implementation review.

Senator SHELDON: The temporary ones are at Balmoral, Hawthorne, Northgate and Wavell Heights—is that correct?

Mr Curran: A number have been deployed, and certainly Balmoral was one. I'd have to take it on notice to confirm exact locations, but I believe there are a couple of other locations further away from Brisbane Airport that are being looked at as well.

Senator SHELDON: The advisory forum interim report told the government that there could be better communication and cooperation between all government agencies, with an interest in the Airservices post-implementation review and Brisbane Airport Corporation. What steps have been taken to implement those recommendations?

Mr Curran: There's a range of activities that have been undertaken with regard to that, and we are engaging with both CASA and the department of infrastructure to participate in future community engagement sessions. The purpose behind that is to ensure that more fulsome answers can be given at those forums, rather than being taken on notice. Additionally, with regard to Brisbane Airport Corporation, we've put in place a range of measures to work on a series of trials that we're undertaking as of the 24th of this month, and Brisbane Airport Corporation are working with us in a working group as well as in a planning and reporting forum basis.

Senator SHELDON: Thank you. With reference to the simultaneous opposite direction parallel runway operations—SODPROPS—trial that the Brisbane Airport Post Implementation Review Advisory Forum recommend in their quarterly report, can you provide more information on what this trial is and what it will achieve for residents?

Mr Curran: Yes, I can. We currently operate a SODPROPS mode, which is the least impactful in terms of community noise implications as we operate arrivals and departures over the bay. The recommendation from the forum was to extend the hours of operation of that mode. Airservices has accepted that recommendation, and that trial will commence on 24 February. I believe the hours are 10 pm till 8 am on weekends.

Senator SHELDON: Part of the report addresses demand not exceeding 45 movements per hour. Can you elaborate on that?

Mr Curran: I'm not familiar with that specifically, Senator.

Senator SHELDON: I'll going to come back to that. Has the trial commenced?

Mr Curran: The trial of the SODPROPS, which we were just discussing, will commence on 24 February.

Senator SHELDON: With reference to the independent specialist adviser position, who did the government appoint as a specialist adviser and how were they chosen?

Mr Harfield: The specialist adviser is appointed by me for Airservices. Tracks International were appointed in December, and they were appointed for two reasons. The first was that I wanted advice independent of the normal management chain from the work that is being done around the post-implementation review. I've made a commitment to the forum and the community that their reports will be made public so that they can hear external advice to what is being proposed and whether that's best practice or could be done another way.

Tracks International are a UK firm that have done work at Heathrow and Gatwick. They've got 30 clients in 10 different countries and they specialise in community engagement, flight paths and air traffic management. The other reason that I wanted to bring them aboard is that they haven't been involved in the Australian context or business, so we can get fresh eyes on the post-implementation review to give advice that doesn't look through the same lens all the time. They've been appointed by us to give me advice against what we would normally do in our post-implementation review.

Senator SHELDON: Just to be clear—and I know you've touched on this—how does this position interact with the forum; and will it override advice from the forum?

Mr Harfield: It won't override advice from the forum. The forum will provide input to them, and they will engage with the forum. I've asked for an adviser that's independent of the normal post-implementation process that we would conduct, so Tracks International is reporting directly to me, not to the normal management chain. Their advice and remit is to review everything that we are doing and provide a public report on that, which the forum and community can use.

Senator SHELDON: How long after the advice is provided to the minister will it be made publicly available?

Mr Harfield: The advice won't be made directly to the minister. When the report has been finalised, we'll be making it public.

Senator SHELDON: I understand that residents are frustrated with inaction from the government. They want to see solutions about what's happening with these issues. How will the government ensure that this position provides solutions for residents?

Mr Harfield: I can't comment on that. That question would have to go to the department. As I've said, this position, or the independent adviser, is providing advice to me—and broader people, by making the report public—independently of the work that Airservices would normally do, the post-implementation review, assurance that what we're producing is best practice which has considered all the range of options; it hasn't just been something out of convenience for us.

Senator SHELDON: I just want to go to the question of intersection departures. Has the 12-month trial to remove intersection departures commenced?

Mr Harfield: No, it will also commence on 24 February. And it's not an intersection departure; it's making sure an aircraft uses the full length of the runway on departure.

Senator SHELDON: I note in the quality progress report that it says this trial will look at whether the operational impact of the airport outweighs the community benefit. Community members have been calling for this kind of assessment for several years now. What method will the government use to make this assessment?

Mr Harfield: That's a question for the department.

Senator SHELDON: Are you able to tell me how the threshold of operational success versus community benefits will be determined?

Mr Harfield: Not at this stage, other than that in the work that Airservices is doing I have committed to utilising the targets that were specified in the environmental impact statements as being the gauge to what we're working towards in any changes or any outcomes of the post-implementation review.

Senator SHELDON: What methodology or methods will be used for that process?

Mr Curran: With regard to the community experience, we'll engage throughout the 12-month trial with community members through various forums to seek feedback to understand what the experience is. We'll also be

using our noise-monitoring system to record data and to provide that data back to communities to inform their decision-making and their views. Of course, we'll engage with the industry to understand what sort of delay threshold they're experiencing so that we can fully understand the implications of the trial.

Senator SHELDON: I want to go a bit further into the noise abatement procedure. The forum recommended the introduction of a noise abatement procedure requiring jet aircraft to remain on the standard instrument departure path until they reach 10 to 12,000 feet. Where is this currently at?

Mr Harfield: We're currently doing noise modelling, as well as reviewing why the aircraft are currently being taken off the standard instrument departure before 10,000 feet. We expect that to be completed by the end of February. Our aim is to have the noise abatement procedure introduced by the end of March, subject to the appropriate consultation that's required.

Senator SHELDON: Airservices and Brisbane Airport Corporation have expressed their support for the forum's recommendations to implement this new noise abatement procedure. I note this procedure would ensure that jet aircraft use the departure flight path corridors which have been published and provided to the public prior to the runway opening. Can you explain to me why the noise abatement procedure wasn't implemented when the runway opened?

Mr Curran: If I understand the question as relating to the previous question, which relates to jets to continue on the standard instrument departure until they're through 10,000 feet: there are instances where, for air traffic management purposes to do with traffic flows and other aircraft in the vicinity, those standard instrument departures are being terminated and the aircraft are given track shortening or being vectored for different reasons.

What we want to understand as a part of the review that Mr Harfield just referred to, before implementation in March, is the potential for there to be a change in noise patterns, given what's currently happening, versus keeping aircraft on that standard instrument departure. In simple terms, it could be that one community gets noise moved from it to another community. We want to understand that and understand if any consultation is necessary as a part of that. So I don't think it's the case that it wasn't implemented, it's that it's being used operationally in a different way perhaps to how it was expected to be used prior to operations taking effect in June 2020.

Senator SHELDON: Turning to the task resources analysis methodology used to establish the minimum staffing levels required to deliver an effective airport rescue and firefighting service, is the task resource analysis process under way?

Mr Harfield: It's under way.

Senator SHELDON: In how many locations has the TRA been completed?

Mr Harfield: I'll have to take that on notice, specifically, because the way that it is conducted means it starts looking at what we would call category 5, which is the lower one, and then category 6, which is up the station. I'm just not sure how many stations in total have been done. Our aim is to have that completed and going through all the work, with the outcomes of that work having been independently assessed and completed, by September of this year.

Senator SHELDON: I thank you for taking it on notice where it cuts across different locations. Have any shortcomings or operational capability risks been identified through the TRA assessment process so far?

Mr Harfield: There would be. However, where there is a risk that's identified as needing immediate addressing, we would do so. If there are indicators in assessments of workload et cetera, the TRA is just one piece of information. Other pieces of information need to come together to give the whole picture. So if something came out through the process that would identify a risk or something that would need to be addressed immediately, that would be done. Otherwise, it's put into the mix of the overall picture.

Senator SHELDON: Are there any locations that have an extreme risk?

Mr Harfield: Not to my knowledge, but I will confirm that and, if there are, what we have done about it.

Senator SHELDON: That included high-risk and extreme risk.

Mr Harfield: Yes.

Senator SHELDON: What does it mean to be assessed as having an extreme risk in practical terms?

Mr Harfield: I'd have to take that definition on notice. My view is that if it's aligned with our normal risk matrix, it is a risk that would need to be treated immediately.

Senator SHELDON: So if you don't have enough staff to deal with accidents, does an extreme risk mean that they need more staff?

Mr Harfield: Without the context of what that could be, I'd be reluctant to say yes or even no to that particular question. It depends on what the risk assessed is and whether that risk could actually be mitigated or addressed another way. Not every risk that you have due to a staffing level means that having more staff would actually resolve it. So without the context of the actual risk, I'm reluctant to give you a yes or no answer.

Senator SHELDON: I appreciate that. You're saying to me that staffing could be one of those risks.

Mr Harfield: It always could be.

Senator SHELDON: So I'm clear, I appreciate you're using the terminology 'extreme risk', or 'high-risk', but what are the processes you follow to assess that risk? What drives you to say, 'We've just identified this risk and this report—I need to act'?

Mr Harfield: In normal hazard identification process—and I will take it on notice to provide the piece on how we would assess the risk within the task resource analysis, just in case this isn't correct and normal—you would identify what the potential hazard would be, then the likelihood and the consequence of that particular hazard being realised. Then that would determine the level of what I would call 'inherent risk' there. Then you would look at what controls or mitigators you would place and then you would reassess to see whether that risk was lower. The way our safety management system works is that we try to bring that back down to as low as reasonably practicable.

Senator SHELDON: On the issue of escalating risk, would it be important that the RFFS team actually knew what level of risk they were working with at the current staffing levels?

Mr Harfield: A task resource analysis will not necessarily do that because it's looking at all tasks. That is something that should be assessed on a day-to-day basis in everything that they are doing.

Senator SHELDON: Just so I'm clear—

Mr Harfield: Every day, you'd be sitting there going: 'These are the staffing levels, this is the workload and this is the activity that's going on. Have I got the right amount of staff? Are the risks normal for work health and safety as well as normal operational safety?' That would be a normal, day-to-day event. I would find it highly unlikely that people would be working and not understanding the risks that they were dealing with. If that's the case, then there's a supervision and management issue associated with that.

Senator SHELDON: Can I just make an observation. When organisations or individuals are under stress about how they perform and there are a lot of different dynamics going on, having a clearer pathway to finding a solution is important. I'm saying this in a very broad sense. Is there a formula that you have which applies to what the staffing levels need to be, or is it left to the person who's in charge of the operations at the particular location to make those decisions? Do they have a guide which they use? I'm using a very ridiculous figure, but one person might say that 10 people are okay and another person might say that 20 is appropriate. The answer might be 16, but how do you work out who's right and who's wrong in those processes?

Mr Harfield: We have a staffing model today which is overseen by CASA and is associated with the various categories that we operate at the airfield. Take a category 7 station: that requires a certain amount of agents, foam et cetera to be able to be turned out to an aircraft accident, which will then determine how many vehicles we have, and then you work out how many staff. We've got a formula, as well, for staffing levels and how many officers to staff based around the workload of a normal day at the various stations. That is oversighted by CASA.

What we are now doing with the task resource analysis is updating that to understand whether those various category levels are the right amounts of staffing, depending on what our activities or procedures associated with using breathing apparatus are or, in particular, where we may have a domestic response as well. We're working through all of those things and reassessing. We do have a set formula, so it's not up to the individuals to decide. However, there's nothing preventing a fire station commander, for a better term, determining that on the day. In an air traffic control environment, even, if they require more staff because of a situation where they need staff, they've got the ability to call in more staff.

Senator SHELDON: On the TRAs, how many TRAs haven't been shared with UFU or the onsite RFFS crew?

Mr Harfield: I have to take that on notice.

Senator SHELDON: Are you aware whether there have been some TRAs withheld from RFFS crews and from the United Firefighters Union on the basis that they are commercial-in-confidence or intellectual property?

Mr Harfield: No, I'm not aware.

Senator SHELDON: Would you take that on notice.

Mr Harfield: Yes.

Senator SHELDON: Are any of the TRAs that haven't been disclosed—you'll have to take this on notice as well—at locations that have been assessed as being high or extreme risk? If so, can you tell me what high- or extreme-risk airports have had TRAs withheld?

Mr Harfield: I'll take that on notice, if that's the case.

Senator SHELDON: Rescue and firefighting services operations are obviously serious business. As we know, people's lives are on the line. Would it concern you that there isn't sharing of this information—of the TRAs—and that it's being withheld, if that were the case?

Mr Harfield: I would be surprised if the information is being withheld, but, as I said, I'll take that on notice and look at it, because I don't see why it would be withheld. I can't see a valid reason.

Senator SHELDON: If there's an aircraft crash or incident tomorrow at an airport you've identified as high or extreme risk, would the firefighting team on site have the capacity to adequately deal with that risk safely and efficiently?

Mr Harfield: Yes, they would, because I am unaware of anywhere that has got an extreme or high risk from what is currently being done as the task resource analysis, which is a theoretical exercise to determine tasks, resources and adding it up and there are a number of inputs that are required to actually determine what the right staffing level is. It's just not the TRA by itself. However, at the moment we have adequate staffing levels for all of our fire stations and the activity going on. There is a split, which I'm trying to distinguish, between a high risk that has been identified through a process that is still ongoing—as I said, if there is a risk that is a threat to operations it would be dealt with straightaway—versus the risks associated with current staffing levels and the activity in an aerodrome, if you understand the distinction I am trying to make. The task resource centre is a process that is going on and has a range of inputs. Something in there may be defined as a risk. If it is a risk that we have declared that is part of current operations then that would be mitigated. It would not be allowed to stand.

Senator SHELDON: Can you provide copies on notice of the TRAs that've been undertaken?

Mr Harfield: Yes, I can.

Senator SHELDON: Thank you. I think it is probably appropriate that we ask questions about this. On the issue of an update on measures that Airservices have recently undertaken to combat bullying and harassment—and, of course, this has been an issue that's been around for some time. I am wondering what training has happened, including for yourselves, in recent times? What's the training of senior management and staff?

Mr Harfield: What training have we done?

Senator SHELDON: Yes. What training and reinforcement of appropriate policies?

Mr Harfield: Not only is there an annual refresher for all leaders and staff on our code of conduct and what constitutes bullying and harassment, but there is an entire program that came out of the review that we did. There are a range of actions that go through from leadership all the way through the organisation, as well as reporting, monitoring and setting up something like an adequate place for people to be able to safely report. After the first year we republished a new set of actions. We have them on our website. I can provide them on notice.

Senator McKenzie: They're publicly available.

Mr Harfield: They're all publicly available. We publish them to show what we are doing. For the executive members and myself, we did things like the leadership shadow to understand our impact through the organisation and what we do—understanding that culture starts at the top and goes all the way through. Then also doing things such as storytelling, where we get to sit down and listen to people and take on their issues and understand what the impact is on people. That's something that helps us be better leaders and drives the right culture in the organisation.

Our leaders, all the way through, are assessed against our leadership standard. Our leadership standard isn't what you technically know—it's about know me, value me, focus me. In other words: know the people who you lead, focus the people you lead on the right thing and also value them. We assess our leaders on that and that's actually the prerequisite to being a leader.

Senator SHELDON: I appreciate all those things that function within the operations. I appreciate there's ongoing assessment of the work that you're doing, as you put to me. Are there training sessions, like formal training sessions, that complement the things you just outlined to me?

Mr Harfield: There are, all the way through. We also do refreshers and we keep building on that as well. Off the top of my head I can't recall some of the training that we've done that's there, but we have got all those

available on our website and our report against what we're doing for the review of culture. But I can provide some more information if required.

CHAIR: Thank you very much, Senator Sheldon. Thank you very much to Airservices for being the last witnesses for the day. That concludes the proceedings today. The committee is due to recommence its examination of the budget estimates on Tuesday 15 February 2022. I thank Minister McKenzie; Minister Duniam; officers of the Department of Infrastructure, Transport, Regional Development and Communications; all witnesses who have given evidence to the committee today. Thank you also to Hansard, to broadcasting, to the secretariat and to my colleagues.

Committee adjourned at 22:54