



COMMONWEALTH OF AUSTRALIA

# Official Committee Hansard

## SENATE

STANDING COMMITTEE ON ENVIRONMENT,  
COMMUNICATIONS, INFORMATION TECHNOLOGY AND THE  
ARTS

ESTIMATES

**(Budget Estimates)**

MONDAY, 21 MAY 2007

CANBERRA

BY AUTHORITY OF THE SENATE



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**SENATE STANDING COMMITTEE ON  
ENVIRONMENT, COMMUNICATIONS, INFORMATION TECHNOLOGY AND  
THE ARTS**

**Monday, 21 May 2007**

**Members:** Senator Eggleston (*Chair*), Senator Bartlett (*Deputy Chair*), Senators Birmingham, Kemp, Lundy, Ian Macdonald, Webber and Wortley

**Participating members:** Senators Adams, Allison, Bernardi, Boswell, Bob Brown, George Campbell, Carr, Chapman, Conroy, Crossin, Chris Evans, Faulkner, Ferguson, Fielding, Fieravanti-Wells, Forshaw, Heffernan, Hogg, Humphries, Joyce, Lightfoot, Ludwig, Lundy, Marshall, Sandy Macdonald, McGauran, McLucas, Milne, Moore, Nash, Nettle, O'Brien, Parry, Payne, Robert Ray, Siewert, Stott Despoja, Watson and Wong

**Senators in attendance:** Senators Bartlett, Birmingham, Bob Brown, George Campbell, Conroy, Crossin, Eggleston, Fielding, Kemp, Lundy, Ian Macdonald, McLucas, Ronaldson, Siewert, Wong and Wortley

**Committee met at 9.04 am**

**COMMUNICATIONS, INFORMATION TECHNOLOGY AND THE ARTS  
PORTFOLIO**

**In Attendance**

Senator Brandis, Minister for the Arts and Sport

**Department of Communications, Information Technology and the Arts  
Executive**

Ms Patricia Scott, Secretary

Ms Fay Holthuyzen, Deputy Secretary, Infrastructure and Access

Dr Rod Badger, Deputy Secretary, Strategy and Content

Ms Lynn Bean, Acting Deputy Secretary, Arts and Sport

Mr Abul Rizvi, Deputy Secretary, Protecting Australian Families Online

**Legal**

Mr Don Markus, General Counsel

**Corporate and Business**

Mr Frank Nicholas, Chief Operating Officer, Corporate and Business Division

Mr Mike Hutchings, Chief Information Officer and General Manager, Information Technology and Facilities Branch

Ms Cheryl Watson, Acting General Manager, HR and Communications

Mr Tim Cornforth, Manager, Regional Network Management Unit

**Finance and Budgets**

Ms Jennifer Gale, Chief Financial Officer

**Infrastructure and Security**

Mr Col Lyons, Chief General Manager, Infrastructure and Security Division

Mr Andrew Maurer, Acting General Manager, Networks Competition Branch

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Mr Simon Bryant, General Manager, Broadband Infrastructure Branch

Mr Ashley Cross, General Manager, Security Branch

Mr Bill Scott, Acting General Manager, International Branch

**Access and Consumer**

Mr Keith Besgrove, Chief General Manager, Access and Consumer Division

Mr James McCormack, General Manager, Broadband Development Branch

Mr Brenton Thomas, General Manager, Networks Operations and Spectrum Branch

Mr Rohan Buettel, General Manager, Consumer and Shareholder Branch

**Content and Media**

Dr Simon Pelling, Acting Chief General Manager, Broadcasting

Mr Gordon Neil, General Manager, Media Industries

Mr Simon Cordina, General Manager, Digital Content

Ms Trish Barnes, Acting General Manager, Digital Broadcasting

**Strategic, Development and Regional**

Dr Beverly Hart, Chief General Manager

Mr Philip Allnut, General Manager, Indigenous Communications

Mr Lindsay Barton, General Manager, ICT Development

Mr Tom Dale, General Manager, Strategy Branch

Ms Liz Forman, General Manager, Regional Branch

**Arts and Sport Division**

Mr James Cameron, Chief General Manager, Arts and Sport Division

Mr Peter Young, General Manager, Film and Digital Content Branch

Mr Mark Taylor, General Manager, Arts, Regional and Governance Branch

Ms Lyn Allan, General Manager, Indigenous Arts and Training

Mr Paul McInnes, General Manager, Collections

Mr Bill Rowe, General Manager, Sport

Ms Jenny Anderson, Chief General Manager, Old Parliament House and National Portrait Gallery

Mr Kate Cowie, General Manager, Contents and Programs, Old Parliament House and National Portrait Gallery

Mr Paul Salmond, General Manager, Heritage and Property, Old Parliament House and National Portrait Gallery

Mr Andrew Sayers, Director, National Portrait Gallery

**Australia Council**

Ms Kathy Keele, Chief Executive Officer

Dr Catherine Brown-Watt, Executive Director, Major Performing Arts Board

Mr Ben Strout, Executive Director, Arts Development

**Australian Business Arts Foundation**

Ms Joanne Simon, Company Secretary

Ms Jane Haley, Acting Chief Executive Officer

**Australian Film Commission**

Mr Chris Fitchett, Acting Chief Executive Officer

**Australian Film Television and Radio School**

Mr Malcolm Long, Chief Executive Officer

**Australian National Maritime Museum**

Ms Mary-Louise Williams, Director  
Mr Peter Rout, Assistant Director  
Ms Joan Miller, Chief Financial Officer

**Australian Sports Anti-Doping Authority**

Mr Richard Ings, Chief Executive Officer  
Mr Kevin Isaacs, Group Director, Deterrence  
Ms Catherine Ordway, Group Director, Detection  
Mr Richard Redman, Senior General Counsel  
Ms Catherine Shadbolt, Chief Financial Officer

**Australian Sports Commission**

Mr Brent Espeland, Acting Chief Executive Officer  
Ms Nadine Cohen, Acting Director, Sport Performance and Development  
Professor Peter Fricker, Director, Australian Institute of Sport  
Ms Christine Magner, Director, Corporate Services  
Mr Steve Jones, Director, Commercial and Facilities  
Mr Greg Nance, Director, National Sport Programs  
Mr Laurie Daly, Director, Finance

**Film Australia Limited**

Ms Daryl Karp, Chief Executive Officer

**Film Finance Corporation**

Mr Brian Rosen, Chief Executive Officer

**National Archives of Australia**

Mr Ross Gibbs, Director-General  
Mr James Barr, Deputy Director-General  
Ms Karen Sheppard, Assistant Director-General, Corporate Services

**National Gallery of Australia**

Mr Ron Radford AM, Director  
Mr Alan Froud, Deputy Director

**National Library of Australia**

Ms Jan Fullerton, Director-General  
Ms Jasmine Cameron, Assistant Director-General, Executive

**National Museum of Australia**

Mr Craddock Morton, Director  
Ms Suzy Nethercott-Watson, General Manager, Operations  
Ms Gabrielle Hyslop, Acting General Manager, Audience and Programs  
Mr Matthew Trinca, General Manager, Collections and Content  
Mr Jeff Smart, Chief Financial Officer

**CHAIR (Senator Eggleston)**—I declare open this meeting of the Senate Standing Committee on the Environment, Communications, Information Technology and the Arts. The Senate has referred to the committee the particulars of certain proposed expenditure in respect of the year ending 30 June 2008 and particulars of certain proposed supplementary expenditure in respect of the year ending 30 June 2007 for the portfolios of Communications, Information Technology and the Arts and Environment and Water Resources. The committee's

proceedings will begin with its examination of the arts and sports sector of the Communications, Information Technology and the Arts portfolio, commencing with the Australia Council. Agencies will be called in accordance with the agenda.

Before we move to questions, I note that under standing order 26, the committee must take all evidence in public session. This includes answers to questions on notice. The committee has fixed Tuesday, 31 July as the date for the return of answers to questions on notice, and I ask that that be noted by all relevant departmental officials. 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, and 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.

By resolution in 1999, the Senate 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 that 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 the 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 or of a state shall not be asked to give opinions on matters of policy and should be given reasonable opportunity to refer questions asked of the officer to a superior officer or minister. If a witness objects to answering a question, the witness should state the ground upon which the objection is taken. The committee will then determine whether it will insist on an answer, having regard to the ground on which it is claimed. Any claim that it would be contrary to the public interest to answer a question must be made by a minister and should be accompanied by a statement setting out the basis for that claim. I welcome Senator the Hon. George Brandis, Minister for the Arts and Sport, and portfolio officers. Minister, as this is your first full estimates, do you wish to make an opening statement?

**Senator Brandis**—Can I briefly say two things. Since the last sittings of this estimates committee, Ms Patricia Scott, who sits beside me, has been appointed as the secretary to the department. Secondly, I am advised that there are no outstanding answers to questions on notice from the previous round in relation to either the arts or sports sections of the portfolio.

**CHAIR**—Thank you, Minister. We congratulate you on your appointment. Also, Ms Patricia Scott, our congratulations to you on your appointment.

[9.09 am]

#### **Australia Council**

**CHAIR**—I invite the officers from the Australia Council to the table, if they are not all there, and also ask Ms Keele if she has a desire to make an opening statement.

**Ms Keele**—I would just like the committee to note that our CFO, Emma Murphy, will not be joining us because she has an emergency medical situation that she needs to take care of. If we get very detailed on the financials, we will take those on notice, but we should be able to handle the broad brush.



**CHAIR**—Thank you very much.

**Senator CONROY**—Congratulations to Senator Brandis and Ms Scott. When was the review of the major performing arts companies completed?

**Dr Brown-Watt**—In late 2006.

**Senator CONROY**—When was it submitted to the government?

**Dr Brown-Watt**—At that time.

**Senator CONROY**—Is the review a publicly available document?

**Dr Brown-Watt**—I believe it is part of the budget-in-confidence papers.

**Senator CONROY**—So it is a structural review?

**Dr Brown-Watt**—It is a review that is undertaken every three years to look at the base funding of those companies. This was the second review.

**Senator CONROY**—So it is purely a funding review—it does not alter the structure?

**Dr Brown-Watt**—Correct.

**Senator CONROY**—So all parts of it revolve around the funding?

**Dr Brown-Watt**—Correct.

**Senator CONROY**—Are you able to outline the major findings of the report, Minister? Is that appropriate?

**Senator Brandis**—I think the officer can speak in general, particularly having regard to the very generous and widely applauded response by the government to the findings of the review in the recent budget.

**Senator CONROY**—Dr Brown-Watt, you have the minister's permission to say how wonderful he is!

**Senator Brandis**—I think we should be saying how wonderful Senator Kemp is. He had the ministerial responsibility for this—

**Senator CONROY**—You can toss in how great Senator Kemp is along the way as well!

**Senator Brandis**—and so many other beneficial arts developments during the course of the last 12 months.

**Senator CONROY**—Dr Brown-Watt, they will be watching how effusive you are!

**Dr Brown-Watt**—The review noted the cost increases that had occurred for the companies. We were required to look at the companies' capacity to deliver their core activities on current levels of funding and to look at changes in the external environment that may have impacted on that. In that context, as I say, we noted the cost increases that had occurred at a higher rate than inflation. We noted that the companies had been extremely responsible in managing that process so that they were continuing to achieve break-even or small-surplus budgets, but it was at a cost in some areas of their activities, in particular in relation to artist training activities, the development of new commissioned works and some areas of access. Notably, those companies that are required to do international touring had found that the continued cost increases and restructuring of how that occurs had impacted significantly, and

also a number of companies' education programs had been impacted. These were the areas that the review and the request for additional funding sought to address.

**Senator CONROY**—Did you identify a ballpark figure—you do not have to necessarily reveal what it is unless you are feeling very bolshie—that you needed?

**Dr Brown-Watt**—Yes, we did. We put a new policy proposal to government.

**Senator CONROY**—Can the Australia Council outline the number of recent investigations or reports it has commissioned into the state of the small- and medium-sized performing arts sector?

**Mr Strout**—In the last four years I believe we have commissioned three reports: one in theatre, one in dance and one in music.

**Senator CONROY**—What have those reports found?

**Mr Strout**—They looked at each sector independently. They were done by different researchers—consultants—and they found a range of things. The dance report looked at the entire sector—individuals, projects, producers and companies—the theatre report focused just on the triennially funded companies, and the music report focused mostly on the triennially funded companies and a couple of other project funded companies. So they had slightly different briefs for each one.

**Senator CONROY**—Did the government's budget announcements exceed the requests that you put in?

**Mr Strout**—The government's budget announcement addressed the key organisations—the triennially funded organisations—and our capacity to support those organisations rather than the entire sector, including programs, projects and things like that.

**Senator CONROY**—So it was all those issues you found in those three reports. Did it address all of those?

**Mr Strout**—We did not submit those three reports as part of a new policy proposal.

**Senator CONROY**—So what was the point of the reports?

**Mr Strout**—The reports told us about the sector, but they had their own financial analysis. We did put a new policy proposal to government that relied on our own internal research as well, which was not commissioned. You asked about commissioned reports. We did our own internal research through the key organisations team, and we put a new policy proposal to government.

**Senator CONROY**—If you did your own internal work to decide how much money they needed, why did you commission those reports in the first place? You ignored them.

**Mr Strout**—Two of those reports were before we had a key organisations team. The key organisations team was created as part of the restructure of the Australia Council about 18 months ago. The dance and theatre reports were prior to the establishment of the key organisations team. The music report was simultaneous with the creation of the key organisations team, and it did not look at a specific funding proposal.

**Senator CONROY**—Did the additional funding in this year's budget address all of the issues raised in the three reports?

**Mr Strout**—Not all the issues were addressed in the three reports.

**Senator CONROY**—Which ones were not addressed.

**Mr Strout**—It does not deal with individual projects support. Our new policy proposal did not focus on that.

**Senator Brandis**—I think it is fair to say, Senator Conroy, that the response to the budget from this sector was a very warm response. Perhaps I could invite Mr Strout to expand upon the response to the budget from the sector about which you are inquiring.

**Senator CONROY**—Do not be embarrassed, Mr Strout. The minister is asking you to sing his praises again.

**Senator Brandis**—I would not like the tone of your questions to generate the erroneous impressions that the reaction within the sector to the budget was anything less than very enthusiastic.

**Senator CONROY**—Perhaps one of your coalition colleagues might like to try to elicit that, rather than the minister soliciting on his own behalf.

**Senator Brandis**—That is all right; I just wanted to assist you to maintain the context.

**Senator CONROY**—As you have always sought to do at Senate estimates.

**Mr Strout**—I am happy to respond to the minister's request.

**Senator CONROY**—I make the point: he does not ask the questions at estimates; we do. He will need to prod one of them; otherwise he cannot answer that, because he is not meant to answer questions.

**Senator Brandis**—I was not asking a question, Senator Conroy.

**Senator CONROY**—I know exactly what you were doing. You are blushing.

**Senator Brandis**—I was trying to contextualise your question.

**Senator CONROY**—You are blushing with embarrassment, Minister. We understand. I will move on. Has the extension of the visual arts and craft strategy been indexed to inflation?

**Mr Strout**—It has been indexed.

**Senator LUNDY**—What decisions have been made so far that have arisen out of the report into dance?

**Mr Strout**—The *Resourcing dance* report was commissioned a few years ago. At the time, the dance board reviewed all of its triennial funding—its small to medium infrastructure. Out of that review of its infrastructure, it confirmed a slightly different list of companies that are funded triennially. The major effort coming out of that report was the review of its triennial support. It has also been pursuing international market development, but it has been focusing its resources on its triennial sector.

**Senator LUNDY**—Out of that, you confirmed a slightly different list of companies. Can you name the companies that lost their funding as a result of that exercise?

**Mr Strout**—I could not be totally comprehensive. Off the top of my head, I am aware of two organisations. The exercise is not just a one-off; it is a review of organisations. When

organisations are deemed to be not quite up to standard, they are given fair notice of concerns from the board. In the last few years, two organisations were given that notice and are no longer funded: DanceWorks, in Victoria, and the Australian Choreographic Centre, in Canberra. Another organisation—Dance North, in Townsville—was given fair notice of concerns. It responded extraordinarily well to those concerns and has been given increased funding on review.

**Senator LUNDY**—Did the giving of notice also emerge out of the review or did the decision follow the review? What was the sequence of their being asked to show cause and the review?

**Mr Strout**—As a part of the review, all organisations were given notice of potential change. The issues in respect of the specific organisations I cited were about funding applications and particular concerns. As a part of the *Resourcing dance* review, all organisations were told that we were reviewing what we are doing and that we could not guarantee triennial support 12 months from now. However, most of those organisations were retained on triennial funding and other organisations were identified for particular concerns.

**Senator LUNDY**—Can you describe where the resources went that no longer go to those organisations? How are you reallocating those resources?

**Mr Strout**—In general, they are reallocated to other triennial funding organisations.

**Senator LUNDY**—So others just get more?

**Mr Strout**—Or new organisations are funded; it is a very fluid sector.

**Senator LUNDY**—Post review, how many new organisations were funded through that process?

**Mr Strout**—I would have to take the exact number on notice, but it would be two or three.

**Senator LUNDY**—On the issue of choreographic development—the development and training of new choreographers—can you point to companies within your suite of small, medium or even large dance companies that provide the training and development of new choreographers in Australia?

**Mr Strout**—I suppose the first point would be that the entire small to medium sector trains choreographic development of artists. Each of the leaders of the dance companies is generally in the earlier stages of their career. Some of them have reached international fame—for example, Gary Stewart, of the Australian Dance Theatre. He has developed through this company, which is supported by the dance board as a small to medium arts company.

**Senator LUNDY**—How do the choreographers get to the point where they are working as a choreographer in a professional company?

**Mr Strout**—Each of our art form boards has a range of support—project support and individual support; companies on an annual basis and triennial funding. This is where the new funding is targeted, and it is welcome. The project support and the annual support is where new companies—emerging companies—are supported and where the new artists trial their works.

**Senator LUNDY**—Are you able to provide us with some more detail about how exactly new choreographers are given training experience as choreographers and how their career paths develop through those small companies?

**Mr Strout**—It is a fairly broad question.

**Senator LUNDY**—I am very aware of the role of the Australian Choreographic Centre in providing fellowships to do exactly this. I would like to see how else choreographers are able to get that kind of experience, given you have cut the funding to the one organisation that previously provided it in, seemingly, a very cohesive way.

**Mr Strout**—There is a range of organisations. Dancehouse, in Melbourne, provides an opportunity for smaller project companies to show their wares—their trial works. Most of the small to medium companies are not run by just one choreographer doing all the work. There are opportunities for dancers within the company or for project choreographers to do works for them, so there is quite a large amount of choreographic development happening throughout the sector.

**Senator LUNDY**—If you could take it on notice to provide the committee with a description of where those opportunities are and how they occur, I would be grateful.

**Senator KEMP**—First of all, I congratulate the minister on achieving a fantastic outcome for the arts budget for the Australia Council.

**Senator CONROY**—He has done better than you ever did in this area.

**Senator KEMP**—I have a lot of perspective on this and I think this has been an absolutely outstanding outcome. My congratulations to the minister.

**Senator CONROY**—Is that a question?

**Senator KEMP**—I am sure I am joined by all my colleagues on the committee in patting Senator Brandis on the back.

**Senator IAN MACDONALD**—Hear, hear!

**Senator KEMP**—I would like to ask just a couple of questions in relation to the outcome for the major performing arts companies, which again was an excellent outcome. That money, I think, has to be matched in the appropriate ratio by the state governments. Am I right in assuming that?

**Dr Brown-Watt**—That is correct; yes.

**Senator KEMP**—Can I just check: what types of commitments have we received from the state governments? Do you expect that all the state governments will fully commit to the major performing arts review?

**Dr Brown-Watt**—I do. The recommended levels of increase were developed consultatively with the relevant state government in relation to each company, and we have had very positive discussions with them. There will, of course, need to be formal processes to go through, but I do expect—

**Senator KEMP**—This is at the officer level, to date?

**Dr Brown-Watt**—Yes.

**Senator KEMP**—You will be aware that we have had acute problems with the New South Wales government in appropriately matching the major performing arts grants.

**Senator CONROY**—The New South Wales electors did not seem to have a problem with it.

**Senator KEMP**—Let me just follow through, Senator Conroy. I know you are a bit edgy after the appalling performance of your team at the weekend, but let me just continue.

**Senator CONROY**—That is true, but you did not phone me when we beat you by 77 points.

**Senator KEMP**—Just let me continue.

**Senator CONROY**—I sat there all Monday waiting for you to call. I thought my phone had broken!

**Senator KEMP**—I lost your number, Stephen. If you could pass that to me, I will give you a call. You will be aware of the problems that we have had with the New South Wales government.

**Dr Brown-Watt**—Indeed, we did have some in the past, but it is my understanding that they will respond in this case.

**Senator KEMP**—When will we know that for sure? When will we have that commitment on paper?

**Dr Brown-Watt**—I believe there needs to be an exchange of letters between ministers on that to get a formal commitment on paper. But, as I said, we have been in close consultation in the lead-up to the budget, and all ministers at the Cultural Ministers Council in September last year, you will recall, committed to taking this request through to their budget processes. So we are extremely hopeful that this will happen, and we have had very positive discussions.

**Senator KEMP**—I am delighted to hear that. We live in hope that that will occur.

**Dr Brown-Watt**—Absolutely.

**Senator KEMP**—As you are aware, we have had some trouble in the past in relation to some state governments—not all. With the small and medium boost that has been received, is there an expectation that state governments will also be able to show pro rata enthusiasm for what the Commonwealth has done?

**Mr Strout**—It is not a requirement, though we have been, throughout the development of our research into the small to medium sector, talking to the states about identifying responsibilities for organisations and for increases in funding. So I am aware that several of the states are, but not all of the states are.

**Senator KEMP**—So are you seeking advice from the states on what their proposals are, or are you seeking matching money from the states?

**Mr Strout**—No, we have not sought matching money from the states.

**Senator KEMP**—I am just not clear what you are seeking.

**Mr Strout**—Sorry. We are seeking a clarification of responsibility for organisations generated from the first small to medium research undertaken by the Cultural Ministers

Council in 2001 It was clear that some clarification of why the Australian government would be interested in supporting some organisations and why the state government would be interested in supporting organisations needed to be worked out. There were a lot of historical patterns. We are working with the states on clarifying what the interests of the Australian government, through the Australia Council, are in the small to medium sector and what the state governments' interests are in the small to medium sector.

**Senator KEMP**—Is it hard to get a very clear idea of what the states are already putting into the small and medium sector?

**Mr Strout**—No, we have an analysis of what they fund. They do put quite a bit into the small to medium sector. In the performing arts they put in more than the Australia Council had prior to the budget announcement.

**Senator KEMP**—The reason for that is obvious—because of the very heavy responsibilities that the Commonwealth government assumes in relation to the major performing arts companies.

**Ms Brown-Watt**—Correct.

**Senator KEMP**—I think the ratio is about 80 per cent Commonwealth funding, on average, to about 20 per cent state funding. My concern is that, because of the excellence of what happened with the budget, and the additional money that is flowing, I would be very worried if state Labor governments started to withdraw funding from this sector. We have seen on occasions before where the Commonwealth has moved in, provided additional funding and lo and behold you have found that state funding has tapered off or has not matched the growth and more reliance has been placed on the Commonwealth. I would be very keen to see some benchmark figures here from all the states. I do not know whether you are able to supply to the committee the material relating to what the state governments are currently putting into the small and medium sector. I think this committee should keep a very close eye on the performance of those state governments.

**Mr Strout**—We can provide you with the current operational funding for the key organisations that we did the research on—from the states and the Australia Council.

**Senator KEMP**—The other point I would like to make is that the excellent report, the outcome for the Myer report, was an excellent outcome as well. Will the same arrangements be held in consultation with the states in relation to the matching funding with the Myer report?

**Mr Strout**—Yes, my understanding is that the principles of the original Myer funding agreement, with the bilateral agreements with each of the states and the matching funding, will be maintained and that the bilateral negotiations with each state will continue over the next few months.

**Senator KEMP**—And the states have agreed to match the indexed amounts?

**Mr Strout**—I would have to seek advice from the department on that.

**Senator KEMP**—I think that would be important. Again, if the indexed amounts are not matched I think the committee would like to know about it.

**Senator Brandis**—Senator Kemp, I think you began your questions with the major performing arts companies, then you went on to the small to medium sector and finished with the visual arts and crafts strategy. I do have some information I can give you in relation to the first of those three topics. I am advised that the Victorian government has committed funding of \$2.9 million for the state's major performing arts companies in its 2007-08 budget, the New South Wales government has provided a written assurance of its commitment while the South Australian and Western Australian governments have also verbally indicated their support. I am advised that the Australia Council is currently negotiating with the Queensland government to secure its commitment, which has not yet been forthcoming.

**Dr Brown-Watt**—I have an update on that. I had extensive meetings with the Queensland government on Friday at which they assured me that the funding would be in fact in place.

**Senator BIRMINGHAM**—In response to the minister's excellent suggestion, I was wondering whether Mr Strout or one of his colleagues might like to inform the committee of the reaction of the small to medium sector to the budget announcements.

**Senator CONROY**—Is that a question?

**CHAIR**—It is a request.

**Senator KEMP**—I thought it was an excellent question.

**Senator IAN MACDONALD**—A very good question.

**Senator Brandis**—Senator Conroy, obviously it is a question and it is a bit strange that the one member of the committee who never asks questions but merely makes political statements should make such an observation about Senator Birmingham's question.

**Senator CONROY**—This is known as one of the traps for beginners, Senator Birmingham. Just because they ask you to ask a dumb question does not mean that you have to do it.

**Senator IAN MACDONALD**—Why are you here then, Stephen?

**Senator CONROY**—If you want to hold a press conference, do so. Can we stop wasting the estimates time.

**Senator KEMP**—I think Senator Conroy should follow his own advice.

**Senator Brandis**—With respect, Mr Chairman, Senator Conroy never asks dumb questions because he never asks questions; he merely makes assertions.

**Senator IAN MACDONALD**—And they are written for him by his staffer, anyhow!

**CHAIR**—Mr Strout?

**Mr Strout**—I am happy to answer the question.

**CHAIR**—Good; please proceed.

**Mr Strout**—I have received a very large number of phone calls and emails from representatives and leaders in the small to medium performing arts sector expressing great satisfaction, appreciation and recognition of the government's initiative.

**Senator CONROY**—How great a satisfaction?



**Mr Strout**—How great a satisfaction?

**Senator CONROY**—Tell us more!

**Senator Brandis**—Senator Conroy, about five weeks ago the shadow minister—whom you represent in the Senate—gave a very silly speech, in which he suggested that arts funding was not flourishing.

**Senator CONROY**—Sorry, is this answering a question that was asked? I asked the gentleman a question.

**Senator Brandis**—Three weeks after he gave that very silly speech, we had the best arts budget in 20 years. So perhaps the opposition might show a bit of *amore propre* and acknowledge that the shadow minister, whom you represent, made a fool of himself with false claims.

**Mr Strout**—This is a sector that has cut its activities to fit the funding over the last five to 10 years. It has been the subject of some scrutiny, from the Cultural Ministers Council onward. This has been the first significant budget response, and they are very grateful.

**Senator CONROY**—How many Australian artists will attend this year's Venice Biennale?

**Ms Keele**—Three will attend as representatives of the Australia Council. An additional three were invited by the official curator of the Biennale, so we will have six artists from Australia in Venice.

**Senator CONROY**—What is the cost of sending each of the three artists?

**Ms Keele**—I do not have the exact cost of sending each of the artists, but I can tell you that the core commitment of the Australia Council is about \$780,000. This includes sending the artists, marketing and business operations—those kinds of things.

**Senator CONROY**—Are they travelling business class?

**Ms Keele**—I do not know.

**Senator CONROY**—We can wait while you find out.

**Ms Keele**—Can I take it on notice?

**Senator CONROY**—It would be after the election by the time we got the answers. The next estimates are not until November.

**CHAIR**—She has to take it on notice. I think that is a reasonable request.

**Senator CONROY**—You cannot be serious.

**Ms Keele**—I am happy to make a phone call.

**CHAIR**—There is no time limit put on it.

**Senator CONROY**—So there is a time limit put on us, but not on them? She said she is happy to find out the information.

**Ms Keele**—We will call right this moment.

**Senator CONROY**—Thank you for doing that. Mr Strout, you might want to wait and get the full list of questions.

**Ms Keele**—I have some information here; I just did not have that information.

**Senator CONROY**—How many Australia Council officials will attend?

**Ms Keele**—Five staff and I will attend, so six altogether.

**Senator CONROY**—How are you all travelling?

**Ms Keele**—I am not actually sure. I will have to find out: economy class.

**Senator CONROY**—I would be surprised if you were.

**Ms Keele**—I am not travelling economy class.

**Senator CONROY**—Business class?

**Ms Keele**—Yes.

**Senator CONROY**—Can I have a breakdown of the cost of sending each Australia Council official. You said it was \$780,000 all up—for the whole contingent.

**Ms Keele**—No, that is much more.

**Senator CONROY**—It included the marketing and all of those things that you mentioned. What was the travel cost of our involvement in the last Biennale?

**Ms Keele**—I think the budget was the same. With regard to the details that you are asking for, I would have to again check.

**Senator CONROY**—Thank you. How many artists were sent in 2005?

**Ms Keele**—One.

**Senator CONROY**—How many Australia Council representative were sent in 2005?

**Ms Keele**—I would have to check, but I think it was the same. From looking at past transcripts, I think it was exactly the same number; however, I will verify that.

**Senator CONROY**—Can I get the breakdown of last time: economy, business class and all that sort of stuff. Does the Australia Council outsource any of its responsibilities, including PR, during its participation in the event?

**Ms Keele**—We have a PR manager on staff through contract. So, if you call that outsourcing, yes.

**Senator CONROY**—That is the only outsourcing or contract?

**Ms Keele**—I would have to check.

**Senator CONROY**—Can I get that information, if possible. Are there any other Australian participants that the Australia Council is providing funding for? Are we doing anything for those three that were invited by the event itself?

**Ms Keele**—Do you mean the artists for the official—

**Senator CONROY**—You said there were three that had been invited officially. Is there any expenditure—

**Ms Keele**—We are providing some support to their costs. We also have the curatorial program, which is a first-year program for curators. This is a pilot program. We are sending curators over to participate.

**Senator CONROY**—Is that included in the \$780,000?

**Ms Keele**—Yes.

**Senator CONROY**—It sounds like they had a great time last time, because there was only one artist and no curators! There seems to be an awful lot more people going within the same budget.

**Ms Keele**—There was a curator program last time, of course. But this time we are sending over 15 curators, four of whom are Indigenous. The pilot program is the arts educator program. It is a significantly enhanced program this time around.

**Senator CONROY**—There just seem to be more people going, and yet the budget is staying the same.

**Ms Keele**—There are more artists and participants from the visual arts sector going.

**Senator CONROY**—It sounds like they had a fantastic party last time, given the extra people seem to be fitted in within the same budget.

**Ms Keele**—It is a great opportunity for the visual arts and crafts sector.

**Senator CONROY**—I have no doubt it is.

**Ms Keele**—And that is what we were focusing on this time around.

**Senator CONROY**—I am loath to release you from estimates given we have one week at least we can hold you for.

**Ms Keele**—Can I just answer the question you put to us regarding the class of travel for the artists?

**Senator CONROY**—Yes.

**Ms Keele**—They are travelling economy class.

**Senator CONROY**—Okay. As I said, given how easy it was to get that information, I am hoping that I can get a breakdown of the figure of \$780,000 supplied to the committee soon, as in before I release you.

**Ms Keele**—We will not be able to get that before you release me.

**Senator CONROY**—That depends how long I take to release you, I guess.

**Ms Keele**—Correct.

**Senator IAN MACDONALD**—Senator Conroy, you cannot release anyone. The committee might be able to, but—

**Senator CONROY**—We might be able to work together to solve that conundrum, Ms Keele—that is, the faster you get it, the faster we can release you.

**Senator Brandis**—You have been told the officer cannot tell you the answer now. It is a very detailed question. You have also been told that the question has been taken on notice.

**Senator CONROY**—Sorry, that would be what Senate estimates is: a questioning of officers of detailed questions.

**Senator Brandis**—Indeed. My point is that you have been told that the question has been taken on notice.

**Senator CONROY**—No, that is not what we have been told at all. In fact, Ms Keele was able to get one question answered straight away.

**Senator Brandis**—If the answers are available, they will be provided and, if they are not available, they will be taken on notice—as is, as you well know, the normal procedure.

**Senator CONROY**—Ms Keele, what did you think we were going to be asking you about if you did not bring any details whatsoever about—

**Ms Keele**—As I mentioned in my opening comments, the CFO, who would normally have had that information, was called into an emergency procedure. I am sorry she is not here.

**Senator CONROY**—I appreciate that.

**Ms Keele**—We would have guessed that there were some questions on that.

**Senator CONROY**—I am just assuming that you would have guessed that there were questions on this particular project. If it is possible, please gain as much information as you can in the next three to four hours, and I might be able to question you during the course of the morning. Otherwise, we could bang our heads on the desks all afternoon, which would be a complete waste of everyone's time. If you are able to get as much information on the breakdown of the expenditure—Mr Strout was very successful there on very short notice—that would be very helpful.

Now I want to talk about the Playing the World initiative. What current programs does the Australia Council fund for the touring of Australian artists and performers overseas?

**Mr Strout**—We have a program through the Theatre Board in partnership with the Community Partnerships and Market Development Division of the Australia Council called Playing the World, we have a program with the Music Board and Community Partnerships and Market Development called International Pathways, and we have a dance international strategy. There is through each of the other art form boards of the Australia Council some capacity to support artists. In the visual arts case, it would be exhibitions overseas.

**Senator CONROY**—How much is spent on each program?

**Mr Strout**—I would have to take the exact amount on notice. It is in the order of a couple of hundred thousand dollars.

**Senator CONROY**—Did you receive extra funding for the Playing the World program in the budget?

**Mr Strout**—The Australia Council did not, no.

**Senator CONROY**—Did you request it?

**Senator Brandis**—I might be able to assist you with that, Senator Conroy. The Australia on the World Stage program is in fact a program administered by the Department of Foreign Affairs and Trade, and funding for that program was significantly increased in the budget.

**Senator CONROY**—Mr Strout said it was not.

**Senator Brandis**—No, you asked him about whether the Australia Council requested it. My point is that the program is administered by a different department, the Department of Foreign Affairs and Trade, and there was a significant increase in the level of funding for that program in the budget. Perhaps you might care to renew your inquiry at the foreign affairs and trade estimates.

**Senator CONROY**—So why did Mr Strout—

**Senator Brandis**—No, that is not the question you asked him. You asked him some questions about whether the Australia Council sought increased funding. The point I am making to you is that this is not an ECITA program.

**Senator CONROY**—No, I am sorry, the first question I asked was: did they receive an increase in funding?

**Senator Brandis**—The answer to the question, ‘Was the funding for the program increased in the budget?’ is yes, and the department responsible for that program is the Department of Foreign Affairs and Trade.

**Senator CONROY**—What role does the Australia Council have in the Playing the World initiative?

**Mr Strout**—There are two Playing the World initiatives, which is perhaps the cause of some of the confusion here. There was a Theatre Board Playing the World initiative. Are you talking about the recent funding announced through the Department of Foreign Affairs and Trade?

**Senator CONROY**—My note says the Australia Council funds a number of programs to help Australian artists and performers tour overseas.

**Mr Strout**—Correct.

**Senator CONROY**—That is the one I am asking about. If Senator Brandis has sought to throw in a red herring or is talking about something else, that is fine, but I asked you a specific question about the Australia Council’s program and you told me there was no increase in funding for it.

**Mr Strout**—Correct.

**Senator CONROY**—Are we clear now?

**Senator Brandis**—Senator Conroy, your question was based on a false premise. The funding of the program concerning which you speak is DFAT funding. It is a DFAT administered program to which the Australia Council, of course, contributes.

**Senator CONROY**—Sorry, Mr Strout—could I get you to repeat your earlier answer? You said there are two Playing the World initiatives.

**Mr Strout**—There is a Playing the World initiative from the Australia Council separate to any other government department.

**Senator CONROY**—And it received no extra funding?

**Mr Strout**—We did not ask for any extra funding for that program

**Senator CONROY**—What does the Australia Council intend to spend on overseas touring programs this year?

**Mr Strout**—The Australia Council is yet to confirm its budget for this coming year.

**Senator CONROY**—I presume forward programs fall into the same category, or have you not decided yet?

**Mr Strout**—No.

**Senator CONROY**—When will you make those decisions?

**Mr Strout**—The Australia Council meets at the end of June, which is usually when it makes its budget decisions.

**Senator CONROY**—Will the additional funding for the Australia International Cultural Council affect funding for overseas touring through the Australia Council?

**Mr Strout**—There is no expectation that it would diminish or affect the Australia Council's support in any way. We welcome the initiative as enhancing our own support.

**Senator CONROY**—I asked a question a little earlier about indexing the visual arts and crafts strategy. Is it indexed for inflation or indexed against something else?

**Mr Strout**—I am sorry; I do not know the details of that. I would ask the department. To clarify, that is a departmental program and the Australia Council delivers parts of it on behalf of the department.

**Senator CONROY**—I do not mind who answers the question. I asked Mr Strout earlier if the visual arts program was indexed; he said yes. I just wanted to clarify what the indexing was.

**Ms Bean**—It was method 6.

**Senator CONROY**—Perhaps you could explain that to me as that is one I have not heard of.

**Ms Bean**—All indexation is governed by a number of formulae.

**Senator CONROY**—The most common is inflation, so obviously this one now is different from that. Perhaps you could tell us the difference.

**CHAIR**—Perhaps you could just let her answer your question.

**Ms Bean**—The Department of Finance and Administration has a number of different indexation formulae. In this case it was formula number 6.

**Senator Brandis**—Can I tell you what the numbers were, Senator Conroy, and you can draw your own conclusions. For the last four years, funding under the visual arts and craft strategy was \$19.5 million. The funding for the coming four years announced in the budget was \$24.7 million.

**Senator CONROY**—So it is method number 6, did you say Ms Bean?

**Ms Bean**—Yes.

**Senator CONROY**—Would you explain to me what that method is?

**Ms Bean**—I cannot, no.

**Senator CONROY**—I cannot either. Sometimes you actually do genuinely ask questions of information. Could you take that on notice?

**Ms Bean**—Certainly.

**Senator CONROY**—I note Ms Keele is away doing a bit of research. We can perhaps move on to the next project while we are waiting for her to get those answers. I do not want to release them; I am just happy to—

**Senator Brandis**—Before you finish with the Australia Council, Senator Conroy, I wonder if I could provide a fuller answer to Senator Kemp's question before.

**Senator CONROY**—Certainly.

**Senator Brandis**—Also to Senator Birmingham's questions as well, concerning initiatives in both the major performing arts group and the small to medium sector. As you are aware, Senator Kemp, being the progenitor of these beneficial initiatives, and Senator Birmingham, as I am sure Senator Conroy, the shadow minister representing the shadow minister for the arts in the Senate ought to be aware, there was in the budget a very significant increase in funding across the board for the arts, including major performing arts groups, the small to medium sector and the visual arts and crafts strategy—not to mention other beneficial increases, most notably film, concerning which we have not had any questions yet. On the reaction of the sector, to come to your question, Senator Kemp, I can give you a sample—this is only a sample: the arts writers for the *Australian* on 10 May said this:

It's a rare thing to hear the arts community congratulating the Howard Government, but yesterday, as companies combed through the detail of the arts component of Tuesday's budget, the refrain was the same.

"It's a good result," says Helen O'Neil, executive director of the Australian Major Performing Arts Group. "Australia's artists will be celebrating today," says Tamara Winikoff, executive director of the National Association for the Visual Arts.

Valerie Lawson, the arts writer for the *Sydney Morning Herald*, reported the sector's reaction in that newspaper on 10 May:

"This is a great shower in the drought season," says Jill Berry, Bell Shakespeare's company's General Manager.

Brett Davidson, general manager of Bangarra said the company was 'popping the champagne corks yesterday with its \$714,000 annual increase'.

**Senator CONROY**—Read the entire article.

**Senator Brandis**—It says, 'This sum was exactly what we asked for' and would mean 'financial stability and less reliance on corporate sponsorship.' The Australian Major Performing Arts Group, in a news release dated 8 May, said—

**Senator CONROY**—Could you read all of it? Could you read the whole news release?

**Senator Brandis**—I am responding to Senator Birmingham's and Senator Kemp's questions.

**Senator CONROY**—No, don't hold back—read all of it.

**Senator Brandis**—Senator Conroy, not even your capacity for legerdemain will create a false impression that the budget was not very generous for the arts sector. The news release states:

This announcement will provide a significant boost to AMPAG—

Australian Major Performing Arts Group—

companies enabling them to invest in the development of Australian artists, new productions, education and touring. The result will be more exciting world class work for Australian and international audiences and the effect of this investment will be felt for years to come.

Those are the words of Mr Derek Young, the chair of the Australian Major Performing Arts Group. Mr Simon Phillips, the artistic director of the Melbourne Theatre Company, wrote to me on 14 May and said, among other things:

Everyone at the MTC would like to thank you for the generous increase we received in our annual grant. I can't tell you how excited we are.

Mr Adrian Collette, the chief executive of Opera Australia, wrote to me on 11 May and said:

While the funding review for Opera Australia and its orchestras, the Australian Opera and Ballet Orchestra, was essentially resolved last year, it is heartening to see our colleague companies in the major performing arts sector receive such sound investment. Opera Australia will also benefit directly from the increase to the National Opera Conference, which will again materially help the three major state opera companies and us. We are also delighted to see your government's support for the small to medium performing arts companies.

The president of the Australian Performing Arts Centres Association, Mr Peter Owens, wrote to me on 16 May and said:

Now that the dust has largely settled on this year's federal budget, I write on behalf of the 120 Australian Performing Arts Centres Association members to congratulate and thank the government for their increased support for both the major and small to medium performing arts companies. This funding boost will no doubt provide a significant increase in the level of activity that these companies are able to undertake, largely in partnership with our member centres in metropolitan, but most importantly and more significantly, in regional and remote communities in every corner of the country.

As you would be aware, these companies, supported by this significant increase in funding, provide the feedstock for the very successful Playing Australia program, without which many of our member centres would struggle, and provide a diverse and engaging annual performing arts program for their regional and remote communities.

This budget has been a *very significant win* for these regional and remote communities and, on behalf of our member centres, and the many millions of Australians they serve on a daily basis, we again thank your government for its continuing and increased financial support.

Finally, Senator Birmingham and Senator Kemp, on 11 May Jill Berry, the general manager of Bell Shakespeare, wrote to me and said, among other things:

On behalf of the Bell Shakespeare Company administration, artists and directors, I write to offer our sincere appreciation for the recent funding announcement for the major performing arts companies. Bell Shakespeare in particular will enjoy an increase of approximately 65 per cent on our base Nugent funding model. The entire industry will be greatly buoyed by this announcement and the many other visionary arts funding decisions in the Budget Papers.



Senator Birmingham and Senator Kemp, that is a sample. I do not want to detain the committee for too long. But may I say that it is a representative sample of the reaction across all the arts sectors to, in the words of Ms Berry, the Bell Shakespeare general manager, the 'visionary arts funding decisions' taken by the government in the budget. I hope that satisfies your inquiry, Senator Birmingham and Senator Kemp.

**Senator KEMP**—Yes. It was brief, but I thought—

**Senator Brandis**—I could have gone on for hours, had I read all the congratulatory letters that the government received.

**Senator CONROY**—I just hope the Australian public gets to see a tape of this soon, to watch you all congratulating yourselves—you are doing such a clever job running the country.

**Senator Brandis**—Senator Conroy, you cannot make bricks without straw. Do not suggest that there has been anything other than a visionary and generous arts budget delivered by the government.

**Senator CONROY**—Goodness, the public might think that you are smug and arrogant with a performance like this—taking dorothy dixers in Senate estimates.

**Senator IAN MACDONALD**—I think you got it right the first time when you said it was a great budget, Senator Conroy.

**CHAIR**—They were general questions, Senator Conroy, and well answered, so let us proceed now.

**Senator CONROY**—It was well answered, was it? Is that very impartial chairing?

**CHAIR**—It was very informative.

**Senator Brandis**—Are you really reading onto the record a reaction to the participants in the sector, Senator Conroy?

**CHAIR**—I found it extremely interesting.

**Senator CONROY**—We have two former ministers with us. I do not see either of those behaving quite that smug and arrogant. I could give you both credit.

**Senator Brandis**—Are there any other questions in this, Mr Chair?

**Senator CONROY**—Ms Keele has returned. I am hoping she has some answers.

**Ms Keele**—I need to clarify a couple of things. First, I can give you an answer about the class of travel. The class of travel is economy—was, always has been, for all the times we have sent it. Secondly, I am trying to get a breakdown of the budget for this year's Venice Biennale. The total amount is \$2.2 million, which is made up of—

**Senator CONROY**—That sounds like more than \$750,000.

**Ms Keele**—The \$780,000 is the Australia Council's base core funding for it. The rest of it is made up from various sources, including the private sector and state governments.

**Senator CONROY**—So the Australia Council's contribution is still \$780,000.

**Ms Keele**—It is about \$780,000 from our base budget. It is also about \$100,000 and some—I cannot remember how much—from the divisional budget of audience development.

So you can say that that is about \$900,000 in total. I am trying to get faxed to us right now the breakdown of that for your information.

**Senator CONROY**—Thank you. I am in the hands of the committee. I am keen to pursue some more questions on this. The information is on its way.

**CHAIR**—We do not have any further questions, as I understand it.

**Senator CONROY**—I have lots more questions, and there is information on its way.

**CHAIR**—It is up to you. If you wish to continue questioning the Australia Council—

**Senator CONROY**—I am not releasing—

**Senator Brandis**—You do not release people. As Senator Macdonald pointed out before, the committee releases people. You have had an hour or so of questions of these witnesses. You have been told that the chief financial officer is detained because of a medical emergency, which I hope you would be understanding of.

**Senator CONROY**—Absolutely.

**Senator Brandis**—These questions can be taken on notice. Chair, given that they can be taken on notice and given that they will be answered, as the last tranche of questions were answered in a timely fashion after the last estimates, I wonder if it is reasonable to detain these officers when the senator has run out of questions.

**CHAIR**—I think the most appropriate thing is to put the questions on notice. It is a particularly unfortunate situation that the finance person is not available today but your questions will be answered in full on notice if they are given in that manner. I would suggest that that is the most appropriate course to follow. We should then move on to the Australian Film Commission.

**Senator CONROY**—I would just make a point in response. I would like to note that the government spent a fair bit of the time congratulating itself on its own initiatives and then, rather than wait until some answers were received, the government senators released the council before those answers were received. If you want to proceed along that path—

**CHAIR**—You have been given the option of placing these questions on notice, which is the usual thing to do. This is an unfortunate situation where the relevant officer is unavailable because of a medical emergency. I think your attitude leaves a lot to be desired.

**Senator IAN MACDONALD**—Perhaps Senator Conroy is looking at that United States experience that we have heard about in the last couple of days where officers were sent into an ICU to get certain answers.

**Senator CONROY**—No, I am unaware of that one, but unless Mr Strout's phone call and Ms Keele's phone call were into the ICU, they did seem to be able to get some basic information within five minutes.

**CHAIR**—I really think we should move on. We will put these questions on notice.

**Senator IAN MACDONALD**—The Attorney-General in the US is about to lose his job over that, Senator Conroy.

**CHAIR**—I thank the Australia Council for their appearance this morning.

[10.05 am]

### Australian Film Commission

**CHAIR**—We welcome the officers from the Australian Film Commission. Do you wish to make an opening statement of any kind?

**Mr Fitchett**—No.

**Senator CONROY**—Was the commission consulted during the review process for the review of Australian government film funding?

**Mr Fitchett**—Yes.

**Senator CONROY**—Does the commission have a view about the scrapping of 10BA?

**Mr Fitchett**—In the eighties 10BA was very successful. It was wound back in the nineties. Last year it only generated six per cent of finance for feature films and even less for television drama. As a mechanism for funding projects, it was not effective any longer.

**Senator CONROY**—Have you done any modelling of the new producer rebate?

**Mr Fitchett**—Yes, we did a lot of modelling during the review process.

**Senator CONROY**—What did the modelling show?

**Mr Fitchett**—The modelling showed an increase in production for feature films and television drama, and an increase in private sector participation.

**Senator CONROY**—What sort of increase over what sort of time frame?

**Mr Fitchett**—Over five years, we would expect the production of feature films to double. So in five years time the amount of production in that area will have doubled. With television drama it depends on a lot of factors because there is a cap in television drama based on the networks—ABC, SBS, 7, 9 and 10—actually commissioning new projects, but there would be an increase in that area as well.

**Senator CONROY**—Is the commission aware of any other modelling that has been done on this?

**Mr Fitchett**—Not on the producer rebate.

**Senator CONROY**—On 10BA, by anyone other than you?

**Mr Fitchett**—No, not that I am aware of.

**Senator CONROY**—Does the commission have a view regarding the merger of AFC, FFC and Film Australia under one umbrella?

**Mr Fitchett**—Yes. In our submission we said that the most important things were the programs, professional development, script development, Indigenous content, marketing both overseas and locally, the National Film and Sound Archive or an archival function, screen culture and others. We thought those programs were the crucial thing, and, as long as those programs are continued, it does not really matter what sort of structure they are delivered in. However, with the three agencies coming together, I think there will be a more strategic and more focused agency.

**Senator CONROY**—What will happen to the AFC's statistics and research section?

**Mr Fitchett**—Research and statistics has been transferred across to the AFTRS, the Australian Film Television and Radio School, and that will happen from 1 July 2008.

**Senator CONROY**—Is that the most appropriate body to take over this role?

**Mr Fitchett**—At the moment, as I said, I think the important thing is that the programs continue. That program will continue. Certainly the industry and the sector rely on those statistics a lot, so the most important thing is that the quality of the information that is provided continues.

**Senator CONROY**—So it does not matter whether the body that it has been handed to has any idea how to do it?

**Mr Fitchett**—No. I think it is how it is handled within that body that is the most important thing there. At the moment what we do at the AFC in that area is highly regarded by the industry, and I would assume that would be true going across to the AFTRS.

**Senator CONROY**—What will happen to the commission's statistics and research section?

**Mr Fitchett**—Beyond 30 June 2008, that area will be transferred across to the new authority, the Australian Screen Authority, in order to provide statistics for internal use. We are currently in negotiations with the AFTRS to work out what will happen in the transfer. A budget item is certainly transferring across; at the moment that is \$2 million. It is up to AFC and AFTRS to work out how that will be managed.

**Senator CONROY**—What does the commission expect to happen to staffing levels once it is merged with the other agencies? Will positions become redundant?

**Mr Fitchett**—I cannot say. It is a complex issue, and we are working it through at the moment.

**Senator Brandis**—I think Mr Cameron might have some more information.

**Mr Cameron**—To supplement Mr Fitchett's comments I want to indicate that the Film, Television and Radio School currently has a Centre for Screen Business, which was established as a result of some additional funding made by the government arising from the 2004 election commitment. The statistics and research function will join that unit in AFTRS, which will provide a more focused basis on which the sector can operate. Those functions will remain a vital component of the broader film program, and it is expected that they will continue—but within the wider screen business operation and AFTRS.

**Senator CONROY**—I know that it is complicated, Mr Fitchett, but were any cost savings identified as a result of this merger?

**Mr Fitchett**—Again, we are working through cost savings at the moment. The budget for the AFC continues into 2007-08, and beyond that we have got funding for programs—for example, the IndiVision low-budget feature program. The overall budget for the agency has been worked out, and we are working through efficiencies within that.

**Senator CONROY**—I will throw the question more broadly to the department: were any cost savings identified as part of the merger process?

**Mr Cameron**—The short answer is no. The merger is not being implemented as a cost-saving initiative. There are likely to be some changes in the focus of some of the activities. Clearly, when one has one operating board—as opposed to three—there will be changes in corporate support activities. The funding for the existing three agencies, as Mr Fitchett indicated, will remain in 2007-08. In the out years there is a progressive reduction in funding for the new screen authority reflecting the expected take-up of the new producer rebate incentive; therefore, there will be a reduced demand for direct production-funding support from the new organisation.

**Senator CONROY**—Will any positions become redundant?

**Mr Fitchett**—As I said, it is difficult to know at the moment until you have worked out exactly what programs you want to deliver. The new agency will be delivering and then resourcing those programs.

**Senator CONROY**—Do you anticipate even administrative savings? I presume these three organisations all have—

**Mr Fitchett**—They have three boards and three CEOs, so there will obviously be savings in that area.

**Senator CONROY**—Are there not going to be three CEOs in the new merged body?

**Mr Fitchett**—I assume that there will be one.

**Senator Brandis**—I think that that is a safe assumption, Mr Fitchett.

**Senator CONROY**—What is the view of the National Film and Sound Archive following the government's announcement of a new body, the Australian Screen Authority, under which the archives will now exist?

**Mr Fitchett**—The NFSA is a division of the AFC. The AFC has a view on it.

**Senator CONROY**—Have they made any comments?

**Mr Fitchett**—No.

**Senator CONROY**—As part of the new merger, I think Senator Brandis said:

A distinct and prominent profile for the National Film and Sound Archive, within the ASA therefore will be ensured under the new arrangements ...

Are you familiar with that?

**Mr Fitchett**—Yes.

**Senator CONROY**—Was the Archive consulted during the budget process?

**Mr Fitchett**—We consulted with all our divisions and then we put in a submission, which was an AFC submission, and one of our programs which we said should be continued with direct subsidy from government was a collection, preservation and access function.

**Senator CONROY**—Minister, given that you said there is a distinct and prominent profile for the National Film and Sound Archive within the ASA, how will you ensure that new arrangement?

**Senator Brandis**—Was that a question to me?

**Senator CONROY**—Yes.

**Senator Brandis**—The press statement from which I think you are reading speaks for itself. The process of the consolidation of the bodies into the new Australian Screen Authority is something that is being developed in consultation with the stakeholder agencies and, obviously, by the department. The achievement of the objectives stated in my release will be one of the requirements of that consolidation. Obviously, this is a work in progress. The announcement was made only with the budget a fortnight ago and I do not think you would expect, Senator Conroy, that the details of the consolidation would have been brought to finality by this stage.

**Senator CONROY**—Given that you went out of your way to single out the Archive, I thought you might have had some more detail to—

**Senator Brandis**—I do not know if it is right to so characterise it, but you may take it that that statement will be regarded as one of the requirements of the consolidation, or merger, of the agencies.

**Senator CONROY**—Will the new ASA give specific recognition to the National Film and Sound Archive as an entity and define its role and mandate? Is that what you mean when you say that?

**Senator Brandis**—I do not think that I can really take my answer any further, Senator Conroy. I have stated a policy objective, and that policy objective is one of the outcomes the government expects from the consolidation of the agencies. The manner in which that consolidation occurs is a matter which the agencies, in consultation with the department, are engaged in developing at the moment.

**Senator CONROY**—Will you give a guarantee that the National Film and Sound Archive will have a separate, dedicated budget that will be transparent and publicly accountable?

**Senator Brandis**—I do not think I can add to my previous answer, Senator Conroy.

**Senator CONROY**—So that is a no?

**Senator Brandis**—No, it is not a no.

**Senator CONROY**—You will not guarantee that?

**Senator Brandis**—What I said, Senator Conroy, lest you misheard it, was: I do not think I can add to my previous answer, Senator Conroy.

**Senator CONROY**—So you said that they will have a prominent role but you are not prepared to define what that is?

**Senator Brandis**—Senator Conroy, I cannot add to my previous answer.

**Senator CONROY**—I will take that as a no.

**Senator Brandis**—You may interpret it as you wish, but the words I used are the words I used, not your characterisation of those words.

**Senator WORTLEY**—On what basis was the decision to relocate the highly valued and internationally recognised research and statistics area from the AFC to the AFTRS?

**Senator Brandis**—As Mr Cameron pointed out in response to a question from Senator Conroy a few moments ago, there was a view that that function, particularly given the pre-existing expertise of the AFTRS in its business unit, was a more appropriate location for that function.

**Senator WORTLEY**—Where did that view stem from?

**Senator Brandis**—It stemmed from the review.

**Senator WORTLEY**—So where in the government's film review discussion paper were industry views sought?

**Senator Brandis**—As Mr Fitchett has indicated, all of the agencies were consulted in the course of the review.

**Senator WORTLEY**—Was this a position of the Screen Producers Association of Australia?

**Senator Brandis**—You can ask them that question. I am not in a position to tell you what the views of the Screen Producers Association are. I can respond to you if you ask me what the government's position is or what the government has done.

**Senator WORTLEY**—Did the government receive submissions from major stakeholders within the industry calling for the removal of the research function from the AFC—

**Senator Brandis**—Perhaps Mr Cameron can add further detail, but I cannot go beyond saying that the review commissioned by my illustrious predecessor in this portfolio, Senator Kemp, was an extensive review in which there was a thorough canvassing of stakeholder opinion.

**Mr Cameron**—To follow-up on the minister's comments, the discussion paper that the government issued in relation to the review canvassed the question of whether structural change should be made to the various film agencies that existed at the time. The issue of the transfer of the research function, if my recollection is correct, was not specifically raised in the discussion paper, but it was part of the broader debate. I am not aware of whether the submission of the Screen Producers Association raised any specific issues in that area. There was general strong support for the statistics and research function, and that has been recognised by the consolidation of that with AFTRS's Centre for Screen Business.

**Senator WORTLEY**—Can you just clarify: was the relocation of the research and statistics area included in the government's film review?

**Mr Cameron**—The government's film review included terms of reference which required the review to consider the institutional arrangements for film agencies. There was no specific mention of the statistics research function, just as there was no specific mention of any other subfunctions of other organisations.

**Senator WORTLEY**—The issue of the relocation of that particular area was not included in the review?

**Senator Brandis**—That is actually the opposite of what Mr Cameron just said. The review was a structural review. The subfunctions were not specifically identified, nor would one expect them to be, because the review was a comprehensive structural review of all functions

in the sense that all functions or subfunctions were a matter appropriate to be considered by the review and were.

**Senator WORTLEY**—Was the government unhappy with the performance of the research section of the AFC?

**Senator Brandis**—It is not a question of whether the government is happy or unhappy. A judgement was made in the conclusions of the review that were put to government, and which were adopted by government, that a more appropriate location for the research and statistics function was, given the pre-existing expertise of AFTRS through the screen business unit, to locate it there.

**Senator WORTLEY**—You would agree that the AFC has an internationally recognised reputation for research and analysis?

**Senator Brandis**—I have no criticism to offer of the performance of the statistics and research function. The only relevant question is a structural question, given there had been the consolidation of the agencies, of whether it was more appropriate to relocate that function with AFTRS, which of course is not being consolidated with other agencies. At the risk of being repetitive, the view was taken that, given the pre-existing established expertise through the screen business unit, that was a more appropriate location for that function because of the obvious synergies.

**Senator WORTLEY**—Can you guarantee that the same level of quality assurance will be maintained by the AFTRS with regard to research and analysis?

**Senator Brandis**—I have the highest regard for AFTRS and I have no reason to doubt that its fulfilment of this additional function will be of a very high-level quality.

**Senator WORTLEY**—What will happen to the thousands of pages of data published and regularly updated online in the AFC's *Get the picture*?

**Senator Brandis**—I think, when you descend to that level of detail, data management and archival practices will no doubt be discussed between the agencies, but I am not in a position to tell you. Indeed, I would not imagine that decisions of that detail—that is, data management and archival practices—have yet been finalised. I do not know that for sure, but I would not imagine so.

**Senator WORTLEY**—Perhaps Mr Cameron may be able to assist with this but, on a day-to-day basis, the AFC research area also answers approximately 5,000 enquiries per year from government, industry, media, students and the public. Is it envisaged that the AFTRS will take over this service?

**Senator Brandis**—It is envisaged that the AFTRS will take over the statistical functions, which will no longer be under the umbrella of the new Australian Screen Authority. It is not envisaged that the function will change. What is envisaged is that the location of that function will be transferred to a different agency because of the pre-existing synergies which I have mentioned.

**Senator WORTLEY**—So, Minister, the 5,000 inquiries that they receive per year from government, industry, media, students and the public will continue to be answered by the AFTRS?



**Senator Brandis**—I am not in a position to go beyond my previous answer. I have told you what I am in a position to tell you: it is not envisaged that the function will change.

**Senator WORTLEY**—Minister, have you received concerns regarding this change in location since the announcement?

**Senator Brandis**—I am not in a position to tell you that I have not received any criticism, but I cannot readily call to mind any criticism. It may be that some people do not like it but, if that is the case, I am not aware of it. In general, I think it is right to say that that aspect of the package, like the package overall, has been very warmly received by all of the participant agencies.

**Senator WORTLEY**—Minister, you are saying that your department has not received concerns regarding—

**Senator Brandis**—You asked me what I had received. I, personally, have received no criticism, but I am allowing for the possibility—perhaps speculating—that there may have been criticism from some. There often is in these circumstances. Whether the department has received criticism from any individual is a matter for them to answer. Perhaps Mr Cameron can help.

**Mr Cameron**—I am not aware of any approaches to the department that raise any criticisms. I have not checked every piece of correspondence that has been received, but I am not aware of any.

**Senator CONROY**—As the minister does not do his own responses—they are referred back to the department—are you aware of any criticisms to the minister's office?

**Mr Cameron**—No.

**Senator WORTLEY**—Would you be able to take that on notice and look into that for me?

**Mr Cameron**—Of course.

**Senator Brandis**—Is this the question: has there been any communication, either to me or to the department, from any individual criticising the relocation of the statistics function post merger to AFTRS?

**Senator WORTLEY**—Not just from an individual; from any organisation.

**Senator Brandis**—We can take that on notice.

**Senator WORTLEY**—And, if so, what were the concerns raised?

**CHAIR**—We thank the Australian Film Commission for appearing this morning.

[10.28 am]

### **Australian Film, Television and Radio School**

#### **Film Australia Limited**

**CHAIR**—I welcome officers from the Australian Film, Television and Radio School.

**Senator Brandis**—Mr Chairman, I have just had an inquiry as to whether it might be possible or convenient for Film Australia to also participate in this bracket of questions. We

are in the hands of the committee, of course—if there is a desire to deal with them separately, then so be it—but it might be more efficient to deal with them at the same time.

**CHAIR**—I think that is not an unreasonable suggestion. We can have Film Australia here. Senator Kemp, do you have questions.

**Senator KEMP**—I think I would like to hear from Senator Conroy.

**CHAIR**—Senator Conroy is busy going through his files.

**Senator KEMP**—While Senator Conroy is thinking—

**Senator CONROY**—Sorry, I was not thinking; I was just about to read out my first question.

**Senator KEMP**—I rather hoped you were thinking.

**Senator Brandis**—Do you read them out, Senator Conroy?

**CHAIR**—Please proceed, Senator Conroy.

**Senator CONROY**—What consultations were held between the government and the AFTRS concerning the function of research and statistics?

**Mr Long**—AFTRS put in a detailed submission to the review on aspects of the Australian industry. Part of that included quite a strong argument that the school needed to expand and extend its research activities. That became part of the input to the review.

**Senator CONROY**—So what consultations were there with the government? I understand you put something forward to them, but were there consultations?

**Mr Long**—There were no specific discussions on that aspect of the review, although the school was fully involved with the other agencies on the broader questions of the strategy of the review and its outcome.

**Senator CONROY**—Are you aware of any other country which places its statistics and research division within its national film school?

**Mr Long**—I think most of the national film schools have a significant activity in those areas. Certainly a key factor for us is that our legislation requires that we have that activity. It is explicitly part of the legislation of the school. Therefore, we are keen now to build it up following the review in accordance with the thinking of the original legislation for the school.

**Senator CONROY**—You mentioned that you had legislative responsibility currently. What role have you previously played in collecting and disseminating industry statistics?

**Mr Long**—The school over the years has undertaken particular projects in that regard. It has at various stages had aspects of research, but we now have the opportunity to broaden that. It has been part of the objective of the school to beef up that area, because it sits so well with the work we now do in the area of screen business and the development of the sector in business terms, and also the development of digital training in the light of the development of digital technologies and so on in the industry.

**Senator CONROY**—I note in a press release of 9 May, Mr Long, you said:

... AFTRS will also take on a new role in relation to research and collecting, analysing and disseminating industry statistics and will be funded accordingly.

What assurance has the school received from the government that it will be funded properly to perform its new role?

**Mr Long**—We have received an assurance by letter from the minister about the funding, and that is—

**Senator CONROY**—That must be very reassuring.

**Mr Long**—the reassurance we have. We are relying on that.

**Senator CONROY**—You mentioned ‘funded accordingly’. What sort of funds do you need to fund it accordingly?

**Mr Long**—The research function is a bit like a piece of string: it is really determined by the funds available. We think that the funds that are proposed for this unit, in addition to the activities we undertake at the moment in the Centre for the Screen Business and in other areas of the school, will give us a capability to undertake this function, which will be pretty powerful and able to be fed back into the industry in a very positive way.

**Senator CONROY**—I am just reading your words: ‘funded accordingly’. You must have some ballpark figure.

**Mr Long**—The figure that is officially in the papers of the review is \$2 million per annum.

**Senator CONROY**—That is your figure?

**Mr Long**—That is the government’s figure.

**Senator CONROY**—Is \$2 million ‘funded accordingly’?

**Mr Long**—I think \$2 million will give us a capacity to do an awful lot of work in that area, which will be very valuable to the industry—an awful lot.

**Senator CONROY**—So I can quote Mr Long as saying \$2 million will allow it to be ‘funded accordingly’?

**Mr Long**—Absolutely.

**Senator CONROY**—Will you be seeking all of the AFC’s previously published data and research?

**Mr Long**—We are yet to have discussions with the AFC about the arrangements for the development, which begins on 1 July 2008. Those discussions have not started yet, but obviously there will need to be an agreement between us and that agency about what functions transfer in 2008 and related activities.

**Senator CONROY**—Is that a no or a yes? You will be seeking that previously published data on research. Whether you get there or not is a different question, but will you be seeking it.

**Mr Long**—We would presume that the material that is available now—and it is available to the whole industry; it is not secret—would be available to us.

**Senator CONROY**—I was not suggesting it was secret. I just wanted to make sure it is coming across, that is all—that that is what you want.

**Mr Long**—We need to have all the material that can make the function work, and I am sure the AFC would take the same view.

**Senator BRANDIS**—You may be reassured, Senator Conroy, that all of these transitional issues will be approached in a spirit of cooperation between the different stakeholder agencies.

**Senator CONROY**—Will the AFTRS also perform the role of responding to inquiries from government, industry, media and the public, as the AFC has previously done?

**Mr Long**—Absolutely. We do that now. We are a very public agency.

**Senator CONROY**—Do you expect to increase the number of people employed by the school as a result of the budget announcement?

**Mr Long**—The broad outline of the review is that we would take on the function and the expertise that is available in the AFC through negotiation with that organisation, so we would want to have the expertise available for this unit, absolutely.

**Senator CONROY**—So do you envisage people coming across, or that you would advertise separately or fill them internally? What process do you envisage?

**Mr Long**—The intention of the government is that there would be the transfer of expert people into the new function.

**Senator CONROY**—How many additional staff do you anticipate that you will employ as a result of this decision?

**Mr Long**—It is too early to tell. We have not had any discussions with the AFC or done much work internally since the announcement a couple of weeks ago on that aspect.

**Senator CONROY**—How many staff do you have currently employed to perform the function of research and data collection?

**Mr Long**—We would have five staff in the school who currently are involved in allied research activities, similar to the sort of work that is done.

**Senator CONROY**—Do you know how many people are employed in the other organisation doing it?

**Mr Long**—I do not.

**Senator CONROY**—What consultations took place between Film Australia and the government about the merger?

**Ms Karp**—It was a similar situation to the other agencies. We put in a submission to the review as part of the overall approach from Film Australia.

**Senator CONROY**—Did the government discuss this with you or did you just put up your discussion paper and that was the last you heard?

**Ms Karp**—No, we did have some discussion with the department about our position.

**Senator CONROY**—Do you think this is a natural fit?

**Ms Karp**—In our submission we sought to keep Film Australia separate because we felt that the smallness of the agency and the capacity to produce, commission and curate was

better suited, but it could equally work within the new merged entity provided that we have the ability to continue to do what we do now.

**Senator CONROY**—Did you receive assurances that you would be able to ‘do what you do now’, to borrow your words?

**Ms Karp**—Yes, we did. One of the highlights for us was the continuation of the history initiative. It was due to terminate in 2007-08.

**Senator CONROY**—Will you be able to do what you do now, given that I think the minister made it clear there was only going to be one CEO?

**Ms Karp**—I think the decision about the CEO is really up to the department and to the minister. In terms of my personal role or not, that remains to be seen.

**Senator CONROY**—So it is possible you may not be able to do what you currently do now?

**Ms Karp**—That is absolutely correct. But I think the broader objective is that the outcomes of Film Australia are appropriately secured.

**Senator CONROY**—What will happen to Film Australia’s funding following the merger in 2008?

**Ms Scott**—That becomes part of the new agency and the determination of that will presumably be by the minister and the new CEO—but we have had assurances that the National Interest Program and the History Initiative will continue.

**Senator CONROY**—Have you have assurances that the level of funding you are currently receiving for all of your programs will continue, or will it just be for those two you have mentioned?

**Ms Karp**—It is my understanding that it will continue.

**Senator CONROY**—So, essentially, you have received an assurance that, in the merged entity, Film Australia, or whatever division it is referred to as, will receive the same level of funding as it currently does?

**Senator Brandis**—I do not think anybody is in a position to say that.

**Senator CONROY**—I thought Ms Karp did just say that a moment ago.

**Senator Brandis**—I do not think anybody is in a position to say that. What they are in a position to say and what Ms Karp did say and what I can reassure you of is that it is an expectation of this merger that the functions of the body now called Film Australia Ltd, which will become a unit, division or element of the merged entity, will continue at least at the same level as it operates at the moment.

**Senator CONROY**—Thank you. Will Film Australia remain a government owned company? How is that going to work? Mr Cameron is leaning forward.

**Mr Cameron**—The new screen authority is intended to be a statutory authority. Upon its establishment is the expectation that Film Australia and the Film Finance Corporation will be wound up.

**Senator CONROY**—Can you briefly outline the structure of the new statutory authority.

**Senator Brandis**—It is a work in progress. As I said in relation to some of your earlier questions, Senator Conroy, the consolidation of the agencies is something I have tasked the department to develop in consultation with the agencies and other stakeholders, and that is happening at the moment.

**Senator CONROY**—A statutory authority is a fairly well-known and well-established government entity—

**Senator Brandis**—Of course. There is no doubt that it is going to be a statutory authority, but—

**Senator CONROY**—There are two government owned companies, so I am just trying to understand how you are going to merge them. That is what I am trying to get a feel for.

**Senator Brandis**—The government owned companies, as Mr Cameron has said, will be wound up—that is inevitably what will happen—and a new authority will be created. My expectation is that the legislation will be introduced into the spring sittings of parliament.

**Senator CONROY**—What are the projected staffing allocations following the merger, Ms Karp?

**Ms Karp**—I have not heard of any discussions or decisions beyond us working towards concluding our contract in mid-2008. Beyond that, I presume that it will come out of the discussions relating to the merger.

**Senator CONROY**—Have you received assurances that your current role as a leading producer of television documentaries and educational programs will continue?

**Ms Karp**—We have received assurances that the functions of Film Australia will continue.

**Senator CONROY**—Does Film Australia believe the government's new production rebate will have the benefits to improve on 10BA?

**Ms Karp**—Documentaries do not hugely exploit 10BA, so it is more likely that there will be increased benefits for documentaries under the current rebate. Twenty per cent is low for documentaries, but there is the capacity to top up. It has been recognised that 20 per cent is low for documentaries and there is the capacity to top that up moving forward. I think it will take time for the documentary industry to get its head around how to best exploit it, but I think there are opportunities within it.

**Senator CONROY**—You mentioned that it is established that 20 per cent is low. What is a more realistic figure? What is a more normal industry standard?

**Ms Karp**—There is not really an industry standard for this sort of rebate. There are very few examples of this for documentaries outside of, I think, Canada. Our submission sought between 30 and 35 per cent.

**Senator CONROY**—What would be the top-up mechanism? You mentioned that there was a capacity to top up. What would that mechanism be?

**Mr Cameron**—The Screen Authority will continue to be funded and continue to have the function of providing direct investment or grants for production activity, and so it would be a matter for the authority to make decisions on a case-by-case basis whether they provide

funding for any particular production over and above the amount that the production would be able to access via the rebate.

**Senator KEMP**—Could the minister—this is more for the minister than his officers—give us a brief summary of the reaction to the film package?

**Senator CONROY**—Oh, please, let us sing your praises some more. Can we make sure this gets on the six o'clock news tonight?

**Senator Brandis**—You take me slightly by surprise, Senator Kemp. I think it is—

**Senator CONROY**—I am sure you will manage. You will rise to this challenge.

**Senator Brandis**—You will just have to give me a moment, but perhaps I could begin with an article in the *Sydney Morning Herald* on 10 May.

**Senator CONROY**—Read it all out.

**Senator Brandis**—I will not read it all out.

**Senator CONROY**—Please, read it all out.

**Senator Brandis**—I am very sensitive to the fact that this is largely an opposition forum and I want to limit the extent to which I eat into your time but, with due respect to Senator Kemp, who is of course the progenitor of this wonderful reform, I do owe him a full answer.

**CHAIR**—We could table the article, of course.

**Senator CONROY**—Really? Is that a possibility?

**CHAIR**—Yes, it is.

**Senator CONROY**—I thought we had abolished that practice.

**Senator Brandis**—Perhaps I will be as swift as possible—

**Senator CONROY**—I move we table it.

**CHAIR**—It has been moved that the document be tabled, Minister, but you may summarise it.

**Senator Brandis**—May I summarise it?

**CHAIR**—Yes.

**Senator Brandis**—I was going to refer to a variety of documents but I will limit myself to one and I will give you merely an extract.

**Senator CONROY**—Hold the presses.

**Senator Brandis**—Mr Maddox reports the remarks of Mr Baz Luhrmann, the famous film industry figure, as describing the boost for the film industry in the budget as extraordinary. Mr Graham Burke of Village Roadshow said that it was a much bigger initiative than the 10BA tax incentives that fuelled the boom in Australian filmmaking in the 1980s. Mr Maddox writes:

All round the industry there was marvelling at the scale of the Federal Government's support ...

The article went on to quote Mr Luhrmann:

'It's an extraordinary result really and probably a very historical moment,' he said. 'The one big idea that they responded to and have completely embraced is that around the globe, we're in an extraordinary and unique situation when it comes to the cinematic arts.'

In the article, Mr Burke was quoted as saying that the announcement was 'a wonderful moment' in the history of the Australian film industry. The article went on to quote Mr Burke:

'Australia has a natural skill in this area and for the Government to be encouraging that in a way that is commercial, because it will cause private investment to sit beside the government money, is just stunning.'

I think the remarks reported by Mr Maddox are a fair representation of the reaction across the industry to this package. Might I, if I have not already made it plain enough, take the opportunity to congratulate Senator Kemp as the progenitor of these reforms.

**Senator CONROY**—I am sure *Hansard* has never had as many progenitors mentioned before.

**Senator Brandis**—We have all heard the expression that success has a thousand fathers—

**Senator CONROY**—This is touching.

**Senator Brandis**—but there is no member of the Senate who even comes close to Senator the Hon. Rod Kemp as the author of this package.

**Senator CONROY**—You are blushing, Senator Kemp!

**CHAIR**—It was moved by Senator Conroy that the document be tabled.

**Senator Brandis**—I am happy to table it. I have got some more I can table, if you like.

**CHAIR**—If you would like to do that, Minister, and have it circulated—

**Senator Brandis**—I will find a good sample to respond fully to Senator Kemp's inquiry.

**Senator CONROY**—I hope we make the six o'clock news.

**CHAIR**—to every member of the committee. I thank the Film Commission for appearing. We look forward, with some interest, to the new structure.

#### **Proceedings suspended from 10.50 am to 11.08 am**

##### **Australian National Maritime Museum**

**CHAIR**—I welcome officers from the Australian National Maritime Museum.

**Senator CONROY**—Can you get back to the committee on the issue of the pontoons which are in storage on Cockatoo Island.

**Ms Williams**—Yes. We are in the process of trying to cover some of the money spent on that project. I think the senators know that it was not considered fit for purpose. We are negotiating a legal agreement now to recover some of the costs. We are working with the Australian Government Solicitors at the moment. The process is going along as expected. Timetables have been set for the tabling of papers, the examination of papers, and we are following that at the moment.

**Senator CONROY**—When were they purchased?

**Ms Williams**—We entered into a contract in 2003.



**Senator CONROY**—What was the total cost of the exercise?

**Ms Williams**—The total cost of the pontoons is \$4 million.

**Senator CONROY**—When was it discovered that they were in fact not effective?

**Ms Williams**—It is a complex environment. It really was not tested properly until they were installed on site, and we discovered that they were unfit for purpose—they just did not do the job.

**Senator CONROY**—Did they sink?

**Ms Williams**—No, they did not sink, but they were not strong—

**Senator CONROY**—Did they take on water?

**Ms Williams**—One of them did, yes.

**Senator CONROY**—So the pontoon started taking on water. What was the purpose of the pontoons?

**Ms Williams**—Darling Harbour is becoming increasingly busy as a waterway. There are new and faster ferries coming onto the site and this was badly damaging some of our historic vessels that are moored outside the museum. The objective of the project was to make a calm basin so that the impact of the waves coming onto the vessels was mitigated. Sadly that did not happen.

**Senator CONROY**—So the vessels have continued to be buffeted.

**Ms Williams**—Yes, that is right.

**Senator CONROY**—Did the pontoons buffet them?

**Ms Williams**—It is more the power of the waves. It is a deep wave, particularly with some of the catamarans that come down into the harbour, and it pulls the vessels off their moorings, and therefore damages the timbers on the boats.

**Senator CONROY**—Are the pontoons still at Cockatoo Island?

**Ms Williams**—We are reusing them, you will be pleased to know—not all of them at this stage.

**Senator CONROY**—Not the ones taking on water?

**Ms Williams**—Obviously not, no. We are working with the Water Research Laboratory at the University of New South Wales to come up with a better and more effective alternative. We are using I think four of the pontoons at the moment in a new pier arrangement to be finished in a couple of months. It will not completely calm the basin, but it will help.

**Senator CONROY**—Have we tested them in this new role yet?

**Ms Williams**—We are confident that they will not calm the basin perfectly, as we had hoped—that is a little way off at this stage—but we will be able to protect the vessels a lot better than they were in the past. We are confident of that.

**Senator CONROY**—What do we call a pontoon that is under water?

**Ms Williams**—A sunk pontoon.

**Senator CONROY**—A sunk pontoon—that is what I thought.

**Ms Williams**—None of them sunk, I can assure you.

**Senator CONROY**—You actually pulled them out of the water before they sunk. That was the impression I got.

**Ms Williams**—Exactly.

**Senator CONROY**—Are we being charged for their storage?

**Ms Williams**—Yes.

**Senator CONROY**—How much?

**Ms Williams**—We have been very fortunate to get some sponsorship support from Sydney Ports to help us out with the storage of the pontoons.

**Senator CONROY**—How much is it costing to store the pontoons?

**Mr Rout**—We had an initial period of grace where we were not paying anything. We have relocated the surplus from Cockatoo Island to White Bay. The charge will be of the order of \$2,000 a month.

**Senator CONROY**—\$2,000 a month?

**Mr Rout**—Correct.

**Senator CONROY**—Would it be cheaper to store them if you were to put them back in the water and let them fill and perhaps sit on the bottom?

**Mr Rout**—They are floating pontoons.

**Senator CONROY**—We have established they are not actually floating. That was the problem.

**Mr Rout**—We have established that they were not effective at the reducing waves.

**Senator CONROY**—No, they were taking on water—that is what we established—and you pulled them out before they sunk.

**Mr Rout**—One was taking water.

**Senator Brandis**—They are floating, Senator Conroy, but perhaps they are not floating as well as they could be.

**Senator CONROY**—I think we have established that, Senator Brandis. I understand the museum was considering legal action over our sinking pontoons.

**Ms Williams**—We are attempting to recover some of the costs spent in the interests of the organisation.

**Senator CONROY**—Recovering costs.

**Ms Williams**—Yes.

**Senator CONROY**—How long have proceedings been going for?

**Ms Williams**—They are going to plan. We are working with the Australian Government Solicitors. As I said earlier, we are on a program at the moment and it is proceeding according to plan.

**Senator CONROY**—When do you expect an outcome in your plan?

**Ms Williams**—At this stage we have got Van Der Meer to file and serve a response and cross summons by 30 March. ANMM was to file any response to any cross summons by 30 April. That occurred. The parties will exchange categories of documents for discovery by 27 April. That actually happened as well, as did the verified list of documents. We are waiting then for the documents to come back for inspection on 18 June, and we expect that to happen.

**Senator CONROY**—Which company sold us the sinking pontoons?

**Ms Williams**—The company's name—

**Senator CONROY**—Who are you suing?

**Mr Rout**—We are suing the company with which we entered into a consultancy agreement to design and oversee the installation of the pontoons. Part of their contract was to verify that the final arrangement was fit for purpose.

**Senator CONROY**—Have we paid them their \$4 million?

**Mr Rout**—Yes.

**Senator CONROY**—Given that they never appear to have met their contract. I think Ms Williams said that they clearly were not tested until they were put in the water to actually do the job. How did they meet their criteria of guaranteeing that they would float?

**Mr Rout**—There was a progressive payment as we went through the contract. The final amount was not paid.

**Senator CONROY**—The final amount was not paid?

**Mr Rout**—No.

**Senator CONROY**—That was when it became apparent the pontoons were underwater?

**Mr Rout**—The pontoons failed to stop the waves from entering the basin.

**Senator CONROY**—And started sinking?

**Mr Rout**—One started to sink.

**Senator CONROY**—And we pulled them out before the rest started sinking.

**Mr Rout**—We repaired the leak.

**Senator CONROY**—I think you mentioned you found an alternative use for the pontoons? Did you say you are reconfiguring them? You do not need as many. I did not quite follow your explanation.

**Mr Rout**—There are two aspects.

**Senator CONROY**—Put them on dry land where it is safe; we know they will not sink there.

**Mr Rout**—We have found one use where we are going to use four of the now surplus pontoons to create another pontoon like one we have existing which we call a festival pontoon, which we use for berthing of vessels. So we have found another use for four of the pontoons.

**Senator CONROY**—How many pontoons did you purchase?

**Mr Rout**—There were 20, I believe.

**Senator CONROY**—Twenty?

**Mr Rout**—So there are a number of pontoons which are serving a very useful purpose; there are a number which are now surplus.

**Senator CONROY**—That would be three-quarters of them that are now surplus and four that we are using—four out of 20; 16 that we are not using.

**Mr Rout**—I said 13 were surplus.

**Senator CONROY**—You said four were being used for—

**Mr Rout**—There are four in what we call a festival pontoon; there are another two which we have as an extension to the south wharf.

**Senator CONROY**—So that is six. You said 13, so where is the missing one? You said we had 20; you have identified six; you said there were 13 surplus. Have you souvenired one of these pontoons? It would be a pretty good souvenir to have at home in the back yard. Here is the pontoon that sinks. Where is the missing pontoon?

**Mr Rout**—It is not quite clear, because there are some pontoons which are actually two pontoons joined together.

**Senator CONROY**—So you have lost a pontoon?

**Mr Rout**—No, we have not lost a pontoon.

**Senator CONROY**—If two are joined together, that would make five that were perhaps being used to berth.

**Mr Rout**—I am losing track of the argument here.

**Senator CONROY**—I am trying to work out if two have been joined together why—

**Mr Rout**—I do not have the list of the pontoons here.

**Senator CONROY**—Can we have a list of the pontoons and what they are up to?

**Mr Rout**—We certainly can provide that.

**Senator CONROY**—Excellent. Just to make sure you have not taken one home and have it in the backyard pool. Just going to keep you honest there, Mr Rout. I am only joking, Hansard, I am quite sure Mr Rout is honest. Because we have not been able to establish the pontoon barrier, what extra costs are we now incurring because the buffeting is still taking place that we had hoped to mitigate?

**Mr Rout**—The vessels that we currently have stored in what was to be the museum quay, as Mary-Louise has said, are subjected to the wave environment from Darling Harbour, which adds to their maintenance because we have to put a higher level of supervision upon them and repair problems occur as a consequence of the waves.

**Senator CONROY**—Is there an operational cost if the pontoons do not work? If you are looking to recover the cost of the pontoon, that is one thing, but for the last four years the

buffeting has gone on. Presumably you have incurred a maintenance cost because of the lack of success of a floating, sinking—

**Mr Rout**—I think I will take that on notice, if I could.

**Senator CONROY**—Sure.

**Ms Williams**—What is significant also is that it limits what we can do on the site. If the basin is calm then we can get people on and off the boats more easily; we can have events happening inside the boats.

**Senator CONROY**—I was on a boat at the Maritime Museum on Friday night. I know what you mean. There is an opportunity cost involved there as well. If I can get the list of what the pontoons are being used for or not being used for, that would be good. And if anyone does have that missing pontoon they should give it back quickly, otherwise Mr Rout will be on them.

**Mr Rout**—I will let you know.

**Senator CONROY**—Thank you very much.

**Senator Brandis**—Is that all for the National Maritime Museum?

**Senator CONROY**—That is all for the National Maritime Museum. The mystery of the missing pontoon!

**CHAIR**—Thank you to the National Maritime Museum.

[11.21 am]

#### **National Archives of Australia**

**Senator CONROY**—Did Archives receive any additional funding in the budget?

**Mr Gibbs**—No.

**Senator CONROY**—Senator Brandis, shame on you.

**Senator Brandis**—The Archives are very well looked after under existing arrangements—

**Senator CONROY**—Shame on you.

**Senator Brandis**—as I am sure they would be the first to tell you.

**Senator CONROY**—Sitting next to you, yes. How adequate is the funding for the various projects and ongoing costs that Archives have to meet?

**Mr Gibbs**—That is a fairly broadbrush question.

**Senator CONROY**—It certainly is.

**Mr Gibbs**—We face the same pressures as other agencies but I think we manage them in the same way.

**Senator CONROY**—Did you request more funding?

**Mr Gibbs**—In terms of our major programs, particularly the new building, which is going to roll out and open in 2009-10, there is adequate funding, and certainly a major part of our time and staff is taken with that.

**Senator CONROY**—Did you put in a budget submission requesting more funding?

**Mr Gibbs**—Yes, we did, but we always do.

**Senator CONROY**—So we should just ignore then if it is just something you always do.

**Mr Gibbs**—No. We would have liked to have been funded for it.

**Senator CONROY**—What current plans does Archives have for the digitisation of its records? You will remember that we did briefly talk about digitisation processes last time.

**Mr Gibbs**—The big digitisation process, A Gift to the Nation, was launched by the Prime Minister early this month. That was the big project over the last five years on digitising all the World War I records. So that is up. That has taken up a lot of our time. We are now looking at other projects. We have an ongoing process of digitising the collections from the states. We have consultative forums in every state and territory and we ask them about what they most would like to see up and usable. So it is a more reactive project at the moment. We are looking at other projects. The most asked question is: when are we going to do World War II? World War II is 10 kilometres of records. It would be a massive exercise of access, clearance and money. We estimate it would take about 12 years and \$15 million, so it is not a priority for us at the moment. We are doing this more reactive to user demand for copying—digitising.

**Senator CONROY**—So you are not actually proceeding with the digitisation in a time line?

**Mr Gibbs**—Yes, we are.

**Senator CONROY**—You said that you were not doing World War II. You were going to do it on demand.

**Mr Gibbs**—We never did have World War II on our plan. A question asked very often, particularly by the RSL and others, is: when are we going to do World War II? My answer was that we are not likely to be doing it at any time in the future.

**Senator CONROY**—Any time in the future—like never?

**Mr Gibbs**—No, not never. In the sense that we have done all—

**Senator Brandis**—I do not think at any time soon—

**Senator CONROY**—That is what I am trying to elicit.

**Mr Gibbs**—We will put in a program. It is a large cost and a big project. We think we have given a lot of priority to world war service records, and we are looking at other priorities now.

**Senator CONROY**—So where are you up to in your time line?

**Mr Gibbs**—We are on schedule.

**Senator CONROY**—No, I meant: what year are you up to?

**Mr Gibbs**—We are up to the fifth year of a five-year plan.

**Senator CONROY**—No, I am meaning in terms of the actual records, not in terms of your plan to digitise the records. I presume you are moving from the 1700s through to 2007. Where are you up to?

**Mr Gibbs**—I am sorry; I am lost.

**Senator CONROY**—Archives—that would be the collection of historical data based on the year it occurred.

**Mr Gibbs**—No, the collection is not examined in that way at all.

**Senator CONROY**—That is what I am trying to establish.

**Mr Gibbs**—We are talking about a collection around the country that has 350 kilometres—hundreds of millions—of records.

**Senator CONROY**—I understand that.

**Mr Gibbs**—We organise it by series; we do not do it in date range. We do it more on collection areas.

**Senator CONROY**—‘Date range’, thank you—that was the phrase I have been struggling to come up with. What are your date ranges?

**Mr Gibbs**—We do not use date range as a basis for what we digitise. The Commonwealth only began in 1900, so the date range we are operating in is from then till about 1976. That is the date range we would be looking at copying.

**Senator CONROY**—From ’01 to ’76, did you say?

**Mr Gibbs**—To the records at the end of the open period in ’76—that is, when they can be freely accessed.

**Senator CONROY**—How do you determine what gets priority?

**Mr Gibbs**—We organised a major project five years ago that we are working to, which was approved. And, as I said, we are also reactive. We are now consulting users. We only started digitising the collections in the state offices last year. We are doing that in conjunction with the user groups in the states. We are talking with them and determining the priority that way. I think we have done 150,000 records in the last 10 or 11 months since we started that process. So, rather than us deciding, we are letting the users help us decide.

**Senator CONROY**—So the RSL are not users?

**Mr Gibbs**—The RSL are very big users, and they are very appreciative of what we have done with the World War I records.

**Senator CONROY**—I thought you said they were now asking about World War II.

**Mr Gibbs**—No, their users were asking. There is another issue about World War II. About 170,000 soldiers, sailors and other servicemen from World War II are still alive, which raises questions about making it available online.

**Senator CONROY**—Has Archives done any research into how much digitisation of its records would cost in total?

**Mr Gibbs**—In total? The World War I project cost about \$4.9 million, I think, over five years. I could get the total figure for you if you require it.

**Senator CONROY**—Yes, if I could get a total figure to digitise everything.

**Mr Gibbs**—Sorry, do you mean what we have digitised or what we are planning to digitise?

**Senator CONROY**—Both, and then what is left over: the cost of what it would be to digitise the rest. You gave it a physical length, I think, from recollection. How long did you describe it as?

**Mr Gibbs**—Three hundred and fifty kilometres.

**Senator CONROY**—Kilometres, that is it. How much it would cost for what you have done, what you have budgeted to do and what the rest would cost.

**Mr Gibbs**—We have never attempted to cost the rest, because we are talking about hundreds of millions of individual pages. We would never attempt to digitise it all. We can give you the costings, though, on what we have done and what we are planning to do over the next few years, if that is adequate.

**Senator CONROY**—I was asking—

**Mr Gibbs**—We can have a guesstimate of the other, if you like.

**Senator CONROY**—I know it might sound silly, but if one kilometre costs X amount then 450 kilometres costs 450 times X minus obviously economies of scale.

**Mr Gibbs**—Okay, we will have a go at it for you.

**Senator CONROY**—How much funding is fiscally allocated to that project? You can take that on notice.

**Mr Gibbs**—Okay, sure.

**Senator CONROY**—Has Archives employed any additional staff to undertake this project?

**Mr Gibbs**—No, it is an ongoing project that has been running, as I said, for the last five years. So, no, we have not.

**Senator CONROY**—No casual staff? No contractors?

**Mr Gibbs**—The contract is done through Hermes Precisa, who do the digitising itself. We do all the work in house, but the actual physical digitising is done by a contractor—

**Senator CONROY**—So, when I ask you if you have employed anyone to undertake this project and you say no, you mean, ‘No, except for all the contractors we have employed’?

**Mr Gibbs**—There was a tender let and there was a contract raised to do it.

**Senator CONROY**—How much did the tender cost?

**Mr Gibbs**—The total cost was \$4.9 million. I do not have the figure for individual costs for the tender, but I can certainly get you that if you would like it.

**Senator CONROY**—Great, thank you. So you have not employed any other casuals or other contractors as part of the project?

**Mr Gibbs**—When the project was set up five years ago, we did, but we have not in the last year—that is how I am interpreting your question.

**Senator CONROY**—So how many staff did you take on when you set the project up? How many contractors are part of your ongoing operation?

**Mr Gibbs**—From five years ago I could not answer that question.



**Senator CONROY**—I am happy for you to take it on notice.

**Mr Gibbs**—I can certainly look that up for you.

**Senator CONROY**—Thank you very much. Do I need to break the question down a bit to permanent and non-permanent staff?

**Mr Gibbs**—No, we will do that for you.

**Senator CONROY**—I was just asking whether I need to clarify that so that, if I say, ‘What percentage of Archives’s total employees are not ongoing?’ we understand what we mean.

**Mr Gibbs**—Yes, we do.

**Senator CONROY**—You will interpret it that it is permanent staff, full-time permanent staff, full-time part-time and then everybody else or whatever categories you like. I am trying to find out how many people are engaged in this project.

**Mr Gibbs**—Okay.

**Senator CONROY**—You have had to bring on board in one form or another—

**Mr Gibbs**—Yes, I understand your question.

**Senator CONROY**—since the start of the project.

**Mr Gibbs**—Yes.

**Senator CONROY**—Are Archives covered in negotiations for a new agreement with staff?

**Mr Gibbs**—Yes, we are.

**Senator CONROY**—How will the pay rise out of these negotiations be funded, given that you did not get any extra money in the budget?

**Mr Gibbs**—We have already done the costings for our budget for next year as to how it will be funded.

**Senator CONROY**—We have?

**Mr Gibbs**—We have already done the costings within our budget for 2007-08 as to how a reasonable increase would be funded.

**Senator CONROY**—A reasonable increase is built into your—

**Mr Gibbs**—Yes.

**Senator CONROY**—Given you have no extra money, it means you must be cutting back. Budgets are fixed things and, if one part increases, something else decreases. Which parts are decreasing?

**Mr Gibbs**—We are achieving efficiencies—we do each year—in conjunction with the staff and we are well advanced in the process. The staff have had some useful suggestions as part of the process and we have had some useful suggestions.

**Senator CONROY**—Could you identify a few of those efficiencies?

**Mr Gibbs**—I would rather not do that publicly, as we are in negotiation with the staff and the union are involved as well, and I think there is a confidentiality requirement on both sides.

**Senator CONROY**—I am not asking about how much you are going to pay people; I am asking about efficiencies. If you are in negotiations with the tea break, I am really not going to get excited about that. When you say efficiencies, I wonder what you mean by the broad term 'efficiencies'. Is it just efficiencies within the job descriptions of each of the individuals or the working conditions of each of the individuals or other efficiencies? That is what I am asking.

**Mr Gibbs**—There are a range of issues involved. Some of them are just at the stage of negotiation. They may come to nothing and I would rather not reveal publicly where we are in negotiations with staff. I think the process is going very positively and I am not sure about the protocols of actually discussing it here.

**Senator CONROY**—Do any of these efficiencies involve AWAs?

**Mr Gibbs**—Some staff choose to be on AWAs, yes.

**Senator CONROY**—How many staff have taken up AWAs?

**Mr Gibbs**—I could not answer that, but I could give you the answer after this session, if you would like it.

**Senator CONROY**—It is not a condition of employment?

**Mr Gibbs**—No, it is not.

**Senator CONROY**—They are just on offer?

**Mr Gibbs**—For staff who choose to select them, yes, that is right. If I can just say broadly in answer to your question, it relates to your early questioning about the fact that a collection is available online and that is the main area in which we achieve the efficiencies. Eighty-four per cent of our use is now online and that is a massive increase over the last few years. That is essentially where we are achieving efficiencies.

**Senator CONROY**—That was the sort of answer I was trying to understand. I was not actually trying to probe into the middle of your ongoing EBA negotiations; I did not even know you were having such negotiations.

**CHAIR**—If there are no further questions, we now go to the National Gallery.

[11.34 am]

#### **National Gallery of Australia**

**CHAIR**—I welcome representatives from the National Gallery.

**Senator LUNDY**—I want to go straight to the issue of the planned new entrance and extensions to the National Gallery. What stage are you up to with that? What is the latest response from the architect, Col Madigan?

**Mr Radford**—We are about to lodge the official plans with the NCA, with whom we have been negotiating closely over the last year or so. The last time we had a meeting with the former architect, Mr Colin Madigan, was on Friday, 11 May, and I had telephone conversations with his assistant last week. So we are poised to lodge the final plans with the NCA probably this week or early next week.

**Senator LUNDY**—I am aware that these changes have been a long time coming—the new entrance way. A lot of people are pretty excited about it. What, if anything, has to happen

before you lodge those final plans and what is the time line once you have lodged those plans with the National Capital Authority?

**Mr Radford**—As you know, part of the process is the joint parliamentary standing committee, of which you are deputy chair.

**Senator LUNDY**—Of which I am a member, so, yes, I know about that.

**Mr Radford**—Providing that all the plans are accepted, we hope to begin sometime in August.

**Senator LUNDY**—What about Mr Madigan? What word did you get back from his associate last week about his thoughts—

**Mr Radford**—He again reiterated that we are very close to a mutual agreement, but we did agree to disagree on some of the details for the moment.

**Senator LUNDY**—What implication does that have? Do you think it is possible to get Mr Madigan's agreement? I know this has been going on for some time.

**Mr Radford**—We are still trying to.

**Senator LUNDY**—What are the issues?

**Mr Radford**—Where the Indigenous gallery touches on the new gallery, there is a disagreement where it should touch. He thinks it should be further along the building and we think it should be earlier. He does not like the design of the escalators and he feels the entrance may be a little high. I think they are the main areas.

**Senator LUNDY**—What is your view about those points he makes?

**Mr Radford**—We are looking at the issue of the escalators, but on the other two areas, the gallery and the architect, PTW, disagree with the former architect.

**Senator LUNDY**—Do you think it is possible to get final agreement with Mr Madigan?

**Mr Radford**—We are still trying, as we have for many years. We are still trying.

**Senator LUNDY**—We wish you luck then.

**Mr Radford**—Thank you.

**Senator WORTLEY**—The draft report—the investigation of the report of cluster cancer cases at the national gallery of Australia—has been circulated. I understand that it is in two stages. Stage 1 is the one that we have received and stage 2 is going to be available later this year. When do you expect that one to be completed?

**Mr Radford**—I will pass that question on to Alan.

**Mr Froud**—We have previously indicated that we expected the second report to be in the latter half of the year. The difficulty in being precise about timing is that it is subject to access to information about which decisions need to be made by ethics committees in each of the states and territories in terms of access to information held in those cancer registries. The independent investigator has been very careful to say to the gallery that it is very difficult to be absolute about the timing. We are hopeful that it will be in the first quarter of the second half of the year—in other words, by the end of September—but that might prove to be

optimistic. It certainly will be within the second half of the year, but when precisely is just impossible to predict. But that is the order of timing we are expecting.

**Senator WORTLEY**—According to the report, only 10 per cent of the staff took part of in the investigation and one of the reasons provided was the alleged fear of staff of retribution should they participate in the investigation. Could you explain how staff concerns were addressed regarding this and why they were there to begin with?

**Mr Froud**—I think the investigator indicates in his report that he received something like 25 responses from staff who took the trouble to contact him or sought to arrange an interview and pass on information specifically. I think that what is pertinent to your question is that, in this particular process, the gallery has been very careful to try to establish a transparent and open process. We contacted and consulted staff and the unions that represent the staff who are setting up a steering committee to oversight how the process might operate. We were also careful to appoint an investigator who is absolutely independent. The steering committee can provide advice but, at the end of the day, it is the investigator's report and the investigator's views that are publicly distributed. Twenty-five gallery staff out of a full-time equivalent staff of about 240—so a little more than 10 per cent of the full-time equivalent staff number—actually contacted him. My sense would be that a number of staff do not see the issue as serious or as significant as others. I believe that the views of some staff were passed on in a sort of a representative sense in that one of their number spoke to the investigator to exchange views. But that is just supposition on my part. Prompted in part, I think, by the comment that was made about the people who did actually respond to the invitation to contact the investigator, our occupational health and safety committee has recently conducted a survey of gallery staff to better understand attitudes amongst staff. Something like 85 per cent of the staff responded to that particular survey. That was essentially a survey that was hand-delivered by health and safety representatives to each staff member with an onus to complete and respond.

**Senator WORTLEY**—Did that survey have their names on it?

**Mr Froud**—No.

**Senator WORTLEY**—So were concerns or fears raised by staff regarding retribution should they participate?

**Mr Froud**—I beg your pardon?

**Senator WORTLEY**—Were concerns raised by staff about giving evidence before the investigation?

**Mr Froud**—No. There has never been any evidence that management has ever been aware of that goes to that issue. We heard the accusation or allegation, but there has not been any—

**Senator WORTLEY**—It was raised in the draft report.

**Mr Froud**—Yes. It was raised in the draft report because, if a comment is made by at least one member of staff, it is included in the report.

**Senator WORTLEY**—Also I understand that there was a list of reports provided to the investigator and to the steering committee and that there were concerns raised that not all of

the reports that had been carried out were included on that list and that the investigator then had to seek the other reports. Could you just address that issue?

**Mr Froud**—Yes. To run through that process, information, reports and everything that was thought to be relevant to the investigation were provided to the investigator. The investigator then raised with us that a comment had been made that maybe we had not provided all of the information that was relevant to the investigation. For that reason, we decided as a steering committee that it would be important to summarise all of the information that had been made available and to document that. So you will see in the report itself that one of the appendices is actually a list of all of the reports that the investigator was provided with or knew about and was provided access to.

**Senator WORTLEY**—Was it the case that initially they had not been presented with all of the reports and then, following the request by the investigator, further reports were provided?

**Mr Froud**—I am not certain as to which of the total reports the investigator did not have access to initially. With a comprehensive list, if there was a need for him to go back and look at further reports, that is quite possible. As a steering committee we were absolutely clear—so that that issue was clarified for everybody and it was very open—that all of this information was available to the investigator. Certainly there had been an attempt to provide the investigating team with everything, but then, by making that list, endorsing it at a steering committee meeting and passing it to the investigator, we made sure that if anything was not on the original list then certainly it was on the second list. But there was certainly no attempt to withhold or suppress any information.

**Senator WORTLEY**—Recommendations have been made as part of the draft report.

**Mr Froud**—Yes.

**Senator WORTLEY**—How far have you got in addressing these recommendations, specifically in relation to the exposure to diesel particulate?

**Mr Froud**—There were seven areas represented in the report and the gallery has taken action on all seven. Some of those recommendations went to continuing existing practices, so we are continuing those existing practices. Some raised issues—for example, the diesel fumes which you have raised—that required some action. The diesel fumes issue goes to the potential, when vehicles are delivering goods to the gallery—if the vehicles so involved have their motors running during the period of delivery—for some of the fumes emitted to circulate in the immediate working area. We have written to all firms that provide deliveries to the gallery and told them that the vehicles must switch off their engines as soon as they are in position in the loading dock. We have placed signs immediately outside the loading dock for that purpose; we have put a sign on the boom gate, which is the entry point into the service area; and we have asked our security staff to very actively police that. So that behaviour issue has changed.

We have also had the level of diesel fumes in the area measured. That was measured on 29 March. The finding was that the concentration of diesel fumes in the loading dock area was very low. We will conduct further testing to monitor that, but in the longer term, with the new building proposal, there will be new loading docks and a relocated goods delivery facility. Within the design of those new areas, obviously, some attention will be given to the

extraction of fumes from that delivery space. They will be emitted externally to the gallery space.

**Senator WORTLEY**—In relation to that, one of the recommendations in the draft report was that in the interim, before the design of the new building had been completed and that area was redesigned, there be exhaust ventilation fitted. What has been the response to that?

**Mr Froud**—We have looked at the exhaust ventilation issue and have had some advice on what would be involved and what the cost would be. This particular improvement would have a limited duration, and the measurement of diesel fumes in the area is very low. The exposure standards that the investigator responsible for this work referred to went to something that the New South Wales Minerals Council adopts, because there is not a general standard for this particular issue that can be broadly applied in a building like the gallery. That standard was used as a measure and the measurement was much lower—less than half is the way I would read it, but I am not an expert. They say that the standard is 20 milligrams per cubic metre, and the measurement was less than 10 milligrams per cubic metre.

**Senator WORTLEY**—And yet prior to the request for the vehicles coming in to switch off their motors it was at a relatively high level?

**Mr Froud**—We do not know that because that measurement has not been taken on an ongoing basis. It was raised by the investigator, given that diesel fumes are a known carcinogen, as a possible area of concern that we should be mindful of and address.

**Senator WORTLEY**—Given that records like that were not kept, how close are you to completing the inventory of the hazardous substances and also documenting the risk assessment of hazardous substances and exposures, including—and I think this was highlighted in the report—actual documentation of worker training, record keeping, proper labelling, storage and disposal?

**Mr Froud**—The complete inventory of hazardous substances was completed by the end of March. We are still involved in working through our action plan to improve all of the systems and processes that go to the documentation of risks. This focus on hazardous substances and the management of them within our organisation has highlighted that we have a distributed authority approach to this issue so that, if the conservation department needs some chemicals for its purpose, it would store them, whereas if the workshop needed some material associated with their work, they would store them, and, if our photographic studios needed some chemicals, they would be stored there. There is a combined storage facility external to the building for bulk quantities of some of the material that we use for our operations. We are looking at whether we can streamline that process and not have as many storage areas for hazardous substances. We are also looking at the training of staff, the updating and monitoring of skills and understanding associated with that training on an ongoing basis so that somebody does not do it just once but that the training is refreshed on an ongoing basis.

We are looking at how we can further improve. We use a software product, ChemWatch, which enables all hazardous substances within the building to be accessible to all of the people within our organisation who share that same database. We have had ChemWatch installed for some time. On the ChemWatch database and in the associated records we have safety data sheets on any material that we use that is classified as a hazardous substance. We

have all of those systems already in place, but there is also training. In fact, the next training session on ChemWatch and going to these sorts of improved understandings is to be held on 14 June for some staff, and there is further ongoing training commencing—

**Senator WORTLEY**—What percentage of staff have received training regarding the use of hazardous substances or environmental issues in their workplace that they need to be made aware of, including security staff having recommendations to wear masks in certain areas and things like that?

**Mr Froud**—I would need to take the question on the percentage of staff on notice, but I can say that, by and large, the training and professional studies of staff who are employed in the gallery in vocations that use hazardous substances as part of their work—for example, conservators—cover these sorts of issues even before they come to us, but nonetheless we will need to reinforce that with our own training.

**Senator WORTLEY**—Is that specifically in relation to people who use hazardous substances?

**Mr Froud**—Yes.

**Senator WORTLEY**—What about in relation to the work environment? Some of the other issues raised in the report were wood dust, electromagnetic fields and those areas.

**Mr Froud**—The recommendation for the wood dust was that staff who are exposed to wood dust should continue to wear dust masks. That has been our practice and we will continue to do that.

**Senator WORTLEY**—Were security guards wearing those?

**Mr Froud**—No. There was an issue in the report that went to MDF and exposure to formaldehyde to say that, even if security guards were inspecting certain work areas, they should wear masks if they were doing so. What we have also done in looking at the report is reviewed whether in fact it is necessary for security staff to be in attendance in those areas when this sort of activity is occurring or when there is any off-gassing occurring. By changing some of the work practices, no longer are security staff exposed to that risk.

**Senator WORTLEY**—So you feel that has been satisfactorily addressed?

**Mr Froud**—Yes. We have addressed that through a management solution differently. However, it was obviously very useful to have this level of detail and information from the independent investigator to heighten everyone's awareness as to what possible exposures there will be and what should be done to address them.

**Senator WORTLEY**—Thank you.

**Senator GEORGE CAMPBELL**—I have a couple questions for the National Portrait Gallery. Is this an appropriate time to ask them?

**Ms Bean**—That is part of the department.

**Senator LUNDY**—Not yet.

**Senator Brandis**—Are we in a position to deal with that?

**Ms Bean**—Yes.

**Senator Brandis**—Chair, to assist Senator Campbell’s convenience, we are in a position to deal with the National Portrait Gallery any time he likes. As soon as Senator Lundy and other senators have exhausted themselves on the National Gallery—

**Senator LUNDY**—I think we will just stick to the program.

**Senator Brandis**—we would be happy to deal with the National Portrait Gallery straightaway.

**Senator LUNDY**—What is on the program, Chair?

**CHAIR**—We go from here to the National Library.

**Senator LUNDY**—Why don’t we stick to the program, then?

**Senator Brandis**—It is a matter for opposition senators to work out among themselves. I was simply trying to—

**CHAIR**—I would have thought it was a simple matter to call the National Portrait Gallery.

**Senator Brandis**—Yes. I am simply trying to assist the convenience of my friend, Senator Campbell.

**CHAIR**—I am advised by the secretary that the National Portrait Gallery is part of the department, Senator Campbell. Are the relevant officers here?

**Ms Bean**—Yes, they are.

**CHAIR**—If the relevant officers are here, with the agreement of the committee, we might call the National Portrait Gallery.

**Senator Brandis**—Are we now finished with the National Gallery?

**CHAIR**—We seem to be.

**Senator Brandis**—Could Mr Radford and Mr Froud be excused?

**CHAIR**—Yes, indeed, they may. I thank them for their appearance today. We might accommodate Senator Campbell and call the National Portrait Gallery.

[11.58 am]

#### **National Portrait Gallery**

**CHAIR**—We welcome Mr Sayers from the National Portrait Gallery.

**Senator Brandis**—We are not sure when your portrait is going to be hung, Senator Campbell!

**Senator GEORGE CAMPBELL**—There are a few people who would like me to be hung, never mind a portrait.

**Senator Brandis**—Not me, Senator Campbell. It is good to see an authentic socialist still admitting to it.

**Senator GEORGE CAMPBELL**—Thank you very much, Senator Brandis, I appreciate your warm concern! Mr Sayers, can I take you to page 100 in Budget Paper No. 2. Can you tell me what the \$21.2 million over four years is allocated for?

**Mr Sayers**—Yes, I can.



**Senator GEORGE CAMPBELL**—That is good.

**Mr Sayers**—The National Portrait Gallery in its current home in Old Parliament House has a relatively small staff. Once we commence operations in the new building there is a substantial additional element of staff to deliver expanded programs but also to manage the building in all of its aspects.

**Senator GEORGE CAMPBELL**—Can you tell us how many additional staff will be required?

**Mr Sayers**—I can tell you that when we open the National Portrait Gallery the staff complement will be 51. That is an additional 24.5 staff.

**Senator GEORGE CAMPBELL**—So it is virtually double what you have at the moment?

**Mr Sayers**—In broad terms, yes.

**Senator GEORGE CAMPBELL**—Why wasn't the funding for the gallery included in the original estimates of the building costs?

**Mr Sayers**—Earlier on, we developed the scale and the nature of the operation of the National Portrait Gallery. Until we had an agreed design and a sense of how the gallery would operate as an independent entity, we did not have as precise a picture as one would have liked of the number of staff required to run the gallery in its new operation. At that point, we did not include that. However, the building is now under construction, and we have a very clear sense of exactly how much it will cost in staff and utilities—provision of power, gas security services and so on—to operate the building and how much money we would need to operate the building.

**Senator GEORGE CAMPBELL**—Are you saying that, when the original decisions were made about the new facility, they were not precise figures for the building costs—that they were only estimates?

**Mr Sayers**—The capital building costs relating to the construction of the building are being managed by the Department of Finance and Administration. Our concern in the Portrait Gallery was to make sure that we had the precise amount of money for the operational costs.

**Senator GEORGE CAMPBELL**—I may have misunderstood what you said in the earlier reply to the question, but I thought you said that they were estimates—that you did not have precise costs for the building or for staff because you had not finalised what the actual shape of it would be. What I am asking is this: when the original contracts were let, hadn't that already been determined?

**Mr Sayers**—We did not have the operational costs. We had a broad estimate of the amount of electricity the building would take and so on, but we had not at that point worked out the precise regime—for example, how the security operations were going to work, which require staff.

**Senator GEORGE CAMPBELL**—So of the \$21.2 million, how much of that is allocated against salary and on-costs for staff as opposed to other services?

**Mr Sayers**—I do not have an aggregated figure over the entire three years of the exact proportion that relates to salaries.

**Senator GEORGE CAMPBELL**—What do you mean by ‘an aggregated figure’?

**Mr Sayers**—I do not have a figure that adds up the three years.

**Ms Anderson**—I may be able to assist a bit more there. At the time the construction costs were allocated to the department of finance to construct the building, it was not possible to envisage the operational costs of the building. That firm design process needed to be completed before that assessment of operational costs could be carried out. It has been in the last six months or so that we have been able to do that, and that is the \$21.2 million.

**Senator GEORGE CAMPBELL**—But I presume that the design of the building had been finalised and signed off before the allocation of money for the construction.

**Ms Anderson**—After the sign-off of the construction of the building there is still a lot of assessment to do on how the building will operate, and that is exactly what has been done.

**Senator GEORGE CAMPBELL**—I understand that, but I am trying to separate the two. I assume that, before the building commenced construction, the nature of the building was finalised and signed off and an amount of money allocated for its construction.

**Ms Anderson**—Yes.

**Senator GEORGE CAMPBELL**—I am confused with the language that was used—

**Ms Anderson**—They are two separate exercises in a way. It was the construction of the building, which was finalised and money appropriated to the department of finance to construct that building; it is our department’s responsibility to run that building when it is open to the public, and that is what we have put forward in this submission.

**Senator GEORGE CAMPBELL**—So post the signing off of the construction plans, you have now determined that it is going to cost \$21.2 million over four years to run the building.

**Ms Anderson**—Over the next four years, yes.

**Senator GEORGE CAMPBELL**—What I am now asking you is: of the \$21.2 million, how much of that is allocated to salary, on-costs et cetera for staff—the extra 24.5 positions.

**Ms Anderson**—We can provide you with a break up of that over the four years, if we can take that on notice.

**Senator GEORGE CAMPBELL**—And also what the other amounts are allocated to.

**Ms Anderson**—Yes.

**Senator GEORGE CAMPBELL**—What are the incremental contracts and agreements that the gallery has to enter into to allow it to be fully operational?

**Mr Sayers**—The contracts and agreements that we have to enter into with the gallery cover such things as a security contract, contracts for the provision of shop and catering services. There are a number of operational plans that need to be—

**Senator GEORGE CAMPBELL**—Surely you are not paying for the shop and the catering?

**Mr Sayers**—No, we need it—

**Senator GEORGE CAMPBELL**—You would expect to be making money out of that, wouldn't you?

**Mr Sayers**—Yes, but we have to enter into a contract with a provider.

**Senator GEORGE CAMPBELL**—Is the intention to contract that out?

**Mr Sayers**—The intention is to have an external provider provide the cafe and the shop assistants.

**Senator GEORGE CAMPBELL**—I presume that would generate income for the gallery.

**Mr Sayers**—That is correct.

**Senator GEORGE CAMPBELL**—So it would not be a cost.

**Ms Anderson**—There are costs involved in tendering for those contracts and maintaining the management of those contracts.

**Senator GEORGE CAMPBELL**—But you would expect to have a return.

**Ms Anderson**—We will certainly get some revenue from those.

**Senator GEORGE CAMPBELL**—What is the expected return on that?

**Ms Anderson**—I have not got those figures with me, but when we do the costing for you on the future operational costs of salary and other costs, we can include the revenue in that.

**Senator GEORGE CAMPBELL**—Can you do that?

**Ms Anderson**—There is also a large amount of cost associated with the facilities management of the building. Andrew mentioned the security, but facilities management costs and all the utility costs are built into that \$21.2 million as well.

**Senator GEORGE CAMPBELL**—I presume that is all in the \$21.2 million.

**Ms Anderson**—Yes.

**Senator GEORGE CAMPBELL**—Are there any other areas that will generate revenue for you? Is there an admission fee?

**Ms Anderson**—At this stage we have not decided on an admission fee. There could be possible revenue from venue hire; if we hire out the facilities to other organisations to hold events, there could be some small revenue from there.

**Ms Scott**—I do not know if this will help, but the \$21.2 million also includes the cost of the collection displays, the innovative education and arts programs and the support services Ms Anderson referred to earlier. I know you want a salary breakdown of that, but it does cover those costs as well.

**Senator GEORGE CAMPBELL**—Can you give us a breakdown of all of those figures? It may make it easier to understand.

**Ms Scott**—Yes.

**Senator GEORGE CAMPBELL**—What would happen if this funding was not available, Mr Sayers? Would you still be able to operate?

**Mr Sayers**—No, Senator Campbell, we would not be able to operate.

**Senator GEORGE CAMPBELL**—So we would have a nice building—

**Mr Sayers**—But we would be unable to afford to open it to the public.

**Senator GEORGE CAMPBELL**—The capital cost provision is \$1.5 million, is it?

**Mr Sayers**—Yes.

**Senator GEORGE CAMPBELL**—What is that additional \$1.5 million for?

**Mr Sayers**—The break-up of that is that, in the first year, 2008-9, there is a substantial amount of exhibition furniture that is required, such as show cases, sculpture plinths and so on, in order for us to mount the displays. That was not a part of the base building cost because at that stage the display was not designed. Now we have a very good sense of exactly how the display is going to work in the building and we are able to estimate the capital cost. In subsequent years there is \$200,000 for collection development for acquisitions. In 2008 there is a figure of

**Senator GEORGE CAMPBELL**—So the \$1.1 million in 2008-09 is for the furniture?

**Mr Sayers**—No. \$0.9 million is for display furniture and that year there is also \$0.2 million for acquisitions.

**Senator GEORGE CAMPBELL**—I see. So it is actually \$0.2 million each year for acquisitions?

**Mr Sayers**—Correct.

**Senator GEORGE CAMPBELL**—That is \$200,000. You may get a photograph of Chelsea.

**Senator Brandis**—It is important to remember, Senator Campbell, that the acquisition budget of a portrait gallery is going to be a very different thing from the acquisition budget of a general gallery because, if you take the National Gallery, for example, there is almost a limitless number of works that it could consider acquiring, whereas the National Portrait Gallery caters to a very defined range of art work—that is, portraiture of notable Australian figures. Some of those will perhaps be commissioned and some may be acquired from other holdings, but the potential range of acquisitions is going to be necessarily much smaller.

**Senator GEORGE CAMPBELL**—I understand that, but \$200,000 still does not seem to me to be a lot.

**Mr Sayers**—The Portrait Gallery has had a very strong track record of attracting gifts. In fact, approximately 90 per cent of the collection has come in as a result of gifts or has been purchased with donated funds. Just in the past year the gallery has had a substantial series of private donations, specifically for collection building. Those private donations do not always cover everything that you want to acquire and so, although a figure of \$200,000 appears modest—and indeed is modest for building a collection—it has to also be seen in the context of the fact that we receive a large number of gifts. That is, in part, the nature of portraiture. There are a large number of portraits in the community which come to us by way of gift rather than ending up on the open market.

**Senator GEORGE CAMPBELL**—Thank you, Mr Sayers.

**CHAIR**—That concludes evidence given by representatives from the National Portrait Gallery.

[12.13 pm]

### **National Library of Australia**

**CHAIR**—I welcome representatives from the National Library. How is your digitalisation program going?

**Ms Fullerton**—It is going as well as it could possibly go. Our newspaper digitisation project is now under way, which is our major activity for the next couple of years, and we are routinely digitising other parts of our collection.

**CHAIR**—When you say that you are underway with your newspaper digitisation project, what does that mean? What have you covered—up to what year?

**Ms Fullerton**—We have just started, I must say. Within this project we are planning to digitise one newspaper from each of the capital cities and the Territory from the beginning of their time up until 1954, which is the copyright cut-off. That project will go for about five years. We have not yet got anything that you can look at but we have commenced the process. It is a two-stage process. We produce a digital page image and then that image is sent away—in fact, to India—to be converted into optical character recognition pages so that you can search the text of the newspaper.

**CHAIR**—I see. That is very interesting. Will that be available online in due course?

**Ms Fullerton**—We will begin to have things available by early next year for searching online, and it will be available free to anyone to search the content of those newspapers.

**CHAIR**—That is very good. What about the papers after the copyright cut-off in 1954? Have the newspapers got them online in their archives?

**Ms Fullerton**—Some of the newspapers are digitising their own newspapers online. We are in conversation with some to see if you can search both facets at the same time—part of it free, part of it paid for—and discover the existence of items in both.

**CHAIR**—Very good.

**Senator CONROY**—Can you update the committee on the progress of the major works which were due to begin in January of this year?

**Ms Fullerton**—In fact, we were late starting. We are about to commence this week to—

**Senator CONROY**—It is May.

**Ms Fullerton**—Yes, it is quite a complex process. In fact, the cost has increased since our early estimate.

**Senator CONROY**—What is the cost now?

**Ms Fullerton**—It is about \$14 million.

**Senator CONROY**—As opposed to?

**Ms Fullerton**—As opposed to \$10.5 million.

**Senator CONROY**—So that is a 40 per cent blow-out.

**Ms Fullerton**—Forty per cent?

**Senator CONROY**—Ten million to 14 million. That is four million. Four is 40 per cent of 10.

**Ms Fullerton**—Yes.

**Senator CONROY**—Why is that? Is that costs, or have you changed what is being done?

**Ms Fullerton**—When the responses to the tender arrived, they were of a magnitude higher than we had anticipated, in spite of a large amount of testing and examination before we went to tender.

**Senator CONROY**—So what repairs have been necessary?

**Ms Fullerton**—The podium—the flat space—around the library leaks because there was an extension made to the library in the early eighties. Water seeps through the membrane into the fabric of the library. It has been leaking for quite a long time. We have to lift the paving, replace the membrane and alter the drainage arrangements.

**Senator CONROY**—This was supposed to start in January. When was it originally scheduled to be completed?

**Ms Fullerton**—We are expecting now it will be completed about June next year. The time frame is still about the same.

**Senator CONROY**—So it would have been due to be completed in about February next year and now it is June next year.

**Ms Fullerton**—It is a bit later, yes.

**Senator CONROY**—It is classified as high priority, I understand.

**Ms Fullerton**—It is high priority because we store our collections in the spaces underneath, and water seeps into those spaces.

**Senator CONROY**—So this will essentially stop the destruction of records—exhibits even.

**Ms Fullerton**—We have taken all sorts of measures to ensure that our collections are not damaged. We have fluid mitigation strategies. We cover them with plastic and have temporary drainage arrangements, but it is temporary. This will ensure that they are safe for the future.

**CHAIR**—Thank you very much, Ms Fullerton and Ms Cameron.

[12.19 pm]

### **National Museum of Australia**

**CHAIR**—Welcome, Mr Morton and Mr Smart.

**Senator CONROY**—What role has the Museum played in the Return of Indigenous Cultural Property Program?

**Mr Morton**—I will ask Mr Trinca to deal with that one.

**Mr Trinca**—We have been involved since 2001 in the return of remains, to Indigenous communities across the country, that have been returned from overseas institutions, and we

have also been involved in the return of some cultural remains that were held in domestic collections.

**Senator CONROY**—What current project is the Museum employing? What are your current projects, more specifically?

**Mr Trinca**—We have a project to return those Indigenous remains from overseas, and that is continuing. We have the second project around domestic returns to Indigenous communities across the country as well.

**Senator CONROY**—Did I read or hear recently that the UK finally coughed up?

**Mr Trinca**—Yes, that is right. But that has been a direct return that has been negotiated with the Tasmanian centre and will not be going through the National Museum.

**Senator CONROY**—I am sorry; I thought you were being very bashful about claiming credit for what sounded like a major victory.

**Mr Trinca**—We certainly have been watching that closely, and we have been providing advice to other institutions around the country, as we would commonly do as part of our remit, as part of our mandate, to assist with the return of remains.

**Senator CONROY**—Is the Museum helping to develop a framework for reciprocal arrangements for the return of non-Australian remains from Australian collections?

**Mr Trinca**—Yes, that is a question that we are now turning our minds to. We have policy within the Museum to support the return of remains overseas. In fact, we are involved in the return of some remains to New Zealand in the near future. We are supporting the continuing discussions around the return of remains that are held here to countries overseas upon request. But my understanding is that, at present, there is no formal policy—and the department would have a clear picture of that in broader aspect—that is governing that at the moment.

**Senator CONROY**—What other agencies are involved in this process?

**Mr Trinca**—The department and OIPC.

**Senator CONROY**—How many ancestral remains or sacred objects are held by the Museum?

**Mr Trinca**—I would need to take that question on notice and supply you with the precise details of the numbers at a later date.

**Senator Brandis**—Senator Conroy, I had a look at this recently. I think that the total number of such objects about which you inquire, held by all participating institutions across the country, is roughly in the order of 11½ thousand ancestral remains and about 8,000 or 9,000—I cannot remember the exact figures—secret-sacred objects, which are in various stages of classification and provenance determination.

**Senator CONROY**—What arrangements do you have with Indigenous communities to ensure the correct handling of these remains and objects?

**Mr Trinca**—The Repatriation Program that we have been running at the Museum since 2001 has worked very closely with representative bodies across the country, both those representative bodies that are claiming directly the remains and then those that might be able to offer advice in each of the regions. So, for instance, it would be land councils and

community representation as well. As a matter of course, we would only return remains in conditions where we have negotiated those returns with those communities.

**Senator CONROY**—Are you currently in negotiations with any organisation for the repatriation of Indigenous remains or sacred objects?

**Mr Trinca**—We are certainly continuing negotiations with communities across the country about remains that we are holding, preparatory to their return. Again, on the precise number, I would need to return with that figure for you.

**Senator CONROY**—Thanks very much.

[12.25 pm]

### **Department of Communications, Information Technology and the Arts**

**CHAIR**—I thank the representatives of the National Museum for appearing. We now move to DCITA output 1, Policy advice, program management agency support which promotes excellence in preservation and maintenance of, and access to Australia's cultural activities, national cultural collections and buildings, and Indigenous languages, including matters relating to: Australia Business Arts Foundation Ltd, Bundanon Trust, Film Australia Ltd—which we have already done. I welcome the officers from DCITA output 1. Who is going to lead the questions? Senator Conroy.

**Senator CONROY**—How much applications were received by the department for the current round of grants under the Playing Australia program?

**Mr Taylor**—I believe the number was in the vicinity of about 34.

**Senator CONROY**—How does this compare to previous rounds?

**Mr Taylor**—It is about on par.

**Senator CONROY**—Can you outline the process for assessing these applications?

**Mr Taylor**—Certainly. Applications are received as a result of an advertisement in newspapers. The department processes the applications. They are provided to an expert committee—the Playing Australia committee. The Playing Australia committee then meets. This happens twice a year. The committee makes its recommendations on the basis of its assessment of the applications against the guidelines and then makes those recommendations to the minister. The minister then makes the final decision.

**Senator CONROY**—Has the assessment process for the grants been completed?

**Mr Taylor**—Yes, it has.

**Senator CONROY**—When was it completed?

**Mr Taylor**—It would have been completed when the committee met, which would have been in late March.

**Senator CONROY**—Has the department been notified of the Playing Australia committee's latest assessment?

**Mr Taylor**—Notified? To clarify, the committee is an advisory body. It makes its recommendations, so the department has a role in the committee. So, yes, we are aware of the committee's recommendations.



**Senator CONROY**—Has the minister's office been notified of the Playing Australia committee's latest assessment?

**Mr Taylor**—Yes, it has.

**Senator CONROY**—Have the grant recipients been notified of the success or failure?

**Mr Taylor**—Not as yet.

**Senator CONROY**—There was a bit of lead time involved. I noted the minister's web site states that the minister for arts and sports announces funding in April and September for tours commencing from July and January. Are we cancelling the July tours?

**Mr Taylor**—No.

**Senator CONROY**—Is it currently April?

**Mr Taylor**—No.

**Senator CONROY**—Organising a tour is a fairly complex thing. I would have thought you would need to have more than a few weeks notice—is that fair?

**Mr Taylor**—It is fair.

**Senator CONROY**—Minister, I note that your website states that you were going to announce funding in April, and it is now mid-May.

**Senator Brandis**—That was the expectation and, as I indicated last week, we will be announcing the successful applicants this week.

**Senator CONROY**—This week? Come on, here is your chance—a big splash at estimates.

**Senator Brandis**—Senator Conroy, I think that we ought to announce them in the appropriate fashion. I had hoped that we would be in a position to make the announcement as early as today, but it will be today or tomorrow. It is imminent.

**Senator CONROY**—What has been the reason for the delay, Minister?

**Senator Brandis**—The applications have been assessed in the ordinary course of events, the recommendations from the relevant assessment body have been considered by my office and that is the amount of time that it has taken.

**Senator CONROY**—When were you notified? When did the selection process finish at a departmental level?

**Senator Brandis**—I am not in a position to tell you. I cannot give you a date.

**Senator CONROY**—Mr Taylor?

**Mr Taylor**—I cannot recall the exact date. We would have to take that on notice.

**Senator CONROY**—Was it in January, February, March, April? You must know roughly the month.

**Mr Taylor**—It would have been in April some time.

**Senator CONROY**—Was that running late? It sounds like it was running late for you there, Senator Brandis. Was that running late?

**Senator Brandis**—I am not sure whether it was running late. I know that after the recommendations were received by my office we had a look at them before signing off on the final approval or the final outcomes as to who was successful and which applications were not successful.

**Senator CONROY**—So you have told people who have not been successful.

**Senator Brandis**—No, no announcement has yet been made. I hoped that they would be made last week. They have not been. They are imminent. I indicated, in fact, in a media interview last week that I expected that they would be made at the start of this week, so either today or tomorrow, but they are imminent. I have signed all the letters.

**Senator CONROY**—We await your leisure.

**Senator WORTLEY**—Minister, you tabled this document earlier. I understand that you—

**Senator Brandis**—This is Mr Maddox's article from the *Sydney Morning Herald*?

**Senator WORTLEY**—That is right.

**Senator Brandis**—Yes.

**Senator WORTLEY**—You were reading from a couple of documents. I think you stated that the other document was from the Australian dated 10 May. Is that correct?

**Senator Brandis**—I referred to an article in the *Australian* on 10 May, yes.

**Senator WORTLEY**—What page was that article on?

**Senator Brandis**—Page 40.

**Senator WORTLEY**—I have some questions regarding Regional Arts Australia. That article goes on to say—the same article you were reading from:

You can't get less elite than arts in the bush, though, and that sector was smarting yesterday. Regional Arts Australia had lobbied hard on a proposal, worked out in a two-year national consultative process, worth \$60 million during the next four years. "Just over one-third of Australians live in regional, rural and remote communities, and they are supplying a lion's share of the national wealth that the budget papers document," says Ken Lloyd, secretary of RAA.

The proposal was knocked back.

I understand that the Regional Arts submission went through a number of areas that they actually had put forward. They wanted a national regional arts day; a biennial regional capital of culture program, where one regional centre would be given the opportunity to showcase new programs and activities with long-term tangible and sustainable outcomes; a pilot program to better use libraries as art hubs; new funding to create better opportunities for young people; touring of high-quality shows to smaller isolated and remote communities; and funding to improve local arts infrastructure so that they are in a better position to receive high-quality touring shows and exhibitions. Now basically Regional Arts Australia has to go back to the drawing board.

**Senator CONROY**—Were you not reading that whole article out?

**Senator Brandis**—No, I did not say I was. I said to you, Senator Conroy, if you check the *Hansard*—

**Senator CONROY**—Were you selective in what you read out?

**Senator Brandis**—that I was reading from the article. I did not say I was reading the article.

**Senator CONROY**—That sounds like a very selective—

**Senator Brandis**—Senator Wortley, what was your question?

**Senator WORTLEY**—So Regional Arts Australia has missed out in this round of funding. They spent two years in a consultative process. They claim that just over one-third of Australians live in regional, rural and remote communities and access the arts. Has the government left Regional Arts Australia out on this occasion?

**Senator Brandis**—No, it has not. Can I explain to you the situation. The Australian government runs a range of programs, which are funded in this budget for the benefit of regional Australia. It is correct to say that Regional Arts Australia had—I do not mean this with any disrespect to them—what you might call a wish list, and I think you seem to have been reading from that wish list. As you would be well aware, Senator Wortley, from your own experience, not every request for funding is adopted by government, nor should it be, and it is correct to say that Regional Arts Australia did not obtain the items which were on its wish list.

But may I inform you, and through you the committee, Senator Wortley, of what continues to be funded in the budget for the benefit of regional Australia: the Festivals Australia program, with a budget of \$4.051 million between 2004-05 and 2008-09, which funds the touring and the holding of festivals in regional Australia; the Festivals Australia Regional Residencies program, which has a budget of \$1.5 million over three years from 2004-05 to 2007-08, with half a million dollars allocated in each financial year, and that program is being reviewed for the purpose of consideration in the 2008-09 budget process; the regional arts fund, which was reviewed in this budget and expanded in the 2004-05 year, which funds regional arts to the tune of \$16.121 million over four years; the Playing Australia program, which is an ongoing program, which was expanded in 2005-06, with an additional \$2 million allocated annually, taking the program to \$5.8 million per annum; and the Contemporary Music Touring Program, which is a current program—it is a terminating program at the end of the 2009-10 financial year, the continuation or renewal of which would be considered then in that context.

**Senator WORTLEY**—So—

**Senator Brandis**—I am sorry, Senator Wortley; I have not finished answering your question. Those are specific continuing programs designed particularly for regional Australia. In addition to that, there is the Visions of Australia program, which tours visual art around Australia including to regional centres. As well as those dedicated programs, there are of course the significant increases in the base funding of the major performing arts companies, about which there was some discussion this morning, to \$24.1 million over four years—

**Senator WORTLEY**—Minister, we are talking about regional—

**Senator Brandis**—which is what the major performing arts companies were seeking and which include major performing arts companies touring programs to regional Australia. The significant increases in the funding of the small to medium—

**Senator WORTLEY**—But—

**Senator Brandis**—Just listen to the answer, Senator Wortley. You asked the question and I am taking it in good faith that you want to know the answer.

**Senator WORTLEY**—I do want to know the answer.

**Senator Brandis**—I am informing you of the facts. There is the significant increase in the funding of small to medium sized arts companies, some of which tour, although generally they do not, but many of which are based in regional and rural Australia—

**Senator WORTLEY**—Through the chair, if I could.

**CHAIR**—The minister is just providing a full answer to your question.

**Senator Brandis**—and the Visual Arts and Crafts Strategy, which includes the touring of visual arts and crafts in regional Australia. That is why—if I may remind you, Senator Wortley—Mr Owens, the President of the Australian Performing Arts Centres Association, most of whose constituent organisations are located in regional Australia, said in a letter he wrote to me on 16 May, ‘This budget has been a very significant win’—underlined and bolded—‘for regional and remote communities.’

**Senator WORTLEY**—Thank you for that response. My question was specifically in relation to Regional Arts Australia. I understand that Regional Arts Australia are the peak body for the national network of regional arts organisations delivering art programs across the country, that they understood a comprehensive national consultation which took place over two years and that they were disappointed in the budget in that it did not deliver in relation to the national consultation that took place.

**Senator Brandis**—As I said to you, Senator Wortley, Regional Arts Australia did not receive everything it asked for. I do not know how a Labor government would run a budget, but if you are telling me that all you have to do to get a program funded in the budget is to ask for it then I would not share your view that that is the way a budget ought to be run.

**Senator WORTLEY**—My understanding was that there were six areas that they had requested to be addressed and that those areas had not been addressed.

**Senator Brandis**—I am afraid there is a logical gap in your question because many of those matters which you mentioned in your first question are already covered to some extent in the other programs which I ran you through.

**Senator WORTLEY**—Thank you for that response. I think that perhaps people in regional Australia would differ in their opinion on that.

**Senator Brandis**—Perhaps some would, but I can assure you that there are many, including the person who is responsible for the peak performing arts centres body, most of whose constituent members are in regional Australia, who would not agree with you but would agree with me. In fact, those were his very words I was quoting.

**CHAIR**—There are no other questions on the department. After lunch we will go to outcome 2, which is Australian sport. Thank you very much.

**Proceedings suspended from 12.42 pm to 2.03 pm**

**Australian Sports Commission**

**Australian Sports Anti-Doping Authority**

**CHAIR**—We will now go to the sports sections of this portfolio. As has been the custom in previous hearings, I will call representatives from the Australian Sports Commission and the Sports Anti-Doping Authority and the department together.

**Senator LUNDY**—I would like firstly to go to ASADA. Do ASADA test athletes who are under the age of 18?

**Mr Ings**—Yes, they do.

**Senator LUNDY**—Is it a requirement for your doping control officers and chaperones to have relevant clearances under the various state jurisdictions to work with minors?

**Mr Ings**—I have been advised that it is not a requirement for our chaperones and doping control officers to have those sorts of clearances.

**Senator LUNDY**—By whom were you advised of that?

**Mr Ings**—What I might do is pass over to my support manager, who looks after all our HR issues. He can give you some more detail on that.

**Senator LUNDY**—I am interested in asking you. Who advised you that you were not required to have those clearances under the various state jurisdictions? Because I have certainly been advised the opposite—that you are, in fact, required to have those various clearances under state jurisdictions when you do any work with minors, particularly, given the nature of ASADA's work.

**Senator Brandis**—It may be possible that different states and territories have different rules, so with this serious line of questioning perhaps you might specify which states and territories you are referring to lest there be confusion given the different laws obtaining in the various jurisdictions.

**Senator LUNDY**—I will do that. In New South Wales the applicable law is the Commission for Children and Young People Act 1998, in Queensland it is the Commission for Children and Young People and Child Guardian Act 2000, in Victoria it is the Working with Children Act 2005 and in Western Australia it is the Working with Children (Criminal Record Checking) Act 2004. Other states and territories are currently looking at it with proposed legislation in place. They are the laws I am talking about and I would propose—

**Senator Brandis**—So, the current New South Wales laws?

**Senator LUNDY**—I beg your pardon?

**Senator Brandis**—You are talking about New South Wales?

**Senator LUNDY**—Yes. We will also get to the detail of what children are tested in other states and under what laws. Is it a requirement of your doping officers and chaperones to be

cleared as required as per those states' laws and dealing specifically in the case of New South Wales?

**Mr Ings**—Yes. As I just said, I have been advised that those checks are not formally required. The persons who have given us that advice are from the various departments concerned. Also, ASADA has sought an independent Queen's Counsel opinion as to what the formal requirements are. There are some states that do not have working-with-children checks in place—for instance, the Northern Territory and South Australia—

**Senator LUNDY**—I read out the ones that did.

**Senator Brandis**—I think you should let the witness provide his answer without interruption.

**Mr Ings**—While the advice is that it is not a formal requirement, we do recognise that it is good business practice to have it, and those checks are currently being put in place.

**Senator LUNDY**—Can you explain the legal basis for this claimed exemption for ASADA under those state acts, particularly in the knowledge that these clearances are referred to in your staff agreement.

**Senator Brandis**—Mr Chairman, with respect to Senator Lundy, and with respect to Mr Ings, Mr Ings is not a lawyer and I am not sure that it is proper to ask a witness who is not a lawyer what the legal basis of legal advice is.

**CHAIR**—Yes, I agree with that. Senator Lundy, perhaps you could rephrase the question or ask a different question.

**Senator Brandis**—I mean, Mr Ings can fairly be asked about relevant facts and he can be asked about opinions, too, but he cannot really be asked to express an opinion about the law.

**Senator LUNDY**—For the benefit of the committee, could you describe the testing procedure of minors?

**Mr Ings**—The testing procedure of minors is outlined in the WADA international standard for testing. It is the same procedure that applies irrespective of whether the athlete is over the age of 18 or under the age of 18. It is very prescribed in terms of how it takes place, involving notification, witnessing of athletes providing samples, sealing and collection of the samples and distribution in a courier back to the laboratory. It is a one-standard that applies irrespective and we do not deviate from that standard.

**Senator LUNDY**—Why is a chaperone required to be present?

**Mr Ings**—A chaperone is required to be present because under the international standard for testing the sample must be visibly observed being passed from the body of the athlete into the container into which the sample is collected.

**Senator LUNDY**—‘Visibly observed’? Can you describe the state of the athlete being tested at the point of where a test is being collected?

**Mr Ings**—Yes, I can. Again, this is all part of the WADA international standard for testing that applies irrespective of the sample that is being collected and irrespective of the age of the athlete. The athlete involved must lower their trousers to their knees, raise their shirt to their

stomach and be observed in full view of the chaperone passing the sample into the collection container. That is the international standard for sample collection.

**Senator LUNDY**—Do you have anyone present from your organisation who can explain to this committee why ASADA is not required to comply with the state legislation with respect to clearances for working with minors?

**Mr Ings**—I do have people who have been working through this particular matter and, if you are happy to, I would like to refer that question to her for a more detailed answer.

**Ms Shadbolt**—At the time we have sought advice from each of the agencies within the states that have working-with-children legislation. They have said to us that the main reason we are not required under their legislation is that it is not the main function of ASADA to do child related work. Most of their legislation covers social workers and that type of work, where they are dealing with minors every day.

**Senator LUNDY**—When did you receive this advice specifically, and when was it sought?

**Ms Shadbolt**—The advice was sought in early April of this year.

**Senator LUNDY**—When in early April?

**Ms Shadbolt**—I am sorry, I do not remember the exact date, but it would have been the first week of April.

**Senator LUNDY**—When was the advice received?

**Ms Shadbolt**—On the same day that we sought it. It was done over the phone.

**Senator LUNDY**—How many doping control officers do you have in ASADA?

**Ms Shadbolt**—Doping control officers or chaperones?

**Senator LUNDY**—Both? How many doping control officers? And my next question was: how many chaperons?

**Ms Shadbolt**—We have 250 chaperones, and they are of a casual nature. As far as doping control officers go, we have—I am just counting through the states—seven permanent doping control officers, and then we have around 15 casual doping control officers.

**Senator LUNDY**—Do any of those doping control officers or chaperones have any state clearances with respect to that child protection legislation that I read out?

**Ms Shadbolt**—Yes, they do. As of today, 54 have working-with-children checks as per the legislation—remembering, though, that not all of the 250-odd chaperones are working in states that have requirements under working-with-children legislation.

**Senator LUNDY**—Is that 54 out of the chaperones only?

**Ms Shadbolt**—No, that also includes some doping control officers.

**Senator LUNDY**—How many chaperones and how many doping control officers have those qualifications?

**Ms Shadbolt**—I do not have that with me today, so I will have to take that on notice.

**Senator LUNDY**—Do any of the doping control officers have that qualification?

**Ms Shadbolt**—Yes, they do. I know in New South Wales all of our doping control officers have that qualification.

**Senator LUNDY**—How many do you have in New South Wales?

**Ms Shadbolt**—Three.

**Senator LUNDY**—How long have they had that?

**Ms Shadbolt**—I do not know the date exactly, but it was during the period of April and May that they attained it.

**Senator LUNDY**—So, after the incidents with the schoolboy rowers?

**Ms Shadbolt**—They did, but the doping control officers who were involved had also recently undergone a security clearance and part of that is an AFP check.

**Senator LUNDY**—I will come to that. I am not talking about that. I just want to remain focused for the moment on the child protection act requirements. If ASADA subsequently had advice in early April that you are not legally required to get these clearances, why have you subsequently got your doping control officers, and I presume all of your doping control officers in the states where there is legislation, to be covered?

**Ms Shadbolt**—This was in our business plan for this year to move forward looking at our whole security arrangements. Part of that was to undertake these clearances. As I said, we had to gain advice to determine whether we needed to have them at all. It was after the events of 31 May that we made a determination within ASADA that it was a requirement.

**Senator LUNDY**—Just to get this timeline clear, you are saying it was in your business plan to obtain these clearances for this year?

**Ms Shadbolt**—It was in the business plan as a security review and part of it was a security review.

**Senator LUNDY**—A security review?

**Ms Shadbolt**—Yes.

**Senator LUNDY**—What is the date on that business plan?

**Ms Shadbolt**—It would have been established from 1 July through to 30 June 2007.

**Senator LUNDY**—So it was established prior to 1 July 2006.

**Ms Shadbolt**—Correct.

**Senator LUNDY**—Why had it not been done up to that point?

**Ms Shadbolt**—Because we were working systematically through the requirements that we needed for security.

**Senator LUNDY**—And the child protection part of that waited until April of 2007?

**Ms Shadbolt**—It did because we had reviewed the legislation and we determined that it was not a requirement, so we would move with security clearances first.

**Senator LUNDY**—When did you conduct that review?

**Ms Shadbolt**—It would have been in early July. I do not know the exact date.



**Senator LUNDY**—So, in early July 2006, you established, as per the state legislation, that you did not require your DCOs or chaperones to have those clearances.

**Ms Shadbolt**—Correct.

**Senator LUNDY**—Can you provide the committee with correspondence or internal memos that give effect to that statement that you have just made?

**Ms Shadbolt**—I am sure I can.

**Senator LUNDY**—Thank you.

**CHAIR**—On notice, that is.

**Senator LUNDY**—On 17 March there was a round of testing with schoolboy rowers, but two weeks later ASADA went to the Head of the River and was refused permission to test athletes due to not having appropriate qualification. However, what you are telling me is that you were already aware that you did not have to have that qualification. Is that true?

**Ms Shadbolt**—Yes, that is true.

**Senator LUNDY**—So, on what basis, or how, did you provide an explanation at that time, both publicly and to the parents and schools that were concerned, about the testing you were doing of schoolboy rowers at the Head of the River Regatta?

**Mr Ings**—Clearly on that day there was somewhat of a confrontation. I guess there were questions which were raised. We are very responsive to the questions which are raised by stakeholders. There was testing conducted of those athletes successfully on the 17th. The samples were collected. Following discussions between the principals and our doping control staff there were no samples which were collected on the 31st.

**Senator LUNDY**—On what basis did you not collect samples on the 31st?

**Mr Ings**—At that particular event we were not given access to be able to go in and collect the samples.

**Senator LUNDY**—On what grounds? What grounds were claimed?

**Mr Ings**—The grounds that were claimed—and I do not have specifically all the details—

**Senator LUNDY**—I expect you to, given this has been all over the media. Do you have some officers who can tell me specifically?

**Mr Ings**—I think I can give you the best answer available, which is that the grounds from the principals' concerns were that they were looking after the best interests of their students, that it was a schools event, that they did not believe that testing should take place. They raised a question about appropriate working-with-children checks, and, in discussions with our field staff, who are empowered to make these decisions, and the representatives of the schools, a decision was made on that day not to proceed with the testing.

**Senator LUNDY**—Let us just get this clear. In 2006 you determined in your business plan that you were going to get these child protection checks. That had not yet been done and then when the organisation's testers were asked on 31 March at the Head of the River Regatta whether or not you had those qualifications your officers would have replied no. Was that the

grounds upon which you did not proceed? Was that the core of the complaint, that you did not carry those checks, and was that the core complaint of the schools and parents?

**Mr Ings**—I think from the schools that was part of it. They wanted to be assured.

**Senator LUNDY**—Did they ask for those qualifications to be demonstrated?

**Mr Ings**—I believe that was the question, yes.

**Senator LUNDY**—What was the response from the organisation when asked? Did you tell them it was in your business plan but you had not got around to it yet?

**Mr Ings**—No.

**Senator LUNDY**—Why not?

**Mr Ings**—Our field staff—we responded to the question, they sought that input and now we are working through getting these checks in place.

**Senator LUNDY**—So, on the basis that you had already previously determined that you actually did not have to have these qualifications, you had not been challenged on them previously but, when confronted by parents and principals who were very concerned about the way in which ASADA was approaching the testing of schoolchildren, you backed off on the basis that you did not have those qualifications. Permit me to make the observation that there was at least a community expectation that the organisation had gone about obtaining these qualifications for the genuine reason that these laws were put in place in the first place. So my question to you is: why did it have to take a confrontation with principals and parents objecting to your methodologies before the organisation took the step of obtaining these very reasonable qualifications for your staff, particularly because you have such a high proportion of casual workers and would not have done the sorts of checks that one would expect you would do as an organisation of this nature anyway? What is your excuse for letting the whole team down?

**CHAIR**—Why not use the word ‘reason’ or ‘rationale’? I think ‘excuse’ is an unnecessarily harsh term.

**Senator RONALDSON**—The senator has asked a question. I think Mr Ings should be given the opportunity to answer it.

**Mr Ings**—Again, as outlined by Ms Shadbolt, this was identified as something to work through. It was identified as something that was not required. It was identified as something that we did as an organisation wish to put in place, bearing in mind that these checks have never been in place. ASDA and ASADA have been around for a long time, but it was identified. We are working through getting these checks in place and very shortly all the checks will be in place. And there is no individual working in the field with ASADA who is working with any athlete under the age of 18, from the 31st onwards, who does not have these checks in place.

**Senator LUNDY**—Thank goodness for that, because that would be the community expectation. Can you explain to me why, if you established as early as July 2006 that you were not required to have these under the law, you then went back to the state departments in early April to ask the same question again, after the incident at the schoolboy rowing regatta?

**Mr Ings**—Going back to my original answer, it was identified on the tactical plan for 2006-07. It was identified as not being a formal requirement but something which is clearly good business practice to have, and it is being actioned and it is being put in place.

**Senator LUNDY**—That is not my question. If you were so sure about that, why did you go back to the state departments and ask them whether you were required to have those checks in early April, which is what we started off this round of questioning with? You made that statement.

**Mr Ings**—It is an excellent question and my answer is that there were initial reviews but we have gone back to re-review, to ascertain whether there have been any changes in those requirements.

**Senator LUNDY**—Can I put to you that it was not clear within the organisation what your legal obligations were—so, why, when those questions were raised post the regatta incident, did you go to those state departments and seek advice again?

**Mr Ings**—I do know that after that incident we did go and seek additional advice. But the information that I have is that, at the earlier periods, there was advice that we had, there was a belief internally, that the checks were not formally legally required but they were good business practice. They were on the plan to be done and they are being done.

**Senator LUNDY**—Going back to the issue about clearances, we have established that, out of the seven DCOs, three at least—the three New South Wales ones at least—have this clearance. Can you just run me through the list within the other states where those laws apply of who has now obtained a child protection clearance under the relevant state legislation?

**Senator Brandis**—I am not sure that this is appropriate.

**Senator LUNDY**—I think it is a good opportunity, though, do you not?

**Senator Brandis**—Mr Chairman, I am not sure that it is appropriate for the witness to be asked the names of individual officers. Perhaps—

**Senator LUNDY**—I just want the numbers, Minister, not the names.

**Senator Brandis**—You asked for the names. I do not have any problem with the officer being asked the numbers.

**Senator LUNDY**—The officers within each state and whether or not they hold the qualification. I don't want the names.

**Mr Ings**—Yes, Ms Shadbolt has that information.

**CHAIR**—Are you happy to answer that?

**Mr Ings**—Yes, absolutely.

**Ms Shadbolt**—In New South Wales we have 82 chaperones and DCOs. Unfortunately I do not have the split between chaperones and DCOs.

**Senator LUNDY**—Sorry, how many?

**Ms Shadbolt**—We have 82. Sixty-four of those 82 have submitted their forms to be sent to the relevant agency. The balance of those that have not submitted the form is due to the fact that they were either overseas or on leave when we have done that check. Of those 64 that

have returned their forms, we have 48 that have received a clearance from the agency. In Queensland we have received 35 forms out of 42. In Queensland at the moment with the relevant agency there is a little bit of a backlog and we have only received two clearances. But we also have 14 casual chaperones or DCOs there who also work as teachers, so they have already received a working-with-children check through their other employment, and we have sighted their blue card. In Victoria we have received 15 out of 36 chaperones. In Western Australia we have received four out of 17.

**Senator LUNDY**—Have you had any casual or full-time staff, chaperones or DCOs, rejected as a result of these checks—not been able to obtain their clearance?

**Ms Shadbolt**—No, we have not.

**Senator LUNDY**—Is it now the policy of ASADA to ensure that all DCOs and chaperones carry the relevant state clearances?

**Ms Shadbolt**—Yes, it is.

**Senator LUNDY**—So can you give a guarantee that anyone working with people under the age of 18 will carry these clearances?

**Ms Shadbolt**—Yes, we can.

**Senator LUNDY**—And from which date can you guarantee that? Is that from now or from April?

**Ms Shadbolt**—It is from April.

**Senator LUNDY**—What date in April did that policy come into effect?

**Ms Shadbolt**—From 1 April.

**Senator LUNDY**—Given the regatta incident was on the 31st, the following day ASADA determined to make a policy that staff ought to carry these state qualifications for child protection.

**Ms Shadbolt**—Yes.

**Mr Ings**—Clearly there was an issue on the 31st. It is very important to make clear to our stakeholders if they have a particular expectation that we can meet that. We have put in place the appropriate checks. There is no-one working with athletes under the age of 18 from that date going forward who does not have those checks, and we are looking for all of our staff in the field who may be working with minors who will have those checks in place before they do it to ensure that they have got access to and are carrying the appropriate documentation that they need. This is a new process. We are working with our staff to train them up on this, but that is exactly what we are trying to do.

**Senator LUNDY**—As far as making that policy, did you issue a policy statement to all staff on that day and, if so, can you provide a copy to the committee?

**Mr Ings**—There is correspondence that I recall we sent out to all staff. There was a formal meeting held. In fact, there might have been two or three formal meetings that were held with all of our field staff to emphasise and re-emphasise the directive that I was seeking to put in place. We can provide the committee with a copy of our correspondence, yes.

**Senator LUNDY**—Going back to the original analysis by ASADA back when you developed your business plan—and I will ask you to provide on notice the provision of the copy of that correspondence—where you say that ASADA had determined that it was not a legal requirement, on what basis did you determine that it was not a priority given there was state legislation in place? Senator Brandis might want to correct me. I want to call it a loophole that ASADA staff were able to work without this qualification. I am interested in your opinion and why it took ASADA so long, and effectively a massive public scandal, to take the moral position, the correct position, to have all their staff checked?

**Senator Brandis**—Senator Lundy, if we can go back to the first few words of your question, it proceeds on the false premise that ASADA did not determine this as a priority.

**Senator LUNDY**—But it was April, and there had been a public scandal.

**Senator Brandis**—Senator Lundy, you ask whatever questions seem appropriate to you. But nobody has said—and in fact the evidence from Mr Ings is quite inconsistent with the proposition—that this was not regarded as a matter of priority by ASADA.

**Senator LUNDY**—I obviously have drawn a different interpretation and I put to you that—

**Senator Brandis**—You are entitled to draw whatever inference you like, Senator Lundy, but please do not ascribe to the witness a view which he did not express and which is in fact the opposite of the view that he did express.

**Senator LUNDY**—What we have before us is a belief within the organisation that they were not required to technically comply prior to July 2006. Nonetheless, it was put in the business plan that they would proceed with the compliance with these state laws, and yet nothing had been actioned on that business plan item until there had been a major public scandal.

**Senator Brandis**—That is not what Mr Ings said.

**Senator LUNDY**—Let me finish, because I am describing the sequence here.

**Senator Brandis**—No, what you are doing is giving a version of—

**Senator LUNDY**—But all the evidence points to action only occurring after 31 March.

**Senator Brandis**—What you are doing is giving a version of events which is not supported by the answers Mr Ings has given to your earlier questions. If you want to ask him questions, go ahead, but, with all due respect, do not misinterpret his earlier answers and then put to him propositions based on assumptions which he did not validate in his answers.

**Senator LUNDY**—What I would like to ask you is: do you think that, because of the fact that these staff were working with children under the age of 18, they ought to have complied with the state legislation because the state legislation existed regardless of the technical loophole that exists to permit ASADA not to comply? What is your view?

**Senator RONALDSON**—Whose expression is ‘technical loophole’? Is that Senator Lundy’s?

**Senator LUNDY**—Yes, it is, on the basis that Mr Ings said that ASADA employees are not required—

**Senator RONALDSON**—Chair, if it is Senator Lundy's term, then the onus is on her to establish the expression 'technical loophole'. It is not for the witness; the onus is on Senator Lundy to establish that, not just to put it out as a statement of fact.

**CHAIR**—You should not use that term, Senator Lundy. That is quite clear. But you have put a question to the minister, and the minister will answer it.

**Senator LUNDY**—I will rephrase it.

**Senator Brandis**—I do not adopt your term 'loophole', but you asked me whether or not there ought to have been compliance with the state laws. I am sorry, let me withdraw that and put it more precisely: that ASADA's officers ought to have observed the relevant state laws whether or not strictly speaking they were governed by them. The answer to that question is: yes, that is my view.

**Senator LUNDY**—Thank you.

**Senator Brandis**—And that is a view that I communicated to Mr Ings by a letter of 5 April 2007, on the day that I became aware of the matter when it received page 1 treatment in the *Sydney Daily Telegraph* that morning. I received a prompt response from Mr Ings giving me that assurance. I am happy to table that correspondence.

**Senator LUNDY**—Thank you, Minister.

**CHAIR**—Is the committee happy to accept this correspondence? I presume they are.

**Senator LUNDY**—My understanding is that the requirement for this state based qualification is actually flagged, if you like, or raised as a possibility within staff applications and within staff agreements. Is that true?

**Mr Ings**—I will have to take that question on notice. I am not familiar with that degree of detail. I am sorry, but I can take that question on notice.

**Senator LUNDY**—Further to the point the minister has made—and I look forward to reading that correspondence—Mr Ings, when were you first made aware of the situation at the regatta on the 31st?

**Mr Ings**—I was quite occupied with some other matters on that particular day. My best recollection would be that it was probably not until the Monday. The 31st was the Saturday. I was in Melbourne on that day working on another matter.

**CHAIR**—This was the first working day afterwards?

**Mr Ings**—The first working day afterwards, I believe. There might have been a telephone call slightly earlier, but I believe approximately the 1st.

**Senator LUNDY**—You just said that it became policy on 1 April. How was that policy given effect, given you were not aware of the issue until 2 April?

**Ms Shadbolt**—I am sorry, that was my mistake. I thought the 1st was the Monday. It was the 2nd, which was the Monday after the event.

**Senator LUNDY**—So the second was when the policy was put in place. Mr Ings, when you were informed about the issue, what was your course of action to determine that new policy for the organisation? It was obviously based on the knowledge of what had occurred on

the weekend. Were you aware at that point, given you have already told me that you received advice in early April from the departments? You would not have had that advice from the departments at that point about the status of the state legislation. What were the things you took into account when you determined on 2 April that this should now be policy for ASADA?

**Mr Ings**—Again, we as an organisation are very mindful of the perception of our stakeholders—very mindful of athletes, very mindful of principals and very mindful of the public. Clearly this matter on the 31st raised a question. It was on the tactical plan going back to the previous year, as we have previously indicated, to have these checks put in place, and now it was time, given that this was a matter that was raised in the course of testing those elite junior athletes that it was proper to seek to expedite, to reassure, to go above and beyond what was required to be done and to get it in place quite quickly.

**Senator LUNDY**—Dare I ask: when were you planning to put these checks in place if this scandal had not occurred?

**Mr Ings**—I can table the tactical plan that we have, which indicated that, even though it is somewhat coincidental, this is around the period of time, April and May, when we were looking to get it in place. The plan was to get it in place before the end of this financial year, so it is about that time frame.

**Senator LUNDY**—Could you provide the committee with a copy of that plan so we can confirm that?

**Mr Ings**—Yes, we can provide a copy of the plan.

**Senator LUNDY**—So you had a month listed up against that particular initiative?

**Mr Ings**—We have a tactical plan, which is quite detailed, of different matters and things that the authority is working through, and that particular matter is on the tactical plan, yes.

**Senator LUNDY**—Can you also provide the committee with the correspondence to the minister? The minister's correspondence states: 'I note that you have provided a brief to my Canberra office this afternoon on the drug testing undertaken by ASADA officials on the schoolboy rowers and in particular I note your advice that ASADA cannot verify that all chaperones involved in the testing of the school level rowers had the appropriate police or working-with-children clearances.' Can you provide a copy of that brief to the committee?

**Senator Brandis**—Mr Ings will not be providing a copy of a brief of advice to a minister in accordance with the longstanding practice of the Senate in relation to ministerial advice.

**CHAIR**—It is ministerial advice.

**Senator LUNDY**—I would have thought it would be in the interests of accountability on this minister that that brief was made available so that we could see what you were responding to.

**Senator Brandis**—You well know what the rules of these committees are. It would not be in the interests of accountability, as a matter of fact, because, if this committee were to establish a precedent that would be followed hereafter by every Senate committee, the capacity of the Public Service or agencies to provide free and fearless advice to ministers would be destroyed. You know that.

**Senator LUNDY**—It is up to you, Minister. You could nominate to provide this brief.

**Senator Brandis**—Providing you with this correspondence and the relevant extract that you have read gives you a paraphrase of a relevant element of that advice; I would not have thought it necessary for you to inquire further.

**Senator LUNDY**—You could choose to provide that brief if you wished. If you are you not wishing to, then we will move on.

**Senator Brandis**—I could choose to place the Senate committee at variance with 150 years of Westminster practice, but I will not.

**CHAIR**—As you said, Senator, we should move on.

**Senator LUNDY**—Specifically regarding the Newington and Shores schoolboy rowers, going back to 17 March, there were no complaints about that and that testing program went ahead, as I understand it, without issue. Were any of those tests conducted by doping control officers and chaperones with clearances or are you telling me that at that point there were no officers who had clearances?

**Mr Ings**—At the time, the clearances had not been put in place, so we could not be assured or confirm who had clearances and who did not.

**Senator LUNDY**—Did anyone at that point in time?

**Mr Ings**—Again, at that particular point in time we did not know, but we do know the details now. Of the 14 individuals from ASADA working on that day, we can now confirm that 10 did have working-with-children checks in place. Sorry, either at the time or subsequently, 10 have working-with-children checks confirmed as of today, and there are another four who we cannot confirm that either we have their paperwork and it is being processed or they are one of the ones that we are waiting for their paperwork to come in.

**Senator LUNDY**—Going back to 17 March, you cannot confirm whether any or all of the testers and chaperones had those qualifications? You just do not know.

**Mr Ings**—I do not. We do not have those records going backwards. We have the records from today that 10 of the 14 on that day as of today—

**Senator LUNDY**—I understand that, but I am talking about 17 March. Just to get this clear from an HR perspective, prior to 31 March or 2 April, you did not record whether any of your staff had these state qualifications?

**Mr Ings**—We have no assurance or records going back since doping control commenced, no, prior to that date.

**Senator LUNDY**—You have not confirmed this, but I have had information that staff agreements and/or applications do reference this qualification; you had no internal process to record whether or not any of your staff had these qualifications.

**Mr Ings**—The process in place to sight the relevant qualifications and keep them in HR files? We do not have those records going back, no.

**Senator LUNDY**—How many tests has ASADA conducted since March 2006 on athletes under the age of 18?



**Mr Ings**—I would have to take that question on notice. I do not know the exact number.

**Senator LUNDY**—But would it be in the hundreds or the thousands? How often?

**Mr Ings**—I would simply be speculating. I would have to take that question on notice.

**Senator LUNDY**—If you could. Could you also provide a breakdown of which state those under-18 athletes were tested in so that we can look at which legislation ought to have applied? Are there any other ASADA employees required to work with minors such as investigators who are now required to have clearances and did not previously?

**Mr Ings**—I have to take that question on notice.

**Senator LUNDY**—Regarding this new policy of requiring DCOs and chaperones to have the state qualifications under the various child protection acts, does that extend to investigators within the organisation or not?

**Mr Ings**—It does extend to field staff who will be working or required to interact with persons under the age of 18. They should have and will have the appropriate checks in place before they do.

**Senator LUNDY**—That answer, to me, implies that that includes investigators who have contact with minors. Can you confirm that investigators who have contact with minors will also be required to carry these qualifications?

**Mr Ings**—Yes.

**Senator LUNDY**—I would like to go back to the question of security clearances that you mentioned. There are two issues of clearance here. One is the child protection clearance that we have been focusing on. You also mentioned another type of security clearance. What is that other security clearance and how many of your staff have it?

**Ms Shadbolt**—In the states that do not have the relevant working-with-children legislation, we are also looking at staff having to undertake an Australian Federal Police check, which is a partial exclusion, so it takes into account 20 years of any crime against a child. That is for states without legislation. For permanent staff within ASADA, we are also ensuring that they have the relevant security clearance to either protected or highly protected level due to the nature of the information that we hold.

**Senator LUNDY**—When were those security clearance checks done on ASADA staff?

**Ms Shadbolt**—I cannot remember the exact date, but it was early in the financial year that the security clearances began.

**Senator LUNDY**—Last year?

**Ms Shadbolt**—Yes.

**Senator LUNDY**—August?

**Ms Shadbolt**—It would have been earlier than that because mine was done in May.

**Senator LUNDY**—May of last year?

**Ms Shadbolt**—Last year.

**Senator LUNDY**—So, late in the previous financial year?

**Ms Shadbolt**—The previous year.

**Senator LUNDY**—What priority did ASADA put on obtaining security clearances for the staff, Mr Ings?

**Ms Shadbolt**—The priority was essentially that we went through and identified those that had the availability of more sensitive information, and they were the priority. That would have been the group directors and a lot of those who were handling the test distribution plans. Then there was no priority on who was next in line. It was seen as a priority throughout the organisation.

**Senator LUNDY**—Was that part of the business plan or was that something that was just done? Can you point to where it was an action item in the business plan?

**Ms Shadbolt**—Yes.

**Senator LUNDY**—Can I ask the obvious question, which is why was the security clearance of staff within the organisation given such a massive priority over getting child protection clearances of staff? Mr Ings?

**Ms Shadbolt**—We had a physical security review undertaken by an external body and it was identified as a recommendation—as a must-have for an organisation of our type—that staff should have a security clearance, so that is why it was given priority.

**Senator LUNDY**—Was that in response to the leaks that were occurring?

**Ms Shadbolt**—No. This was in response to just having good, sound security.

**Senator LUNDY**—At around the same time, it was confirmed by internal advice, I think Mr Ings said, that you were not required to comply with state child protection legislation?

**Ms Shadbolt**—That is correct.

**Senator LUNDY**—So that got put on the long finger. Can I ask ASADA: what is the lawfulness of tests conducted on minors to this date without having staff properly accredited under the state laws?

**Senator Brandis**—What do you mean? The question, apart from anything else, is ambiguous. Do you mean, is it illegal to do that or do you mean what is the legal status of samples that are obtained in those circumstances?

**Senator LUNDY**—Yes. I am presuming that the answer is that they were legal samples, but I am asking the question specifically to see if there were any of those tests conducted either throughout that year and right up to the GPS Head of the River regatta where any samples that were taken were, in fact, upheld, or if any of those samples were voided and subsequently not tested.

**Senator Brandis**—Your question is directed to the legal status of samples obtained in those circumstances?

**Senator LUNDY**—Yes.

**Senator Brandis**—I am not sure, once again. It may be that that is not strictly a legal question as a question of ASADA or WADA code practice, so perhaps Mr Ings is in a position to answer it. I am not sure. Are you able to answer that question?

**Mr Ings**—I believe I am. The legal advice that we received was that these checks were not a legal requirement. We received that advice from a QC, as we have indicated, in early April. So these checks are not a legal requirement in the collection of the samples, but, as I have noted, it is good business practice and we are putting them in place.

**Senator LUNDY**—Did someone challenge the legality of the tests collected without the appropriate qualified staff under the state legislation?

**Mr Ings**—As I have previously indicated, there were questions raised by the principals on the day. There was ambiguity between the parties, and we are seeking to resolve that.

**Senator LUNDY**—Part of getting the QC advice was to respond to that claim by the parents and principals that, in fact, any tests taken by people who were not qualified under the state legislation would actually be deemed legitimate or not?

**Mr Ings**—No. It is just an appropriate check with legal experts in that field to understand which of the many state legislations may, or, in the case based on the advice, may not or do not apply.

**Senator RONALDSON**—When was that advice received?

**Mr Ings**—In early April.

**Senator LUNDY**—After the Head of the River regatta. Can you tell me what the outcomes of your meeting with independent school heads on the issue of testing of their school aged athletes were? When did that meeting occur?

**Mr Ings**—Yes, I can, and I would like to refer that to Mr Isaacs, who has been managing those relationships.

**Mr Isaacs**—I have had two meetings with the Independent Schools Association. Both of those meetings involved the headmasters of Newington, Shore, St Joseph's and other schools. At this stage we are working through a protocol for our future ASADA testing at schools or at school based events.

**Senator LUNDY**—For the record, why was ASADA testing at the Head of the River regatta?

**Senator Brandis**—I think, Senator Lundy, that it may not be possible for operational reasons for Mr Ings to give a full answer to that.

**Senator LUNDY**—I think there was a newspaper report that, in fact, they got tipped off on their hotline—

**Senator Brandis**—Well, if it is in a newspaper, it must be true.

**Senator LUNDY**—Well, I am asking: can you confirm that the tip off came from the hotline?

**Senator Brandis**—I am just warning you, not in a minatory way, that it may not be possible or appropriate for Mr Ings to give a full answer because it is not impossible that to do so would trespass upon operational matters, including enforcement issues.

**Mr Ings**—It is a very fine line in terms of what I can say and details that I can give on these types of matters related to particular investigations or particular testing or particular

results management. What I can say is that there were 16 elite junior athletes. These are athletes who were members of New South Wales and Australian rowing, who, through their parents, had signed consent forms to be available for testing and who were selected for testing on the 17th, when samples were collected and follow-up testing at that particular venue at the Head of the River. It was not targeting schools. It was not targeting a school event. It was seeking to take samples from 16 elite junior athletes who had previously given their consent through their parents to be available for testing, nine of whom have nominated for selection in the Australian under-19 squad going to an international competition and one of whom successfully was selected to be in the Australian under-19 team representing our country at an international event. Any rowers on that particular day who are recreational, any rowers on that particular day who had not signed consent forms and any junior rowers who had not agreed to be bound by testing were not the subject of that testing and were not targeted for that testing.

**Senator LUNDY**—Did any of them test positive?

**Mr Ings**—No.

**Senator LUNDY**—How does ASADA notify athletes at that point where they enter the registered testing pool of the group of athletes that can be tested? You say they sign a consent form. What is then the communication that you have as an organisation with those athletes to educate them about the responsibilities that they now carry as an athlete eligible to be tested?

**Mr Isaacs**—When an athlete goes on the registered testing pool the athlete is then subject to provide ASADA with whereabouts requirements. The athlete receives a letter indicating that they have been placed on the registered testing pool, the implications of being so placed and the implications for providing whereabouts details.

**Senator LUNDY**—So have the athletes that Mr Ings specifically described as being the target for this testing on the 31st been advised of those things?

**Mr Ings**—The answer is no.

**Senator LUNDY**—Why not? You just told me that they had to be.

**Mr Ings**—No, they are not in the registered testing pool; they are in the domestic testing pool. The registered testing pool is nominated by the sports. They are the athletes who have to provide whereabouts information and be bound by significantly higher—

**Senator LUNDY**—This is the registered testing pool?

**Mr Ings**—The registered testing pool of the athletes who have to give the full-on whereabouts information to comply with their sports rules. But there are many more athletes who are classified as being in the domestic testing pool who are simply covered by a sporting rule and who do not need to provide whereabouts information. Therefore they do not receive a letter that Mr Isaacs is referring to.

**Senator LUNDY**—I think your previous answer was slightly misleading because, if you notify athletes when they enter the registered testing pool, that is not actually the sorts of athletes we are talking about. There is another group?

**Mr Ings**—That is right. The registered testing pool athletes tend to be more the elite or the subelite level, but there are many more athletes who—

**Senator LUNDY**—So just to clarify: the rowers we are talking about at this schoolboy regatta were not in the registered testing pool.

**Mr Ings**—They are in the domestic testing pool.

**Senator LUNDY**—They are not in the registered testing pool?

**Mr Ings**—That is correct, yes.

**Senator LUNDY**—They are in the domestic testing pool?

**Mr Ings**—Because they are members of New South Wales and Australian Rowing, because they have consented to be bound by drug testing rules and be available for testing—

**Senator LUNDY**—Because they signed something?

**Mr Ings**—As part of the membership, yes.

**Senator LUNDY**—So step me through the process of what makes them eligible under the domestic testing pool.

**Mr Ings**—The simplest explanation is that, if you are an athlete and you are competing in any sport and that sport has an anti-doping policy in place, and you agree to compete in that sport and be bound by the rules of that sport, just like any other rule of that sport, you agree to be bound by the anti-doping rules, which may include being selected for testing.

**Senator LUNDY**—And how do the athletes know that?

**Mr Ings**—It is on the consent form that those particular athletes signed when they became members of that particular sport. We have also been informed that it was in the program for the event on the 17th that competitors may be selected for testing.

**Senator LUNDY**—What about the 31st?

**Mr Ings**—I do not have that information. It was a schools event. It may not be in that program. But again, we were not targeting schools or a school event, we were trying to get samples from 16 consenting elite athletes.

**Senator LUNDY**—But it was a school-run event?

**Mr Ings**—It was.

**Senator LUNDY**—Thank you. The consent form that you—

**Senator RONALDSON**—So that makes a difference, does it?

**Senator LUNDY**—I think it does, because the principal—

**Senator RONALDSON**—What, because it was a school-run event you automatically take those 16 people out of the testing regime? What an extraordinary notion.

**Senator LUNDY**—I think the point is the principals had a legitimate complaint that they were not advised that testing was going to take place at a regatta for which they had the responsibility for the children, the under 18s, who were participating. Is that reasonable?

**Senator RONALDSON**—No. What you are saying is that because it was a school event the rules do not apply.

**Senator LUNDY**—Do you think it is reasonable that the principals at the schools were not notified?

**Senator RONALDSON**—You are saying that, because it was a school event, the rules do not apply for those people who have already signed up to this testing regime.

**Senator LUNDY**—Do you think it is reasonable?

**CHAIR**—Senator Lundy, it is interesting to have this cross-chat, but I suggest that you just get on with questions.

**Senator LUNDY**—I think it is very important to respond to Senator Ronaldson's interjection, because what he is saying is that it is okay in his view that the principals were not notified that there was going to be testing at a schoolboy regatta by people who did not carry the relevant state requirements for child protection, and I think that is wrong.

**Senator RONALDSON**—That is not what I said. What Senator Lundy said was that, because these were schoolboy rowers, they should not have been tested even though they were under a quite formal process and had agreed to it.

**Senator LUNDY**—We are discussing the formal process now and I want to know—

**CHAIR**—This conversation is not part of the estimates. I suggest you just concentrate on asking the witnesses questions.

**Senator LUNDY**—Let me ask you this to clarify the point. A novice 12-year-old rower signs the same membership forms as the 16- and 17-year-olds who are rowing at the schoolboy regatta. Does that make them eligible for the same kind of testing as the athletes you tested at the regatta? Because what you are saying is that the eligibility requirement is the signing of the form that makes them a member of that sporting club. If that is all that is required to make athletes eligible for the domestic testing pool, I want to know. I want to know, and athletes have a right to know.

**Senator Brandis**—Senator Lundy, if I may say so with respect, you are expressing yourself very loosely. What Mr Ings said was that membership of Rowing Australia and Rowing New South Wales involved agreeing to be bound by a testing regime. You are now talking about joining a particular rowing club. I do not know if by that you mean Rowing New South Wales or Rowing Australia—

**Senator LUNDY**—Can I explain to you how it works, Minister?

**Senator Brandis**—or whether you mean the much less formal and structured arrangements that might happen intramurally between schools.

**Senator LUNDY**—Let me explain how you could be a novice rower and also be a member of New South Wales or one of the state rowing associations: you cannot compete as a novice in those state based regattas unless you are a member, and most of those regattas do have novice categories. So it is entirely possible for rowers of all status, novice right through to A, to be a member of their state organisation and technically eligible for the domestic testing pool. So the question—

**Senator RONALDSON**—I want to clarify who the people of interest were on this particular day. Senator Lundy is attempting to bring this catch-all in and then reflect on the organisation, which is totally unreasonable.

**Senator LUNDY**—No, I just want clarification. Because the distinction between the domestic—

**Senator Brandis**—Just ask the question, and we will try to answer it.

**Senator LUNDY**—Thank you. My question is: if a young novice rower—and we will use a 12-year-old as an example—is a member of the New South Wales Rowing Association, they would have signed a form to that effect in order to be able to compete in the state association sanctioned regattas. So does that or does that not make them eligible for testing under the domestic testing pool?

**Mr Isaacs**—The answer is no.

**Senator LUNDY**—Why not?

**Mr Isaacs**—The answer is no, because testing of any athlete is under the framework of the ASADA legislation. Under the ASADA legislation, an athlete must be competing at international, national or state-level competitions.

**Senator LUNDY**—But they are competing at a state level. You can compete as a novice.

**CHAIR**—You are not letting the witness answer the question.

**Senator LUNDY**—I am clarifying my question.

**CHAIR**—The witness is trying to answer you. Please have the respect to let the witness complete his answers.

**Senator LUNDY**—I have competed at a state level at the novice level, because they had those events at regattas.

**CHAIR**—Senator Lundy, please let the witness complete his answer.

**Senator LUNDY**—He has.

**CHAIR**—It is completely out of order for you to interrupt in that way.

**Senator RONALDSON**—And ask leading questions.

**CHAIR**—It is terribly disrespectful. Proceed, Mr Isaac.

**Mr Isaacs**—Senator Lundy, the short answer is that we would have to determine whether that particular athlete met our jurisdiction under the legislation. There are several criteria to be run through. The key criterion on in this case is international, national or state-level athletes.

**Senator LUNDY**—But do you accept that many state organisations run state based competitions that include the class of novice? Yes or no? What do you know about the sport?

**Mr Isaacs**— I can tell you rowing is one that certainly does. But, again, we would have to match that up against the legislation, and I do not have the detail with me. But it is important to emphasise that this would need to be assessed against the framework of our legislation.

**Senator LUNDY**—What would be the criteria of your legislation that would exclude the sorts of athletes that I have described from your domestic testing pool?

**Senator Brandis**—I think, Senator Lundy, the point of Mr Isaacs' response was that the legislation lays down certain criteria for determining what is a competition over which ASADA, through the statute that establishes it, has jurisdiction, and it is not possible to answer your question in the abstract without determining whether in relation to a particular event staged by a particular sport that matches the statutory criteria. I do not think the witness can be asked like this to recite the statute chapter and verse, but he has directed you to the relevant provisions which you might care to consult yourself.

**Senator LUNDY**—Minister, I appeal to your better judgment here because it seems to me that it is actually a very important point for the operation of this legislation that it is clear which athletes do conform with the definition of the domestic testing pool.

**Senator Brandis**—It is an important question but, if I may say so with respect, the confusion seems not to lie in the answers so much as in the questions.

**Senator LUNDY**—But I have made it very clear that, by the answers given to me by ASADA, they have put on the table the definition of eligibility for the domestic testing pool. They are—

**Senator Brandis**—The definition is a statutory definition.

**Senator LUNDY**—Sorry, can I just finish my point.

**Senator Brandis**—You are a senator. You presumably voted for the bill for the act. Can I invite you to look at it yourself.

**Senator LUNDY**—Can I just make my point though. I am responding to the definition that ASADA have advised the committee of eligibility for the domestic testing pool. They have advised the committee that it is on the basis of signing an application form to a state based sports organisation that has a doping policy in place, which we know is all sports organisations.

**Senator Brandis**—That is not what they said. They also went on to say, 'In relation to international, national or state-based competition.'

**Senator LUNDY**—Correct.

**Senator Brandis**—Nor did they say that those are the only criteria.

**Senator LUNDY**—Yes. And now my question, where we were so rudely interrupted by Senator Ronaldson and others, was: can you please provide the committee with the other eligibility criteria that would narrow that pool down to a smaller number of athletes?

**Senator Brandis**—I think we will refer you to the act, Senator Lundy.

**Senator LUNDY**—It is a fundamental question about how far this act reaches into the testing of athletes, and given this scandal, I think it is a reasonable question to ask so parents and schools can at least come away with a better understanding—

**Senator RONALDSON**—Mr Chairman—

**Senator LUNDY**—Sorry, don't interrupt.

**Senator RONALDSON**—I think Senator Lundy should withdraw that statement, 'scandal'. That is scandalous.



**Senator LUNDY**—That is just farcical. How are you going to reassure—

**Senator RONALDSON**—You cannot use the word ‘scandal’. That is just unreasonable.

**Senator LUNDY**—parents and principals that they will know whether their athletes are eligible to be part of this domestic testing pool or not? That is what I want to know.

**Senator Brandis**—I think with all due respect, through you, Mr Chairman, that the witness has made it clear that ASADA’s jurisdiction in this regard is ultimately a jurisdiction based on its own statute. That is a statute you actually voted on in the Senate, so perhaps we may presume that you are familiar with it. In any event, I really think it is trying the patience of the committee to ask officers to tell you what is in an act of parliament. If anybody knows what is in an act of parliament it should be the members of parliament who voted on the act.

**Senator LUNDY**—Can I respond to that by saying one of the issues with the act of parliament which we complained rigorously about at the time was the fact that this matter was not contained in the act. It was contained in the subsequent regulations. So we will not—

**Senator Brandis**—The act and the regulations made under the act, whichever.

**Senator LUNDY**—No, it is not the same, and Senator Kemp would know this because Senator Kemp urged and implored the Senate to take on board the act and support it in anticipation of the regulation. So you are incorrect to say that the detail of this nature was available to the parliament for scrutiny. In fact, it was in the subsequent regulations to which the minister is privy—

**Senator Brandis**—All regulations are available to parliament for scrutiny.

**Senator LUNDY**—ASADA is privy and now I am asking at this perfect opportunity for a broader explanation to be placed on the public record about what determines eligibility to be part of the domestic testing pool by athletes.

**Senator KEMP**—Mr Chairman, if I could make a comment, seeing as I have been brought into this debate. I thought my colleague Senator Ronaldson was handling this perfectly, as was the minister, but a point of clarification. On the urgency of the legislation: it is well known that Senator Lundy kept on urging me to treat it more urgently, so I would have to say I do not think there are grounds for complaint by Senator Lundy on that basis. I welcomed her support. The second point, I think, is that we are entering into a rather dangerous area here which I do not think Senator Lundy may have intended, but Senator Lundy seems to want to exclude certain sporting events from antidoping rules. I am not sure, Senator Lundy, whether that is what you intend.

**Senator LUNDY**—I am asking questions to clarify the act.

**Senator KEMP**—But the athletes involved have been, at least to my satisfaction, specified who are subject to testing and what you would be saying to those 16 or whatever number athletes is: ‘If you compete in this particular event you need not worry because there will be no testing involved.’ I think you have walked yourself and the Labor Party into a very dangerous area and I would reflect very carefully whether that is really what you intend.

**Senator RONALDSON**—Soft on drugs.

**Senator LUNDY**—Can I ask Mr Ings again to describe the definition of what preconditions have to exist for an athlete to be considered part of the domestic testing pool. That is a straightforward question. The minister has already said that he does not think it is a reasonable question to answer. I have had interference from the table.

**Senator Brandis**—It is generally my view, Senator Lundy, that it is a waste of time at these estimates committees for senators to ask officials what an act of parliament says.

**Senator LUNDY**—It is the regulations for a start, as I pointed out, and this is the first public opportunity—

**Senator Brandis**—Or the regulations made under an act of parliament, whichever—they are all legislative instruments of the Commonwealth.

**Senator LUNDY**—This is the first public opportunity the organisation has had to clarify this question. I think it is a critical question in the face of the concerns raised by principals and parents arising out of the schoolboy regatta.

**CHAIR**—What about the extended drug usage in the community, Senator Lundy?

**Senator LUNDY**—Well, thank you. I will be getting to that as well.

**CHAIR**—You seem to be excluding younger people from drug testing.

**Senator LUNDY**—I want an answer from ASADA. If they are not able or willing to give me one I will move on.

**Senator KEMP**—They have given a very good answer.

**Senator LUNDY**—I do not have the definition.

**Senator KEMP**—What you want to do apparently is to fence off certain events from antidoping rules.

**Senator LUNDY**—I have a loose statement saying there are other provisions of the act.

**Senator KEMP**—That is an interesting position.

**Senator LUNDY**—I want to know what those other provisions of the act are that narrow the definition.

**Senator Brandis**—Senator Lundy, since you are the shadow minister for sport I am sure you have a copy of the act in your office. I suggest you look at it.

**Senator LUNDY**—Why will no-one give me the answer? ASADA, please give me an answer to a reasonable question.

**CHAIR**—Senator Brandis has pointed the way to you. You just have to go back to your office and read the act and regulations.

**Senator LUNDY**—No. I am asking the public servants who are charged with statutory responsibility to administer these acts and regulations. I am asking them a direct question and I would like a direct answer.

**Mr Isaacs**—‘Athlete’ is defined in clause 4 of the National Anti-Doping Scheme:

... each of the following persons is an athlete [for the purposes of the scheme]:

- (a) an Australian citizen, or a permanent resident, who competes, or has been selected to compete, as a representative of Australia in international sporting competition;
- (b) an Australian citizen, or a permanent resident, who has the potential to represent Australia in international sporting competitions;
- (c) a person who competes as a member of a team in sporting competition (whether held, or to be held, in or outside Australia) at a level at which:
  - (i) teams that represent Australia in international sporting competition take part; or
  - (ii) teams that represent organisations in Australia and contain members who have the potential to represent Australia in international sporting competition take part;
- (d) a person who competes in sporting competition and:
  - (i) is receiving support from the Commonwealth or the Australian Sports Commission; or
  - (ii) is a party to an arrangement with the Commonwealth or the Australian Sports Commission under which the person will receive support from the Commonwealth or the ASC;
- (e) a person who competes in international, national or state sporting competition held, or to be held, in Australia;
- (f) a person who competes in sporting competition at a level at which people representing Australia could be expected to compete;
- (g) a person who has:
  - (i) reached such a standard of performance in the field of sporting activity in which he or she competes as to be capable of representing in international sporting competition the country of which he or she is a citizen or in which he or she is ordinarily resident; and
  - (ii) in respect of whom ASADA has been requested by a foreign sporting organisation, or is required under a contract with a foreign sporting organisation, to obtain a sample for testing.

There is a criterion in there that talks again about non-Australians. I assume that you are not interested in that.

**Senator LUNDY**—No, that is fine.

**Mr Isaacs**—I would be happy to read it into the record.

**Senator LUNDY**—No. If you could table that.

**Senator Brandis**—Mr Isaacs, you better be as exhaustive as you can.

**Mr Isaacs**—Okay. Paragraph (e) states:

... a non-Australian in respect of whom ASADA has been requested by, or is required or permitted under a contract with:

- (i) a foreign sporting organisation in the country of which the person is a citizen or in which the person is ordinarily resident; or
- (ii) a relevant International Sporting Federation;

to obtain a sample for testing;

- (i) a person in respect of whom ASADA, under an anti-doping arrangement, is required or permitted to obtain a sample for testing;
- (j) a person:

- (i) whose name is entered on the Register; and
- (ii) who, as a direct or indirect result of having his or her name so entered, is ineligible to take part in sporting competition.

**Senator LUNDY**—Thank you. Can you go to the one that references state sporting competitions, please? It may have been part (h).

**Mr Isaacs**—It was part (e), sorry.

**Senator LUNDY**—Can you just read out part (e) again?

**Mr Isaacs**—Part (e) states:

... a person who competes in international, national or state sporting competition held, or to be held, in Australia;

**Senator LUNDY**—That is pretty broad. I guess my point is that with that very broad definition as point (e), then that would encompass any athlete who is a member of the state organisation competing at a state based event, correct or not? Correct?

**Mr Ings**—That is a very broad definition, yes.

**Senator LUNDY**—Yes, it is; and that is my point. I thank you for taking the time to read through that. So, whilst that does show the level of specificity in the definition, there is one definition there, (e), which points to the fact that any child participating in a state based sporting competition would be eligible for testing, and that is what parents and principals need to know. I thank ASADA and I thank the minister for directing ASADA to answer that question finally. I go to my next question: as far as that domestic testing pool is concerned, what do ASADA understand their reach to be when it comes to the age of athletes? Do you test 12-year-old athletes given they do technically comply and conform with the act's definition?

**Mr Ings**—Clearly we test athletes who fall within that definition—and it is a broad definition, there is no doubt about that—but, as a matter of policy, younger athletes who are at the elite level may be subject to testing, for instance, at the world swimming championships in Melbourne.

**Senator LUNDY**—Please stop there. I understand the application of the policy to elite athletes, but I am asking about athletes who are competing at a state level and would not fit in with any other definition contained in the act. They would only fit in the definition of 'participating in a state sporting event'. What is your policy on testing the age of athletes that fall within that definition and no other under the act?

**Mr Ings**—Our policy in that area is that we only test people who are covered by the NAD scheme. We have significant resources, but we cannot test every single athlete at every single level everywhere all the time so we do prioritise our resources. There is no doubt about that.

**Senator LUNDY**—Do you have a policy—

**Mr Ings**—Subelite athletes/novice athletes are not subject on a regular basis or any basis at all to testing. We have other tools, including education, to try and get the message out and to deter drug use in Australian sport at all levels. Athletes under the age of 18 would normally fall into the category of being elite junior athletes, national-level athletes. The rowers

competed at the Australian championships two weeks before. They nominated for selection in the Australian team.

**Senator LUNDY**—They were clearly under a different definition. I am just trying to provide some clarity for young athletes, for children, who are not considered under any of the other definitions of the act but would technically be eligible for testing by virtue of their participation in a state based event or competition. I am trying to ascertain ASADA's policy. Let us use a scenario perhaps to help you along. If you received a tip-off from the Drugs in Sport Hotline then—

**Senator RONALDSON**—I think this is totally unreasonable.

**Senator LUNDY**—Where is the line drawn for athletes to only fall in that—

**Senator RONALDSON**—It is totally unreasonable for this witness to be given hypothetical situations. This is outrageous, and were you ever to be sports minister, Senator Lundy, you would regret that last—

**Senator LUNDY**—The point is we have a problem—

**Senator RONALDSON**—It is outrageous to put hypothetical questions to this witness—absolutely outrageous. Go and write your press release and let's get on with it.

**CHAIR**—It is a hypothetical question, and it is probably unreasonable to put that to the officer, who has explained the parameters of this process quite well.

**Senator LUNDY**—Can I go to my next set of questions, which relate to how ASADA educates—

**Senator Brandis**—Before we do, I do not think it is fair to these witnesses for you to draw from any answer that they have any given any suggestion about what the particular policy or practice of ASADA might be other than what they have described it as being in this hearing.

**Senator LUNDY**—I appreciate that, and I guess what I have been trying to do, Minister, as I am sure you understand, is just get some clarity with respect to who is eligible in the domestic testing pool.

**Senator Brandis**—And I think more particularly it will be very obvious to you and to anyone listening to the broadcast of these proceedings that Mr Ings and Mr Isaacs have been at pains to emphasise that in the particular case upon which you have focused—that is, the so-called schoolboy rowers—these particular youths were tested because they were elite athletes of international standard competitive quality.

**Senator LUNDY**—But as I am sure you are aware, Minister, the concerns expressed by parents and schools were that they did not understand where the boundaries for this kind of testing were. That may have been I think a negative reflection on the way ASADA handled it and subsequent changes in policy and all the rest of it. But I think it is a reasonable line of questioning to try and find a clarification at this opportunity.

**Senator Brandis**—You can ask any questions you choose, Senator Lundy, but please do not derive from the answers that Mr Ings and Mr Isaacs have so helpfully given anything beyond what they have said. ASADA is concerned to focus and prioritise its resources, and it is as plain as day from what Mr Ings and Mr Isaacs have said that at the top of the list of

priorities in its not unlimited resources will be elite sportspeople, not willy-nilly testing of children.

**Senator LUNDY**—All of this has a purpose. It comes to the question: if athletes are eligible to be tested under the domestic testing pool, what initiatives does ASADA take to ensure that they are educated as part of that pool about the testing arrangements?

**Senator Brandis**—Perhaps you might ask. I am sure Mr Ings would be able to advise you of the very full education program that ASADA runs—a very impressive program. Senator Lundy, if you do not want to ask that question, perhaps another senator might.

**Senator LUNDY**—I have just asked it, Minister.

**Mr Ings**—I will refer that question to Mr Isaacs, who heads up our deterrence and education program. But before I do could I say that common sense has to apply. In the case of the schoolboy rowers, a lot of care and thought and checking was gone into about jurisdiction and what we could do and what we could not do, if there were athletes at an even lower level, a novice/junior level. Even though technically under the NAD scheme there may be coverage, common sense applies, and that is what we apply with all these matters that we are working through. With that as an introduction, I will refer to Mr Isaacs about education.

**Senator LUNDY**—Thank you.

**Senator RONALDSON**—The parents of every one of those children rowing would want to make sure that their children's sport was drug free.

**Senator KEMP**—I think the more dangerous conclusion that can be drawn—

**Senator LUNDY**—You do not need to editorialise. You have got a question—

**Senator Brandis**—That is a bit like the pot calling the kettle black, if I may say so.

**Senator KEMP**—Minister, there is a more dangerous conclusion. Senator Lundy occasionally has had the habit of rushing out a press statement, and I might rush out one myself actually. You could deduce from Senator Lundy's questioning that she wants—

**Senator LUNDY**—You cannot deduce anything from my questioning.

**Senator KEMP**—this sport to be excluded from any drug testing.

**Senator LUNDY**—And do not start talking about what Labor's policy might or might not be. Parents have a right to know whether their children are eligible as part of the domestic testing pool. If you are sitting there saying, or if this government is saying—and I do not hear Senator Brandis saying this—that the parents do not have a right to know whether their children are part of this testing pool, I think you are plain wrong.

**CHAIR**—Senator Lundy, a few minutes ago you said you were going to move on, and I suggest you now do that.

**Senator LUNDY**—Tell me whether you agree with that proposition or not. Do parents have a right to know?

**CHAIR**—We are not going to have across-the-table arguments and conversations.

**Senator KEMP**—Of course no-one is arguing that people should not be informed.

**Senator LUNDY**—Thank you. That is what I have spent time trying to ascertain.

**Senator KEMP**—What is more worrying, Senator Lundy, is that the implication of your questioning is that you want to exclude certain events from drug testing.

**Senator LUNDY**—You cannot deduce anything from my form of questioning. I am trying to clarify the operation of the act, because ASADA has proved incapable—

**Senator KEMP**—Senator Lundy, that is why I think it is very dangerous for the Labor Party to enter down this track.

**Senator LUNDY**—in the face of a public scandal.

**CHAIR**—We will await your press release, Senator Lundy, but would you now like to move on.

**Senator Brandis**—I am surprised to hear you describe the testing of elite athletes for drugs in a routine procedure as a public scandal.

**Senator LUNDY**—It was a scandal because the principals and parents were not informed, and we are about to find out that there was no effort by ASADA to educate that school or that group of parents. We will soon find out whether there was any effort at all to educate those athletes involved. I think you will find that there was not, so let us proceed with questioning.

**Senator Brandis**—I think you will find that Mr Ings and Mr Isaacs would be more than eager to inform the Senate of the extensive public education programs for which ASADA is responsible and, if I may say so, performs very well.

**CHAIR**—You did ask that question, so we will let Mr Isaacs now answer it and give us the details of the program.

**Mr Isaacs**—ASADA conducts a multifaceted education program. It conducts Pure Performance in Sport seminars, which are available and well advertised for all athletes of all sports and all athlete support personnel to attend. Those Pure Performance in Sport seminars provide basic information about the antidoping framework, prohibited substances and testing processes. ASADA also conducts more targeted education programs towards sports with large numbers of athletes in testing pools—sports that have been traditionally at risk of doping and sports that have had a history of doping in the past. Those sessions are directed towards more targeted information, more intense information, interactive case studies and so on about the dangers of doping and why doping should not be contemplated. We have an outreach program that has been designed specifically around the needs of junior elite athletes. We ran the Athlete Outreach Program at the Australian Youth Olympic Festival in January of this year, which was designed to again provide some antidoping information and some basic framework information in a fun and interactive framework. They participate in quizzes, there are some give-aways and there are also some serious lectures and serious information given about the antidoping framework. As well as that, we have DVDs on antidoping. All registered testing pool athletes and national sporting organisations receive antidoping resources, such as doping control guides and antidoping handbooks. In a very broad top-line summary, that is the nature of the education services that we deliver.

**Senator LUNDY**—Can you tell me whether athletes in the registered testing pool all receive face-to-face education? For example, seminar-style education? I know they used to.

**Mr Isaacs**—Yes. It was never an obligation on ASDA and never an obligation on ASADA to deliver face-to-face information. Our aim is that all athletes, particularly in the registered testing pool, ought to receive face-to-face education at least once a year, and we continue to aim towards that.

**Senator LUNDY**—You aim to achieve face-to-face once a year with registered testing pool athletes?

**Mr Isaacs**—We do.

**Senator LUNDY**—Do you achieve that?

**Mr Isaacs**—I am aware that some 400 athletes participated in Pure Performance in Sport seminars last year and that we delivered at least 39 face-to-face education sessions across a variety of states and national sporting organisations during 2006-07. I do not have the details of whether that encompassed everybody in the registered testing pool, but I think for that extent of education we went pretty close.

**Mr Ings**—I would like to add that these Pure Performance in Sport seminars are well advertised and they are open to anybody to come and attend—not just registered testing pool athletes but other athletes and coaches. They are public forums and are well advertised. This is a new initiative that ASADA has put in place to try to do a little bit more, to try to get a little bit more information out there and to try to get more people to come in and see this information.

**Senator LUNDY**—The former minister was very conscious of the fact that this aspect of ASADA's role was very important to all of us in arguing for what needed to occur during the change, and there was some concern expressed at the time of the passage of the legislation that the relative importance of that face-to-face education as a tool of raising awareness would be taken off the boil. What I am trying to ascertain is how your current face-to-face training efforts compare with ASDA's previously. Perhaps you could provide the information now or, if you cannot, take on notice a comparison of the numbers of athletes you are doing face-to-face education with, as opposed to sending out the handbook and DVD.

**Mr Isaacs**—Yes.

**Senator LUNDY**—Do you have any of those figures available now?

**Mr Isaacs**—Unfortunately I do not. I would be more than happy to take that on notice and come back to the committee.

**Mr Ings**—I can also add that this is a critical area. It is an area where we are looking to do as much if not more than what has been done previously. In fact, we have hired for the first time in recent years a professional educator to run our education program, so we can look at these programs and Pure Performance seminars. We have only been open for a year and we are looking to expand and get more information out there. So the fact that we are investing and hiring trained professionals to look at our programs, revamp our programs, if necessary, and roll them out as widely as we can is a commitment and it is important.

**Senator LUNDY**—When you run these Pure Performance in Sport seminars what is the format? I understand a DVD is played.



**Mr Isaacs**—It is more than a DVD. We have representatives of sports. For instance, the Pure Performance in Sport seminar that I attended in New South Wales involved a representative from the Olympic Committee talking about the Olympic Committee's programs. We had Dr Hugh Hazzard from the National Rugby League and also the Australian Sports Drug and Medical Advisory Committee talking about the therapeutic use exemption process. We had members of ASADA staff talking about the prohibited list. I cannot recall but I think at that session we may have played a very short DVD. But largely the session was a series of presentations from experts.

**Senator LUNDY**—Can you tell me whether the athletes at the Head of the River Regatta on 31 March had ever attended a Pure Performance in Sport seminar or received any face-to-face training with respect to drugs in sport.

**Mr Isaacs**—I cannot. I would need to take that on notice.

**Senator LUNDY**—Is anyone aware whether they had that kind of training?

**Mr Isaacs**—No.

**Senator LUNDY**—I will tell you that media reports are that they never had any kind of face-to-face training, although they may have received some resources.

**Mr Isaacs**—What we would need to check is whether they appear on the attendances for Pure Performance in Sport seminars and also any face-to-face training that we delivered by Rowing Australia. May I take that on notice?

**Senator LUNDY**—Yes.

**Senator BIRMINGHAM**—Can you disseminate what type of information they received?

**Mr Isaacs**—Via Rowing Australia. In all likelihood they would have received general information about the antidoping framework and the antidoping process and it may be that they may have been exposed to a DVD presentation. It also may be that they used the ASADA website, where we have a number of education and information resources.

**Senator LUNDY**—Just to clarify, there is nothing that ASADA may have done or would have done necessarily that reached those athletes, other than their opting into a Pure Performance in Sport seminar or visiting the website.

**Mr Isaacs**—Yes.

**Senator LUNDY**—Was there any obligation on Rowing Australia or the state rowing association to specifically provide them with any information regarding the drug testing regime?

**Mr Isaacs**—Under Rowing Australia and the state rowing association's antidoping policy there are broad obligations on the sport to assist athletes to fulfil their obligations on information on antidoping matters. So in accordance with those broad obligations the expectation would be that Rowing Australia or New South Wales Rowing Association would have provided information and other details to those athletes. Again, I would need to confirm that with Rowing Australia.

**Senator LUNDY**—Can you take that on notice.

**Mr Isaacs**—Yes.

**Senator LUNDY**—Can you tell me what the budget allocations for athlete education are for the current financial year compared with the next financial year, which I am sure you have sorted out given the budget has just been handed down.

**Mr Isaacs**—I am not sure whether I have those precise details with me.

**Senator LUNDY**—Could you tell me, given that you are in charge, whether athlete education has received an increase or a decrease in its overall budget in your forward planning?

**Mr Isaacs**—In our forward planning, and bearing in mind that we need to have a budget discussion in the very near future, my proposition is that it should receive an increase.

**Senator LUNDY**—That is your proposition? Is that confirmed for the next financial year in your current budget planning?

**Mr Isaacs**—It will not be confirmed in the portfolio budget statements. It will be a matter of internal allocation.

**Senator LUNDY**—Is the department, or anyone, able to point to a line item in the portfolio budget statements that can be attributed to athlete education as part of ASADA's charter? That could give us some clues.

**Mr Isaacs**—The line in the budget allocation is a top line for the deterrence pillar in which education is embedded.

**Senator LUNDY**—In terms of seeking more funding for the education role, what is the current split between the different arms of deterrence and education under your current budget?

**Mr Isaacs**—Again, I do not have those details with me—

**Senator Brandis**—I might be able to be of assistance. Can I direct you to page 239 of the portfolio budget statements in which you will see that additional funding for ASADA in the coming fiscal year is \$2,240,000.

**Senator LUNDY**—Thank you. I note that that is for investigations. Can ASADA advise the committee whether any of that is for education of athletes?

**Mr Ings**—Can I take on notice the details of the internal splits as distinct from the portfolio budget statements?

**Senator LUNDY**—Sure. Maybe if you rang someone now you might be able to get the answer before we finish.

**Ms Shadbolt**—We are currently working through our internal allocations for the 2007-08 financial year, so at this point in time they are not available.

**Senator LUNDY**—What about for the current financial year?

**Ms Shadbolt**—For 2006-07, yes, they would be available.

**Senator LUNDY**—If you could get those then we will have something to compare it with. Has ASDA or ASADA ever dealt with a test result that showed higher than normal levels of testosterone or luteinising hormone?

**Mr Ings**—Yes.

**Senator LUNDY**—How many instances similar to that of Ian Thorpe's case, which was a test that found high levels of testosterone and luteinising hormone, has ASADA dealt with?

**Mr Ings**—That is a question I would need to take on notice in order to have a look at the details and also particularly to have a look at what under the NAD scheme I am able to disclose about particular tests.

**Senator LUNDY**—Certainly. Has ASADA conducted any tests showing higher than normal levels of testosterone or luteinising hormone that have also been deemed negative?

**Mr Ings**—Again, it is a level of detail that I would like to go back and verify and also to confirm what I am able to disclose under the NAD scheme, so I will take that question on notice as well.

**Senator LUNDY**—Why was Ian Thorpe's test—the test in question—deemed negative, given that there were higher than normal levels of testosterone and luteinising hormone?

**Senator Brandis**—Sorry, Mr Ings, I just want to say something first. I would urge you, Senator, through the chair, to tread very carefully in relation to the matter of Mr Thorpe because that matter has not been finally disposed of. Mr Thorpe is an Australian sportsman of peerless reputation and I would be very sorry to see these matters politicised in a manner which might reflect upon Mr Thorpe's outstanding reputation as an Australian sportsman. I really would urge discretion at this point, Senator Lundy.

**Senator LUNDY**—I appreciate that. My questions are derived specifically from media reports and I think this is a reasonable and sensible opportunity to establish the timeline of ASADA's involvement in this particular case as many of the media reports actually confused me and others who observe ASADA's activities very closely about the process and way in which ASADA handled this case. I agree with you. I think it is extremely sensitive and I do not want any of my questions to be interpreted as reflecting on Mr Thorpe's situation one way or the other. But I do believe that this is a reasonable opportunity to at least establish the timeline of activities of ASADA leading up to the point at which it was made public. I think there is a reasonable case for accountability of ASADA to be drawn to the fore in their handling of this particular matter.

**Senator Brandis**—As you know, I think ASADA is not really in a position even to speak of the name of any individual sportsperson. You have raised Mr Thorpe's name. In relation to any matter concerning any individual sportsperson which has not been brought to finality I really think that ASADA is constrained in what it can say, particularly in relation to the question why. And since you assume on the basis of these media reports that the person concerned is Mr Thorpe, I—

**Senator LUNDY**—That has been confirmed by ASADA in their public comment.

**Senator Brandis**—I would be very loath to see Mr Thorpe's name dragged through this committee in relation to these matters—

**Senator LUNDY**—Sure.

**Senator Brandis**—or to see Mr Thorpe's reputation politicised by you.

**Senator LUNDY**—It is not an attempt at politicising anything other than this is a committee of the parliament—

**Senator Brandis**—I have looked at your press release from 3 April 2007—

**Senator LUNDY**—In which I raised these questions—

**Senator Brandis**—which I was very tempted to respond to but chose not to because I did not want to see the matter politicised.

**Senator LUNDY**—Do you agree that there are questions that ASADA ought to answer in their handling of this matter, or not?

**Senator Brandis**—You ask what questions you like but, given the nature and the sensitivities of this matter and Mr Thorpe's unblemished reputation and peerless status as an Australian sporting figure, I would urge and counsel you to be very careful in what you say.

**Senator LUNDY**—Just for the record, are you able to confirm that in fact it was ASADA that confirmed the identity of Ian Thorpe as being the subject of this matter in subsequent press statements?

**Senator Brandis**—I am not in a position to confirm that.

**Senator LUNDY**—Can ASADA confirm that?

**CHAIR**—We are approaching the afternoon tea break so perhaps we might adjourn.

**Senator Brandis**—If I may say so, perhaps over afternoon tea Senator Lundy might reflect upon the course of action which she seems to be foreshadowing.

**Senator LUNDY**—My plan is to establish the timeline of ASADA's involvement—

**CHAIR**—I think we will adjourn the committee—

**Senator LUNDY**—Sorry, I am just making a statement—

**CHAIR**—I have adjourned the committee.

**Senator LUNDY**—I want to establish the timeline of ASADA's involvement in the case of this particular athlete for the purposes of their accountability to good process and abiding by their statutory obligations under the law. That is my plan. It is not my intention to politicise this but to call ASADA to account for their processes and handling of this matter.

#### **Proceedings suspended from 3.42 pm to 4.05 pm**

**Senator LUNDY**—I am interested in going through the time line of ASADA's involvement with this particular case—that is, dealing with the dates that things were said to have occurred and trying to get some clarity on ASADA's processes throughout this situation. It obviously started with a urine sample test provided by the athlete in May 2006. Can you provide the exact date of that test?

**Mr Ings**—I have mentioned this at previous rounds of estimates. These are matters where obviously there is a great deal of interest and they prompt a great deal of discussion. Within the NAD Scheme and within the act there are very clear restrictions on what I am able to say and what I am able to divulge about particular matters—

**Senator LUNDY**—I do not want to draw out—

**CHAIR**—Let Mr Ings finish what he wants to say.

**Mr Ings**—Particular details, particular dates and particular times are all restricted information under the NAD Scheme. The only time I am able to comment is if so released to do so by the athlete. And for particular matters, if I have made comments, they have been with the release of the athlete under strict criteria for a strict amount of time, and I am not able to go any further than the consent that I have received from any particular athlete to disclose matters related to NAD Scheme confidential information.

**Senator Brandis**—I should say that, although the terms of any release that ASADA has received have not been shown to me, nor would I expect them to be, I would imagine that it is not merely for particular matters and particular times but also for particular occasions or particular purposes that the release would operate.

**Mr Ings**—That is correct. The NAD Scheme is very general, and for the particular matter that I am sure you are alluding to I have not mentioned any athlete's name. I have not been authorised to release any athlete's name. What I have said has been very general and very limited, based upon the consent of an athlete to make certain comments.

**Senator LUNDY**—So, in all of the media reports and interviews conducted with you, you are saying that you have never mentioned Ian Thorpe's name?

**Mr Ings**—That is correct, yes.

**Senator LUNDY**—Okay. In trying to hold ASADA to account for your conduct in relation to this, I am going to rely on information that has already been placed in the public domain by you and test some of the interpretations of that by the media with the facts as you understand them.

**Mr Ings**—I understand this is quite awkward.

**Senator LUNDY**—Not for me.

**Mr Ings**—The questions that are being asked are not unreasonable, but there are real limitations on what I can say. I have a specific time frame and specific things authorised by the athlete, an authority which has now expired, and I am not in a position to make comment. I understand that there are things on the public record dating back to the time when I made those announcements. I cannot speak about particular matters. I cannot speak about particular dates. I am happy to speak in generalities about general policies as to how we might manage something non-specifically, but if it does relate to a particular athlete, a particular date or a particular time I am just not authorised to release that.

**Senator Brandis**—I am sorry, Chair—

**Senator LUNDY**—I am not requesting you to breach your obligations under the act either.

**Senator Brandis**—Chair—

**CHAIR**—Senator Lundy, the minister is speaking.

**Senator Brandis**—I would like to make a suggestion, if I may, to you, Chair. In view of what Mr Ings has just said, which I do not think could be clearer, can I suggest that it might be appropriate—and this would relieve Senator Lundy of any embarrassment as well, I might say—for you at this stage to make a ruling that no member of the committee be at liberty to direct questions to Mr Ings concerning any particular case in respect of which there is not a

currently operative release. By making a ruling to that effect, you would of course leave it open to senators to pursue general questions about ASADA procedure, which I understand ASADA is very happy to answer, but would relieve Mr Ings of the embarrassment and Senator Lundy of perhaps the moral hazard of trespassing upon the case of any individual.

**CHAIR**—I have been advised by the secretary that such a ruling is not within my province, but it is a matter that the committee as a whole could rule on. If we were to pursue that, we would have to hold a private meeting and decide that the course of action as suggested by the minister should be followed.

**Senator RONALDSON**—I think that is a good course and, quite frankly, at the end of the day, it is actually the athletes that this committee has got to be very mindful of as well. I would have thought the processes are one thing, but the athletes deserve and are entitled to this committee conducting its inquiries in the appropriate fashion.

**Senator Brandis**—I must say I am sorry this matter was raised at all today. I would have thought discretion might have dictated that it was not, particularly since the case of which we seem to be speaking is not a matter that has proceeded to finality.

**Senator RONALDSON**—I will request a private meeting unless there is agreement from the table.

**Senator LUNDY**—Perhaps it will not be necessary. I would like to ask a couple of questions about this—

**CHAIR**—No, before we proceed we must resolve this matter.

**Senator LUNDY**—Please listen. This is about the terms of release issue to determine whether or not I will move on. Just bear with me for five minutes—

**CHAIR**—We will do that.

**Senator LUNDY**—or you could use your numbers right now to shut this down. It is your choice.

**Senator RONALDSON**—How about a bit of commonsense from you in relation to what is a very delicate matter. The option is there. In fact, I request a private meeting.

**CHAIR**—We will proceed to a private meeting in that case.

#### **Proceedings suspended from 4.12 pm to 4.19 pm**

**CHAIR**—We have had a private meeting in which it has been agreed that only generalities can be referred to, and no specific cases or individuals, and no matters referring to a particular individual, can be discussed. Please proceed, Senator Lundy.

**Senator LUNDY**—Can I ask Mr Ings if he has ever spoken publicly outside of the terms of a release of any athlete?

**Mr Ings**—No.

**Senator LUNDY**—Are you subject to any litigation as a result of anything you have said publicly about any athlete?

**Mr Ings**—No.

**Senator LUNDY**—As far as ASADA's procedures go, have you ever negated any test of any athlete who has had unusual levels of testosterone or luteinising hormone?

**Mr Ings**—Again, that is similar to a previous question you have asked me, and I would like to take that on notice to work out what I can say within the bounds of the NAD Scheme. I will take that question on notice.

**Senator LUNDY**—In accordance with what the committee has determined, I am not asking any specific athlete or any specific case.

**CHAIR**—The witness has said he will take it on notice and that is as far as we can go, I think.

**Mr Ings**—Could I just ask for a clarification, Senator; what do you mean by 'negating a test'?

**Senator LUNDY**—Determining the test to be negative.

**Senator Brandis**—I do not think it is Mr Ings who does that.

**Senator LUNDY**—No, but he is privy to the records of the organisation about the register of—

**Senator Brandis**—Are you asking whether there has been any occasion in relation to any test conducted under the auspices of ASADA in which a negative result has been recorded in relation to those two substances?

**Senator LUNDY**—To unusual levels of those two substances; correct.

**Mr Ings**—Thank you for clarifying. I will take that on notice.

**Senator LUNDY**—Has ASADA ever had a third party challenge your decision with respect to the status of individual athlete tests?

**Mr Ings**—ASADA has been up and running for a year, and there are media reports of one particular body who is seeking to challenge particular decisions, yes. That has been established in the media.

**Senator LUNDY**—What is the normal procedure if a third party—say, for example, a national sporting organisation or an international sporting organisation—wanted to challenge ASADA's determination on a drug test?

**Mr Ings**—That is all outlined in the WADA code. The WADA code provides for opportunities for particular bodies to appeal particular decisions. There is a list of different bodies who can, depending on who made the decision. So normally that would include an international federation, maybe the International Olympic Committee, WADA, the athlete, of course—there are a range of different people who are prescribed in the WADA code who have an ability to appeal particular decisions at particular points in time, when those decisions are made.

**Senator LUNDY**—Has any such appeal taken place as a result of an ASADA determination on any given test?

**Mr Ings**—Again, there are media reports of one particular appeal that is being conducted by an international federation. There are confidentiality provisions in terms of pending matters which I am not able to go into, but there are media reports about one, yes.

**Senator LUNDY**—Is the Court of Arbitration for Sport one such body in which an appeal of that nature might be heard?

**Mr Ings**—Under the WADA code, the Court of Arbitration for Sport would be the appellate body for particular types of decisions, yes.

**Senator LUNDY**—Are you aware of any such appeals occurring at the moment?

**Mr Ings**—As I said—and I am sorry to dance around this question because there are confidentiality provisions—it has been well reported that there may be one, yes.

**Senator LUNDY**—Going back to the prospect or the occurrence of a test that might have unusual levels, what is the procedure if ASADA were to deem such a test negative? Who is notified of that test and the particular circumstances of such a test, particularly if ASADA have determined it to be negative?

**Mr Ings**—If a WADA-accredited laboratory determines that a sample was positive, it is reported to the body with results management responsibility. It is also reported to WADA and it is also reported to the relevant international federation. In the event that a WADA laboratory reports that a sample has an elevated reading, that is not a positive; but, equally, such a result is also reported to the World Anti-Doping Agency and to the relevant international federation. This is all prescribed in the International Standard for Laboratories as to how laboratories do report both findings of adverse analytical findings and positive drug tests, and also readings of elevated matters—which are not positive tests, but they are elevated matters.

**Senator LUNDY**—In terms of that fine line between determining what is a positive test, what is a negative test and what is a test worth notifying but that has been deemed negative, who ultimately determines that in the regulations of ASADA?

**Mr Ings**—Well, ASADA would ultimately determine that. There is a policy in place that would be applied in those particular circumstances, and we do follow and implement those policies. It is a difficult area. If I could explain for the benefit of the committee. When you have a matter which is a positive drug test it is quite easy: you get lab documents and you work through and process those documents. When it is a matter of an unusual level it does become a lot more difficult because subsequent investigations have to take place, and the question is often asked: should the athlete be contacted, or should the athlete not be contacted at the debut of those examinations? There is no prescribed direction in which to go. I could say, about contacting an athlete to say that an investigation is about to be conducted, that there will be some athletes who may not be committing a doping violation who will be subject to that examination; when they get that notification they will naturally be quite alarmed. There will be other athletes who may well be doing something against the rules; if they get that notification, I am sure they will be quite pleased to be notified that they are about to be the subject of an examination. There are no right or wrong answers here. We follow a particular policy; we have that policy in place. The standard is that ASDA, carrying through to ASADA, has not contacted the athlete where there has been an unusual level—

**Senator LUNDY**—So that is the custom and practice within your organisation?



**Mr Ings**—and that has been the longstanding custom and practice, yes.

**Senator LUNDY**—So how many times has that occurred through the life of both ASDA and ASADA, where there has been an abnormal reading but it has not been deemed a positive test, that the results have been forwarded on to the international sporting body and WADA?

**Mr Ings**—Again that is quite similar to the previous questions you have asked. These matters are reported as a matter of course to WADA, the international federation and agencies like ASADA. In terms of details, I will take that on notice to see what I can provide to you, relevant to the NAD Scheme.

**Senator LUNDY**—Okay, because I am trying very hard to be general and that is why I was asking the question in a general sense.

**Mr Ings**—Yes. I think one of the interesting things about the management of these sort of cases is that it is transparent because results are received by organisations like ASADA. Equivalent results are received by international federations and WADA, so multiple bodies are aware that matters are being worked through, and you work through them diligently and carefully to answer the questions, to reach a conclusion as to whether or not there was a case of doping in terms of a particular athlete.

**Senator LUNDY**—You mentioned custom and practice in those circumstances—that it is not the custom and practice of ASDA or ASADA to notify the athlete in that circumstance. That implies this has occurred previously. Can you confirm that there is more than one case of this nature that has occurred?

**Mr Ings**—I can confirm that the longstanding practice in place is not to contact the athlete. So I can go back and again ascertain, take on notice, exactly how many times that has transpired previously, but that is the policy, the longstanding policy, that has been in place.

**Senator LUNDY**—Sure. In the circumstance that that course of action transpired, at what point under ASADA's regulations, practices and custom and practice is it appropriate for the athlete to be notified?

**Mr Ings**—The longstanding practice has been that once, in results management, you get to a point where you do need to seek input from the athlete, perhaps an explanation of a physiological or pathological condition that may apply in these particular matters, that is when you contact the athlete. Or it is when you have confirmed to a comfortable satisfaction that there is a possible case of doping with an A sample—and, of course, that prompts the testing of the B sample. It is quite a long process, it is a very complicated process and it is designed to be that way to ensure fairness to athletes and fair outcomes.

**Senator LUNDY**—Where a third party, like a sporting organisation, chooses to pursue an investigation because of information received in the circumstances you have described, at what point do their activities prompt notification of the athlete? For example, if that third party were to take ASADA to the Court of Arbitration for Sport, would that in itself prompt notification of the athlete?

**Mr Ings**—Not necessarily, no, if the athlete is not a party to that proceeding. That is a great question for other bodies who may be involved in those matters, if they have decided to do something, as to what they need to do in terms of contacting athletes over which they also

may have jurisdiction. From ASADA's perspective, we manage our results. We go through and do the things that we need to do to reach a final determination. We work cooperatively with other agencies, domestically and internationally.

**Senator LUNDY**—In the scenario where a third party is having a matter heard in the Court of Arbitration for Sport, what subsequent activity or action is available to ASADA on that matter that is being heard?

**Mr Ings**—That is a very difficult question to answer because it would purely depend on what the challenge maybe was—what were the specifics that were being challenged and what nature of decision was being challenged.

**Senator LUNDY**—But I take it one of the options would be to reopen an investigation. One of the options would be to not reopen the investigation. What are the options available in that circumstance?

**Mr Ings**—Well, I think you are talking about two different things: decisions that an organisation can make and decisions that an organisation may be, through other bodies, potentially, compelled to do. ASADA will work through the matters that they need to work through, diligently.

**Senator LUNDY**—Let me ask it this way. What obligation would ASADA have to reopen an investigation on a matter if it were subject to a Court of Arbitration for Sport challenge to your original decision?

**Mr Ings**—I am unable to answer that question because it is just too hypothetical. If an international body took action against ASADA and a court of arbitration handed down a particular ruling, we would review that and determine what our response and action could and should be.

**Senator LUNDY**—In that scenario that we have been describing, at what point is ASADA absolutely obligated to notify the athlete and how would that be done?

**Mr Ings**—You mean in terms of a possible appeal before the Court of Arbitration for Sport?

**Senator LUNDY**—Or subsequently.

**Mr Ings**—If compelled to do so by the court, potentially, or if it fitted in with our normal results management practice, potentially. I am sorry; it is just a little bit too hypothetical.

**Senator LUNDY**—If ASADA deemed an original test negative for the purposes of your processes, is it possible to then at a later point open up an investigation into those results?

**Mr Ings**—Yes.

**Senator LUNDY**—What grounds would have to be established for that to occur?

**Mr Ings**—If new evidence came to light that prompted a matter to be reopened. There is an eight-year statute of limitations—

**Senator LUNDY**—Is that the only thing—new evidence? Is that a prerequisite to an investigation being reopened into a previous sample that was deemed negative?

**Mr Ings**—If there is new evidence; if there are new questions. If I may give an example, there were many athletes who tested negative to steroids, going back a few years ago, who were subsequently found to be using a designer steroid. Those tests were negative. New evidence came to light. Cases were reopened. Those samples were reanalysed using new technology and doping offences were uncovered. So, yes, if new evidence comes to light, if new analytical techniques come to light, samples that had been previously, even formally, declared negative, can absolutely—within that eight-year window—be reopened and re-examined and potentially determined by a court as to whether there may or may not have been a doping violation.

**Senator LUNDY**—In terms of your processes, where an athlete's case was being argued in, say, a Court of Arbitration for Sport, under the ASADA Act what right does the athlete have to be informed of that specifically—any?

**Mr Ings**—There is no formal requirement in the ASADA Act about notifying an athlete about a pending matter before the Court of Arbitration for Sport.

**Senator LUNDY**—And, of course, the presumption is that that is all happening with complete confidentiality anyway.

**Mr Ings**—Yes.

**Senator LUNDY**—So if there were to be a leak about an ongoing investigation within ASADA, in the international press or national press, what procedures do you undertake to identify the source of that leak and protect the interests of the athlete?

**CHAIR**—I think we need to be very careful, Senator Lundy. You might want to rephrase your question.

**Senator LUNDY**—What would be the normal response by ASADA in the circumstance where an athlete's name was unfairly and illegally leaked during the course of an ASADA investigation?

**Mr Ings**—Confidentiality is something that an organisation like ASADA takes extremely seriously, and there are a number of measures that we have in place to protect confidentiality. The first and foremost is that every ASADA staff member signs a commitment to confidentiality. Every ASADA staff member is acutely aware of what their obligations are under the act and the NAD scheme for protecting confidential information. If there is a suggestion that confidential information may have been divulged, we act carefully and expeditiously to fully examine and investigate what those allegations may be. This may include working or talking with the relevant staff members who have access to that confidential information. It may include seeking formal statutory declarations from any and all staff members who may have access to that particular confidential information as part of their normal duties to ascertain that it was not divulged. We basically do what we can do within the powers and the means that we have to give ourselves an assurance that it was not leaked or, if indeed there was an issue, to identify it and act appropriately, because such leaks obviously are very serious.

**Senator LUNDY**—So putting aside your internal activities, what powers does ASADA have in that circumstance to act to protect the athlete subsequently, or indeed other courses of legal action on the assumption that the leak may well have come from somewhere else or

could have come from somewhere else and not actually from ASADA? I am trying to be very general here. Is there anything ASADA can do, firstly, to protect the athlete in that circumstance or, secondly, to initiate investigations or proceedings to investigate other organisations that may have leaked?

**Senator RONALDSON**—The question before, which was a general question about processes, was fair enough. This is now starting to stray again into—

**Senator LUNDY**—That is not my intention.

**Senator RONALDSON**—specific issues that I think would make it extremely difficult for Mr Ings to answer that question on the basis of that understanding.

**Senator LUNDY**—Could I ask—

**Senator Brandis**—I think there is another trouble with it, too, if I may add to Senator Ronaldson's very acute observation. I feel a bit of sympathy for Senator Lundy's position, but there are some questions—and I suspect this falls within this category—that cannot really be answered by a witness because there is no generality—it all depends on the facts of the particular case. And because, in obedience to a determination of the committee, the facts of particular cases cannot be put to the witness, it is really not possible to ask a question along those lines except one that will elicit the rather unrevealing answer that it all depends on the facts of a particular case. That is nobody's fault. I think it follows from the determination the committee wisely made for reasons that we understand.

**CHAIR**—Senator Lundy, I think that advice is good from the minister, and I think you perhaps should reconsider whether or not these questions are permissible within the guidelines we established.

**Senator LUNDY**—Perhaps just the general question about what you can do to protect the athlete in general circumstances.

**Mr Ings**—Of course domestically we have our confidentiality provisions in place with our staff. I have been through that aspect of our business. Australian sports and other organisations that may also get access to some of this information as part of the normal process also must complete confidentiality undertakings that they will protect the confidentiality of the information. That is a condition of compliance that they have with government funding going forward that they must comply with those directions. From an international perspective, other organisations that may also get this information reported from a laboratory to an international federation or wider the main safeguard there is the WADA code and the confidentiality provisions of the WADA code. If any international organisation that received information and in the course of its normal activities was found to have divulged that information, then that would be a significant breach of the WADA code from an international perspective. So there are commitments and safeguards from those standpoints domestically and internationally.

**Senator LUNDY**—I think that is about as much as I can do in the circumstances.

**CHAIR**—Thank you, Senator Lundy.

**Senator LUNDY**—Sorry, I have a few more questions for ASADA before we move on to the Sports Commission. I understand Senator Fielding's questions are in relation to the Sports Commission.

**CHAIR**—Are you happy with that, Senator Fielding, or do you want to proceed?

**Senator FIELDING**—Yes.

**Senator LUNDY**—No, I am content to—

**CHAIR**—Why do we not change horses? It might be a good idea for a little while. Senator Fielding, please proceed.

**Senator FIELDING**—Mine are for the Sports Commission. Is that all right?

**Senator Brandis**—I just wonder whether, given that the ASADA officers are here, it might not be a good idea to let them proceed.

**CHAIR**—Senator Ronaldson, are your questions for ASADA or the Sports Commission?

**Senator RONALDSON**—If Senator Fielding's questions are drug related, I wonder whether we might be talking about the same things, not having discussed it with him.

**CHAIR**—We will let Senator Fielding proceed and then we will come back to Senator Lundy.

**Senator LUNDY**—I have not finished with ASADA, just for the record.

**CHAIR**—That is all right. That can remain at the table, but I think we will have another senator asking questions for a while.

**Senator FIELDING**—The annual report states the objectives of the Australian Sports Commission. It says, 'Supporting the Australian Sports Commission's objectives are several critical result areas.' And one of them is a drug-free sporting environment. Can someone explain that to me?

**Mr Espeland**—The commission with the standing up of ASADA now has a very different role in terms of anti-doping. We do work very collaboratively with ASADA. It is also the case that we have, in a sense being like a sport, athletes in our own right. Certainly in terms of our own athletes we look to ensure that we have a totally drug-free environment. It is also the role of the commission ultimately to come to a position with regard to its relationship with any sport, should it be brought to the attention by ASADA or by other means that that sport is not upholding its obligations under its anti-doping code. It is really recognising that relationship issue with ASADA, recognising we have our own athletes and also recognising that ultimately the commission may be asked to consider, having received advice from ASADA or other sources, its relationship with the sport if that sport has not perhaps upheld its anti-doping obligations.

**Senator FIELDING**—Are you saying that the Australian Sports Commission is solely focused on, when it says a drug-free sporting environment, anti-doping only? The words used are a 'drug-free sporting environment'. Are you referring to anti-doping drugs only—that the amount of money the Sports Commission is spending is only on anti-doping?

**Mr Espeland**—That is in an anti-doping context, yes.

**Senator FIELDING**—So am I hearing this right, as a dad-parent-taxpayer, that the Australian Sports Commission is only worried about anti-doping drugs and no other drugs?

**Mr Espeland**—No, that was not your question. Your question was in relation to that particular aspect of our objectives—does it relate to anti-doping? The answer is that it relates to anti-doping. In relation to the broader issues, which you might regard as perhaps coming to the integrity of sport itself, we do hold very strong views, yes.

**Senator FIELDING**—In the annual report, do you know how many times it mentions illicit drugs, recreational drugs or excessive alcohol?

**Mr Espeland**—There are issues relating to codes of behaviour that the commissioners work very closely on with the sporting industry. Those issues relate to activities on and off the field. They could be in relation to racial vilification, they could be in relation to particular episodes that occurred in relation to some sports and some of our athletes involving criminal activity. Yes, we do take a very close look at the integrity of sport issue. We have required that as a condition of funding for some time now that, first, in terms of anti-doping, all sports will have a wider compliant policy, and that has now been passed across to ASADA for them to monitor and report back to us should they feel that is not being fulfilled. We have also for some time now made it a mandatory condition of funding that sports will have a member protection policy in compliance with—

**Senator FIELDING**—Sorry, what was that?

**Mr Espeland**—A member protection policy. This is to ensure that there is a system in place within the sport whereby complaints can be brought forward and dealt with in a way that is appropriate to both the complainant and the person against whom the complaint is being made. We feel that is a very important aspect of ensuring that standards of safety and appropriate behaviour are maintained in sports.

**Senator FIELDING**—Do you know how many times in your annual report you mention the words illicit drugs, recreational drugs or excessive alcohol or binge drinking?

**Mr Espeland**—I would have to go back and have a close look.

**Senator FIELDING**—I cannot find it.

**Mr Espeland**—But as I mentioned before, they are one of a raft of issues that sport needs to address, and the commission is very much looking for those issues to be addressed. As I said, in terms of those issues relating to safety and respect, we have held a number of forums with sports. We have engaged with the sporting sector to promote standards and codes of behaviour both on and off the field, whether they be for athletes, for support personnel or for parents—which is a big issue in itself, particularly the behaviour of some parents in junior sporting activities.

**Senator FIELDING**—I have to be careful here. I think the Treasurer has made comments about the AFL going soft on drugs. I think I have heard Mr Christopher Pyne mention that in the last couple of days. Can you just relay exactly what the Sports Commission is doing about illicit drugs, recreational drugs and binge drinking with regard to sports within Australia?

**Mr Espeland**—As I mentioned, we have provided a whole raft of codes behaviour that cover all of those areas, and we look to work with the sports to ensure that they are properly implemented.

**Senator FIELDING**—How much funding did the Australian Sports Commission give to the AFL in the last year?

**Mr Espeland**—These figures are in fact posted on the website. We normally do that in about September of each year. By that stage we have usually concluded a number of contracts to the extent that we are in a position to put that list up on the website. We have an allocation for the AIS program of \$200,000. That is not cash. That is money that the AIS spends in terms of running an AIS program. This is consistent with a board decision of about two years ago to provide no high-performance funding to the sport of AFL. We do provide sport development funding of \$216,000. The Indigenous Sport Program is provided with \$50,000. For Project Connect, which is for athletes or people with a disability, there is \$10,000. We have an officiating scholarship to the value of \$10,000. In total that is \$486,000.

**Senator FIELDING**—There was a report in the *Herald Sun* that said the Australian Sports Commission had threatened to slash funding for the AFL in regard to signing the WADA code.

**Mr Espeland**—That is correct. It was a requirement of the Australian government that all sports would be WADA code compliant by 30 June 2005. At that deadline, AFL were not compliant, so we initiated the process to basically change our relationship with the sport. There were continuing discussions that the sport had with the previous minister, and in the end the government's view, the Sports Commission's view, prevailed. I think it was in about November of that year that AFL became WADA compliant. Certainly the undertaking that the commission was looking at was to remove that funding.

**Senator FIELDING**—How was that decision made?

**Mr Espeland**—It really stems from an obligation that the Australian government gave at the Copenhagen declaration in March of 2003 when they signed up, albeit not then legally—that was subsequently enacted through a UNESCO convention—but morally and politically to basically support the provisions of the code, under which the compliant issue in relation to national sporting organisations was flagged.

**Senator FIELDING**—Was that a direction from the minister, that the Australian Sports Commission should threaten to slash funding?

**Mr Espeland**—No. It was, as I say, a requirement that flowed out of the Australian government, as with all other governments around the world, and all the international federations signing up to the WADA code. Within the WADA code there was an undertaking that governments would look very carefully at funding sporting organisations that are not WADA compliant.

**Senator FIELDING**—Would it be right to say that the government was pretty keen to send a strong message through the Australian Sports Commission to the AFL in regard to anti-doping?

**Mr Espeland**—It was a message that was, as I say, obligated by the government's position in relation to that international declaration, and certainly the commission worked very closely with all sports to get them over the line. As I say, in the case of AFL that was not done by the deadline but was subsequently carried out.

**Senator FIELDING**—Has there been the same pressure with regard to illicit drugs/recreational drugs from the government?

**Mr Espeland**—I'm sorry, can I have the question again?

**Senator FIELDING**—Has there been the same emphasis on illicit drugs/recreational drugs from the government to the Sports Commission about funding for the AFL?

**Senator Brandis**—The government's position in relation to drugs in sport is one of zero tolerance. That is a point that I and my predecessor Senator Kemp, who is here today, the Prime Minister, the Treasurer and the minister responsible for drug policy, Mr Pyne, have been at pains to make for some time now and recently.

**Senator FIELDING**—I will come back to that. Does the Australian Sports Commission have a view on whether there is an issue of illicit drugs and recreational drugs in sport?

**Mr Espeland**—There is a framework that relates to sports law in relation to anti-doping, and we have already covered that. There is also a legal framework that relates to the use of illegal drugs and there are appropriate authorities that have the jurisdiction in those areas. That is not to say that from a sporting point of view we do not hold grave concerns. As to the illicit drug area, it is so called, as I say, because these are illegal drugs.

**Senator FIELDING**—What testing at the direction of the Australian Sports Commission is carried out on illegal drugs that are classified as anti-doping by you, or the other department or ASADA? And what testing do you do for illegal drugs that are not doping drugs?

**Mr Espeland**—Testing is the province of ASADA, so I would defer to Mr Ings on that.

**Senator FIELDING**—But, from what I understand, it is at your direction—that you set that up to start with.

**Mr Espeland**—No, not all.

**Senator FIELDING**—Could you outline exactly how the Australian Sports Commission plans to tackle illegal drugs, not doping drugs, in sport within Australia?

**Mr Espeland**—We are aware that the government has a view, and we totally support that view.

**Senator FIELDING**—How do you support that view?

**Mr Espeland**—Well, the AFL would claim that their process is one of zero tolerance—I fail to see how you can actually look to make that point. Their current policy does not reflect a zero tolerance approach.

**Senator RONALDSON**—Just on that point, Minister, do you agree with that comment that the AFL's three-strikes policy is not in accordance with the government's zero tolerance policy?



**Senator Brandis**—Yes, I do. This is a point that was initially made by my predecessor, Senator Kemp, as long ago as April of last year. It was a point made in a speech to the Senate in September of last year by Senator Cory Bernardi, himself a former distinguished sportsman and member of the Australian Sports Commission. It was a point made by the Prime Minister in an interview with Neil Mitchell on I think it was 24 March this year. It was a point made by me in question time in the Senate on 27 March this year. It was a point made last week by Mr Pyne, who has ministerial responsibility for drugs policy, and it was a point made by the Treasurer on the weekend and again as recently as this morning in an interview on an Adelaide radio station. Might I remind you, Senator Ronaldson, that when I addressed this matter in the Senate on 27 March this year I quoted a statement from Mr Andrew Demetriou, the Chief Executive Officer of the AFL, who said last year:

“Our strong view is that the fight against illicit drugs is not a fight that should be restricted to match day. We believe that if we are to take the toughest possible stance against drugs, then we need to fight the use of illicit drugs out of competition and out of season. It is not a part-time fight. It is a full-time fight.”

Now, that is what Mr Demetriou said. But, as I said in the Senate on that occasion and as I say again today, Senator Ronaldson, a three strikes before you face sanctions policy for illicit drug use is not, in Mr Demetriou’s words, ‘the toughest possible stance against drugs’. Logically, how could it be? The only stance in relation to illicit drugs which is ‘the toughest possible stance’ is the government’s position of zero tolerance. The government has for some time now, as expressed by the Treasurer, the Prime Minister, me, Mr Pyne and others, been concerned that the AFL’s three-strikes policy sends out all the wrong messages in a zero tolerance environment, and it is for that reason that Mr Pyne and I will be meeting Mr Demetriou in Melbourne on Friday—to seek assurances from him that the AFL will reconsider its position to tighten it, to toughen it, to bring AFL practice into conformity with the government’s objective and community expectations of zero tolerance in relation to the use of illicit drugs.

**Senator RONALDSON**—Can I ask one—

**Senator FIELDING**—Chair, could I just follow on, because I think I have been waiting here patiently for some time—if I could continue with my questioning?

**CHAIR**—Yes, it is yours, Senator Fielding.

**Senator FIELDING**—It is rather interesting. We will come back to this report that the Australian Sports Commission—and you agreed it was—had threatened to slash funding to do with doping drugs, of the AFL not progressing down the government’s line of being tough on drugs. When it comes to being tough on drugs that are not doping that are illegal, all of a sudden the government is not using the same pressure that they used before. Why is that?

**Mr Espeland**—I think you have just heard the minister talk about the pressure that the government has been putting on the sport. He just recounted a number of instances where there has been pressure brought to bear and will continue to be. As I mentioned before, what the commission has done is work in parallel with that, to work within the whole sporting industry to try and also look at the positive side, what we call the essence of Australian sport. We have held extensive consultations with all the key stakeholders, including the AFL, and every sport has, in fact, supported our statement of basically the principles of respect, fairness,

responsibility and safety. They have all signed up to that. It is something that is then passed to each of the sports with advice as to how they can implement that in terms of their policies and their processes and procedures, and we have been very strongly supported in that process. At the same time there has been, obviously, an ongoing discussion about whether or not the so-called illicit drugs policy of the AFL is, in fact, the appropriate policy.

**Senator Brandis**—Following Mr Espeland's answer, Senator Fielding, you made an observation at the start of your questions that you looked in vain in the Australian Sports Commission's annual report for reference to illicit drugs, but what you omitted to refer to is the discussion between pages 49 and 50 of the Australian Sports Commission's role in promoting sport ethics. That discussion refers to the document which Mr Espeland has just referred to—that is, the Essence of Australian Sport statement of values, which includes, among the core values of Australian sport, responsibility, which is further described as 'being a positive role model at all times'; and safety, which includes among its elements 'preventing and reporting dangerous behaviour'.

Senator Fielding, I think it is about as plain as can be that the government's position is that athletes, including AFL athletes, are role models, particularly to young people. This is a point I think was made most eloquently by Mr Pyne in his radio interview this morning on Radio National, if you heard it, and the Essence of Australian Sport statement of values plainly prescribes that Australian sportspeople adhere to the values that go with being role models for young Australians. I am sure you would agree with me, Senator Fielding, since you yourself have been very eloquent about these matters, if I may say so, that not engaging in the use of illicit drugs is a very important aspect of being a role model for young Australians and that tolerating the use of illicit drugs by having a three-strikes policy rather than a zero tolerance policy sends out all the wrong messages.

**Senator LUNDY**—For the sake of completeness, to put this conversation in perspective, nothing puts sport above the law with respect to illicit drugs anyway, so these policies—

**Senator Brandis**—That is right.

**Senator LUNDY**—are an addition to the law as it stands in this country in relation to illicit drugs. So it is what sports do over and above that that I think we are discussing. I just want to keep this conversation in perspective so we do not draw it out.

**Senator Brandis**—Senator Lundy, I think you make a very important point that illicit drugs—and this is the very point I made in my remarks in the Senate on 27 March—are illegal drugs. Everybody is equally obliged to obey the law. The law does not contain a three-strikes policy. The law contains an absolute prohibition of the use of illegal drugs. The point that I along with the Prime Minister, Mr Costello and Mr Pyne have been at pains to make is that, if a responsible sports organisation says, 'We have a three-strikes policy in relation to the professional consequences for you as a sportsman if you take illegal drugs,' that is completely at variance from the law of the land to which these sportsmen are also subject, as you rightly say—that is, zero tolerance. A breach of the law is a breach of the law. There is no calibrated response but a breach that immediately, on the first offence, carries all the appropriate consequences.

**Senator LUNDY**—My point is that having a policy does not override the law in any way, so we need to keep this discussion in perspective.

**Senator Brandis**—No, it does not override the law. But what I fear it does, Senator Lundy, is say, ‘Although you may have committed a criminal offence, the professional consequences for you as a sportsman do not affect you until the third offence, the third time you have broken the law.’ That absolutely sends out the wrong messages.

**Senator RONALDSON**—On that very point, do I take it from what Senator Lundy is saying that she supports the three-strikes policy of the AFL?

**Senator LUNDY**—Do not interpret anything. What I am doing is making a point that I think is contextual to this discussion about the application of the law. I am always concerned when this gets discussed that somehow these sportsmen are not subject to the law of the land. And of course they are. Of course they are.

**Senator RONALDSON**—That you support the AFL three-strikes policy is my interpretation of that comment.

**Senator LUNDY**—My point is that the three-strikes policy—

**Senator RONALDSON**—You are not denying it.

**Senator LUNDY**—sits in addition to the law.

**Senator Brandis**—But my response to you is that the AFL three-strikes policy might sit in addition to the law, but it also sends out a message inconsistent with the law, because the law is a zero tolerance law. The three-strikes policy is not a zero tolerance policy. It seems to me to be passing strange that a sports organisation should say to its players, ‘Although you have broken the law, there will be no professional consequences visited upon you until the third time you do so.’

**Senator LUNDY**—That is a valid point, Minister. Can I just ask the minister about the NRL policy and his views on that?

**CHAIR**—Senator Lundy, Senator Fielding wishes to finish his line of questioning, and I think you must let him do it because you have actually had a lot of time this afternoon.

**Senator LUNDY**—But I am interested in the NRL policy, because they have recently got one of those, too.

**CHAIR**—We will let Senator Fielding continue his questions.

**Senator FIELDING**—Minister, thank you for reinforcing the zero tolerance law and the tenacity of chasing that. Is the meeting with the AFL this Friday?

**Senator Brandis**—Yes.

**Senator FIELDING**—Will you be raising the issue as it was back with WADA, with the Australia Sports Commission threatening to slash funding? Will that be part of the discussions?

**Senator Brandis**—I am not going canvass in this forum with you, Senator Fielding, what particular matters may be raised in discussions with Mr Demetriou, but you may be reassured that Mr Pyne and I, who have sought this meeting, will be delivering the message very

strongly to Mr Demetriou that the three-strikes policy is an inadequate policy because it is inconsistent with zero tolerance, and we expect to see it toughened.

**Senator FIELDING**—Could I come back to the Australian Sports Commission. The annual report is supposed to be a pretty good summary of activities so taxpayers can have a feel for what is going on. I do not get the sense that there is the same urgency about illegal drugs other than doping drugs, because when you read the report you get a lot more feeling about the doping area. I am not for one moment saying that you should drop the ball or take your eye off the issue of doping type drugs. But, with that objective of a drug-free sporting environment, is there enough emphasis being placed on illegal drugs other than doping drugs?

**Mr Espeland**—I think it is more to do with the integrity of sport. There is a raft of issues. There is sports betting, rage, assault and illegal drugs. These are all activities that sport should not be proud of at all and they need to be eliminated, and the Sports Commission are working towards that end and at the same time holding up standards that we would say need to be followed through our Essence of Australian Sport standards. To say that we do not have an emphasis on a whole range of issues that would bring, potentially, a sport into disrepute because of its lack of integrity I do not think is correct. We have acted. The genesis of the Essence of Australian Sport statement, as I think I mentioned before, was as a result of some well-publicised allegations of assault against a group of young women a few years ago. We acted immediately, within a matter of days in fact, to basically bring the sports industry together to start to progress the issues. We do have, I think, a constant interface with the sport and across all sports in terms of pushing the line of the integrity of sport.

**Senator FIELDING**—Maybe I will ask that question a bit more specifically. What specific action plan have you in place to cover illegal drugs in sport other than the ones for doping—specifically? Can you outline for the Australian taxpayer specifically what you are doing?

**Mr Espeland**—We are very much aware of the government's dialogue with the sport on this. We totally support that. There is also the NRL. That has been mentioned as well. Whilst that—

**Senator FIELDING**—I am not keeping this just to the AFL. I am asking generally: what specific plan does the Australian Sports Commission have for addressing illegal drugs other than doping? Spell it out. I am happy to hear it. I could not find it; I could not find it in the report.

**Mr Espeland**—Basically there is a positive approach, which does cover illegal drugs. The message has got through to the sports, and this is all levels. What the minister said about the role models is absolutely correct. You only have to go out there and see young kids and they emulate their heroes. If there is an athlete that, before kicking for goal, picks up some grass to see which way the wind is going, they are doing it themselves. So they do look up to these athletes as role models. And we do need to work to make sure that the sports have appropriate policies in place that make sure that the law of the land is upheld. And the government is carrying on that dialogue with our support, very strong support.

**Senator FIELDING**—Does the Australian Sports Commission have a view on the strong link between excessive alcohol and illegal drug use?

**Mr Espeland**—How would you define that link?

**Senator FIELDING**—There has been—

**Mr Espeland**—What is the particular medical data you are referring to?

**Senator FIELDING**—It is called polydrug use. I have heard the term used in specific reports. There is a link between the use of illicit drugs and excessive alcohol.

**Mr Espeland**—Certainly, there are rules pertaining to the use of alcohol in the legal framework. It is a legal drug in some circumstances. But your point about, let us call it, broadly speaking, substance abuse, is an important one. It really is. In the end we are talking about role models, but it is also these athletes' lives themselves that are at risk. But sport cannot afford to have an understanding of where illegal activity is going on and not take action in accordance with the law of the land. Sportspeople are not above the law of the land—in fact, to the contrary, they should be seen to be upholding it to the nth degree.

**Senator Brandis**—I think Mr Espeland put the point extremely well. And might I ask you rhetorically: how can it be that a person commits a crime against the law of the land, but the sporting organisation in which they have a professional life says that that breach, that criminal breach of the law of the land, will not have professional consequences?

**Senator FIELDING**—It does not make sense to me. It does not make sense to most people.

**Senator IAN MACDONALD**—Minister, why is it that these offenders are not apprehended by the police and why are the police in the various states not doing something about them?

**Senator Brandis**—I think you would have to ask that question of relevant state and territory police ministers. What is abundantly clear is that—and I think there may be an exception to the Australian Capital Territory as a matter of fact, but I am not sure about that—it is almost universally the case that drugs, not performance-enhancing drugs but illicit drugs, are prohibited, that it is a crime to use such drugs, that the criminal offences created by the various criminal codes and other regulatory statutes of the states and territories are enforced by their police forces. I think that policy generally—with the exception, if I may say so, of the Green party—seems to have bipartisan support right across Australian politics. The sportspeople who might, for example, be using party drugs or marijuana or whatever other illegal drugs, were they to be apprehended by the state and territory authorities with responsibility for enforcing those laws, are susceptible to prosecution and there have been cases when that has occurred. And, of course, the point we are at pains to make is that, if it is good enough for the police to prosecute an athlete for a breach of the criminal law by using these substances, it is passing strange that the sporting body will say, 'Notwithstanding that and notwithstanding the ethics of Australian sport that sports organisations pledge to uphold, there will be no professional consequences until at least the third offence.'

**Senator LUNDY**—And I think that is particularly important when there are role models involved. I would like to support the minister's comments here. What I think is going on with the AFL is they have tried to use policy to enhance the law and that clearly has not worked. I suppose we now have demonstrable evidence that their policy has not worked in changing the

culture of at least some of the AFL clubs. We are back to, I guess, the common denominator: the criminal law, which ought to apply. I do not want to—

**Senator RONALDSON**—Are you saying you do not support their three-strikes policy?

**Senator LUNDY**—I do not, because it is not working. If it were working and it was effective in changing the culture of these clubs and stamping out drug use, then I would defend the policy. The policy, however, is not working and so I believe there is a case for a better policy to be put in place.

**Senator Brandis**—I am glad to hear you have come on board with the position the government has taken. May I say that I think the three-strikes policy is wrong because it is wrong. I think there is a more elementary question than this.

**Senator LUNDY**—I appreciate that.

**Senator Brandis**—Ordinarily one expects the criminal law to prescribe the minimum standards by which members of the community are expected to live, not aspirational standards.

**Senator LUNDY**—I appreciate that.

**Senator Brandis**—What we find now with this three-strikes policy is that the criminal law, which prescribes a minimum standard, in fact prescribes a higher standard than the AFL is prepared to accept.

**Senator LUNDY**—I just want to respond to the minister's comment. I think one of the important things here is that there are many organisations, including employers of a different type—for example, in the non-sporting environment—which also try to put in place programs that provide counselling of their employees. I think what the AFL have done is look at those best practices—

**Senator RONALDSON**—This is a statement, not a question.

**Senator LUNDY**—This kind of approach has proven to be effective in other places. It has not proven to be effective in this case on my limited understanding of how effective drug and alcohol policies work and how we can help educate people in this area. But one thing I would like to ask the minister is: I understand the NRL has recently adopted a similar policy, and the opportunity is there, of course, for other sports to take a far more proactive along the lines of what Senator Fielding is describing. What is the government able to do from your position of leadership to encourage a tougher-on-drugs stance with respect to illicit drugs, not just through sporting organisations but indeed through the arts organisations that you represent? What are you doing across the realm of your portfolio to make this a proactive campaign and can you describe to the committee the initiatives you have taken both in sport and in the arts?

**CHAIR**—Thank you, Senator Lundy.

**Senator FIELDING**—It is great to have all parties contributing here, but I really would like to be able to continue along the line of questioning—

**CHAIR**—Yes. You have some questions to ask.

**Senator Brandis**—I have waited here patiently.

**CHAIR**—Senator Lundy has had three hours or more.

**Senator Brandis**—Out of respect for Senator Fielding, I will not respond fully to Senator Lundy's question, but may I say I welcome the statement, apparently made now on behalf of the Labor Party, that it adopts the government's criticism of the AFL's three-strikes policy. I am only sorry it was so slow in coming.

**CHAIR**—Senator Fielding and then Senator Ronaldson.

**Senator FIELDING**—There seem to be constant media reports of sportspeople in various codes—and I am not just picking on one code here. This is a really important issue. I think all professional codes want to get rid of these sorts of issues. No-one really benefits from seeing these on the front page. Our kids are looking at sports heroes and fans and all of a sudden they are imitating the same thing, as you said before. We all want to address this issue. There seem to be constant media reports of sportspeople in various codes getting into strife with binge drinking and sometimes a combination of heavy drinking and illegal drugs. Surely there is a link there. How much work has the Australian Sports Commission done in looking into that issue?

**Mr Espeland**—It is the case that these are issues for the whole of society. I note that there have just been some recent Australian reports about children whose parents are known to be binge drinking. So it is happening in society as a whole and you are quite right. Sport should not be seen there as a role model in the negative, it should be in the positive. You are absolutely right.

**Senator FIELDING**—I do not feel confident that the Australian Sports Commission is taking the issue of illegal drugs other than performance enhancing drugs and the issue of binge drinking seriously enough in our sports area. You set the lead on these things. You set the environment and the atmosphere. You take the lead. I cannot see it in your reports. I cannot see the action plan on addressing illegal drugs and binge drinking that I think would allow parents to say, 'Yes, I think the government is doing all they can.' I do not think you are.

**Mr Espeland**—Let me just clarify one point about the AFL policy. They would say that in fact their illicit drugs policy, so called, goes beyond the WADA code. That is very misleading. This is not about a testing regime that extends the WADA code. It is about illegal drugs. It should be about zero tolerance. There should in fact be an employment related sanction, as well as rehabilitation. No-one is saying that these people need to be cast aside; they need to be helped. It is about the athletes getting help in the end. But, by moving towards a position that there is a sanction on the first violation, I think you will find very quickly that people will basically modify their behaviour according to the hip pocket.

**Senator FIELDING**—I appreciate the answer. I am still not convinced.

**Mr Espeland**—Could I just add something else?

**Senator FIELDING**—Yes.

**Mr Espeland**—Your questions, I think, are showing a particular line. It is not, though, that I think you are suggesting there is a vacuum out there. There is not. There is activity going on. You have heard it in terms of statements by the government. This is something that the government is very much taking the lead on, and we are strongly supporting them. In some ways Rome was not built in a day. Our final anti-doping position came after about six or

seven years of policy development, both internationally and nationally. So this is still very much game in play.

**Senator FIELDING**—Family First has looked at a lot of research. There are lots of inquiries and a lot of committee reports about the effects of binge drinking and the links. The AFL, I would think, would know the issue as well—not just the AFL but across the board. We can go back and forward on this. I do not agree that there is enough being done. When ASADA analyses the samples while testing for prohibited substances, do you find other things and just put them to one side? With the testing that is done by you, what do you find—not specific people, just generally?

**Mr Ings**—ASADA's legislative mandate, of course, is anti-doping, and we focus on substances prohibited on the WADA list. Illicit drugs are prohibited in competition, so whenever we take a sample in competition that sample is analysed for all prohibited substances on the WADA list, including illicit drugs, which are prohibited in competition. In fact, of the 22 entries so far this year on the register of findings, I believe nine relate to illicit drugs where there was a positive test in competition and those athletes have been sanctioned. Wendell Sailor is probably another example of an athlete who used an illicit drug and tested positive in competition, and he received a two-year suspension.

When samples are collected out of competition, it is for a reduced list under the WADA code, which excludes illicit drugs. The report that we receive from the laboratory is for the substances that they are allowed to test for, based on whether it is an in-competition test or an out-of-competition test. If it was an out-of-comp test we would not receive a report of an illicit drug because it is not screened for in an out-of-competition test, only with a full screen in-competition test.

**Senator FIELDING**—How much more would it cost to add those other screening tests to it?

**Mr Ings**—I can get the exact numbers for you. This is a cost that we get from the laboratory. A full screen is more expensive than a half screen. I guess also from ASADA's perspective there is a question as to whether that would fit in with our ability under the WADA code, because under the WADA code we are not to test for illicit drugs out of competition. But I can get the costings for you, if I could take that question on notice?

**Senator FIELDING**—The answer may lead to the further question that, if the cost is not much more, why wouldn't you be doing it from that perspective? The government has the argument that an access card can be used to do multiple things. Maybe using a drug test to do multiple things would not be a bad idea either. Anyway, we will wait and see what the costs come out to, to see whether it is worth doing. Thank you.

**Senator RONALDSON**—It is indisputable now, I take it, that the effect of high-profile sports people, or well-known sports people, and their position as a role model is extremely influential, particularly on younger people?

**Mr Espeland**—I think that is absolutely the truth. You see it play out at all different levels, across both genders and across all sports, and particularly for the major professional sports because they do have such a large public following.



**Senator RONALDSON**—Is any deviation from a zero tolerance policy likely to undermine efforts to convince young people particularly to not be drug takers?

**Mr Espeland**—I think that it is more the case that, if you have a one-strike policy and there is action taken, that will act as a deterrent to the senior athletes. In other words, you will be forcing them to actually be good role models. It is certainly the case that, without the change of the culture, without the change in the behaviour and in the subsequent public cases, the net effect is that there is a very negative impact in the way that children view their role models, view sport and view society as a whole.

**Senator RONALDSON**—And any differing view of that one-strike policy, I presume, would not be assisting with the appropriate deterrence message?

**Mr Espeland**—I believe that is the case.

**Senator RONALDSON**—Minister, when did you first speak about this matter in a public sense?

**Senator Brandis**—On 24 March this year, when I had been in the portfolio for a little over a month.

**Senator RONALDSON**—The Prime Minister, from what you are saying, has been speaking about this on a regular basis?

**Senator Brandis**—I understand the Prime Minister has made a number of statements concerning this matter, but the one with which I am most immediately familiar is his statement—I am sorry, did I say the 24 March before? I meant to say 27 March. In my own case, the statement of the Prime Minister with which I am most immediately familiar is his statement during a radio interview with Neil Mitchell on 24 March.

**Senator RONALDSON**—And the Treasurer?

**Senator Brandis**—The Treasurer, being a great AFL man and the number one ticket holder of a particular AFL team, of course, has been agitating this matter for a very long time but has, to my knowledge, most recently spoken about it today. And, of course, others in the government have spoken about it. Last year Senator Kemp raised the matter, in particular in April last year when the AFL's new policy was announced and in a series of newspaper articles was very critical of the policy. 'Kemp urges tougher AFL drug line' is one. 'Dob drug takers in, urges Kemp' is another. Another article I have here is headed, 'Party drugs and footballers, the cloud on the horizon that worries Kemp'. So Senator Kemp has been very active on this issue when he was in the portfolio and since. And I mentioned also Senator Cory Bernardi, a former member of the Australian Sports Commission, who raised this matter in an adjournment speech in the Senate in September last year. And then, of course, there is Mr Pyne who has lately come into the discussion. That is just a sample, but you have a situation in which the former and the current ministers for sport, the minister with ministerial responsibility for drugs policy, the Prime Minister and the Treasurer all speak strongly and with one voice on this matter and have done so for some time.

**Senator RONALDSON**—Has this collective voice been in relation to the inappropriateness of the three-strike policy?

**Senator Brandis**—That is what we have been talking about, yes, absolutely.

**Senator RONALDSON**—Thank you. I just wanted confirmation on that.

**Senator LUNDY**—May I ask the minister—

**Senator RONALDSON**—I have not finished yet.

**Senator LUNDY**—why he rang the AFL 20 minutes after—

**Senator RONALDSON**—I have not finished yet.

**Senator LUNDY**—Chris Pyne's radio interview—

**Senator RONALDSON**—Chair, Senator Lundy has been speaking for four hours—

**CHAIR**—Senator Lundy, Senator Ronaldson has the floor at the moment.

**Senator RONALDSON**—Thank you. Have you up until 4.20 pm today heard any commentary from the shadow minister or the Australian Labor Party supporting this collective view in relation to the inappropriateness of the three-strike policy?

**Senator Brandis**—No, I have not.

**Senator RONALDSON**—Can I ask you another question?

**Senator LUNDY**—Because we do not get involved in gratuitous grandstanding that achieves nothing. We actually talk to the sports organisations—

**Senator RONALDSON**—I know you are jumpy about this for very good reason—

**Senator LUNDY**—No, I can tell you something—

**Senator RONALDSON**—At about 4.08 pm today—

**Senator LUNDY**—We do not engage in gratuitous grandstanding on the issue of drugs; we take it very seriously—

**Senator RONALDSON**—Did you hear me challenge the shadow minister asking her whether she was opposed to the three-strike policy, at which she refused to express an opinion?

**Senator Brandis**—I did hear that and I am sure the *Hansard* will record both your question and her silence. But may I say in fairness to the shadow minister that, although she has been very silent on this matter throughout the entire course of this debate since Senator Kemp first raised this concern—

**Senator LUNDY**—What, through the entire course of your gratuitous grandstanding?

**Senator Brandis**—in April of 2006; when Senator Bernardi raised it in September of 2006—

**Senator LUNDY**—At least I bothered talking to the sport, unlike you.

**Senator Brandis**—when I raised it in March of 2007; and when Mr Pyne raised it again last week—notwithstanding the history of silence as lately as 4.08 pm this afternoon, as you say, nevertheless to give credit where it is due—

**Senator LUNDY**—Have you been saving this up all day, you genius?

**Senator Brandis**—at last, and for the first time—and if today's estimates hearing achieves nothing else it will have achieved this—Senator Lundy and the opposition have been smoked

out and have now, I am pleased to say, adopted the government's policy after 12 months of equivocation. It has been 12 months of silence, in fact, not equivocation.

**Senator RONALDSON**—Are you hopeful now that after great equivocation this apparent bipartisan support will influence the decision making of the AFL?

**Senator Brandis**—I hope so. I am not in a position to say that it will, but, as you would know, as a practised politician yourself, it helps enormously in bringing pressure to bear on a community organisation of the power of the AFL that instead of just the government saying it, as we have been doing for 12 months, now at long last both sides of politics are saying the same thing. And I am delighted that Senator Lundy, albeit under pressure, if I may say so, from you has decided to follow the government's lead.

**Senator LUNDY**—No pressure at all. But I want to know why the minister rang and made the appointment—

**Senator RONALDSON**—At this meeting on Friday do you intend communicating through—

**Senator LUNDY**—with the AFL 20 minutes after—

**Senator RONALDSON**—You are very rude. At this meeting on Friday, do you intend communicating to Mr Demetriou and the AFL commission that they now have bipartisan support—

**Senator LUNDY**—Christopher Pyne went to air on Radio National today. Don't you think that is a bit of a political stunt? And why are you playing stunts with drugs in sport?

**CHAIR**—It is a little bit hard to hear Senator Ronaldson ask his questions, Senator Lundy.

**Senator LUNDY**—Why are you engaging in stunts?

**CHAIR**—Senator Ronaldson has the floor.

**Senator Brandis**—The statement you have made is false.

**Senator LUNDY**—Is it? Are you sure?

**Senator Brandis**—Yes.

**Senator LUNDY**—I would check if I were you.

**Senator Brandis**—The statement you have made is false.

**Senator LUNDY**—So you did not call them 20 minutes after Chris Pyne went to air on Radio National? And this is not a stunt?

**Senator Brandis**—No, I did not. Mr Pyne made the statements he made in consultation with me last week and arranged for him and me to meet Mr Demetriou on Friday—

**Senator LUNDY**—Do you know when he made those arrangements?

**Senator Brandis**—and those arrangements were made last week.

**Senator LUNDY**—Are you sure about that?

**Senator Brandis**—Yes.

**Senator LUNDY**—Are you prepared to—well, you have said it on the public record. We will test it, won't we?

**Senator Brandis**—Yes, unequivocally. No phone call or communication by me was made as you suggest.

**Senator LUNDY**—And can you tell me whether or not you have made an appointment with the NRL? And if not, why not, given your—

**Senator Brandis**—Let us deal with one matter at a time.

**Senator LUNDY**—Look, you are nearly out of time. You can keep this rolling out for another 25 minutes and block our right to ask questions about the sports commission—

**Senator RONALDSON**—You have been caught out.

**Senator Brandis**—In the space of half an hour—

**Senator LUNDY**—Tell me if you have made an appointment with the NRL.

**Senator Brandis**—Within the space of half an hour you have moved from refusing to accept—

**Senator LUNDY**—That is your interpretation.

**Senator Brandis**—Senator Ronaldson's challenge to criticise—

**Senator LUNDY**—No-one is accepting—

**Senator Brandis**—the AFL's three strikes policy. Let me finish—

**Senator LUNDY**—your interpretation of these events. You do not know what our view is.

**Senator Brandis**—Within the space of half an hour you have moved from refusing to give bipartisanship on this issue to giving, under pressure, bipartisanship on this issue, then making a statement in relation to me—

**Senator LUNDY**—What I have said is that we do not believe the policy is working.

**Senator Brandis**—and now trying to change the subject. A good half-hour's work, Senator Lundy.

**Senator LUNDY**—Can I tell you, you have 25 minutes to go.

**Senator RONALDSON**—This road to Damascus must be very wide because you have turned a big truck around—it's a B-double.

**Senator LUNDY**—And the way this is being interpreted—

**Senator Brandis**—Next you will be telling us—

**Senator LUNDY**—you are blocking our right, as the opposition, to ask the Sports Commission questions about programs—

**Senator RONALDSON**—No, you have refused—

**Senator LUNDY**—You listen to Senator Ronaldson, his gratuitous—

**Senator RONALDSON**—to take a tough stance on drugs and you have been caught out.

**Senator LUNDY**—grandstanding. You have been planning all day to do this little stunt to slag off the AFL in their efforts to try and stem drug use—

**Senator Brandis**—Senator Lundy, in the last half an hour—

**Senator LUNDY**—and now you are trying to fill up time with this sort of claptrap from Senator Ronaldson.

**Senator Brandis**—No, Senator Lundy. You were asking me some questions—

**Senator LUNDY**—What a joke.

**Senator Brandis**—and I am pointing out—

**Senator LUNDY**—What a joke! And no-one will take this government seriously—

**Senator RONALDSON**—Me thinks you protest too much.

**Senator LUNDY**—on the issue of drugs in sport or illicit drugs whilst ever you engage in stunts like this—

**Senator Brandis**—Senator Lundy, in the last half an hour, under pressure from Senator Ronaldson and me, we have at last got bipartisanship on this issue.

**Senator LUNDY**—to try and score political points and wrap yourself in the cloak of being tough on drugs when clearly you have made little effort to discuss these issues in detail—

**Senator Brandis**—Well, Senator Lundy—

**Senator RONALDSON**—Why have you lost it?

**Senator LUNDY**—with the AFL and you have run this campaign in the media.

**Senator Brandis**—We are running a campaign to try and—

**Senator LUNDY**—And today's effort with Chris Pyne on ABC Radio is nothing but a stunt.

**CHAIR**—Senators, let us bring this back to order.

**Senator RONALDSON**—I had not finished my question.

**Senator LUNDY**—There has been no hard work—

**CHAIR**—Senator Ronaldson has another question.

**Senator LUNDY**—no policy in the Sports Commission—

**CHAIR**—Senator Lundy, thank you very much.

**Senator LUNDY**—no effort by this minister to talk to other national sporting organisations, nothing.

**Senator Brandis**—Senator Lundy—

**CHAIR**—Minister, I would ask you not to engage Senator Lundy, because Senator Ronaldson has further questions.

**Senator LUNDY**—He has further filibustering to do.

**Senator Brandis**—In the space of the last half-hour we have at last, after a year's silence from you, secured bipartisan support for the government's position on this issue, and I welcome it.

**Senator LUNDY**—You do not have to be a genius in public policy to understand that their efforts to stem drug use has not worked. It has not worked and everybody knows it—

**CHAIR**—Senator Lundy, we have heard your comments.

**Senator LUNDY**—so do not try and turn this into some sort of political stunt.

**Senator Brandis**—Senator Lundy, you have eventually worked that out after a year of silence?

**Senator LUNDY**—And can I say that many have observed the vehemence with which your government—

**Senator RONALDSON**—Are you reading from your screen again?

**Senator LUNDY**—and others have attacked the AFL incessantly and prevented—

**Senator RONALDSON**—Can't you do this yourself without an adviser telling you what to say?

**Senator Brandis**—Senator Lundy, your bipartisanship on this issue is welcome—

**Senator LUNDY**—Do not condescend.

**Senator Brandis**—and will be of considerable assistance, I am sure.

**CHAIR**—Why do we not just leave it at that point?

**Senator LUNDY**—Can I just say there has been no acknowledgement of—

**Senator RONALDSON**—I have not finished my questions.

**CHAIR**—Senator Ronaldson, if you would like to proceed.

**Senator LUNDY**—the fact that the AFL until a week ago when the NRL—

**CHAIR**—Senator Lundy, Senator Ronaldson has the floor.

**Senator RONALDSON**—I have never—

**Senator LUNDY**—I want to question the minister's statement. I have that right as a member of this committee.

**CHAIR**—Well, I have said that that concluded the matter. It is now Senator Ronaldson who has the floor.

**Senator RONALDSON**—Thank you very much, Chair. I have never been so rudely interrupted and I have never seen, quite frankly—

**CHAIR**—Absolutely.

**Senator RONALDSON**—a performance quite like that.

**CHAIR**—Senator Ronaldson, please proceed.

**Senator RONALDSON**—From 4.09 to 4.20—someone got a phone call or someone got some advice from somewhere.

**Senator LUNDY**—That is just not true at all. There is nothing I have said today that contradicts Labor's position on this.

**Senator RONALDSON**—I will now ask my final question which I—

**Senator LUNDY**—Senator Eggleston, I am not going to sit here and allow these jokers to verbal me or our position on this matter. We all know—

**CHAIR**—Senator Lundy, you have had the afternoon almost entirely to yourself and now Senator Ronaldson has a line of questioning.

**Senator RONALDSON**—Thank you very much.

**Senator LUNDY**—Well, keep to order and stop verballing what my position or my party's position is on this. It is ridiculous.

**Senator Brandis**—Are you withdrawing your bipartisanship, Senator Lundy?

**Senator LUNDY**—Fine, but this is—

**Senator Brandis**—Are you withdrawing your—

**Senator LUNDY**—No, I am not.

**Senator Brandis**—commitment to supporting the government's position? Good.

**Senator LUNDY**—I am saying that this policy is not working, but I want to get on with questions to the Australian Sports Commission—

**CHAIR**—Senator Lundy, Senator Ronaldson has questions.

**Senator RONALDSON**—I have one question.

**Senator LUNDY**—and I am being prevented from doing that.

**Senator RONALDSON**—Excuse me—yes, you are because I have not finished.

**CHAIR**—Senator Lundy, if you let Senator Ronaldson finish his questions we can come back to you.

**Senator RONALDSON**—You would not allow your children to behave the way you are.

**Senator LUNDY**—My children would not be so presumptuous, and do not bring my children into this anyway, you rude man.

**Senator Brandis**—I am waiting for a question from Senator Ronaldson.

**Senator LUNDY**—Well, hang on a sec—

**CHAIR**—Senator Ronaldson has the floor.

**Senator LUNDY**—I am being verballled here, Chair, and I am going to continue to respond if I am treated like this on this committee.

**CHAIR**—Senator Lundy, please desist.

**Senator LUNDY**—I am not going to be bullied by any of you.

**Senator Brandis**—Senator Lundy, I paid you a compliment—

**Senator RONALDSON**—Stop carrying on. I am trying to ask a question.

**Senator Brandis**—by welcoming your bipartisanship. I would hate to see what would happen if I—

**CHAIR**—Please, we have to have some order in this committee now. Senator Ronaldson, ask your question.

**Senator RONALDSON**—Thank you very much, Chair, for protecting me. Senator Brandis, I assume that it is with some pleasure that you will now go to this meeting on Friday being able to tell the AFL that you finally have bipartisan support.

**Senator Brandis**—I said to you before, Senator Ronaldson—and I am disappointed and perplexed by the explosion from Senator Lundy before about being verballed—I understood Senator Lundy to be saying, belatedly, that she supported the government's position, and I understood that to be a statement on behalf of the opposition. She, as shadow minister for sport, I assume is in a position to make those commitments on behalf of the opposition. It is an issue on which the opposition has been silent in the year since Senator Kemp began this debate, but at last we do have this bipartisan position and it will be very helpful, I expect, Senator Ronaldson.

**Senator LUNDY**—That is not true. And I am not going to sit here and allow you or any other senator to commentate on our position because what you are saying is just not true.

**Senator Brandis**—I expect, Senator Ronaldson, that it will be helpful for Mr Pyne and me, when we meet Mr Demetriou—

**Senator LUNDY**—We have said things about this issue before—

**Senator Brandis**—as arranged last week, for me to be able to say to Mr Demetriou that we have—

**Senator LUNDY**—and we have made it clear that this policy has not worked. And we have urged the AFL to do better. But I am not going to sit here and allow the minister and Senator Ronaldson to embark—

**Senator Brandis**—bipartisan support on this issue.

**Senator LUNDY**—on this gratuitous stunt activity to somehow degrade the efforts of sporting organisations—

**Senator Brandis**—Would you like me to repeat that? Were you able to hear what I was saying, Senator Ronaldson?

**Senator LUNDY**—in their fight against drugs.

**Senator RONALDSON**—I am finding it very difficult to hear you, Minister.

**CHAIR**—Perhaps can you just repeat it.

**Senator LUNDY**—I am not going to allow you to—

**Senator RONALDSON**—Just finish that last bit again, I am sorry.

**Senator LUNDY**—say these statements unchallenged implying that we have not made comment about this previously.

**Senator Brandis**—It will be helpful, I expect, in trying to dislodge the AFL from the stubborn position it has hitherto taken, for Mr Pyne and me to be able to assure Mr Demetriou



that, as a result of a statement recorded in the *Hansard* this afternoon—admittedly after challenges from you, Senator Ronaldson, that elicited it—that we at last have bipartisanship on the issue of the AFL's inadequate three-strikes policy.

**Senator LUNDY**—We do not need you to commentate on our position.

**Senator RONALDSON**—Thank you very much, Minister.

**Senator LUNDY**—The AFL know exactly how we feel about their policy—

**CHAIR**—Senator Birmingham also has a question.

**Senator LUNDY**—and our view that it has not been working.

**Senator BIRMINGHAM**—Thank you, Chair.

**CHAIR**—Senator Lundy.

**Senator BIRMINGHAM**—Perhaps to take a break from doping issues which have dominated all afternoon—

**Senator Brandis**—Senator Birmingham has asked one question all day to—

**Senator LUNDY**—Chair, my rights—

**Senator BIRMINGHAM**—My question is to Mr Espeland, I believe.

**Senator Brandis**—What about Senator Birmingham's rights? He has asked one question all day.

**Senator LUNDY**—Chair—

**Senator BIRMINGHAM**—Mr Espeland, I understand—

**Senator Brandis**—He is a member of the committee.

**CHAIR**—Order. It is time to ask questions.

**Senator BIRMINGHAM**—I am happy to be one of three if we are all going to speak.

**CHAIR**—You have been here since 2 o'clock, Senator Lundy.

**Senator BIRMINGHAM**—I am happy to keep going as one of two if Senator Lundy will not be quiet—that is fine. My question is to Mr Espeland, I believe. The ASC I believe operates and funds the Active After-School Communities program. Is that correct?

**Mr Espeland**—That is correct.

**Senator LUNDY**—I would like to ask the chair why I have been gagged.

**Senator BIRMINGHAM**—It is correct that funding for that program has been increased and extended this year?

**Mr Espeland**—On the budget night the Treasurer announced a \$124.4 million extension to our program. Under previous funding the program was to wind up at the end of this calendar year, on 31 December. This funding will now allow the program to extend until the end of the 2010 calendar year, and it has been very welcomed by all the stakeholders involved.

**Senator BIRMINGHAM**—Excellent. Is there any data on how many additional schools or students this program may benefit in terms of providing after-school support and activities to promote a healthier lifestyle?

**Mr Espeland**—Our research—

**Senator LUNDY**—This is a joke. Why are you allowing government senators to ask questions when it is clearly our call and we have the right to ask questions?

**CHAIR**—Senator Lundy, Senator Birmingham has the floor, which he is quite entitled to. So if you do not mind, Senator Lundy, let Senator Birmingham finish his questions.

**Mr Espeland**—At the end of this term 2 the number of sites that will be covered will be approximately 2,900 to 3,000. As we go into term 3 and into the years 2008 to 2010, then we will have an aim of reaching 3,250 sites. That is in school settings or what we call ‘oshers’, which is the out of school hours centres.

**Senator BIRMINGHAM**—Does the program work in tandem with any state government programs or funds at all?

**Mr Espeland**—No. It was the clear policy position of the government that this would be an Australian government initiative, that basically primes opportunities for children who would otherwise not have opportunities for physical activity to become involved in this program.

**Senator BIRMINGHAM**—Ideally it is complementary to the types of programs that you would expect state education departments and others to run?

**Mr Espeland**—Yes. There are number of other participation type things. What we have found is in fact that initially we had difficulties, in terms of operating in the after-school environment, working with the state education departments. And certainly they now have come to, I think, really support the value of the program and what it means in terms of the schools and the local communities.

**Senator Brandis**—Further to that answer, Senator Birmingham, can I also inform you that there has been a process of monitoring and data collection to determine the efficacy of this program at the end of each term. That data is collected from surveys conducted with children, deliverers and staff and families participating in the program. I can inform you that the feedback has been overwhelmingly positive. The first stage of research into the analysis of that data has been completed. It concluded that the program is achieving its objectives of targeting inactive children; improving motor skills development; providing fun, safe and inclusive activities; and growing community capacity to deliver sport and physical activity. The research has also shown that all stakeholders believe that this would not be possible without the regional coordinators, who are an integral element of the program. Senator Birmingham, as recently as about six weeks ago I was in your city and I visited an Active After-school Communities program with Dr Southcott, the member for Boothby, and we were both very impressed by the quality of the services being delivered by the regional coordinators at that particular locality.

**Senator BIRMINGHAM**—Are you or the ASC aware of the Be Active program run in South Australia by the South Australian state government up until last year, providing some \$4 million a year in funding to support in-school activities but which was cut by the South Australian Labor government last year. It was removing those funds and I assume placing greater demand on the services that the Commonwealth is offering.

**Mr Espeland**—Yes, I am aware of that. I would like to take that question on notice. There have been some adjustments in South Australia to some of their programs, so I would like to provide a fuller answer on notice if I could.

**Senator Brandis**—Dr Southcott did raise that matter with me. Of course, one of the reasons why the government has expanded this program is to ensure that children do not miss out as a result of the cutbacks in complementary programs by Labor state governments. If my memory serves me correctly, the government's outlay on the program will increase over the next four years by about \$90 million to \$124.4 million, as you will see from page 98 of Budget Paper No. 2.

**Senator BIRMINGHAM**—I assume you will be taking that type of cost-shifting on to the Commonwealth up at relevant ministerial councils with your state Labor colleagues? It may fall on deaf ears.

**Senator Brandis**—We are really interested in the children, and we will try to arrive at whatever commonalities of view on policy are necessary to deliver the best outcomes.

**Senator LUNDY**—I have been waiting; we have 10 minutes left for questions with respect to Active After-School Communities.

**CHAIR**—Senator Lundy, you have had many hours.

**Senator LUNDY**—What happened to the budget submission to cabinet that asked for double the money for the program?

**Senator Brandis**—For reasons that you will well understand, I am not at liberty to discuss budget processes, but I can tell you that there was no proposal at any stage of the process of the kind you describe.

**Senator LUNDY**—That means that Senator Kemp implied otherwise. I certainly interpreted that from previous exchanges over the Senate estimates table, I have to say, at which Senator Kemp seemed mightily forthcoming about his efforts to try to secure double the funding based on the demand as you have already reinforced. It looks like you let the side down.

**Senator Brandis**—There was a very significant increase in the funding, from about \$90 million to \$124 million, over the next four years. I am not able in my head to compute that in percentage terms, but it would be more than a 30 per cent increase.

**Senator LUNDY**—What proportion of the existing funding for that program has been spent on salaries for coordinators and other things?

**Mr Espeland**—We have provided this information to you before, and we can certainly update it for you in terms of those budget figures. You have obviously taken—and reasonably so—close scrutiny in terms of our—

**Senator LUNDY**—It was about 60 per cent, from memory, was it not?

**Mr Espeland**—They are not administration costs. They are delivery costs.

**Senator LUNDY**—They are salary costs.

**Mr Espeland**—They are delivery costs. As you heard the minister say before, basically the key element is the role of the regional coordinators to basically bring the families, the communities, the clubs and the other deliverers together.

**Senator LUNDY**—What proportion of the new funding will be on salaries?

**Mr Espeland**—We still have to work through the budget. We can provide that information on notice.

**Senator LUNDY**—Will that additional 30 per cent or so that the minister identified go towards additional coordinators?

**Mr Espeland**—No, it will not.

**Senator LUNDY**—What will it go towards?

**Mr Espeland**—In essence it will make sure that we can continue to service the demand that is out there.

**Senator LUNDY**—You just said the people were the program. If you are going to service the demand surely that would mean putting more money into the people? You cannot have it both ways.

**Mr Espeland**—The increased appropriation really reflects the fact that over the first four years of the program—or three calendar years—it has been a staged rollout to get to the target. In its mature stage, as we reach the end of this year, the cost of running the program needs to be reflected basically in the four-year appropriation going forward. In essence, we have ramped it up and we got to the top of the tree. We have to stay at the top of the tree going forward, but it takes more money; because it costs less money basically to roll out the program in the initial stage.

**Senator LUNDY**—Most programs cost more money to roll out.

**Senator Brandis**—Before you go on to your next question, I would like to correct an answer that I gave to you a moment ago. I estimated that the increase in the funding was about 30 per cent. In fact, I am told the increase is about 38.2 per cent.

**Senator LUNDY**—I thought it was 30-something. Thank you.

**Mr Espeland**—The answer to your question is that this will not be used to increase the number of staff. It will be used to basically reach those 3,250 sites and about 140,000 schoolchildren.

**Senator LUNDY**—What will you spend it on?

**Mr Espeland**—And also to add an increased number in terms of those people who have completed the community coaching course, which currently stands at about 16,000. This is in fact a tremendous boost to capacity at the community level in terms of people being involved from a coaching point of view or in other forms of getting involved with clubs.

**Senator LUNDY**—Are you still paying those people \$15 an hour to deliver the service for you?

**Mr Espeland**—The grants go the schools, or to the OSHCS. They work with the assistance of the regional coordinators basically to put together a program which has to fulfil our quality

criteria and includes things such as providing a nutritious afternoon tea. It also goes towards employing the deliverers.

**Senator LUNDY**—Most Afters already provide a nutritional afternoon tea. I am just trying to get to the bottom of how this additional money is being spent. Are you telling me that it will be spent on delivering training to people other than your regional coordinators to deliver these programs?

**Mr Espeland**—The money has always been provided in the form of grants to the schools, or to the OSHCS.

**Senator LUNDY**—In addition to the money that you pay for the salaries of the coordinators?

**Mr Espeland**—That is right, yes. The two major items for the budget are the regional coordinators; that is true. But as I said, they are really the hub of delivery.

**Senator Brandis**—It is a labour intense program.

**Mr Espeland**—It is really a matter of bringing the communities together with the deliverers.

**Senator LUNDY**—Can you tell me how many of the salaried staff paid through this program actually deliver programs on the ground that do that work in the afternoons?

**Mr Espeland**—Most of the coordinators, depending on their locality whether they are metropolitan or rural, would have somewhere between 15 and 25 schools or sites that they work, and they will be out every afternoon at one of those sites helping with the delivery and making sure the quality of the program is there. But it is not their role per se to deliver the program. It is to enable the delivery to occur. Clearly, the universal feedback from all stakeholders has been that the crucial part of—

**Senator LUNDY**—I appreciate that. You have said that. We have only got five minutes left, and I wish to ask a couple of specific questions about the costings. Can you tell me what proportion of the current funding and the new funding will be spent on paying people who actually deliver these programs?

**Mr Espeland**—I can certainly provide that. We are still obviously formulating the budget in the wake of the announcement in the budget.

**Senator LUNDY**—What hourly rate have you set for paying those people to deliver the programs?

**Mr Espeland**—Again, we are having to work that out.

**Senator LUNDY**—Is it going to be \$15 or \$10? It is pocket money really.

**Mr Espeland**—In the end, as I said, what is paid to the deliverers is a matter really for the schools to put together. They are awarded a grant. They put together a plan based on what they feel they can manage in terms of paying sufficient to attract the deliverers. There is a strong element of volunteerism in terms of the deliverers. It is by no means commercial rates, but there is some remuneration in the form of a stipend, so to speak. It is also the case that many commercial providers, such as Blue Earth, are involved in delivering the program, but they do so on a fee schedule that is much less than what they would normally charge.

**Senator Brandis**—I think it is a very important point to be made, that there is, as Mr Espeland has said—

**Senator LUNDY**—That the whole program is built on the back of volunteers—I agree.

**Senator Brandis**—I think that is a rather ungenerous characterisation. One of the great things about this program is the extent to which it engages and facilitates the generosity of volunteers.

**Senator LUNDY**—To what extent are you now, given your budget statements and all sorts of things, actually acknowledging there is a role for the community sports clubs to play, given you have got people with expertise in the community who are so far being completely underutilised?

**Mr Espeland**—I think the issue of capacity probably is a very crucial one for Australian sport going forward.

**Senator LUNDY**—So how much will those resources be utilised in delivering this program?

**Mr Espeland**—As I mentioned already, there are 16,000—and that number will continue to grow—who have been involved with training under the Community Coach Training Program. That capacity has largely gone back into sports at the grassroots level.

**Senator Brandis**—Might I add to Mr Espeland's answer, Senator Lundy. You will be delighted to hear, I am sure, in view of your last question, that the evaluation of the program I referred to before also finds that in 2006—I assume this is calendar 2006—some 60 per cent of participating children were members of a local sporting organisation or club as compared with 36 per cent in calendar 2005. So from one year to the next the penetration into local sporting organisations or clubs has almost doubled.

**Senator LUNDY**—You have not been in the portfolio long enough to understand the manipulation of some of the statistics.

**Senator Brandis**—These are the findings of the evaluation.

**Senator LUNDY**—Yes, I am sure they are.

**Senator Brandis**—I am sure you would be delighted to learn how successfully the objective you mention has been fulfilled by this program.

**Senator LUNDY**—Unfortunately for you you have not been briefed on how they were constructed, so I suggest you do that before you wade in. I have one final question. Given a board member of the Australian Sports Commission, Kieran Perkins, is also a Healthy Active Ambassador, how much does he get paid—and was he excluded from board meetings that considered the Active After-School Communities program, given he has a role in being an active ambassador?

**Mr Espeland**—There is a subcommittee of the Australian Sports Commission that deals with the Active After-School Communities program. They have certainly been very sensitive to that issue and they have—

**Senator LUNDY**—How much does he get paid?

**Mr Espeland**—I would need, again, to take that on notice.

**Senator LUNDY**—Come on, you must have a bit of an idea, because you would be paying him?

**Mr Espeland**—I do, but it would be appropriate for me to—

**Senator LUNDY**—The Sports Commission would be paying him.

**Mr Espeland**—Certainly, there was an agreement with him. I can go back and look at the details, but it would be, I think, inappropriate for me to take a guess and to get it wrong, I think.

**Senator Brandis**—Senator Lundy, I am sure you may be quite certain that Mr Perkins, as a respected and ethical Australian of standing in the community, would have been punctilious in observing any fiduciary obligations he might have had in excusing himself from any circumstances that might otherwise have generated the possibility of a conflict of interest.

**Senator LUNDY**—One would presume so, which is why I am giving the Sports Commission this opportunity to explain that on the public record for fear that the perception might exist out there that there was a conflict of interest.

**Senator Brandis**—I do not think the perception would exist in anyone's mind other than perhaps yours.

**Senator LUNDY**—It certainly was brought to my attention, Minister, so I would be careful about those kinds of statements, too.

**CHAIR**—Senator Lundy, we have reached 6 pm.

**Senator LUNDY**—Really? Why am I not surprised? I do not suppose there is any chance of continuing after dinner?

**CHAIR**—There is absolutely none, Senator Lundy, I assure you. We are moving on to the environment after dinner.

**Senator LUNDY**—I thought that might be the case.

**CHAIR**—But if you would like to put any remaining questions you have on notice—

**Senator LUNDY**—I intend to.

**CHAIR**—I am sure the departmental officials will answer them within the time parameters.

**Senator Brandis**—All questions on notice will be answered fully and in a timely manner.

**Senator LUNDY**—I do acknowledge the new minister's efforts with more timely responses—and I do so in the presence of the former minister, who was not nearly so careful in such matters.

**CHAIR**—I thank the Arts and Sports portfolio officers for appearing. After dinner we will be dealing with the environment. But, of course, we will see you back here on Wednesday, Ms Scott, for communications.

**Proceedings suspended from 6.01 pm to 7.05 pm**

**ENVIRONMENT AND WATER RESOURCES PORTFOLIO****In Attendance**

Senator Abetz, Minister for Fisheries, Forestry and Conservation

**Department of the Environment and Water Resources****Executive**

Mr David Borthwick PSM, Secretary

Ms Anthea Tinney, Deputy Secretary

Mr Gerard Early, Acting Deputy Secretary

Mr Howard Bamsey, Deputy Secretary

Dr James Horne, Acting Deputy Secretary

**Approvals and Wildlife Division**

Ms Alex Rankin, Acting First Assistant Secretary

Ms Vicki Middleton, Assistant Secretary, Environment Assessment Branch

Ms Tania Rishniw, Acting Assistant Secretary, Environment Assessment Branch

Ms Kerry Smith, Assistant Secretary, Wildlife Branch

Mr Mark Flanigan, Assistant Secretary, Policy and Compliance Branch

**Australian Antarctic Division**

Mr Tony Press, Director

Mr Rod Allen, General Manager, Corporate

Ms Virginia Mudie, Deputy Director, Policy Coordination

**Bureau of Meteorology**

Mr Gary Foley, Acting Director of Meteorology

Dr Louise Minty, Special Advisory, Water Information

**Corporate Strategies Division**

Mr David Anderson, First Assistant Secretary

Mr Darren Schaeffer, Chief Finance Officer

**Environment Quality Division**

Dr Barry Reville, Acting First Assistant Secretary

**Great Barrier Reef Marine Park Authority**

The Hon Virginia Chadwick AO, Chairman

Mr John Barrett, Acting, Executive Director

Mr Andrew Skeat, Executive Director

Mr Peter Cronin, Acting Director, Corporate Services

**Heritage Division**

Mr Peter Burnett, First Assistant Secretary

Mr Terry Bailey, Assistant Secretary, Heritage Assessment Branch

Mr Theo Hooy, Assistant Secretary, Heritage Management Branch

Mr Greg Terrill, Assistant Secretary, Heritage Strategy Branch

**Industry, Communities and Energy Division**

Mr Gerry Morvell, First Assistant Secretary

Mr Tas Sakellaris, Assistant Secretary, Energy Futures Branch

Mr Denis Smedley, Director, Renewable Energy Development Section



Mr Warren Hughes, Director, Finance, Divisional Support Unit

**International Land and Analysis Division**

Mr Ian Carruthers, First Assistant Secretary

Mr James Shevlin, Assistant Secretary, International Climate Change Branch

Ms Shayleen Thomspson, Assistant Secretary, Strategies and Analysis Branch

**Water Assets and Natural Resources Division**

Mr Tony Slatyer, First Assistant Secretary

**Water Resources Division**

Mr Malcolm Forbes, Acting First Assistant Secretary

**Marine and Biodiversity Division**

Mr Stephen Oxley, Assistant Secretary, Marine Conservation Branch

Dr Charlie Zammit, Assistant Secretary, Natural Resource Management Policy Branch

**National Water Commission**

Mr Ken Matthews, Chief Executive

Mr Malcolm Thomspson, Deputy Chief Officer

Mr Steve Costello, General Manager, Water Programmes Group

Ms Kerry Olsson, General Manager, Water Reform Group

Mr Matt Kendall, Project Director, Water Science Group

**Natural Resource Management Programmes Division**

Ms Kelly Pearce, Acting First Assistant Secretary

Mr Hilton Taylor, Assistant Secretary, Australian Government Natural Resource Management Team

**Office of the Renewable Energy Regulator**

Mr Christopher Branson, Acting Renewable Energy Regulator

Mr Amar Jot Singh, Acting Office Manager

**Parks Australia Division**

Mr Peter Cochrane, Director of National Parks

**Policy Coordination Division**

Mr Mark Tucker, First Assistant Secretary

Mr Luka Grey, Budget Manager, Policy Development Branch

**Supervising Scientist Division**

Mr Alan Hughes, Supervising Scientist

Mr Richard McAllister, Assistant Secretary, Office of the Supervising Scientist

**Sydney Harbour Federation Trust**

Mr Geoff Bailey, Executive Director

**CHAIR**—I note that under standing order 26 the committee must take all evidence in public session. This includes answers to questions on notice. The committee has fixed Tuesday, 31 July as the date for the return of answers to questions taken 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 and 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 or of a state shall not be asked to give opinions on matters of policy and shall be given a reasonable opportunity to refer questions asked of the officer to superior officers or to a minister. If a witness objects to answering a question, the witness should state the ground upon which the objection is taken and the committee will determine whether it will insist on an answer, having regard to the ground on which it is claimed. Any claim that would be contrary to the public interest to answer a question must be made by the minister and should be accompanied by a statement setting out the basis for the claim. Minister, would you like to make any opening comments at this point?

**Senator Abetz**—One is sorely tempted, but no.

#### **Australian Antarctic Division**

**Senator McLUCAS**—I will start with properties from the Antarctic Division. What properties does the Antarctic Division own?

**Mr Allen**—The Antarctic Division does not own the property in Kingston. It is leased. It owns property of plant and equipment in Australia and in Antarctica.

**Senator Abetz**—Are you talking real estate?

**Senator McLUCAS**—Real estate.

**Mr Allen**—The only property the Antarctic Division owns is the stations in Antarctica but not the property.

**Senator McLUCAS**—I understand that. You do not own any property in Tasmania?

**Mr Allen**—No.

**Senator McLUCAS**—Have you previously owned property in Tasmania?

**Mr Allen**—The Commonwealth previously owned property but the Antarctic Division did not.

**Senator McLUCAS**—When was that?

**Mr Allen**—I am not quite sure of the exact date that the property was sold but it was probably in the order of about eight years ago.

**Senator McLUCAS**—Where was that property?

**Mr Allen**—That was the Kingston property and also there was a set of flats in Sandy Bay.

**Senator McLUCAS**—What were they for? I know we are going back over time.

**Mr Allen**—They were expedition accommodation.

**Senator McLUCAS**—What address were they?

**Mr Allen**—They were in Lower Sandy Bay. I am not quite sure of the exact address.

**Senator McLUCAS**—Could you possibly provide that to us?

**Mr Allen**—Yes, certainly.

**Senator McLUCAS**—We will now go to what role the Antarctic Division has in the development of Australia's policy on whales.

**Mr Press**—The Australian Antarctic Division is not responsible for the development of whales policy but we do provide scientific research and support to the Whaling Commissioner and participate in the IWC Scientific Committee.

**Senator McLUCAS**—What section of the department is responsible? Mr Borthwick, you may be able to help us there.

**Mr Borthwick**—It is the Marine and Biodiversity Division.

**Senator McLUCAS**—With respect to scientific research and support, can you give the committee an understanding of the nature of the work that you do in the division to do with whales policy?

**Mr Press**—With regard to whales science, we have a number of research programs conducted in Antarctica and elsewhere to do with the ecology of whales and the counting of whales. In fact, we have some research at the moment that is listening to whale acoustics and trying to understand how you might use that methodology to determine whale abundance. We coordinate through the Australian Centre for Applied Marine Mammal Science work around Australia on whales, including observation of their numbers and their behaviour. We have done some very innovative work in recent years looking at the diet of whales by following them and scooping their scats out of the water to see what they have been eating. We have also done some non-lethal research via biopsy for whales and we have done some whale tagging to monitor the movement of whales.

**Senator McLUCAS**—Is it possible to give the committee an understanding of the budget allocation within your division that is spent on whaling?

**Mr Press**—There are no dollars spent on whaling.

**Senator McLUCAS**—Thank you. I am very pleased to know that—on whale policy?

**Mr Press**—I will have to take that on notice. That is not an easy question to answer without doing some hypothecating, but I can provide that to the committee.

**Senator McLUCAS**—There is no line in the way you do your accounting where you could say that is money that is being spent on the development of whale policy?

**Mr Press**—There is no line that says that that is money that is being spent on the development of whale policy. We do have budgets down to sections but, on a fully accrued basis, if you take into account, say, the amount of ship time, ocean support and various other things like that, that line item is not very meaningful. But I can provide the committee with a comprehensive estimate.

**Senator McLUCAS**—I might come back to you on that. I do not want you to do things for the purpose of answering a question when it is not answering the question that I actually want to ask. I will put that on notice if that is the best way to do it. Can you tell the committee how many whales have been slaughtered in Australian waters in this current year?

**Mr Press**—That question would be best asked of the Marine and Biodiversity Division. The most accurate answer would come from there.

**Senator McLUCAS**—I will ask those questions to the department as well. I am moving off whales on to climate change. What research do you do, as the Antarctic Division, on aspects of climate change?

**Mr Press**—We have a broad scientific research agenda, which is directly and indirectly related to climate change. One of the government goals for the Australian Antarctic Division is understanding the role of Antarctica in the global climate system. We do that principally but not solely in partnership with CSIRO, the University of Tasmania, the Bureau of Meteorology and other agencies in the Antarctic Climate and Ecosystems Cooperative Research Centre at the University of Tasmania. We have all of our glaciology people there, we have many of the people in our Antarctic ecosystems program at the CRC and we also have some additional research being done through our atmospheric research program looking at the temperature of the very high atmosphere and measuring climate change by proxy there.

**Senator McLUCAS**—This is the same sort of question that I asked you about whales. Is it possible to identify a portion of funds out of your whole budget that is spent on climate change?

**Mr Press**—Yes, it is, taking into account that we can do our direct contribution to the cooperative research centre, both in kind and in support, and our own supported research. It comes to around \$42 million.

**Senator McLUCAS**—Annually?

**Mr Press**—Annually.

**Senator McLUCAS**—Is that projected to change in the out years?

**Mr Press**—It will remain fairly stable although with the recent changes to the budget we will probably have more support for that through marine science.

**Senator McLUCAS**—Through marine science?

**Mr Press**—We got supplementation in the out years for our fuel costs, which means we will be able to conduct the marine science that we intended to do, so it will be stable or a bit above what it is.

**Senator McLUCAS**—Does the division have a view as to whether the recent Intergovernmental Panel on Climate Change report understated or overstated the likely impacts of climate change?

**Mr Press**—We do not have a particular view on that although much of the research work that went into that has either directly or indirectly been looked at by our scientists, and some of our scientists were involved in providing expertise and were involved in writing parts of the IPCC report. It is fair to say that Australian scientists and scientists involved in research in Antarctica made a significant contribution to that report one way or another.

**Senator McLUCAS**—Was the division involved in any way in research which was published in the journal *Science* in May of this year, which shows the Southern Ocean's ability to absorb carbon dioxide has weakened by about 15 per cent per decade since 1981?

**Mr Press**—I am aware of that publication. I am not sure whether any of our scientists were directly involved in that but we have just conducted a significant marine science voyage this summer south of Tasmania to the ice edge in which we were looking at, amongst other things, the changes to the ocean at various depths and directly looking at the impacts of what is commonly known as ocean acidification on the phytoplankton in particular in that part of the Southern Ocean. That research will take some time to be published but the scientists involved were very pleased with the amount of data that they got and there will be some significant publications coming out of that. I think it will be a major contribution to the global understanding of ocean acidification.

**Senator McLUCAS**—When you say it will take some time, you are at the data collection point, so it will take some time.

**Mr Press**—Some of those papers are in preparation now but you can never hurry scientists on these things. They are very cautious people.

**Senator McLUCAS**—I understand that. Are we talking about a year or 10 years?

**Mr Press**—Some of those publications will be out, I would say, in a year to two years—not all of them but some.

**Senator McLUCAS**—With regard to the article that was in *Science*, what are the implications of that research?

**Mr Press**—There is a fair bit of speculation at the moment about what will be the effects of ocean acidification if it continues but there are broadly two major areas of potential impact. One is the ability of animals and plants in the water to form themselves properly. We know that as the ocean becomes less alkaline, some of those organisms cannot create the shells that they make with the calcium in the water because it is not available to them and they become deformed. The speculation around that is that there may be a whole suite of organisms that will either shift their range or just not be available in the food chain anymore. So that is one area of scientific interest at the moment. The other area of interest is physically how much carbon can actually be taken up by the ocean, and that is still a matter of active research. We do know that the high latitudes—the ocean closest to Antarctica—is showing the effects of ocean acidification more rapidly than many other parts of the world and that is a combination of the oceanography and the regional climate in that area.

**Senator McLUCAS**—Does it have any implication for sea level rise?

**Mr Press**—I do not think so. It is to do with the pH of the water and the ability of organisms to live in it.

**Senator McLUCAS**—That is all I have on the Antarctic Division.

**Senator BOB BROWN**—Just following on from that discussion, you were talking about the effect of acidification on phytoplankton and how a whole suite of organisms may lose their range or not be available. That presumably will have an impact on whales.

**Mr Press**—I would postulate, but it is mere speculation at this stage; there are a lot of scientists turning their mind to this. If you just go back a few years, this was thought to be theoretically possible in the late 1990s. It is now seen to be practically possible and real, so we are looking at something that is very new and something that has not been studied for very

long. The scientists that are doing this have only been doing it for the last couple of years, which in the realms of science is a very short time. If those organisms disappear from the food chain, there is speculation about whether that will affect krill. If it does affect krill, will that go on to affect the things that feed on krill, such as penguins and whales?

**Senator BOB BROWN**—One would expect that that would be proportionate. If not, how do you work out the impact?

**Mr Press**—At this stage I do not think there are any models that have tried to model what the impact might be. What you find in some ecosystems when there are forced changes is that they flip into a state that is very different from what they started out to be, and so sometimes these impacts are not proportional or linear. They might be dramatic, or prey species switch and find other things to feed on. But at the moment I cannot see and I have not seen any models to suggest what specifically that outcome might be.

**Senator BOB BROWN**—What other species would the prey species feed on?

**Mr Press**—That depends on what takes their place in the water—whether things move south or come from different parts of the ocean.

**Senator BOB BROWN**—Let us look at whales feeding on the krill, which feeds on the phytoplankton. What substitute could you see, for the krill that they feed on, taking their place and providing an alternative feeding source?

**Mr Press**—The only substitute I would see would be salps, if salps moved further south.

**Senator BOB BROWN**—In the same volume?

**Mr Press**—Yes, but there may be others that I am not aware of.

**Senator BOB BROWN**—This is an important question and I recognise that we are looking at new science here, but what confidence would you have that that would happen?

**Mr Press**—I would not be confident to make any prediction about that. This is something that scientists who have a direct interest in the ecosystems of the Southern Ocean will be spending a fair bit of time on over the next few years.

**Senator BOB BROWN**—You would agree that it is hazardous to speculate that when the food source goes for major predators some other food source will be available in equal abundance to replenish the predator at the top of that food tree.

**Mr Press**—It would be hazardous to speculate.

**Senator BOB BROWN**—It would be hazardous to depend upon that speculation, wouldn't it?

**Mr Press**—I would not depend on it.

**Senator BOB BROWN**—What would you depend on?

**Mr Press**—The advice of my scientists when they had a handle on what was happening down there.

**Senator BOB BROWN**—You would expect they will be able to answer that question?

**Mr Press**—There is a fair bit of work going on in this area, and I think that some time in the next three to 10 years there will be a pretty good model for how that change might occur.

**Senator BOB BROWN**—What about the krill replenishment under the ice that is melting in the Antarctic? What is the current scientific assessment of what is going on there?

**Mr Press**—With the ice or with the krill?

**Senator BOB BROWN**—Both.

**Mr Press**—With the ice there are some parts of Antarctica, particularly around the Antarctic Peninsula, where ocean temperatures have risen by a number of degrees—one to three degrees along the Peninsula area—and a number of the floating ice shelves have collapsed. One of those, the Larsen B ice shelf, covered about 3,500 square kilometres approximately. It collapsed about 10,000 years ago, but this collapse was pretty rapid and as a consequence there is now some speculation that the glaciers that are held back by this floating ice may be accelerating and carving more regularly.

**Senator BOB BROWN**—Is that speculation or is that actually turning up in observations by scientists in the Antarctic?

**Mr Press**—When I say ‘some speculation’ I mean generally around Antarctica. Yes, there are some direct observations of glaciers increasing there.

**Senator BOB BROWN**—What are they showing?

**Mr Press**—Just that the flow rates have increased.

**Senator BOB BROWN**—By how much?

**Mr Press**—I cannot tell you that off the top of my head.

**Senator BOB BROWN**—Could you find that information for us, please?

**Mr Press**—Of course. To balance that there are other parts of Antarctica where this is not happening and there is a general view among glaciologists that measurements from all around the continent will help answer that question. It is the whole question of mass balance and how much ice there is in Antarctica on the continent.

**Senator BOB BROWN**—When you say ‘to balance that’, that is implying that there is an accretion of ice balancing the loss of ice. Has that been showing up in scientific experimentation?

**Mr Press**—It is patchy. There is some evidence that the interior of Antarctica has had increased precipitation but we do not have enough measurements across all of Antarctica to make a general answer to that question.

**Senator BOB BROWN**—Is there some evidence that there has also been loss?

**Mr Press**—Yes. As I said, around the Peninsula there has been loss.

**Senator BOB BROWN**—But not on the interior?

**Mr Press**—I think I am correct in saying that I do not think there is any evidence of decreased precipitation in the interior, but I may be wrong.

**Senator BOB BROWN**—But loss of ice.

**Mr Press**—The ice has to flow into the ocean to be lost. It is not sort of melting.

**Senator BOB BROWN**—Yes. So we have got an accelerating loss of ice in at least parts of Antarctica—

**Mr Press**—In some parts.

**Senator BOB BROWN**—which will lead to a loss of ice in the interior, won't it?

**Mr Press**—It will eventually, yes.

**Senator BOB BROWN**—Can you tell the committee about the reports in the last couple of days about a very large area of loss of snow in Antarctica?

**Mr Press**—I am unaware of that report, I am sorry.

**Senator BOB BROWN**—Could you find that report of the last 48 hours? I will get it for you if you have trouble. It is in national and international press. It is about loss of snow leading to a very worrying concern therefore about loss of reflectivity in Antarctica and accretion of heat. This is showing up in recent scientific data.

**Mr Press**—I shall.

**Senator BOB BROWN**—Thank you. I just wanted to ask a couple of questions about Macquarie Island. When did your division first approach the federal government or supply information to the minister about damage to Macquarie Island from feral species—the rabbit? I will come down to the species causing the havoc at the moment—rabbits and rats.

**Mr Press**—The first formal approach to the minister may have been from the Tasmanian government.

**Senator BOB BROWN**—When do you think that was?

**Mr Press**—It would not have come through us so you may have to ask the Heritage Division that.

**Senator BOB BROWN**—All right. Was there no informal information coming from you to the federal government?

**Mr Press**—A number of our scientists worked down there so it was reasonably common knowledge that the rat population is increasing, and this has been discussed by the Tasmanian government in its MIRAG committee, the Macquarie Island Research Advisory Group, whose responsibility it is for signing off on research projects at Macquarie Island.

**Senator BOB BROWN**—When was that?

**Mr Press**—Because I am not a participant in MIRAG I cannot tell you, but I can take that on notice.

**Senator BOB BROWN**—My understanding is that the Tasmanian government had information about quite devastating environmental impacts from the population explosion of rabbits two years ago. Would that be when scientists had that information?

**Mr Press**—I cannot really speak on behalf of the Tasmanian government.

**Senator BOB BROWN**—I am asking about your scientists.

**Mr Press**—I would imagine that it was the Tasmanian government scientists that passed that information on to the Tasmanian government, because we support a number of Tasmanian



government positions down there—researchers, and Parks and Wildlife officers, as well as officers from the Department of Primary Industries and Water. I presume that the information that the Tasmanian government got directly was from them.

**Senator BOB BROWN**—If you would not mind, I will get you to take this question on notice, because I do not expect to you to know straight off. When did the division first become aware of increasing environmental damage from the growth in the population of rabbits consequent on the loss of cats? Can you let the committee know when that information was first passed to the minister's office or when your contact to or from the minister's office about that issue began, and also the Tasmanian government? Can you tell the committee what the situation is on Macquarie Island at the moment as an outcome of the rabbit plague that is there?

**Mr Press**—That question would be best answered by somebody from the Heritage Division. They went down there this year.

**Senator BOB BROWN**—Your division is not aware of it?

**Mr Press**—Of course I am aware of it. I have seen the pictures, talked to people about it and in fact supported the scientists to go down there, so I am aware of it, but to get a comprehensive picture of where that is it is probably best answered by the Heritage Division rather than by me.

**Senator BOB BROWN**—Have you approached or spoken with the minister or his predecessors about this matter?

**Mr Press**—I think I am correct in saying that I have not spoken with the minister about this matter and I do not recall having spoken to Minister Campbell about the matter.

**Senator BOB BROWN**—Didn't you think it was serious enough to approach the minister about it?

**Mr Press**—The matter was being handled elsewhere in the department.

**Senator BOB BROWN**—Yes, but you in your position obviously can add to the gravity of the situation by making sure the minister is fully aware of it and that you have added your authority to the concern.

**Mr Press**—I usually do not take it upon myself to speak on behalf of somebody else that has responsibility for a policy matter.

**Senator BOB BROWN**—Do you mean somebody else in your department?

**Mr Press**—Yes.

**Senator BOB BROWN**—Did you ensure that somebody in your department made sure that the minister knew exactly what was happening?

**Mr Press**—I think I am right in saying that the Heritage Division acted appropriately, but you should ask them that.

**Senator BOB BROWN**—I am asking you: why did you not approach the minister directly?

**Mr Press**—It is not my responsibility to approach the minister directly. That was somebody else's responsibility, and my assessment is that they were doing this appropriately.

**Senator BOB BROWN**—That the minister was informed appropriately? That is what I am asking you about.

**Mr Press**—I cannot answer that question, I am afraid.

**Senator BOB BROWN**—Ought not you have known and made sure that the minister was informed as early as possible about this damage to the World Heritage Macquarie Island?

**Mr Press**—I think I have answered that question.

**Senator BOB BROWN**—You answered it by saying you did not make that approach. Let us be clear about it: you did not think it was important enough.

**Mr Press**—I did not say that at all.

**Senator Abetz**—That is not what he has been saying at all. It is the Heritage Division that is responsible for Macquarie Island.

**Senator BOB BROWN**—Yes, I am aware of that.

**Senator Abetz**—So the normal chain of command would be that the Heritage section would make representations to the minister, not the Antarctic Division?

**Senator BOB BROWN**—Let me put it this way: are you aware of a very great concern within the Antarctic Division about the damage on Macquarie Island?

**Mr Press**—I am aware that we have scientists and others in the Antarctic Division that are aware of what is happening on Macquarie Island and, yes, they have some concerns.

**Senator BOB BROWN**—Does it concern you that action was not taken over the last 12 months to reduce the impact on Macquarie Island of the rabbits?

**Mr Press**—It is not really my place to answer that question. It is a matter for the Heritage Division to answer that question.

**Senator BOB BROWN**—Your concerns are a matter for the Heritage Division?

**Mr Press**—No, how the department acted and otherwise.

**Mr Borthwick**—Macquarie Island is a World Heritage Area. Concerns about maintenance of the World Heritage values and damage that rodents are causing have been addressed by our Heritage Division, and of course they talk to our Antarctic Division in terms of that, but all the advice that goes to the minister on the rodent problems comes from the Heritage Division.

**Senator BOB BROWN**—I will keep further questions until I get to the Heritage Division, and you can judge my concern about it. I would like to ask about the supply of energy to the bases in Antarctica. How is that provided?

**Mr Press**—The primary source of energy to our research stations in Antarctica is fuel oil, but we have run a reasonably successful industrial scale wind generation program at Mawson station, which was the subject of quite some interest at the recent Antarctic treaty meeting. That has reduced our requirement on fuel oil at Mawson station considerably.

**Senator BOB BROWN**—By how much?

**Mr Press**—I think the exact figure is about 30 per cent annually. We have also had a very small but nonetheless interesting demonstration project looking at whether we can use the excess energy that is produced sometimes by that wind generation to produce hydrogen as well. But the hydrogen economy is a long way off.

**Senator BOB BROWN**—How many bases are there in Antarctica?

**Mr Press**—We have three permanent stations—Mawson, Davis and Casey—as well as the station at Macquarie Island, and there are a number of smaller field sites.

**Senator BOB BROWN**—Why is it that only one of them has a renewable energy source?

**Mr Press**—That is a reasonably complicated question. We chose Mawson station because of the predictability of the winds. We needed a rather large capital investment to do that. It is not cheap. We managed to find suitable wind generators. We sourced them from Germany from a company called ENERCON, and we did it there to see the potential we had and whether we could gain the penetration that we needed to make it economically viable. As I said, it has been reasonably successful. It has not been completely successful. We do have two issues, which we are still grappling with. One is how to store excess energy in Antarctica, and the other is how you deal with the interface between the grid that you are putting power into and the wind turbines themselves when you have great fluctuations, as you do in Antarctica—very strong winds and then no wind—and getting that interface. The computing around that interface has been very difficult.

**Senator BOB BROWN**—Has there been an assessment of what proportion of the total energy use for the four stations could be provided by wind and other renewable sources?

**Mr Press**—We have looked generally at that question. We would still like to try to get the problems that we are still trying to sort out at Mawson solved. Because if we cannot solve those problems there, then the reliability of wind at the other two stations is not as great and would make the economic payback on that wind generation a lot more difficult. You do have a fairly big labour cost in trying to erect wind turbines in Antarctica, so we are waiting to see how our wind generation at Mawson goes over the next couple of years before we would embark upon another big project like that somewhere else.

**Senator BOB BROWN**—Has there been an energy audit at the bases?

**Mr Press**—Yes, there has been. In two ways—we have reduced energy consumption particularly over the last 10 to 15 years simply by being more efficient—

**Senator BOB BROWN**—Are you using less energy now than you were 10 years ago?

**Mr Press**—We are using less fuel now than we were 10 years ago. We put in computerised management systems that help us regulate temperature and energy consumption on the stations and that has had a steady impact on decreasing fuel consumption on all of our stations.

**Senator McLUCAS**—I will refer this question on properties to Mr Allen. Do you have any rental properties in Australia other than the Kingston property?

**Mr Allen**—Yes, we had one at the wharf where we do our packing and stores. That is Macquarie No. 4 Wharf Shed.

**Senator McLUCAS**—In Hobart?

**Mr Allen**—In Hobart.

**Senator McLUCAS**—Is that it?

**Mr Allen**—Yes.

**Senator SIEWERT**—Are you involved in the Antarctic CRC?

**Mr Press**—I am not personally.

**Senator SIEWERT**—Is the department?

**Mr Press**—Yes. We are the major shareholder of the Antarctic Climate and Ecosystems CRC. We hold about 61 per cent.

**Senator SIEWERT**—I understand there is a new project starting that is related to the climate change issue that is going down to do some new work under the ice later in the year?

**Mr Press**—This year in August, Voyage I will be a mid-winter sea ice voyage, so they will be going into the ice and doing all kinds of things there.

**Senator SIEWERT**—Is one of the projects looking under the ice to measure under the ice?

**Mr Press**—We do have a research project on the Amery ice shelf where we have drilled holes with a hot water drill through the ice 500 metres or so, and we have a number of instruments now under the ice looking at melting and refreezing underneath the glazier.

**Senator SIEWERT**—Is that new or is that ongoing work?

**Mr Press**—It is ongoing and it is new. It is both.

**Senator SIEWERT**—What is the new bit?

**Mr Press**—It is just that this is the first time we have done anything like this and it is producing some very interesting results. It is helping us understand what is happening with the dynamics of the ice sheet as it is floating on the water. Eventually it will be able to tell us whether there is a lot more melt underneath these floating glaciers than we had predicted in the past.

**Senator SIEWERT**—Bearing in mind what you said to Senator McLucas about needing time for the science, when could we expect to see the first results coming from that?

**Mr Press**—I would imagine that it would be in the next 12 months to two years. Scientists do try to get cutting edge science out into the scientific literature pretty quickly, and we have a policy of both supporting our scientists and encouraging our scientists to get their information out as quickly as they can.

**Senator SIEWERT**—I have a question that might evolve into two or three and which follows on from the question that Senator Brown asked about the other species coming in essentially and taking the place of phytoplankton and krill. Is that assuming that they can then tolerate different pHs?

**Mr Press**—Yes.

**Senator SIEWERT**—What you are assuming is species that colonise that space will then be species that can accommodate those lower pHs?

**Mr Press**—Just to be very clear, I was not assuming anything. I was just speculating that, if something did happen, that is one of the possibilities. Anything that lives in the ocean has to be able to tolerate the conditions that it is in.

**Senator SIEWERT**—I appreciate that, but we are talking about a changing environment.

**Mr Press**—Yes.

**CHAIR**—There are no further questions, so that will conclude the Antarctic Division. Thank you very much for appearing.

[7.54 pm]

### Office of the Supervising Scientist

**CHAIR**—We will now discuss outcome 1, the environment, especially those aspects that are matters of national environmental significance, is protected and conserved. I welcome the Office of the Supervising Scientist. Thank you for appearing.

**Senator CROSSIN**—I do not think that we have had the Office of the Supervising Scientist for a while at estimates. When was the last time?

**Mr Hughes**—We were here last May for estimates.

**Senator CROSSIN**—So we have not had you back for 12 months. I would like to get a bit of an update on where things are happening. Firstly, if we go to the PBS, there is no mention of the Office of the Supervising Scientist in the PBS. Is that correct?

**Mr Hughes**—My understanding is that that is correct. We have inputs into a couple of outputs where we are just contributing to them.

**Senator CROSSIN**—I am not sure, Mr Borthwick, if you are the person who can answer this question for me. Why is it that we cannot find any reference to the Office of the Supervising Scientist in the PBS?

**Mr Borthwick**—The portfolio budget statement covers new measures for the year ahead, and there are no new measures bearing on the Supervising Scientist.

**Mr Hughes**—That is correct.

**Senator CROSSIN**—My understanding is that it does not just cover new measures; it should provide for us a snapshot of your total expenditure that is anticipated for the year ahead. It is only my corporate knowledge that tells me that I would look for money for the Office of the Supervising Scientist in output 1.2 and output 1.5. But unless I knew that from previous history or questioning in estimates, how else would I be able to find that information through this document?

**Mr Borthwick**—You cannot find the information in the document.

**Senator CROSSIN**—There is not even a footnote on page 36 that would suggest to me that OSS is in there somewhere.

**Mr Borthwick**—We do not break the department down for reporting purposes by division. We break it down by outcomes and then by outputs. As Mr Hughes has mentioned, it is not categorised according to the Office of the Supervising Scientist.

**Senator CROSSIN**—Is that the reason, that it is just subsumed into two of five outputs essentially? There are not even any reference notes on your table on page 36 to suggest that some of this money is allocated to the Office of the Supervising Scientist.

**Mr Borthwick**—You will find that treatment fairly common. I do not think it is specific to the Office of the Supervising Scientist. It is the way we report.

**Senator CROSSIN**—Can you point out to me where there would be some other discrete unit within your department, such as the Office of the Supervising Scientist, that is not mentioned in the PBS?

**Mr Borthwick**—I would have to go through and check, but if I just flick through, say, outcome 1, it is not listed division by division in terms of its contribution to outcome 1.

**Senator CROSSIN**—Why is it then that the Office of the Supervising Scientist is expected to present an annual report to parliament and its annual reporting requirements are not part of the department of environment's requirements? If they are special enough to provide a discrete annual report, why do they not even get one mention in your PBS?

**Mr Borthwick**—They do get a mention in our annual report, but it is just like I mentioned before: the PBS does not look at the issues division by division. The treatment of the Office of the Supervising Scientist is no different than any other area. You will see the list by outputs and outcomes and not on a divisional basis. That is the way the Commonwealth reports in the portfolio budget statement.

**Senator CROSSIN**—This is about the third year in a row. What I am getting at is there is no transparency as to exactly what you are allocating in the financial year to the OSS.

**Mr Borthwick**—I am sure Mr Hughes will answer questions about his financial position, but the PBS is prepared completely in accordance with advice that we get in terms of its preparation. If you flip through it, you will not find mention on a division-by-division basis other than their contribution to the outcomes and outputs. I know that does not help you, but—

**Senator CROSSIN**—I will just make the point that the OSS is significant and important enough to table its own discrete annual report to the parliament but does not even get one mention in your PBS.

**Mr Borthwick**—It does get one mention, but it is only a sentence or so, I think.

**Senator CROSSIN**—Where would that be?

**Mr Borthwick**—Page 48. It is just a passing reference under 'Supervision of uranium mines'.

**Senator CROSSIN**—I do not see the words 'Office of Supervising Scientist' there though.

**Mr Borthwick**—Equally, you will not see other divisions named either.

**Senator CROSSIN**—What other division presents an annual report to parliament in its own discrete right?

**Mr Borthwick**—The Natural Resources Management Division. The Approvals and Wildlife Division also reports separately on aspects of their administration of the EPBC Act as well.

**Senator CROSSIN**—But that is a requirement under the EPBC Act, is it not, rather than reporting against outcomes in the PBS? I will not argue about this all night, but I still believe it is a serious deficiency in the PBS. We will now have to trawl through individual figures. Mr Hughes, if we go to the table on page 36, I notice that this will probably be the third year that the outputs have been rephrased. How much of output 1.2 is to go towards the OSS?

**Mr Hughes**—For which year?

**Senator CROSSIN**—For this coming year, 2007-08. Out of that \$77.5 million how much will go towards OSS?

**Mr Hughes**—In output 1.2 it is a very small proportion. Our budget for 2007-08 is only \$100,000 in that section.

**Senator CROSSIN**—What was it last year?

**Mr Hughes**—It was \$500,000.

**Senator CROSSIN**—I know that in 2005-06 it was about \$466,000.

**Mr Hughes**—Yes, that would be about right.

**Senator CROSSIN**—Why has there been a reduction from around \$500,000 to \$100,000 for the coming year?

**Mr Hughes**—It is about the way that part of our budget is structured. We have people working on those sorts of programs still, but they are also to do with the protection of the environment from the effects of uranium mining. A lot of those work programs can either be categorised one way or another, and the way it turns up in our environmental budget overview, which is the allocation of the \$100,000, is based on which people are sitting in which chairs virtually on the day when the budget is put out. But the work still goes on. It is just that a lot of that work is linked to output 1.5 as well.

**Senator CROSSIN**—So what is the \$100,000 predominately made up of?

**Mr Hughes**—It will mainly be to do with people doing environmental risk assessments that are not related to mining impacts.

**Senator CROSSIN**—Give me an example of that—the effects, say, of the increased wet that was had in 2006.

**Mr Hughes**—Not so much that as feral animal impacts and introduced species, like weeds and things like that.

**Senator CROSSIN**—Of output 1.5 how much goes into your budget this year?

**Mr Hughes**—Output 1.5 for the coming year is \$9 million.

**Senator CROSSIN**—In 2005-06 it was \$9.3 million. What was it last year?

**Mr Hughes**—For 2006-07?

**Senator CROSSIN**—Yes.

**Mr Hughes**—It is probably of the order of \$10.1 million.

**Senator CROSSIN**—So the \$9 million includes depreciation moneys?

**Mr Hughes**—Yes.

**Senator CROSSIN**—Because when it was rephased in 2005-06 it took into account depreciation figures.

**Mr Hughes**—Yes.

**Senator CROSSIN**—So that includes that?

**Mr Hughes**—I believe so.

**Senator CROSSIN**—So there is a reduction in this coming year then for your operations. I am assuming you take your operational costs out of the \$9 million.

**Mr Hughes**—Yes.

**Senator CROSSIN**—So what is it anticipated that will be in the coming year?

**Mr Hughes**—For suppliers and employee expenses in the coming year that will be approximately \$6.9 million.

**Senator CROSSIN**—To salaries?

**Mr Hughes**—That covers basically our operational costs. It is all employee related expenses plus suppliers expenses. So that is operational expenses plus depreciation.

**Senator CROSSIN**—Out of the, say, \$2 million you have left, what is that—

**Mr Hughes**—That \$2 million is an allocation in our costs centres for corporate overheads. So that is to do with rents and properties and things like that, which are actually handled elsewhere by Canberra based officers.

**Senator CROSSIN**—Are you able to put a figure on how much of your budget would be spent towards research or how much would go towards compliance?

**Mr Hughes**—That would be pro rata with employee numbers. Probably the majority of our budget would go on research.

**Senator CROSSIN**—If we just look at your employees, I think when I last asked there were 44 staff, 33 of whom were in ERISS. What is the current number?

**Mr Hughes**—The current number is 50 staff, and I believe there would probably be 38 of those in ERISS.

**Senator CROSSIN**—How many of those would actually undertake compliance?

**Mr Hughes**—There is the strict compliance-type work, which is the inspection and assessment-type people, and there would be four people who undertake that work only. That is to say, they do not do any other sorts of work. Then in amongst the ERISS team there are some eight people who provide almost full-time support for monitoring programs, so they would probably fall largely within that category as well. Then on top of that we tap into the research scientists from ERISS to provide input on specific issues that are within their bailiwick. Any given one of those people might spend 20 per cent of their time on compliance related activities.



**Senator CROSSIN**—In the last two years, would you believe that more of your budget has been spent on compliance? Is there a move to spend more time and money in that area?

**Mr Hughes**—Yes, if you take the constraints that I just mentioned, that a lot of ERISS activities do input directly into compliance-type work. We have been installing, for example, some continuous monitoring stations and things like that. That involves quite a lot of ERISS staff time. There is a lot of research work being undertaken to ensure that those continuous monitoring programs are actually going to be able to provide us with at least as good or better results than the existing programs, or the previously existing programs. We are running them in parallel. Yes, we would be spending more money on direct compliance work and compliance related research work.

**Senator CROSSIN**—Does that emanate from reports that are coming out of Ranger and ERA?

**Mr Hughes**—No. What it relates to is our perception of best practice. We have determined that we need to upgrade our monitoring programs in order to remain doing things that are in accordance with best practice.

**Senator CROSSIN**—You have not been given additional money from the government to do that, though? You have to do that within existing resources, or in fact diminished resources in the coming year.

**Mr Hughes**—Yes, that is right.

**Senator CROSSIN**—What revenue is anticipated to be generated into OSS in the coming year?

**Mr Hughes**—We budget on about \$350,000, but it may vary from that. So there may be some additional funds coming in.

**Senator CROSSIN**—And if you get more, that is a good thing?

**Mr Hughes**—Usually when we get more through generating funds ourselves like that it is money in and money out, because it often costs us extra to do that work. We do not end up with a great net profit out of it.

**Senator CROSSIN**—I just wanted to go through a few issues. I was actually reading ERA's sustainable development report. You may or may not be involved in this. There are a number of environmental operational issues where ERA has either not met the targets or there has been some improvement but not considerable improvement. I just want to ask you about the five per cent reduction in the potable water per tonne of uranium oxide by 2008. Has OSS been involved with ERA in achieving that target, or not achieving that target as this document says?

**Mr Hughes**—No. As far as ERA is concerned, that is an operational issue that does not involve our activities.

**Senator CROSSIN**—Is that because it is on their mine lease, not off the lease?

**Mr Hughes**—It is part of their process. We do not get involved in their process if it does not appear to have any immediate environmental impacts on the surrounding mine.

**Senator CROSSIN**—So they do not ask you for assistance in trying to meet that target or comply with that target.

**Mr Hughes**—They have not asked for our assistance on that.

**Senator CROSSIN**—Can I ask, then, about the draft closure criteria for the weeds on the RPA and the JML. I understand that ARRTC and the MTC are involved in that. They say that the closure criteria for weeds are being developed in conjunction with major stakeholders, that the expected delivery of the whole package is the fourth quarter in 2007.

**Mr Hughes**—We do have a representative or two, depending on the actual issues, on the closure working group, yes.

**Senator CROSSIN**—This is different, I think, from the compliance with the closure plan.

**Mr Hughes**—At this stage the closure plan does not have closure criteria set for things like weeds. The development of closure criteria is what we are involved in.

**Senator CROSSIN**—That is happening, is it, at the moment, the closure criteria?

**Mr Hughes**—There are meetings. It is fairly early days on the determination of the manner in which we are going to set closure criteria. But there is an expectation that we will contribute to that.

**Senator CROSSIN**—The mine is due to still close in 2011, 2012?

**Mr Hughes**—No, the mining operation itself is scheduled to close in that kind of time frame. The milling operation, as far as I understand it, is scheduled to go for some considerable time beyond that.

**Senator CROSSIN**—So are you part of the closure planning team?

**Mr Hughes**—I personally am not but we have representatives on—

**Senator CROSSIN**—OSS has representatives on it?

**Mr Hughes**—Not on the ERA closing planning team. That is an ERA business. But the closure planning team is somebody who advises ERA on their design criteria and things like that.

**Senator CROSSIN**—Will the minesite technical committee actually oversee the closure of Ranger?

**Mr Hughes**—The minesite technical committee is a forum to talk about issues like the setting of closure criteria, and those sorts of discussions come up from time to time. But there have been no sort of quantitative discussions on closure criteria at the minesite technical committee to date.

**Senator CROSSIN**—But some preliminary discussions are occurring?

**Mr Hughes**—Yes.

**Senator CROSSIN**—So what will be the structure then to oversight the closure and the rehabilitation of Ranger? Who will actually be responsible for that, or who will drive that?

**Mr Hughes**—The regulator will drive the acceptance of closure criteria. That is the NT government. We will have a role to play in ensuring that the standards that are set are

appropriate. That is part of our supervisory role, if you like, to make sure that appropriate standards are agreed.

**Senator CROSSIN**—Does the federal government have a role to play in that or not? Or that is purely for the department of mines?

**Mr Hughes**—In the setting of the standards?

**Senator CROSSIN**—Yes.

**Mr Hughes**—We would have a role in setting the standards, for sure, yes.

**Senator CROSSIN**—But the actual monitoring and the driving of the closure of the mine and rehabilitation will be done by the Northern Territory department of mines—is that correct?

**Mr Hughes**—I would imagine so. The Northern Territory is the regulator so it is the Northern Territory minister who signs off on these things.

**Senator CROSSIN**—Back in 2005 I understand there was actually a review of OSS. That will have been well and truly finalised and put in place by now—is that correct? I think the outcome of the review was due to be finished around August or September 2005.

**Mr Hughes**—Yes. I am trying to recall the exact purpose of that particular review.

**Senator CROSSIN**—You are drawing on my memory more than I probably can. I think it was an internal restructure and review, actually—

**Mr Hughes**—Right.

**Senator CROSSIN**—which generated, as I understand it, a new organisational chart.

**Mr Hughes**—Yes. We have undertaken a significant amount of internal restructure I suppose in the time that I have been in the position and you can see that we have ended up with a number of extra staff. As you noted before, we were 44 staff and we are now 50 staff.

**Senator CROSSIN**—The movement of the people from Jabiru to Darwin might have been a contributing factor. I am going back about four years now.

**Mr Hughes**—Yes. And I think that imminent mine closure at Ranger was also a factor at the time, but I guess that the need to place people or to find things for people to do has extended a little bit beyond the immediate closure date of 2008, which it was then.

**Senator CROSSIN**—So your organisational chart is in your annual report?

**Mr Hughes**—Yes, I believe so. Certainly it is on our website in any case.

**Senator CROSSIN**—When did the Alligator Rivers region committee last meet?

**Mr Hughes**—In April.

**Senator CROSSIN**—It has set key research areas for this year?

**Mr Hughes**—No, that would be the Alligator Rivers Region Technical Committee. I think back in 2004 they identified some key knowledge needs and put a bit of flesh around those. Those key knowledge needs were to exist from 2004 to 2006 with a review some time in 2006-07. We are in the process of that review now and we are taking input from the Alligator Rivers Region Technical Committee on what the status of the key knowledge needs actually

are. We utilise those key knowledge needs to set the priorities for our ongoing research work and that is why you see some changes in the thrust of our research more towards the compliance type issues.

**Senator CROSSIN**—So there is no advisory committee then.

**Mr Hughes**—Yes, the Alligator Rivers Region Advisory Committee is a stakeholder group where members of the community generally are apprised of performance of the environmental management of the mine site, what is going on at the mine site, what the supervising scientist is doing in terms of environmental protection, what the NT government is doing in terms of regulation of the mine and what the mine is doing as a sort of an update for the local people.

**Senator CROSSIN**—So have I just got them a bit confused I? I thought it was the advisory committee that actually set the research priorities. That is the technical committee?

**Mr Hughes**—That is the technical committee.

**Senator CROSSIN**—So are the key research areas between 2004 and 2006 likely to change greatly in the coming period?

**Mr Hughes**—No, they will be finetuned. Gaps will be starting to emerge and so it will be a bit of a re-look into these. The key knowledge needs are sort of grouped in fairly broad areas and then once you drill down into those areas they get down to specific research projects.

**Senator CROSSIN**—But generally it is a mechanism by which you can set topics for research for every two years—is that the way it happens?

**Mr Hughes**—The topics of research generally at the high level will not change. What it boils down to is how those programs that are being undertaken are best met. So if the independent experts particularly on ARRTC have a query about a particular area, and they cannot find that those things have actually been adequately researched, they will identify them as such and then that will form a priority research area.

**Senator CROSSIN**—So when do you hope to have those identified—by the next time it meets?

**Mr Hughes**—The next meeting of the Alligator Rivers Region Technical Committee is, I think, in October. Yes, I guess we are hoping to have that in pretty good shape by that October meeting.

**Senator CROSSIN**—Can I just ask about the Ranger rehabilitation trust. Do you have any idea how much is now in that account? The last time it was around \$64 million.

**Mr Hughes**—No, it is considerably more than that. I think last year it was of the order of \$100 million.

**Senator CROSSIN**—Over \$100 million?

**Mr Hughes**—It was over \$100 million, yes, or around the order of \$100 million. It is reviewed on an annual basis and I think this year's iteration is currently under discussion between DITR, who is the principal federal agency involved in that, and ERA.

**Senator CROSSIN**—Can you give me an update on what is happening at Nabarlek? The last I heard there was a bit of a squabble about whether it was going to be \$10 million or \$400,000 to rehabilitate the area. Have you got an update on how much or what is happening?

**Mr Hughes**—That was not really a squabble. The \$10 million was a figure that pre-existed from 1991, when the bond was originally set by the Northern Territory, and that predated the earthworks and rehabilitation on the site. The site was in care and maintenance mode at that stage. So during 1995 virtually all the earthworks on that site were completed and as a part of a deed of settlement with the Northern Land Council remaining infrastructure on the site was handed over to the Northern Land Council by the mining company, which left very little residual work to be done on the site by the actual mining company other than revegetation issues. That was when the NT government reassessed the bond and the bond was set at \$400,000 at that stage on the basis, on my understanding, that that was probably the cost potentially of monitoring the site.

**Senator CROSSIN**—Was there not an issue of \$10 million being handed back to the mining company?

**Mr Hughes**—The \$10 million was never cash held as a bond. It was a promise from the mining—

**Senator CROSSIN**—In kind. So 2006?

**Mr Hughes**—In 2006 Cyclone Monica hit the site and set back the revegetation completely. It virtually stripped everything. That was followed shortly thereafter by quite a devastating fire which finished off everything that was there. The clock is sort of back at zero again in terms of the revegetation program. At the moment we are waiting to see the next iteration of the mining management plan that will be submitted to the NT government, but we have an opportunity to comment on that plan.

**Senator CROSSIN**—So you have a role in also ensuring the Nabarlek site is rehabilitated?

**Mr Hughes**—Yes. The same as we would with Ranger and Jabiluka and so forth.

**Senator CROSSIN**—So do you know what moneys are now being allocated for that?

**Mr Hughes**—The bond still remains at \$400,000 because that is linked to the current mining management plan that has been submitted by the company and held by the Northern Territory Department of Primary Industries, Fisheries and Mines. At the next iteration of that mining management plan there will be a re-assessment of the rehabilitation liability and they will set the rehabilitation bond appropriately.

**Senator CROSSIN**—I might come back to you about that. I have a few more questions. In your annual report on page 13 you talk about the 2006 environmental audit conducted on behalf of external stakeholders of Ranger mine. We are going back to an audit that happened probably about the time of last year's estimates in May. Of the 63 criteria assessed, one required urgent action. Can you remember what that was and whether it has been undertaken? You do not specify in here what the action is.

**Mr Hughes**—I think it was actually the keeping of a register of training. ERA has in its books that it will maintain a register of people who have received inductions. The audit team asked to see that register of inductions and I think there was a computer glitch on the day which meant that they were not able to pull up the register. So it was a technical non-conformance that required some action, and that was to actually produce that register.

**Senator CROSSIN**—Is that all it is? Because the rest of your annual report does not give any details about what those incidents are or how major they are. So that was just an inability to provide a list on a certain day, essentially?

**Mr Hughes**—Yes. That still fails an audit test.

**Senator CROSSIN**—I see. And there were three that required action in the form of a firm deadline. But again you do not go on to say what those three might have been.

**Mr Hughes**—I honestly do not recall off the top of my head what they were now. We could either take it on notice, unless Richard happens to know.

**Mr McAllister**—I do not know the exact details.

**Mr Hughes**—We would have to take that on notice if you want some details about those things. But they were no more serious than the issue of not being able to produce it.

**Senator CROSSIN**—When I read through it I just wondered what exactly it might have been and whether it required urgent action. That was all. Can I just finally ask you if you have been invited to provide or enter into any dialogue with the EPA in the Northern Territory with respect to any future uranium mining in the Northern Territory.

**Mr Hughes**—No. I mean, you can ask but the answer is no, we have not been invited to participate.

**Senator CROSSIN**—Have there been any approaches by the Northern Territory government to you to even look at what that government might do about better environmental regulation in the event that more uranium mines may open in the territory?

**Mr Hughes**—No.

**Senator CROSSIN**—So there have been no approaches at all about any future prospects.

**Mr Hughes**—No.

**Senator CROSSIN**—Is there any capacity in your charter to be proactive about suggesting you could provide advice or be involved, or is it outside your statute to do that?

**Mr Hughes**—It is not entirely outside the statute. Our brief is to operate within the Alligator Rivers region, but there is provision for us to look at environmental protection activities outside of that region at the behest of the minister. But I guess what has changed since the times that the existing uranium mines were approved under the EPIP Act is that they now require approval under the EPBC Act, which falls under the operations of the Department of Environment and Water Resources. So any new uranium mine will require their approval, and as a member of the department it would be quite likely that we would be asked to provide scientific input into it.

**Senator CROSSIN**—That is right, that is one positive. But then once that mine is up and running my understanding is that the regulation and the monitoring would be done by the department of mines in the Northern Territory, so they would actually regulate and monitor all of the aspects of the mine including the environmental aspects.

**Mr Hughes**—Uranium still remains the province of the Commonwealth in the Northern Territory, so the Commonwealth still has a role to play in regulatory activity—the same as it does at, say, Jabiluka, Nabarlek or Ranger. So there will still be a Commonwealth role there.

How that is actually worked out is yet to be determined, but there will need to be an EPBC Act approval.

**Senator CROSSIN**—Yes, I know that. But that is actually your input into giving the mine the tick. Once the activity starts, who then would be responsible for the environmental monitoring of that new mine?

**Mr Hughes**—As with Ranger and Jabiluka et cetera, the mining company is responsible for environmental monitoring of the mine. The NT government regulator is responsible for check-monitoring of that. In our case, we have a brief to undertake our own monitoring there.

**Senator CROSSIN**—Is that because Ranger is surrounded by a World Heritage park?

**Mr Hughes**—I guess that is why the supervising scientist was created—to look after uranium mining in the Alligator Rivers region, yes.

**Senator CROSSIN**—So you do not see that you would have a role to play, say if a mine were to open up in the Tanami Desert somewhere, in assisting the environmental monitoring there.

**Mr Hughes**—We have not been asked to do that at this stage.

**Mr Borthwick**—If that came up, as Mr Hughes said, it would be assessed under the EPBC Act, and part of that assessment would be if the mine got the go ahead what sort of conditions would attach to that go ahead. In other words, what the monitoring regime should be once the mine was operating would be something I think would be looked at in the EPBC Act, and it could well be that the supervising scientist would have a role in that—not by virtue of his legislation but by virtue of potentially an assessment under the EPBC Act.

**Senator CROSSIN**—I understand.

**Mr Borthwick**—This is a matter that we have raised before in evidence before the parliament as a possibility that would need to be looked at.

**Senator CROSSIN**—Can you remember, Mr Borthwick, when you might have raised that? Was that before the House of Representatives inquiry?

**Mr Borthwick**—I cannot remember exactly. I think we raised it in a view that we put to the review by Ziggy Switkowski and I think our view was tabled at the time.

**Senator CROSSIN**—Publicly?

**Mr Borthwick**—Yes, it was tabled at the last Senate estimates committee.

**Senator CROSSIN**—In February's estimates?

**Mr Borthwick**—In any event, we can find it and make sure you have access to it.

**Senator CROSSIN**—The reason I raise it is that, with the possibility of more uranium mines happening in the Northern Territory now, there does not seem to be any other eminent body that has the knowledge and expertise about the impact of uranium mines on the environment as the OSS does; that is all.

**Mr Borthwick**—That is why we raised the fact that we should draw on the skills of the Office of the Supervising Scientist more generally for uranium mining. But each possible mine would need to be looked at on its own merits—

**Senator CROSSIN**—I understand that.

**Mr Borthwick**—as to what the regulatory regime should be; but we have raised it as a possibility.

**Senator CROSSIN**—In the current climate there has been no contact from the Northern Territory government to you and, likewise, there has been no contact from the OSS to the Northern Territory either—no-one is actually starting a discussion about what role you may have in the future because there is nothing on the drawing board yet; is that right?

**Mr Hughes**—The Territory government are well aware of the impact of the EPBC Act, or the fact that the EPBC Act will be in play, in the event that somebody is proposing to start a uranium mine. They know that the Commonwealth will be involved in that, and I presume that the Northern Territory government think that the Commonwealth will make its appropriate deliberations on that.

**Mr Borthwick**—This was a response to the estimates in October 2006—I am not sure when we tabled it—and in the relevant part of my letter to Dr Switkowski I said:

I consider that, at the Australian Government level, it would be desirable to extend the role of the Supervising Scientist to all uranium mining in Australia. Under such a model, the Supervising Scientist would be written into the EPBC Act assessment and approvals process and would have an ongoing role in assessing the mining operation against the Environmental Requirements in a similar manner to his current role in the Alligator Rivers Region.

**Senator CROSSIN**—Do you know if the Switkowski report takes up that suggestion?

**Mr Borthwick**—I do not recall exactly what was said in that report on this issue.

**Senator CROSSIN**—By that would you also mean the oversight of Beverley and Honeymoon in South Australia?

**Mr Borthwick**—The suggestion that we made applied to all uranium activities, yes.

**Senator CROSSIN**—That complies with the one of the recommendations in the Senate report that we did some years ago as well, I suspect. Thank you. I do not have any more questions.

**CHAIR**—Thank you very much. I now call the Bureau of Meteorology.

[8.37 pm]

#### **Bureau of Meteorology**

**Senator CROSSIN**—I do not have very many questions for you. I have not actually asked questions of the Bureau of Meteorology before—so hello. But I am aware that according to your website there is a review being conducted of BOM which would have started, I think, earlier this year. Is that correct?

**Mr Foley**—Yes, that is correct.

**Senator CROSSIN**—I have just pulled the information off your website. Submissions were actually due by 27 February. Was that done and dusted by that date? Were there any extensions to that date?



**Mr Foley**—I think there were some extensions. There were some late entries into the submissions, but the bulk of them certainly came in by that date.

**Senator CROSSIN**—How many submission would you have had?

**Mr Foley**—We had 128 stakeholder submissions, 56 submissions from the general public and 38 submissions from staff of the Bureau of Meteorology.

**Senator CROSSIN**—When you talk about stakeholders, can you give me an idea of who they might be.

**Mr Foley**—They are various organisations that interact with the Bureau of Meteorology. We threw a fairly wide net out into the community. They would be government departments, such as the Australian Greenhouse Office, Geoscience Australia, DOTARS et cetera, through to private companies that have dealings with us, industry, state government departments and emergency management aspects of the state government. There is quite a wide range of organisations, as you would imagine, that use bureau products.

**Senator CROSSIN**—What was the aim of the review?

**Mr Foley**—The aim of the review was basically to assess the ability of the bureau to sustainably fulfil the role as Australia's national meteorological service.

**Senator CROSSIN**—Are the submissions public? Are they on your website or are they not going to be published?

**Mr Foley**—No. The submissions went to the review panel and they are currently holding, I think, all the material for the review at the moment and, hopefully, they will condense that down into a report. But I imagine the submissions will be public property at some stage.

**Senator CROSSIN**—Who is on the review panel?

**Mr Foley**—There are five members of the review panel. The chair of the review panel is Professor Mary O'Kane, who is a management expert. We have a finance expert—

**Senator CROSSIN**—Everywhere I have been tonight she is sitting on some board somewhere. She is very busy.

**Mr Foley**—She is a very busy lady. Mr Len Early is the finance expert. He is a retired member of the department of finance, I think. The meteorological expert is General Jack Kelly, who is the head of the US national weather service. The fourth member of the panel is Dr James Bradfield Moody, who is a CSIRO scientist. And the fifth member is a lady called Ms Siobhan McKenna, who is a consultant with the McKinsey Group.

**Senator CROSSIN**—When is the review panel due to produce a report, which I am assuming will go to the minister?

**Mr Foley**—Yes, it will. The report is fairly imminent, in fact. They are busy writing and refining the report probably as we speak. We expect to have a draft copy to the Director of Meteorology in early June and it would go to the minister and be discussed with him after that.

**Senator CROSSIN**—Were all regional offices of BOM visited during the review?

**Mr Foley**—No, not all regional offices, but several were. Certainly, Professor O’Kane travelled fairly widely in respect of the review. She went to Western Australia. Members of the panel visited the New South Wales regional office in Sydney and also the Queensland regional office.

**Senator CROSSIN**—Where is the Queensland regional office?

**Mr Foley**—In Brisbane. They also visited a provincial office in Townsville, in Northern Queensland, and Canberra, I think.

**Senator CROSSIN**—Did anyone go to Darwin?

**Mr Foley**—I do not think anybody did go to Darwin on this occasion, no.

**Senator CROSSIN**—Why not?

**Mr Foley**—It was a matter for the chair of the panel to decide how she was going to conduct this review, so she had choices as to whether to go or not. It was completely open to her whether or not she wanted to. She decided not to.

**Senator CROSSIN**—Given that we have just gone through Cyclone Larry and Cyclone Monica, and given that as I understand it Darwin is the centre for a large slab of monitoring in South-East Asia, why was Darwin not on the list of places to visit?

**Mr Foley**—I cannot answer that question.

**Senator CROSSIN**—Can you take that on notice for me.

**Mr Foley**—I will take it on notice.

**Senator CROSSIN**—I would be interested to know why that is the case seeing it is, I would have thought, a fairly crucial area of responsibility for South-East Asia and has also been through two major cyclone monitoring activities in the last three years, as well as two floods in the Katherine region. I had heard that Darwin had missed out. One of the reasons I am here questioning you is that I was a bit baffled as to why that was the case.

**Mr Foley**—I cannot tell you. I will take it on notice.

**Senator CROSSIN**—I would be interested if you could find out for me why Darwin missed out.

**Mr Foley**—Sure.

**Senator CROSSIN**—Can you give me an idea of what this review is going to cost out of your allocation for this year?

**Mr Foley**—A ballpark figure for the review is around \$500,000.

**Senator CROSSIN**—Have the review team been given any instructions to actually look at downsizing the bureau, amalgamating offices or finding funding or reductions in costs?

**Mr Foley**—The review’s general terms of reference were not specifically for any of those areas, but the spirit of the review was to find a sustainable model for the bureau to continue to deliver its national weather service.

**Senator CROSSIN**—Your website only says: ‘relates to the overall sustainability of the essential roles and functions it carries out in the public interest’. Did it actually have terms of reference?

**Mr Foley**—It did have terms of reference.

**Senator CROSSIN**—Are they public?

**Mr Foley**—I should think so.

**Senator CROSSIN**—Can you provide them to this committee then, if that is the case.

**Mr Foley**—Yes, absolutely.

**Senator CROSSIN**—Following major incidences like Cyclone Monica or Cyclone Larry does the bureau actually then conduct a review of, say, how effectively the offices that are tracking a cyclone such as those conduct themselves?

**Mr Foley**—Absolutely. As a matter of fact, I think tomorrow there is a national tropical cyclone review conference meeting in Darwin, of all places—

**Senator CROSSIN**—Someone is going there.

**Senator McLUCAS**—Why don’t you come to Cairns?

**Senator CROSSIN**—Because you are not a capital city, Senator McLucas, so get over it! We are a capital city.

**Senator Abetz**—What about Broome, Senator Siewert?

**Senator SIEWERT**—I was going to say Kununurra as well.

**Mr Foley**—We did have one cyclone review committee meeting in Broome many years ago, but mostly we have them in the cyclone warning centres plus the head office. We rotate through.

**Senator CROSSIN**—I think the Bureau of Meteorology in Darwin is probably significantly large compared with some of those towns. As I said, it is part of the international tracking map, as I understand it, for South-East Asia, so—

**Mr Foley**—Yes, it is a regional, specialised meteorological centre.

**Senator CROSSIN**—Exactly. That is why I am surprised your review team did not go there. But, anyway, just following on from major incidences then, I know you are saying you have got a conference tomorrow, but does the bureau actually go to places like Darwin? Does someone from your head office in Melbourne actually go to places like Darwin after a cyclone and say, ‘Okay, what did you do well? What did not work?’, and actually do a review of what happens after cyclones such as that?

**Mr Foley**—Yes. As I was going to explain with this cyclone review meeting that we are having, we have it every year and each region goes through its performance with tropical cyclone activity. We analyse fairly closely our performance with respect to tropical cyclones, and when we have significant cyclones such as tropical Cyclone Larry and tropical Cyclone Monica then there are usually fairly extensive case studies done on those storms.

**Senator CROSSIN**—Does that also include having a look at how adequate the equipment that people work with is?

**Mr Foley**—Yes, that is all part of it too, the observation network, the monitoring, absolutely.

**Senator CROSSIN**—Has that been done in respect of the Darwin office, given the last two incidences?

**Mr Foley**—Yes. And the Darwin office performed exceptionally well with the last couple of cyclones that they had—Monica and the one before that.

**Senator CROSSIN**—Because they do have a station, I think, near the airport as well as one at Casuarina. Is that correct?

**Mr Foley**—Yes, they have an office at the airport. It does primarily observation work, putting up weather balloons monitoring the upper air plus aviation observations for incoming aircraft. But the main regional centre is in Casuarina.

**Senator CROSSIN**—In the review of BOM that you received, do you have any idea of where the 56 from the public and the 38 from the staff have come from?

**Mr Foley**—The distribution?

**Senator CROSSIN**—Yes.

**Mr Foley**—I am not privy to that, but I am pretty sure that Darwin would have put a staff submission in. They were pretty keen, I must admit.

**Senator CROSSIN**—Do you think the staff submissions might have come from regions, or individuals?

**Mr Foley**—Some of them are from individuals and I believe a couple from regions as well.

**Senator CROSSIN**—You do not know what the public breakdowns might be across states and territories?

**Mr Foley**—I am sorry, no, I have no knowledge of that.

**Senator CROSSIN**—Can I just ask you if following Cyclones Monica and Larry, given that the Darwin office was one of the major centres for tracking that cyclone right across from the Gulf of Carpentaria to Broome, whether the equipment they use is adequate. Is it up to date? Are there any gaps in what might be needed for them to be able to do that better in the future?

**Mr Foley**—It is a very modern office and they have the latest technology available both in satellite tracking and radar work stations, and our own bureau tropical cyclone work station basically tracks the track of the cyclone and issues those track maps that you see on the internet and issues the warnings as well. They have as good equipment as any of the other two tropical warning centres. There is one in Perth and one in Brisbane.

**CHAIR**—Are you saying Perth does south of Broome, because no-one went to Broome?

**Mr Foley**—Darwin did not go to Broome. The cut-off is around longitude 125 east, which is somewhere to the east of Kalumburu mission, around about that area. That is where the boundary of the pass-over takes place.

**Senator CROSSIN**—Would both Brisbane and Perth undergo that evaluation and assessment following cyclones?

**Mr Foley**—Yes, indeed.

**Senator CROSSIN**—What is the process for regularly assessing and updating equipment in the bureau's headquarters, either from Perth to Darwin or Brisbane?

**Mr Foley**—Updating equipment probably comes under our basic monitoring program which is the observations engineering branch, centred in our head office in Melbourne. We have people in that area who are constantly evaluating new technology and looking at the applicability of that to the Australian observation network.

**Senator CROSSIN**—Do you run your own server inside BOM?

**Mr Foley**—Computer server?

**Senator CROSSIN**—Yes.

**Mr Foley**—We run something like 130.

**Senator CROSSIN**—Is that what happens, say, inside the Darwin office—that all of their tracking is run through your own server? Is that correct?

**Mr Foley**—Yes. We would have a number of servers in Darwin to drive the servers that we are using. And, of course, it is connected with the rest of the bureau's communication system. We are data hungry. We move lots of data all the time.

**Senator CROSSIN**—The only reason I am asking you this is that I want to know how confident you are that during a cyclone period of, say, 48 hours your server would be able to sustain the level of activity that is required given all the other storm activity that is happening outside in the wet season. Is it able to do that?

**Mr Foley**—Yes. We also have contingencies where, if a tropical cyclone warning centre does fail—and none has as yet—during a tropical cyclone operation, another centre would take over. Actually, the last time that that happened was probably tropical Cyclone Tracy when Darwin could not operate. That was back in 1974, and I think the Perth office took over—

**Senator CROSSIN**—I think we have come a long way with satellites and computers since then.

**Mr Foley**—We have come an extremely long way.

**Senator CROSSIN**—I do not think I have any other questions. So, we will wait for the review. Do you think submissions and the report will be on your website once it is completed?

**Mr Foley**—It depends on the bulk of the submissions, I suppose, but the report should certainly be on our website.

**Senator CROSSIN**—You are going to take on notice for me why somebody in that team would not have gone to Darwin during that time?

**Mr Foley**—That is right, yes.

**Senator CROSSIN**—Let alone Alice Springs. Thank you.

**Senator IAN MACDONALD**—How is Willis Island operating?

**Mr Foley**—It is operating very well. It was quite an expensive operation to refurbish the island, but it is fully stationed now with full personnel on board and all systems are operating very well.

**Senator IAN MACDONALD**—There are four people there permanently?

**Mr Foley**—In six-monthly shifts, yes.

**Senator IAN MACDONALD**—When was the refurbishment was completed?

**Mr Foley**—It would have been in the last financial year, I guess.

**Senator IAN MACDONALD**—Do you remember what the cost of that was, just off the top of your head?

**Mr Foley**—All up I think it was around \$8 million.

**Senator IAN MACDONALD**—That is a very important station in cyclone forecasting. Is it the most important or can't you—

**Mr Foley**—Again, with meteorological observations you put the entire puzzle together to get the solution, but it is a key part of the Coral Sea. There would not be very many stations like Willis Island probably anywhere in the world where we have direct radar surveillance way out off the coast to give us early warning, plus an upper air station so that we can gauge what the winds in the upper atmosphere are doing in the middle of a tropical ocean area. It is a very important strategic observation base, that is for sure.

**Senator IAN MACDONALD**—Unfortunately Senator McLucas is not here or I would blame her for starting the panic, but when there was an underwater volcano over near the Solomons, I think it was, recently and Cairns started a mass panic exit up the mountain, you would have been monitoring that, would you? Is that your job or someone else's?

**Mr Foley**—Geoscience Australia do the monitoring of the earthquake activity but we work very closely with them to formulate a warning. The bureau will usually issue warnings—and it certainly will when the Australian tsunami warning service becomes fully operational—to the various communities. It is part and parcel. They detect the earthquake and the bureau with its oceanographic part as well, using sea level gauges, would monitor for whether a tsunami has generated or not from that. Recently we have deployed a deep ocean buoy, which is cutting-edge technology, to detect tsunamis in deep water.

**Senator IAN MACDONALD**—Were you ever in this incident that I talk about? When was that? Was it January or something?

**Mr Foley**—No, it was around early April.

**Senator IAN MACDONALD**—Did you ever issue any warnings that might have seriously led to a suggestion that there might have been a tsunami on the east coast of Australia?

**Mr Foley**—Yes, we did. Our tsunami warning centre in our head office in Melbourne issued warnings when it became apparent that there was a potential threat to the Australian coast.

**Senator IAN MACDONALD**—Were you ever in a situation where you saw signs, either by eye or by your instruments, that the waves were forming, that the killer wave was—

**Mr Foley**—With that incident?

**Senator IAN MACDONALD**—Yes.

**Mr Foley**—We had no way of detecting the size of the tsunami prior to it actually impacting on the coast but we have a series of sea level stations along the eastern seaboard which detected the tsunami signal.

**Senator IAN MACDONALD**—But I come back to Willis Island. They would have noticed something, would they not, if there was a tsunami on the way? The island probably would have gone under.

**Mr Foley**—It is reasonably deep water. To get a wave build-up on the island itself would have been extremely difficult. I believe that the people at Willis Island were asked whether they experienced anything unusual in that event. They said that they did not. I guess it was a fairly small event.

**Senator IAN MACDONALD**—I do not know about the new or refurbished facilities, but the old place had a tsunami-safe retreat there. The island is, what, about three metres above sea level at its highest?

**Mr Foley**—At the most, yes.

**Senator IAN MACDONALD**—If there is a tsunami, is there provision in the refurbishment for the staff to go underground or under sea for a period of time until the tsunami passes by?

**Mr Foley**—Underground is probably not a good idea.

**Senator IAN MACDONALD**—No.

**Mr Foley**—As I say, I think the danger from tsunami in an open island environment is fairly small. It is when the wave comes up against the coastline, especially in bays and those sorts of areas where the wave is amplified as it comes into the coast, that the real dangers occur. Tsunamis in deep ocean are less than a metre. They are almost imperceptible in deep ocean areas.

**Senator IAN MACDONALD**—So how far out from the shore would you be before you would notice a tsunami with the naked eye?

**Mr Foley**—It would be a matter of—I do not know. Again, it would depend on the bottom slope of the ocean as the wave is coming in, but it could be a matter of a hundred metres or so. It just depends where the first wave is going to well up enough to break and to make it detectable.

**Senator IAN MACDONALD**—The Indonesian tsunami formed within only 500 metres of the shore.

**Mr Foley**—Yes, that is right; it would have. As the tsunami wave was generated, it was not very far offshore from the Indonesian coastline. As it came ashore, as it came into the shallow water, the whole energy of the wave was transformed into massive height.

**Senator IAN MACDONALD**—Okay. La Nina—looking good?

**Mr Foley**—It is looking not bad. We have had some excellent rains over the last week or so. That has been described as an excellent autumn start to the season in south-eastern Australia. Certainly the signs were there from months ago that the El Nino was breaking down and the possibility of a La Nina forming was still not certain: the jury is still out a little bit. But certainly the prospects are of average to above average rainfalls for the winter period.

**Senator IAN MACDONALD**—When would you know if it is forming?

**Mr Foley**—We monitor the ocean temperatures in the central Pacific. Certainly they are showing signs of cooling, which is what we look for—cooling of ocean waters in the central Pacific area. It is showing those signs. Whether it sustains itself into a full-blown La Nina will still take a little bit of time to decide; but, as I say, the signs have been good and the results have been good too. There has been a definite increase in rainfall over south-eastern Australia.

**Senator IAN MACDONALD**—If it does turn out to be a full-blown La Nina, as you say, what would be the impact on Australia for the next two or three years?

**Mr Foley**—Certainly. La Ninas do not normally last all that long whereas El Nino can come and stay for a couple of years. La Nina usually comes and goes. In the short term it would provide some relief, but really the Australian continent has to make up several years of severe rainfall deficiencies. It would take a sustained La Nina to really make up the lost ground.

**CHAIR**—Could I ask you some questions about tsunamis on the west coast?

**Mr Foley**—Yes.

**Senator IAN MACDONALD**—Before you do, can I just finish by saying that my colleague Senator Birmingham said that you do a marvellous job because it is raining tonight while you are here, so congratulations!

**Mr Foley**—I am pleased to help.

**CHAIR**—I thought only John Howard could do that. When he came to Western Australia a few years ago he went to the wheat belt to look at dry land, and it rained, so there we are. The Indonesian tsunami actually hit the west coast.

**Mr Foley**—Yes.

**CHAIR**—I rang the Port Hedland Port Authority and they said they had three quick tides that sank some boats in Geraldton, hit Rockingham and Dunsborough in the south-west.

**Mr Foley**—Yes.

**CHAIR**—Luckily for some reason most of the force went west across to Sri Lanka, India and even Africa.

**Mr Foley**—Yes, that is right.

**CHAIR**—But I do not really understand why it did not come east in greater force. If it had, a lot of communities on the west coast of Australia would have been quite severely damaged, I suspect.

**Mr Foley**—Yes.

**CHAIR**—What do we have in place for tsunami warnings in the Indian Ocean?



**Mr Foley**—Yes. I might just mention that the easiest analogy of a tsunami is dropping a pebble in a pond and seeing the waves propagate outwards equally, but it does not really happen like that in real life. Why it particularly did not affect the Western Australian coast was because the subduction zone where the earthquake occurred, off Indonesia, basically ran north-south. When the sea surface was uplifted and caused the wave, most of the energy was propagated east-west rather than north-south. It was nicely lucky for Western Australia.

**CHAIR**—Very much so, yes.

**Mr Foley**—Since that time, we and especially Geoscience Australia have become very proactive in the detection of undersea quakes. They would alert the bureau of high-magnitude earthquakes and we would be issuing tsunami warnings for that part of the world.

**CHAIR**—There were warnings, I believe, issued along the west coast when the Indonesian tsunami came.

**Mr Foley**—Yes, there were.

**CHAIR**—But what about these undersea buoys and things like that? You seem to have put a lot of technology into the Pacific side of Australia. What about the Indian Ocean side?

**Mr Foley**—Yes, we are planning to deploy three or four more of the deep ocean buoys that you are talking about. One is deployed between New Zealand and Australia for that area that has been assessed as a potential. We plan to put another two off the Western Australian coast and one in the Coral Sea area as well.

**CHAIR**—Where would they go off the Western Australian coast?

**Mr Foley**—Where would they go? They would go somewhere between the subduction zone, which is called the Sunda Arc, which is south of Indonesia—

**CHAIR**—The Sunda Strait?

**Mr Foley**—Yes, between there and Australia.

**CHAIR**—Okay. And the other one?

**Mr Foley**—That would give us at least 90 minutes, hopefully 90 minutes warning, from that. We are doing this in conjunction with other international partners, such as Indonesia and the United States, as far as deploying these buoys. We will be working with them, seeing where they are deploying their buoys, as to where we would deploy ours as well.

**CHAIR**—It was the centre in Hawaii that picked up the original earthquake and warned the west, or I suppose you people in Canberra. Is that how it happened? Port authorities along the west coast were rung. But do we now have some set-up like that to issue warnings to port authorities around Australia, if there is a danger of a tsunami?

**Mr Foley**—Yes, we do.

**CHAIR**—Have we improved it since that time?

**Mr Foley**—Yes. It certainly has been improved. It was unfortunate, I suppose, that the brief of the centre that you are talking about—the Pacific Tsunami Warning Centre—is really to provide warnings for the Pacific Ocean area. But they went much further than probably their brief said they should go and they were ringing around. It was the Pacific Tsunami

Warning Centre that alerted the Western Australian regional office that such an event had occurred, which allowed us to put out a warning along the west coast.

**CHAIR**—Where is the greatest danger? Is it in the Pacific, the east coast of Australia or is it around Indonesia?

**Mr Foley**—For the continent of Australia?

**CHAIR**—For tsunamis, yes.

**Mr Foley**—There are probably two main areas that are very active that would probably be assessed as the most liable. One would be the north-west and west coast of Western Australia and the other one would be the south-east of the New South Wales coast.

**Senator Abetz**—Tasmania is okay?

**Mr Foley**—Tasmania is not completely out of the woods.

**CHAIR**—What about the Indian Ocean? Between Burma, Thailand and north of Indonesia there was talk of some international agreement, in which I thought we were involved, to develop tsunami warnings in that area.

**Mr Foley**—Yes, indeed. That Indian Ocean community has been extremely active since 26 December 2004 and it has been working towards an Indian Ocean tsunami warning service. Australia is playing a fairly major role in that. In the bureau's Western Australian office we house an office of the IOC, the Intergovernmental Oceanographic Commission, which has carriage of tsunami warnings on a global scale. People in our office are working strongly for the IOC in trying to provide a definitive tsunami warning service for the Indian Ocean.

**CHAIR**—Lastly, I wish to ask a budget question. What kind of funding are you providing for the development of these services?

**Mr Foley**—A tsunami warning service?

**CHAIR**—Yes.

**Mr Foley**—We were appropriated \$68 million over four years to establish the Australian tsunami warning service, but also with a brief to assist our neighbours in their tsunami issues.

**CHAIR**—So where have you spent that money?

**Mr Foley**—We are about two years in. We have spent it again on a deep ocean buoy, which, as I said, is not cheap.

**CHAIR**—In the Pacific Ocean?

**Mr Foley**—It is about \$1 million there—\$500,000 to acquire the buoy and \$500,000 to deploy it. That will be an ongoing cost. Every year we need to refurbish that buoy, so it is an expensive exercise throwing these things over. So, as I said, we will be acquiring another three or four of those. We are also upgrading our sea level observing system with a series of tide gauges—probably another 26 tide gauges around Australia and also into the South Pacific—to get real-time monitoring of ocean heights to pick up tsunamis.

**CHAIR**—What about Christmas and Cocos islands in the Indian Ocean? Are you doing anything there?

**Mr Foley**—Yes. We have installed sea level gauges on both those islands with redundancy and full satellite communication so that we can get those signals within minutes of them occurring.

**CHAIR**—Was there anything on Christmas or Cocos islands that indicated that the Indonesian tsunami wave was passing by?

**Mr Foley**—Yes, there was. There was a sea level gauge at Cocos Island at the time. When it was monitored it detected the wave coming through. I forget the amplitude but I think it was around 30 centimetres as it went past.

**CHAIR**—Because it was deep water?

**Mr Foley**—Yes, it was in very deep water. Of course, it went past at about 800 or 900 kilometres an hour.

**CHAIR**—Do you think that you provided adequate warning for the north-west coast in particular at this stage?

**Mr Foley**—With that event or since then?

**CHAIR**—In general, with that as a precedent, because it could happen again at any time.

**Mr Foley**—Yes.

**CHAIR**—And there is a lot of major shipping up there.

**Mr Foley**—There is, and coastal infrastructure. The currents that are generated by tsunamis can interfere with underground pipelines, et cetera, so I think they also pose an environmental issue. So far as the warning service is concerned, we were able to put out a warning for the 2004 event. I think we are much better placed now than we were then with Geoscience Australia coming on line. Of course, there are three aspects. First there is detecting the earthquake, then there is monitoring and verifying whether a tsunami has been generated, and third there is a public education campaign. I think it is extremely important for people to understand what they are facing. If someone was saying, ‘A tsunami is coming tonight,’ what would you do? You would not blame people for heading for the hills if they do not fully understand tsunamis.

**CHAIR**—So can we say to the people of Western Australia, ‘You are secure. You will be warned in time should another tsunami occur and the full force of it comes towards the west coast’?

**Mr Foley**—Our aim is to give at least 90 minutes warning to the Australian coastline. I think we can do that. Once we detect a significant undersea earthquake, which Geoscience can do in a matter of minutes, we can certainly issue a warning. The refinement comes in the warning process itself. We can calculate very accurately the arrival time of tsunamis. It is a very easy equation to work that out. What is difficult—and it is difficult around the world—is the height of the tsunami and the degree of inundation that it might pose. The Solomon Islands tsunami was an 8.1 magnitude earthquake. It posed a genuine threat to the Australian coastline. I think it was quite warranted to put out some sort of warning. I think we will be refining these over the years to make them even more effective.

**CHAIR**—Thank you.

**Senator IAN MACDONALD**—You said that people do not know what to do. If a tsunami were heading towards Cocos Island what would they do?

**Mr Foley**—I think they would panic.

**Senator IAN MACDONALD**—I am sure they would, but what should they do?

**Mr Foley**—Be alert but do not panic. As I said, if a tsunami is in deep water, unless it can shoal and build up at a location it will zoom right past, which happened with the Boxing Day tsunami. In deep water oceans the threat is not severe but I think we still need to do some very careful risk analysis and modelling on these islands just to make doubly sure that there are not some situations where it will not occur. You can engineer to safeguard against a tsunami; you just have to build up.

**Senator IAN MACDONALD**—Will it leave Cocos Island if it were heading for Cairns? I thought you said that part the problem was that people do not know what to do. I appreciate that these questions are a bit hypothetical, but what is the right thing to do if you are living in Cairns and there is a real risk of a tsunami?

**Mr Foley**—If you do not know what the height of the wave is going to be and if you know about tsunamis then you would be watching the coastline and you would be watching to see whether the tide was going out inordinately.

**Senator IAN MACDONALD**—And what would you tell people to do—get away from the shoreline?

**Mr Foley**—Get away from the beach area, yes.

**Senator Abetz**—Might I ask a quick question just out of interest? We were told that the La Nina effect was via a cooling of the ocean waters. What causes that?

**Mr Foley**—It is almost a chicken and egg situation.

**Senator Abetz**—Yes. We have been told about warming of oceans elsewhere so I am just trying to put the two together.

**Mr Foley**—Yes. With the cooling of the oceans—and again, as I say, it may well be a chicken and egg situation—as the larger anti-cyclones form in the middle of the Pacific Ocean and cause the south-east trades to increase, then the evaporative cooling from that causes a cooling of the oceans as well, whether it is the ocean currents that drive the large highs, whether it is the large highs that drive the oceans, or whether it is a bit both ways.

**Senator Abetz**—Thank you for that.

**Senator McLUCAS**—I would like to ask the bureau a quick question. I did not hear the earlier questions Senator Macdonald asked about tsunami and early warning for north Queensland. Rather than travelling over the same ground, could you inform the committee what action the bureau has taken since the tsunami event earlier this year in improving early warning systems? What buoys do you now propose to enact in the Coral Sea? Can you also tell the committee where the early warning was promulgated, because people in the Torres Strait islands did not know, but people in Cairns did? I recognise that you cannot control what they did with that information. Do you propose to locate any tide gauges in that Coral Sea region? Can you take that question on notice? Is that adequate?

**Mr Foley**—Yes.

**Senator McLUCAS**—I am just worried about the time.

**Mr Foley**—We will certainly take it on notice.

**Senator McLUCAS**—Thank you. In the post-cyclone analysis process that you explained to Senator Crossin, do you monitor the promulgation of information to the community? I know that it is not your role, but unless we know what you know, it is a bit useless.

**Mr Foley**—In a cyclone event, yes, we do. We have specific address lists. We put cyclone warnings out on the internet and I guess we have no idea where that is going to be picked up.

**Senator McLUCAS**—But when we lose our power we do not get a chance to watch it.

**Mr Foley**—Yes. But we certainly have a fax and an email system where we send the warnings to the media. Every radio station and every television station gets those sorts of warnings. We rely on ABC radio to broadcast specific warnings.

**Senator McLUCAS**—That is where I want to get to. Are you aware that Cairns ABC went down at the beginning of Cyclone Larry and we did not have broadcasts, certainly not until after lunch on the morning of Cyclone Larry? What do you do, as the bureau, to make recommendations to other agencies of the Commonwealth when those sorts of events occur?

**Mr Foley**—I guess we were not all that aware that the ABC went down.

**Senator McLUCAS**—I am surprised that your post-cyclone review did not identify that.

**Mr Foley**—I did not see anything about any communication problems.

**Senator McLUCAS**—We lost the transmitter on Mount Bellenden Ker, which is not unusual.

**Mr Foley**—For how long?

**Senator McLUCAS**—I understand until about 11.30 in the morning. By that stage it was over the mountain anyway.

**Senator Abetz**—Would Emergency Management Australia potentially be the more relevant organisation for that?

**Senator McLUCAS**—I raised the issue simply because the bureau does a great job in providing information. But if we cannot hear it, it is wasted.

**Mr Foley**—It is wasted.

**Senator McLUCAS**—And we cannot respond appropriately. To lose the ABC—and this has occurred twice in recent cyclone history—I think is something that the bureau should know about.

**Mr Foley**—Yes. As I say, the ABC is contracted to be a disseminator of severe weather information. I think they do broadcast it, certainly in the Western Australian area, at quarter past the hour. Everybody listens for that. It is guaranteed that you will get a radio broadcast at that time.

**Senator McLUCAS**—Basically, during the cyclone you are getting minute-by-minute commentary, which is really useful if you can get it. I refer to the automatic weather station at

Creal Reef, which is off Mackay. I understand that that weather station stopped functioning since November last year. Is that correct?

**Mr Foley**—Yes, that is correct.

**Senator McLUCAS**—Can you tell me what is wrong with that?

**Mr Foley**—Yes. I am not sure when it was installed, but it was installed quite a while ago and, as you can appreciate, it lives in a very harsh environment. Basically, it has failed completely to the point that it is an occupational health and safety issue for our people even to get near the thing. So we now have plans to fully refurbish the station but it will take some time to accomplish that.

**Senator McLUCAS**—Do you do a risk analysis when you know that you will have an automatic weather station down for such an extended time? I understand that it will not be fixed until November this year.

**Mr Foley**—Yes. There are other stations around. Obviously it is a big ocean and we cannot put up another station nearby or anything. It is a risk but it is entirely out of our control that there is such a harsh environment out there to maintain these things.

**Senator McLUCAS**—Why will it take 12 months to replace it?

**Mr Foley**—I do not know why. It is just part of the program. I think to get out there is an expensive operation. It is a shipping operation. I think the bureau would probably try to do a number of things once they hire a ship to go into that area. So they would do a number of jobs to make it more cost-efficient.

**Senator McLUCAS**—What will it cost to refurbish it?

**Mr Foley**—I do not know. I think we refurbished Scott Reef several years ago. That is off the Western Australian coast. It was about \$100,000.

**Senator Abetz**—Do you want to take that question on notice?

**Senator McLUCAS**—If you could take that on notice and then explain what are the components of that expenditure.

**Mr Foley**—Yes. That was just infrastructure, let alone for the rest of it. We will take that question on notice.

**Senator McLUCAS**—Is there a cost of installation as well so we can have an understanding of that? Do we just wait until we have enough money? On what basis do you make a decision not to fix something for 12 months?

**Mr Foley**—It is a risk analysis basis. There are other observing sites around the area that we can use. We also have satellites that give us wind and direction readings over ocean areas twice a day. So we are not without information in that area. It might not be reporting through the internet to fishermen, but we certainly have a monitor of the wind regime in that area.

**Senator McLUCAS**—What is the level of complaints that you have had about it being down?

**Mr Foley**—I think there was one ministerial about it.

**Senator McLUCAS**—One ministerial?

**Mr Foley**—Yes.

**Senator McLUCAS**—Maybe we should get some more of those happening and it might get fixed more quickly. Are you aware of the other two, one of which is on Hamilton Island and I am not sure where the other one is. They are a long way from the Creal Reef weather station.

**Mr Foley**—By small boat, yes they are.

**Senator McLUCAS**—And they are not particularly useful in providing us with information. We might get those ministerials happening. I apologise in advance.

**Mr Foley**—We look forward to them.

**Proceedings suspended from 9.27 pm to 9.43 pm**

**CHAIR**—The committee will resume. Senator Bartlett has some questions.

**Senator BARTLETT**—I have some questions about the budget papers, if that is not too off the topic. According to the budget papers, I noticed that, over the next 10 years, the bureau is getting \$417 million, which I presume you are looking forward to?

**Mr Foley**—Yes.

**Senator BARTLETT**—The budget papers state:

The Government will provide \$417.2 million over 10 years (including \$235.0 million over six years from 2011-12) to the Bureau of Meteorology to improve the detail and scope of nationally available water information, which will allow the Bureau to forecast, analyse and publicly report on water resource usage.

So that whole area of water resource usage is not something you do at the moment?

**Mr Foley**—We do dabble in water issues. We certainly have a flood warning brief in all states and territories. Having worked in the area, Louise Minty might be able to help with other hydrological things that we do.

**Dr Minty**—As Mr Foley said, in the Bureau of Meteorology we already have a hydrological services program which is mostly focused on flood warning and forecasting. But there is also a small capacity associated with water resource assessment and hydrometeorological advice. But this is a significant advance and expansion of that role into greater areas and it is part of the overall national plan for water security.

**Senator BARTLETT**—I notice that a piece of legislation that is listed and that is meant to be passed before the end of June will expand your role to provide support in relation to water data, et cetera. Why does that need legislative change?

**Dr Minty**—At the moment the Bureau of Meteorology operates under the authority of the Meteorology Act 1955. While the functions within that act are quite broad and it enables us to perform a lot of activities, it does not allow us to undertake all the functions that are envisaged under the national plan for water security, in particular, in our role in water information. So we need some additional legislative authority to undertake those functions.

**Senator BARTLETT**—Okay. So you cannot just do anything you want to do with the weather?

**Dr Minty**—No.

**Senator BARTLETT**—The costings for the appropriations have \$23.7 million for the coming financial year, and \$39.25 million for the year after that. Next year the costings have \$10 million for administrative expenses and the year after that \$20 million for administrative expenses. How were those costs derived, in particular the administrative costs, as they seem like a nice round figure?

**Dr Minty**—It is fairly pragmatic. That administrative expense relates to an \$80 million program over five years. Starting off at \$10 million and increasing up to \$20 million just gives us a bit of time to spin up that program. The moneys are targeted at allowing the state and territory water agencies to modernise and extend their stream gauging and water monitoring activities. Basically, we will need to put in place a panel of experts to advise on where best to spend that money to get the best benefit from that investment. So we have just started off a little slower in the first year.

**Senator BARTLETT**—How do you break down the administrative costs versus the other expenses? Are they administrative costs for staffing?

**Dr Minty**—No. The administrative expenses, or the \$80 million over five years, are directed at state investment. It will be funds that will go to the states. The other expenses, departmental expenses, are funds that will go to the Bureau of Meteorology for the activities that we will undertake on behalf of the Commonwealth.

**Senator BARTLETT**— So it is money going to the states?

**Dr Minty**—Yes. The administrative costs are going straight to the states.

**Senator BARTLETT**—So it could go on staffing and things such as the secretariat at the state level?

**Dr Minty**—No, it should go directly to improving their water monitoring networks.

**Senator BARTLETT**—Okay. So you are changing legislation and resourcing there basically to do a lot more in-depth and detailed work about water usage, monitoring and upgrading of computers and all that sort of stuff?

**Dr Minty**—Yes, that is right.

**Senator BARTLETT**—Why does doing that have to be contingent on putting all the governance arrangements onto a national footing? I presume that this work needs to be done anyway, or we would benefit from it being done and having this data.

**Dr Minty**—Yes. We will still be relying on the states to run their equipment to monitor water. The bureau's role will be to collect all that information, to set standards for the gathering of that information, to analyse it, to produce water resource assessments and balances, and then to feed that information into our modelling activity so we can do some projections of future water availability. I think I have lost the remainder of your question.

**Senator BARTLETT**—Is there any particular structural reason why you need to have all the states signing over the national governance arrangements for you to do that? Could you not do that?



**Dr Minty**—We have no authority to tell them how to run their networks or set standards for the way they operate at this point in time. So we need some sort of authority that allows us to do that. We also cannot just demand from them that they give us their data. There has to be some sort of authority to compel the data to come through to the organisation so that we can analyse it in a nationally consistent way.

**Senator BARTLETT**—Is there likely to be resistance to sharing data?

**Dr Minty**—I would say that people at many levels within state agencies may react differently. But, in general, I would say that the response is positive. On the one hand there is an investment by the Commonwealth in modernising their networks and, on the other hand, there will be products and assistance from the Bureau of Meteorology that will assist them in their own operations. There will be benefits that they will gain from this arrangement that should become obvious, and we will just talk those through. That is how I imagine it going.

**Mr Foley**—I guess that the bureau also has a long history of close interaction with state government water agencies, through its hydrological services, so we would hope to build on the relationship that we already have with them.

**Senator BARTLETT**—Unless the capital funding is spent on computer infrastructure, satellite stuff, radar rainfall networks and those sorts of things, we really would not be able to get the level of data that we need to get anyway to do all the rest of the water package. Is that right?

**Dr Minty**—Sorry, could you repeat your question?

**Senator BARTLETT**—The capital funding will buy all this fancy stuff, to give it a technical term. I presume that, unless that is done, we cannot get adequate data to assess how it is done?

**Dr Minty**—No. The networks that are there now will get you only so far. We need to augment that with additional information sources. So, for example, the rainfall radar network proposed for the Murray-Darling Basin in particular will give us a different set of information, but it will also allow us to do things like short-term rainfall forecasts, et cetera, which we cannot do, for example, with stream gauging information or with our rainfall network. So it is definitely a step up in the sort of information that will be available.

**Senator BARTLETT**—Will that equipment be able to be used only over the Murray-Darling Basin, or will it be able to be used for the rest of the country?

**Dr Minty**—The radars are a bit of specific within this capital investment and will be targeted to the Murray-Darling Basin. But the satellite reception facilities are for the nation as a whole, so it is not particularly targeted there.

**Senator BARTLETT**—I will stop there, given the time.

**CHAIR**—Other questions?

**Senator BOB BROWN**—Thank you very much, and thank you for all the great work the bureau does. I begin by asking you about climate change modelling. Who is doing that for the Southern Hemisphere?

**Mr Foley**—I believe it is mostly the CSIRO. The bureau does some limited work in support of the Australian Greenhouse Office but I think the majority of climate modelling, long-term climate change modelling, has been performed by CSIRO.

**Senator BOB BROWN**—With the proposal to increase the power of doing that, with the bureau and the CSIRO and universities getting together, what is happening there?

**Mr Foley**—It is very close to sign-off, in fact. It is certainly very well advanced. I think there might be a couple of lawyers looking at some of the finer detail, but we anticipate that we would be signing maybe in July, around about July, to make that alliance form.

**Senator BOB BROWN**—What is the funding to enable that to happen?

**Mr Foley**—The funding is basically 50:50 between CSIRO and the bureau. We are basically using existing funding to do it.

**Senator BOB BROWN**—You have not got new funding to enable you to do that?

**Mr Foley**—No, we have not.

**Dr Minty**—The bureau does not, but I understand the CSIRO has.

**Senator BOB BROWN**—What amount of funding do you anticipate will be involved in your participation in that modelling?

**Mr Foley**—I am not sure. There is a lot of in-kind funding with staffing and the use of the supercomputer would also be a rather large factor. But to quantify it would be difficult. If you would like to know, we can take it on notice.

**Senator BOB BROWN**—Would you please?

**Mr Foley**—Yes.

**Senator BOB BROWN**—Have you made a request for funding to cover that really important new function? Otherwise obviously you are going to take funding from somewhere else.

**Mr Foley**—It is part of our research program so, no, we do not anticipate getting extra funding.

**Dr Minty**—No, though the bureau receives funds through the Australian Greenhouse Office to undertake some climate change modelling activities, and we do not expect that to disappear.

**Senator BOB BROWN**—Yes, but that is not covering this particular function, is it?

**Dr Minty**—It will part cover some of that function.

**Senator BOB BROWN**—Part cover it?

**Dr Minty**—Yes.

**Mr Foley**—The idea of it is more an alliance than anything else because one single group just cannot apply the amount of effort needed to really advance this area. We are really looking at some sort of synergies that we might get out of both of us working on the same problem.

**Senator BOB BROWN**—Yes. That seems sensible, or with a university. Are there any other entities, like universities, being involved in this?

**Mr Foley**—Yes. We have been talking with universities on that.

**Senator BOB BROWN**—Is that modelling for Australia, or for a wider geographical part of the globe than that?

**Mr Foley**—Climate modelling is necessarily global in aspect. When you are running out numerical models for 50 or 100 years, you need to do it on a global scale. But obviously we would have a focus on certainly the Southern Hemisphere and certainly the Australian region.

**Senator BOB BROWN**—Let me put it this way: who else in the Southern Hemisphere is doing this work, outside Australia?

**Mr Foley**—I think that would be nobody, I would suspect.

**Senator BOB BROWN**—Who is doing it in the Northern Hemisphere?

**Mr Foley**—There are a number of centres doing it in the Northern Hemisphere, including the United Kingdom Meteorological Office that runs the Hadley Centre.

**Senator BOB BROWN**—How long has that been going? That goes back to Maggie Thatcher, does it not?

**Mr Foley**—I do not know, but it would certainly go back a long way. They have got a long and very successful history in climate modelling.

**Senator BOB BROWN**—What is the relationship between that centre and the bureau in the United Kingdom?

**Mr Foley**—It is excellent. I do not know whether you are aware but we have just acquired the United Kingdom unified model, as they call it, to use in this new joint venture. So we are working extremely closely with the United Kingdom Meteorological Office.

**Senator BOB BROWN**—How long has that modelling been available?

**Mr Foley**—We have only just acquired the model. We are just running it in a sort of a research trial mode. I have not seen any of the output. But the people who are using it are extremely enthusiastic about its output.

**Senator BOB BROWN**—Though the Hadley Centre was set up specifically to look at climate change, was it not?

**Mr Foley**—Yes, it was.

**Senator BOB BROWN**—In about 1990?

**Mr Foley**—I cannot say precisely.

**Dr Minty**—It sounds about right.

**Senator BOB BROWN**—Is there any such similar centre in Australia?

**Mr Foley**—There may well be. The new centre for Australian Weather and Climate Research that is this joint venture, that is called CAWCR.

**Senator BOB BROWN**—It is sort of 17 years down the line.

**Mr Foley**—That is right.

**Senator BOB BROWN**—Thank you. Cloud-seeding is a contentious topic. I see it has spread from Tasmania to the mainland. Have you any data, indicative or reliable, about the rainfall resulting from cloud-seeding and how well those practising cloud-seeding are able to geographically confine the impact of silver iodide, or whatever it might be?

**Mr Foley**—The answer is no, but the bureau has not, I do not think, been involved in cloud-seeding—certainly not at all in the last couple of decades. We might have assisted CSIRO in the sixties when they were looking seriously at it. As far as assessing the efficacy of cloud-seeding, it is a really difficult task. I think that has been one of the problems with cloud-seeding having limited success. It is very difficult to verify how efficient a cloud-seeding operation has been.

**Senator BOB BROWN**—Have the hydroelectric authorities in Tasmania consulted you about that?

**Mr Foley**—They probably talk to the Tasmanian regional office more than our head office, but there would have been some dialogue.

**Senator BOB BROWN**—But you are unable define any definite evidence about the success of cloud-seeding?

**Mr Foley**—It does not seem to have been a big signal in our climate analyses for Tasmania.

**Senator BOB BROWN**—You may be aware that there is a contention down there that where the water drops, it is good for the dams, but bad for tourism.

**Mr Foley**—I have heard that.

**Senator BOB BROWN**—Have you been approached to help with information on this topic?

**Mr Foley**—Not to my knowledge, Senator. Again, perhaps our regional office would have been. I am pretty sure—no, I do not think the bureau has been involved or approached to make any assessment of that.

**Senator BOB BROWN**—Would you check that for me, please?

**Mr Foley**—I certainly will.

**Senator BOB BROWN**—Do you have any reason, or can you give the committee any reason, why it would be that, if cloud-seeding were effective in, say, dropping rain on western Tasmania, that would not lead to those clouds having less rain as they moved across the rest of Tasmania?

**Mr Foley**—I think that the scientific evidence points to the fact that it does not limit rainfall downstream from where there are cloud-seeding operations.

**Senator BOB BROWN**—Is that because it generally does not seem to have any effect anyway?

**Mr Foley**—Well, it is a very small effect. You may be aware there was a cloud-seeding symposium that occurred. The bureau held one in early May, just recently. I think the

consensus was that cloud-seeding can increase the efficiency of clouds by about 10 per cent. So if you are looking at a fairly good downpour—

**Senator BOB BROWN**—That is the efficiency of precipitation from cloud?

**Mr Foley**—That is right. A 10 per cent increase seems to be the figure that has been bandied around. If you are looking at a fairly good downpour of 25 millimetres, an inch on the old scale, a 10 per cent increase would make it 27 millimetres. That is why I say it is very hard to verify in the real world whether there was that sort of effect or not.

**Senator BOB BROWN**—Okay. The other question I was going to ask is about silver iodide or whatever might be used. How do we determine that that is not having some other meteorological effect? Is it possible to do that?

**Mr Foley**—I do not know. It has crossed my mind as well whether there is any environmental impact. I am not aware of any studies about that.

**Senator BOB BROWN**—Would you mind seeing if you have in your records any evidence on that?

**Mr Foley**—Absolutely.

**Senator BOB BROWN**—From there, on to pollution from transport in cities and industries. What is the evidence about particulate matter coming out of cities, and so on, affecting rainfall?

**Mr Foley**—Again, there are scientists who say that the sort of particulates coming out of industrial areas inhibit rainfall and there are other scientists who say that the particulates actually assist the rainfall process. So there is quite a diversity of opinion about that.

**Senator BOB BROWN**—Is that opinion dependent on the size of the particles? Does it apply to microfine and ultrafine particles as well as—

**Mr Foley**—I gather it would depend both on the size of the particle and the chemical composition of the particle.

**Senator BOB BROWN**—I have this report in *Science* 2000 by Rosenfeld indicating that ultrafine particles in Australia, downwind of industrial and urban development, may lead to the suppression of rain and snow. Have you seen that report?

**Mr Foley**—I know Dr Rosenfeld is on the side that says that particulates can inhibit rainfall, yes.

**Senator BOB BROWN**—But the matter is not determined, as far as you are concerned.

**Mr Foley**—It is not determined. Again cloud physics is more in the domain of the CSIRO than the bureau. We do not operate a cloud physics centre.

**Senator BOB BROWN**—True. But one thing you can do is look at the growth of cities, for example, and tell changes on rainfall pattern in that region upwind and downwind. Have there been studies on that?

**Mr Foley**—We certainly look at rainfall trends. We have not appended our rainfall trends to an increase in particulates around cities. I do not think there have been any large signals in that area.

**Senator BOB BROWN**—Would you be able to determine that? Say you took Newcastle: if there was a difference in that region, south or north of the city or in the prevailing winds—there might be onshore winds, for example—over the last hundred years, would it have been possible to pick up the difference there? Do you know if that has been studied?

**Mr Foley**—I do not think it has been studied and it sounds like it would be a fairly large sort of research project to do.

**Senator BOB BROWN**—But it would be a very good piece of information to have, too, would it not?

**Mr Foley**—It could well be. We would be very prepared, if funded, to initiate something like that.

**Senator BOB BROWN**—I will see what I can do.

**Mr Foley**—Okay.

**Senator BOB BROWN**—You were talking about the El Nino re-emergence a while ago with the minister and before that with an earlier questioner. When did you first become aware that she was back on?

**Mr Foley**—That La Nina was back?

**Senator BOB BROWN**—Yes, La Nina.

**Mr Foley**—The signals started changing early in the autumn, I guess. The ocean temperature in the equatorial Pacific started to change its complexion. Whereas the ocean temperatures were above normal, which is a clear signal of the El Nino phenomenon, the ocean waters started to cool. If you extrapolated that trend, you would see that a cooling was occurring in the equatorial Pacific Ocean, which means that at least El Nino was dissipating and possibly La Nina was taking over.

**Senator BOB BROWN**—Some months ago you were talking about this publicly, were you not?

**Mr Foley**—Yes, we were.

**Senator BOB BROWN**—When was the first time you made that promising outlook public?

**Mr Foley**—It would have been probably about three months ago in the seasonal climate outlook.

**Senator BOB BROWN**—Did the Prime Minister ring you a month ago before he asked us to pray for rain?

**Mr Foley**—No, he did not—not to my knowledge.

**Senator BOB BROWN**—Lucky he did not need to, eh?

**Mr Foley**—Not to my knowledge.

**Senator BOB BROWN**—I thought that was an interesting phenomenon in itself. Thank you very much.

**CHAIR**—Is that all?

**Senator SIEWERT**—No, it is not all. I have questions. I want to ask a few more questions about the National Plan for Water Security. Can you clarify something for me? I understand from your answers to Senator Bartlett that there was \$10 million in the first year and \$20 million afterwards. That is for the states?

**Mr Foley**—Yes.

**Dr Minty**—Yes.

**Senator SIEWERT**—Is that for all states and territories?

**Mr Foley**—Yes.

**Senator SIEWERT**—How has it been allocated between the states?

**Mr Foley**—It has not been allocated as yet.

**Senator SIEWERT**—What is the process for allocation?

**Dr Minty**—I think, as I indicated to Senator Bartlett, we really need to look at the status of the water monitoring networks in each of the states to determine where the gaps are and where best to spend that money.

**Senator SIEWERT**—So it will be done on a needs basis.

**Dr Minty**—On a best benefit in terms of water resource monitoring basis.

**Senator SIEWERT**—Are some states already better off than others in that they have already invested more substantially in that sort of equipment?

**Dr Minty**—It is really hard for us to comment at this stage.

**Mr Foley**—We have not done an audit.

**Dr Minty**—Yes. We need to do a baseline assessment.

**Senator SIEWERT**—We do not even have an audit yet for them.

**Mr Foley**—No.

**Dr Minty**—No.

**Senator SIEWERT**—Okay. When I was asking about this in February estimates, I think I was told by Dr Love ‘You would probably know as much as I do.’

**Mr Foley**—It was early days, yes.

**Senator SIEWERT**—Do you know more—because I can tell you that I do not know any more than that from the last estimates. I would like to know where the planning is up to. Before you start on that one, though, I would also like to know, of the \$480 million that was allocated, how was that figure determined? Did you put in a bid for \$480 million, or was it just decided that that was how much and you would cut your cloth to meet that?

**Mr Foley**—That was the way that it was costed—that is my understanding.

**Senator SIEWERT**—Who costed it?

**Dr Minty**—Not the Bureau of Meteorology.

**Senator SIEWERT**—So you were just told ‘that is how much you get’?

**Mr Foley**—Yes.

**Senator SIEWERT**—And for 10 years.

**Mr Foley**—Yes.

**Senator SIEWERT**—So will it do the job?

**Mr Foley**—We will make it do the job.

**Dr Minty**—We will certainly do what we can with the funds provided. It is certainly a dramatic increase on what is available now, which is nothing, and it will certainly make a difference.

**Senator WONG**—Can I just clarify that? Was there no discussion with you whatsoever by the Office of Water Resources, which I think costed the plan then in the Department of the Prime Minister and Cabinet, prior to your being advised of the amount of funding you would get?

**Dr Minty**—They certainly would have asked us questions about what was—

**Senator WONG**—Dr Minty, please do not say ‘would’.

**Dr Minty**—I am sorry.

**Senator WONG**—Because ‘would’ is a sort of possibility. Did they, or did they not?

**Dr Minty**—They knew the cost of our hydrological services program because it is publicly available and published in our annual report.

**Senator WONG**—Okay.

**Dr Minty**—They had access to that information.

**Senator WONG**—I think it was Dr Horne and others who were involved in preparing the costings for the Prime Minister’s plan. What discussions occurred between them and your organisation prior to the announcement?

**Mr Foley**—Prior to the announcement there was probably very little, but the bureau has been interacting very closely with those sort of organisations.

**Senator WONG**—Are you aware or not?

**Mr Foley**—They know we are around.

**Senator WONG**—Sure. I do not think that is the issue.

**Mr Foley**—Right.

**Senator WONG**—Are you aware of any discussions regarding the costing of the allocation to the bureau which formed part of the plan, prior to the plan being announced?

**Mr Foley**—I think our last interaction was probably at the Water Summit in November.

**Senator SIEWERT**—7 November.

**Senator WONG**—At the interaction on 7 November, was there any discussion about what would be required in terms of additional funding to the bureau for a national water plan?

**Mr Foley**—Not to my knowledge.



**Senator WONG**—Were there ever any discussions about what the costing of the funding allocation to your organisation would be with the Prime Minister's department?

**Mr Foley**—Not to my knowledge.

**Senator SIEWERT**—How do you know that the money that has been allocated to the states for example, which is, as I understand the estimates, \$20 million for three years and \$10 million for one year—I am looking at the notes down the bottom. I am sorry it is not clear to me if the money to the states goes beyond that to the 10 years.

**Dr Minty**—It is a five-year program. It totals \$80 million over five years.

**Senator SIEWERT**—It is \$80 million over five years, but how do you know if you have not done the audit that that is going to be sufficient to do the job?

**Dr Minty**—It is a good question, but we will do what we can with those funds.

**Senator SIEWERT**—What is the other money? I am looking at 2007-08, \$10 million for the states and just over \$13.5 million for the department.

**Dr Minty**—For the Bureau of Meteorology.

**Senator SIEWERT**—What is that being spent on?

**Dr Minty**—A large chunk of it will be essentially that we are building a new division of water information. A large chunk will be staff but there is also a capital component which I have discussed with Senator Bartlett—staffing and capital, and activities associated with that.

**Senator SIEWERT**—What scale of program are we talking about for that sort of money?

**Dr Minty**—In the first year, in 2007-08, we are looking at 53 new staff.

**Senator SIEWERT**—Where are they going to be located?

**Dr Minty**—You have to determine the breakdown, but essentially we would expect that there will be a component in our head office in Melbourne. There will be a contingent in Canberra, but there will also be staff in each of our regional offices around the country.

**Senator SIEWERT**—When will that be determined?

**Dr Minty**—We are in the planning phases now. We hope to be able to hit the ground running, so to speak, once we have the go-ahead to do so.

**Senator SIEWERT**—How did you determine that you needed 53 new staff?

**Dr Minty**—We examined the functions that we expected to undertake and what we could achieve within the first year, and that was basically the number that we were aiming for.

**Senator SIEWERT**—Will it do the job that is articulated in the National Plan for Water Security?

**Dr Minty**—Fifty-three is our starting point. That is what we are hoping to recruit in 2007-08. We would build that up to 110 staff by the fifth year of the plan, and we would hope also that that is adequate to be able to undertake all the functions.

**Senator SIEWERT**—As I understand it, in the fifth year of the plan you would have 110 staff, but the funding then goes on for 10 years—there is funding for 10 years—so that funding is to carry those staff through for the 10-year plan. Is that correct?

**Dr Minty**—Yes.

**Senator SIEWERT**—Okay. And the capital expenditure?

**Dr Minty**—The capital expenditure is phased really as capital items come on board.

**Senator SIEWERT**—That is for five years, though. Is that also for five years?

**Dr Minty**—There is a profile I think of capital expenditure that is different from year 1 to year 2 to year 3 to year 4. There will be some capital expenditure probably over every single year because, by the time we get past year 5, we will be replacing computers, et cetera.

**Senator SIEWERT**—So it says the government will provide nearly \$25 million over 10 years. That will then be used, as you said, for computer replacements. When do you expect to have your 53? By the end of the next financial year? Is that it?

**Dr Minty**—That would be the aim, yes.

**Senator SIEWERT**—When do you intend starting to advertise those positions?

**Dr Minty**—We are actually waiting for our legislative authority to undertake the function. While we are gearing up and planning, we are trying not to commit ourselves too much ahead of time.

**Senator SIEWERT**—When will you determine where those staff are to be located?

**Dr Minty**—As we progress the plan, I would expect that we would know within a couple of months where we most need those staff, where we best would place those staff.

**Senator SIEWERT**—I am sorry to jump back, but earlier I forgot to ask a question. With the states, I think we started to address this last time. My understanding is that there are different systems in each of the states. Now you will have a common system across all the states. Am I correct in that?

**Mr Foley**—Yes.

**Senator SIEWERT**—Therefore my question is: in the states that are more advanced in their monitoring, does that mean a total change of the system, or can you retrofit them to the system that you will be using? Does my question make sense? I am sorry, you are looking at me a bit askance.

**Dr Minty**—Yes, it does. I suppose the scale of the activity is yet to be determined as to how much needs to be changed or what kind of retrofitting would be required, but where a state is already undertaking these activities to a high standard, then that will be the standard that we would adopt. So, for some, there may not be any requirement at all.

**Senator SIEWERT**—So you are going to look at the best practice of the states.

**Dr Minty**—That is right, yes.

**Senator SIEWERT**—What about if none of them performs to what you require?

**Dr Minty**—Then we would need an investment in every state to try to bring them to that level. But, again, you can improve the quality to the level of your investment. You could also invest forever and ever and look for a Rolls Royce solution to every single monitoring activity, but we will be looking for some kind of benefit for the cost.

**Senator SIEWERT**—This is my last question—I think. The audit of the states, is that going to wait until you have the staff on board?

**Dr Minty**—It is a bit hard to do it without the staff.

**Senator SIEWERT**—You do not have a capacity to undertake that now? I told a lie again. This is my almost-last question.

**Dr Minty**—We will start down that track with the staff that we have now, but we certainly will not be able to complete it until we have some more staff on board.

**Senator SIEWERT**—When do you expect to have the audit done?

**Dr Minty**—I could not say. It is too early. We haven't even spoken to all the states yet.

**Senator SIEWERT**—Okay. Do you expect to have it done by the end of the financial year?

**Dr Minty**—Absolutely; definitely, yes.

**Senator SIEWERT**—By Christmas?

**Dr Minty**—I would say we would want to see something within the first six months.

**CHAIR**—I think that concludes the Bureau of Meteorology, so thank you for your appearance tonight.

[10.20 pm]

#### **Great Barrier Reef Marine Park Authority**

**Senator McLUCAS**—We have a legislation inquiry into the bill. We will be able to do a lot of the questions in that legislation inquiry when we talk to the authority. I am flagging, chair, that I will only be about 10 or 15 minutes and I would appreciate your staying so that you could talk to us for 10 or 15 minutes. Going to the portfolio budget statements on page 222, the \$8,200,000 special appropriation is EMC, is it not—the environment management charge?

**Ms Chadwick**—Yes.

**Senator McLUCAS**—You have kept that at the same level. Sorry. How did that change in the 2007-08 budget from the 2006-07 budget?

**Ms Chadwick**—Yes, I can confirm that is the EMC. In terms of the variation, I would refer that to Mr Barrett.

**Mr Barrett**—The EMC special appropriation for 2006-07 is estimated to be \$7.4 million. The EMC has been indexed in accordance with regulations as of 1 April this year, 2007. The cash flow for those payments will come through starting when the payments are due on 1 July for the April to June quarter. Our expectation is that the charge will go up from \$4.50 to \$5 for the standard charge.

**Senator McLUCAS**—Oh, I am sorry. I understand.

**Mr Barrett**—There is an extra \$800,000 expected during the financial year.

**Senator McLUCAS**—I had forgotten that it had increased.

**Ms Chadwick**—If I may, that increase is not only in line with CPI, but the implementation of that mechanism was developed years ago in association with industry, and forms part of the regulation. It is certainly not a vagary.

**Senator McLUCAS**—Thank you. But the other input into finding that number would certainly be the number of visitors to the reef. Are you working on the basis of a flat increase?

**Ms Chadwick**—I guess.

**Senator McLUCAS**—What are your projections for visitation?

**Ms Chadwick**—Our projections at the moment are fairly stable in terms of visitation.

**Senator McLUCAS**—I was concerned, given predictions about the drop-off in the Japanese market.

**Ms Chadwick**—Yes.

**Senator McLUCAS**—But I had forgotten that you had increased it. That is okay. Am I reading the next page of the paper properly in determining that the Queensland government's contribution to day-to-day management has almost doubled?

**Ms Chadwick**—There has been a significant increase in the contribution made by Queensland and that has been matched by the Commonwealth. That gives a quite healthy and much-needed injection of funds into the day-to-day management of the reef. It is a deficiency that has been recognised by both governments and handled in a very sensible and collaborative fashion.

**Senator McLUCAS**—So where do I track the increasing contribution from the Commonwealth in day-to-day management, not water quality?

**Mr Barrett**—In the new measure on page 223, the additional funding for field management. There is a new measure there both in operating expenses and in equity injection. Over the next four years we are expecting an extra \$15.6 million from the Commonwealth. In 2006-07, the Queensland government contributed an additional \$2.2 million to the program. Over the next four years it will be contributing \$13.1 million. The idea is that the Commonwealth and Queensland are both providing additional funding that is being matched.

**Senator McLUCAS**—That is good. Can you explain the equity injection?

**Mr Barrett**—There are two aspects to the equity injection under the program for field management. One relates to an IT system for a permits and compliance system—\$300,000 has been allocated out of the funding for that. The other funding is for restoration and management of some of the Commonwealth island properties, particularly Low Isles, Dent Island and Pine Island. We are undertaking some improvements and rehabilitation of the lighthouses on those properties.

**CHAIR**—I think the other aspect is the repair of some engines.

**Mr Barrett**—Some minor equipment.

**Senator McLUCAS**—Thank you for that. How are we going with staffing?

**Ms Chadwick**—We have about 194 staff, although I will defer to John Barrett's expertise in that area. We are anticipating a minor increase—something in the order of 10—in the next 12 months.

**Senator McLUCAS**—That is an effective full-time staff of 194 to 204; is that right?

**Ms Chadwick**—Yes.

**Mr Barrett**—At the moment our staffing levels are probably a little bit down on what we expected them to be at the end of this financial year. Some positions are currently being filled. I know of three people who are due to start in the next few weeks. By the end of June we expect our staffing level to be about 198. Some additional funding has been made available through the climate change initiative and there are some additional positions in the field management area.

**Senator McLUCAS**—Mr Barrett, you usually provide me with a table showing where the people are in the authority.

**Mr Barrett**—Can I take that on notice?

**Ms Chadwick**—We would be happy to do that again.

**Senator McLUCAS**—I have some questions about someone called Ms Virginia Chadwick. I will not read them out as they have been drafted. Ms Chadwick, when does your term with the authority end?

**Ms Chadwick**—My term ends in mid July.

**Senator McLUCAS**—It is this year. What has been the process for reappointment of the chair?

**Ms Chadwick**—Obviously I have advised the minister—in fact, I advised the previous minister—that I would not be seeking reappointment. I have had various discussions with both ministers and the secretary. My love of GBRMPA and my lack of modesty would suggest that I should decide and suggest who should be my replacement. But, as we all know, the world is not a fair place, so that determination rightly lies in the hands of our minister.

**Senator McLUCAS**—Yes. Mr Borthwick, what action has been taken to replace the excellent Ms Chadwick?

**Mr Borthwick**—The minister has asked me to advertise the position and to chair the panel with a view to making recommendations to him and then to cabinet.

**Senator McLUCAS**—Has the state government been involved in that?

**Mr Borthwick**—No, it is an appointment made by the Commonwealth minister and cabinet.

**Senator McLUCAS**—The question was about whether the state government had been consulted.

**Mr Borthwick**—No, we have not advertised the position yet; it will be advertised in the next week or two.

**Senator McLUCAS**—Is it expected that that person will take up the position in July?

**Mr Borthwick**—I think it is extremely unlikely that we will be able to complete the processes before Ms Chadwick leaves the authority.

**Senator McLUCAS**—So there will be an acting chair for a period?

**Mr Borthwick**—Yes.

**Senator McLUCAS**—We have two things happening at the same time: the chair's position finishing in July and the implementation of the amendments to the act. Do you intend to put those two processes together in any way?

**Mr Borthwick**—I do not think they need to be tied together; they are independent of one another.

**Senator McLUCAS**—What will be the process for appointing new members of the authority?

**Mr Borthwick**—I think the other authority members' terms expire some time between July and the end of this calendar year. The normal process for appointing new members of the authority will be followed.

**Senator McLUCAS**—I understand that under the legislation—which I know has not been passed yet—the Queensland government will not have the opportunity to appoint one of the members of the authority. Is that correct?

**Mr Borthwick**—I stand to be corrected and I know that issue has been raised, but that is not my understanding of what the legislation involves. I believe that Queensland will be appointing a member. Hopefully it is the head of the Premier's Department as it has been in the past.

**Senator McLUCAS**—Okay. So there is no change to the current situation.

**Mr Borthwick**—The act allows for the provision of an additional member of the board. But there is no intention other than one of those members being a Queenslander. Hopefully the state will choose to continue the practice of having the head of the Premier's Department on the board of the authority.

**Senator McLUCAS**—I think I can ask the rest of these questions at the inquiry. I will leave it at that. Given that this is your last estimates hearing, Ms Chadwick, thank you for being cooperative and helpful.

**Ms Chadwick**—Thank you, it has been an absolute pleasure working with the committee.

**Senator McLUCAS**—It used to be better when we started first in the morning. I am sorry it is so late at night.

**Ms Chadwick**—Yes, it is indeed.

**Senator Abetz**—On behalf of the government I thank Ms Chadwick for her role. This is her last Senate estimates appearance. GBRMPA has come a long way under her stewardship and it is appropriate that that be recognised.

**Ms Chadwick**—Thank you, senator.

**CHAIR**—I echo those sentiments, Ms Chadwick. You have been appearing before this committee or for a long time now.

**Ms Chadwick**—It feels longer.

**CHAIR**—It is always an interesting experience to appear before an estimates committee. You are well recognised as having done an excellent job in that role. We wish you well in the future and thank you for your appearances here.

**Ms Chadwick**—Thank you.

**Senator IAN MACDONALD**—I reiterate those sentiments, and I have expressed them to Ms Chadwick privately. My question is directed to Mr Borthwick. Does the CEO's job description require that person to operate out of Townsville?

**Mr Borthwick**—I do not think it goes to that, but that would certainly be the intent. There is no intention either in terms of Ms Chadwick's replacement or in the changes to the legislative arrangements that would take the locus of the authority out of Townsville. In fact, that was one of the key aspects of the review—that the authority should remain firmly rooted in Townsville.

**Senator IAN MACDONALD**—I think I lost out in my bid to split the positions of chief executive and chairman in the legislation that was passed. It is the same position as at present.

**Mr Borthwick**—Yes, you did. As I recollect, the essential reason is that the new authority is moving from the Commonwealth Authorities and Companies Act to the Financial Management and Accountability Act. Because of the financial responsibilities under the FMA Act it was deemed that that person should be one and the same person. The head of the National Water Commission is both the chair and the CEO. It is my recollection that there were some technical accountability reasons for doing that given the nature of the authority.

**Senator IAN MACDONALD**—It is appropriate that that be on the record. You or the minister explained that to me. I disagree with both of you entirely, but it is your call.

**Mr Borthwick**—No, it is a government call.

**Senator IAN MACDONALD**—It is government's or the minister's call. So, it will continue to be a full-time, hands-on job?

**Mr Borthwick**—Yes.

**Senator IAN MACDONALD**—What sort of experience would be needed? I can only half-hear Senator McLucas's questions, but have the criteria for this job been determined?

**Mr Borthwick**—I know there has been some tick-tacking between my department and Ms Chadwick in terms of how the advertisement will be framed et cetera, and there will be criteria to support that.

**Senator IAN MACDONALD**—So the criteria have been determined?

**Mr Borthwick**—Yes.

**Senator IAN MACDONALD**—Is it possible to get details of what sort of—

**Mr Borthwick**—When we advertise the position I will ensure you see what they are.

**Senator IAN MACDONALD**—Is there some secret about it?

**Mr Borthwick**—No, it is just that I do not know whether those details have been finalised yet in terms of how they have been expressed.

**Senator IAN MACDONALD**—So when do you expect the advertising to occur?

**Mr Borthwick**—In the next week or two.

**Senator IAN MACDONALD**—In the next week?

**Mr Borthwick**—Yes.

**Senator IAN MACDONALD**—So you will make the criteria available on notice.

**Mr Borthwick**—For example, I am going to utilise the services of headhunters, for want of a better term. I am having discussions with them this week. I want to get their professional advice as to how we should frame—

**Senator IAN MACDONALD**—But your department has been interacting with GBRMPA for 20 years now. You must know what sort of things you are looking for in a successor.

**Mr Borthwick**—Yes, but I want to ensure that the advertisement is pitched at the right level. I am very happy to provide the information, but in a couple of weeks.

**Senator IAN MACDONALD**—I must say that I am surprised that you would not have the criteria out and about. How long will the advertising process go on; do you have a feel for that?

**Mr Borthwick**—It is usually advertised for about three weeks, I think.

**Senator IAN MACDONALD**—The appointment will ultimately be made by the minister.

**Mr Borthwick**—I think he makes proposals to cabinet.

**Senator IAN MACDONALD**—But I think you told Senator McLucas that before that it will go through a selection process.

**Mr Borthwick**—Yes, that is right.

**Senator IAN MACDONALD**—I think you said you are heading the panel. Who else will be on the panel?

**Mr Borthwick**—We have not determined who else will be on the panel.

**Senator IAN MACDONALD**—Is that a decision for you or for the minister?

**Mr Borthwick**—I will be making some suggestions to the minister because the appointment of heads of authorities is a matter for the minister.

**Senator IAN MACDONALD**—Right. Would you expect it to be a big panel?

**Mr Borthwick**—No.

**Senator IAN MACDONALD**—Would three sound about right?

**Mr Borthwick**—Three sounds about right, but it has not been determined yet.

**Senator IAN MACDONALD**—Will the panel members all be public servants?

**Mr Borthwick**—It has not been determined yet.

**Senator IAN MACDONALD**—Is it normal for them all to be public servants or could it involve someone from, for example, the tourism industry, or would fishermen or groups that have an interest in the region have a spot on the selection panel?



**Mr Borthwick**—That has not been determined; I have not had a discussion with the minister about that.

**Senator IAN MACDONALD**—Okay. Are there precedents for these types of appointments and, if so, what does the panel normally look like? I appreciate that it is the minister's decision, but I just—

**Mr Borthwick**—There can be a merit selection process—which the minister has chosen in this instance—or it can be a decision made by cabinet based on recommendations from the minister without this sort of process. In this case, the minister has decided to test the market.

**Senator IAN MACDONALD**—But the Great Barrier Reef Marine Park Authority differs from other agencies in that it does have a state government influence and it has a very intensive impact on those who 'use' the reef, such as the tourism industry, the fishing industry to a lesser extent and the cane farming industry, which has an interest in the reef because of runoff and so on. It would seem to make sense to have a panel involving not only public servants. Would that be normal in a case like this?

**Mr Borthwick**—I do not think there is something normal; there is no normal process for these appointments. Each process is determined by the minister at the time.

**Senator IAN MACDONALD**—Okay. Thank you very much for that. I convey my best wishes publicly to Ms Chadwick.

**CHAIR**—That concludes the examination of the Great Barrier Reef Marine Park Authority. Thank you.

**Ms Chadwick**—Thank you very much, Senator.

[10.41 pm]

#### **Sydney Harbour Federation Trust**

**CHAIR**—Mr Bailey, I remember when the Sydney Harbour Federation Trust was set up and I travelled around the various sites on Sydney Harbour. How are your management plans going for the various sites? Do you still need to develop plans for various locations?

**Mr Bailey**—Our task was to prepare a comprehensive plan across all of the sites. We did that within the first 18 months of the existence of the organisation. Under the legislation we were obliged to prepare more detailed management plans on a precinct basis.

**CHAIR**—On a precinct or precedent basis?

**Mr Bailey**—Precinct. We have completed almost all of those; a couple are outstanding. We have had a rolling program of preparing those detailed management plans and following up with the capital works associated with the objectives in those plans. We are now almost six years into the project, and the capital works program has developed a head of steam. We are engaged in extensive works across all of our sites simultaneously, at the moment most particularly on Cockatoo Island and at the sites at Middle Head.

**CHAIR**—I remember both of them well. Can you give us more detail about what you have done at Cockatoo Island and how close you are to completion, and then deal with Middle Head?

**Mr Bailey**—Cockatoo Island is probably the most complex of all the sites. As you may recall, it was extensively contaminated.

**CHAIR**—Yes.

**Mr Bailey**—To answer the last part of your question first, we will not complete that until the end of the project. It is spread across the life of the trust. But by the end of this year we will be more than halfway through the works on Cockatoo Island. The initial works consisted almost entirely of decontamination works, and we are still doing that; that is an ongoing program. But we started with the worst material first and there has been a variable approach. Some of the more toxic materials, like cyanide and so forth, have been removed. PCBs have been removed and incinerated in high-temperature incinerators. But the majority of the contaminants, which are petroleum-based products or polyaromatic hydrocarbons, are being managed on site. We are probably two-thirds of the way through all of that. Of course, much of it is asbestos removal and those sorts of things. We are now engaged in refurbishing the buildings and creating extensive areas of parkland around the foreshore areas of the island. By the end of this year we hope to have what is known as the northern apron, which is by far the greater area of parkland, open as a park and an area in which the public can camp. You might remember that one of the key objectives of the legislation is to maximise public access.

**CHAIR**—Yes.

**Mr Bailey**—So we have been looking for uses for the more than 400 buildings that permit and encourage a diverse variety of public access.

**CHAIR**—That is not 400 on Cockatoo Island alone.

**Mr Bailey**—No, across all of our sites.

**CHAIR**—How many buildings do you have on Cockatoo Island and what do you plan to do there?

**Mr Bailey**—How many buildings?

**CHAIR**—How many buildings and what is your planned utilisation?

**Mr Bailey**—There is a key character to Cockatoo Island. In effect it was established as a convict penitentiary to provide indentured labour for the repair, maintenance and construction of ships. It was established in the early part of the Industrial Revolution when steam power was emerging. It was a place to keep convicts under the eye of authority but at the same time separate from the town of Sydney. It has highly significant convict remains and a lot of infrastructure from that time until the early 1990s, and for much of that time it was Australia's largest shipyard. We would very much like to return maritime activity to the island and to interpret the convict heritage. So, in effect, it will be an open-air museum along the lines of Port Arthur, but with a range of real commercial maritime repair and maintenance activities as well.

**CHAIR**—So you will have working industrial facilities there?

**Mr Bailey**—That is the plan.

**CHAIR**—That is quite interesting. I thought Cockatoo Island would be your most difficult project.

**Mr Bailey**—It is the one that keeps me awake at night.

**CHAIR**—I can imagine that. What is happening at Middle Head?

**Mr Bailey**—Middle Head was formerly six Defence bases separately fenced but a contiguous piece of land. The bases ranged from commando headquarters to First World War hospitals and an Army maritime school, which was formerly a submarine mining and engineering base. The plan has been to create what we have called a headland park. That has meant removing all the fences so the sites can be linked along the peninsula and restoring the heritage items there. Middle Head was the site of some of the very first fortifications when the colony was established as early as 1801.

**CHAIR**—We were told it was to defend against the Russians; is that right?

**Mr Bailey**—Variously the Russian, the French, and even the Americans gave them a fright at one point. We are restoring all of those buildings and using them for a range of things that enable public access. That could mean providing small buildings for yoga classes. Obviously we have some cafes, restaurants and those sorts of things. There is a public component one way or another to most of what we are doing.

**CHAIR**—What consultation processes or other processes remain to finalise your project, and will you be able to do it within the time limits you were set?

**Mr Bailey**—We are certainly on target to complete all of the capital works and everything in our plan within the time limit set. There have been some swings and roundabouts on things like the decontamination and the infrastructure replacement. But we have managed to juggle all of that and are still confident that we will meet our targets. What was the other part of the question?

**CHAIR**—In effect you have answered the question I asked. Has your funding been adequate? Have you kept within budget or have you sought additional funding?

**Mr Bailey**—We have been within budgets. A key difficulty we encountered was that we had to estimate a range of matters for our original business plan—the cost of restoring the buildings, the cost of landscape works, the cost of decontamination and the cost of replacement of infrastructure primarily. It is fair to say that the one that worried us the most was the contamination.

**CHAIR**—Yes, of course.

**Mr Bailey**—So far, touch wood, we have come out all right. The one that we underestimated was the infrastructure. Because they have been functioning Defence bases we estimated a 50 per cent degree of functionality in the infrastructure. In fact, we found that we have had to replace 100 per cent. There is a cost penalty associated with that, although that is not the most significant problem. The more significant problem is that it has delayed us in getting out of the ground to refurbish the other buildings. So it has set back our revenue and timetable and we have had to do some catch-up on that. Otherwise, we are on target and on budget.

**CHAIR**—Very good. Thank you very much, Mr Bailey. That has been very interesting and useful.

**Senator WONG**—I think on the last occasion I asked you about the Britannia coach.

**Mr Bailey**—You did.

**Senator WONG**—It is not on your website anymore. Did you take that down; did you not want to be associated with the diamond-encrusted Britannia coach?

**Mr Bailey**—It was not that. It was just that when we had it on our website you highlighted to me that the entry was very old and needed to be updated.

**Senator WONG**—That is what I highlighted, not that it was a sapphire and diamond-encrusted birthday gift for the Queen.

**Mr Bailey**—To me he is simply a tenant who pays his rent.

**Senator WONG**—Okay. Senate estimates heard a short while ago that in addition to the \$250,000 spent that the taxpayers were apparently also going to pay for its transportation to the Queen. Are you providing any funding for that?

**Mr Bailey**—No.

**Senator WONG**—Were you aware of that decision?

**Mr Bailey**—No, I was not aware of it.

**CHAIR**—Thank you, Mr Bailey. We are now at seven minutes to 11. We can call the director of National Parks and Parks Australia division or we can leave early.

**Senator Abetz**—What a good idea. I think we have a unity ticket.

**Senator WONG**—Could we have the extra seven minutes at the end if I have not finished water? If not, we will stay.

**CHAIR**—Do you want to stay or do you want to go? I think it is easier to adjourn, do you not?

**Senator WONG**—So if there is any criticism of senators keeping parks officials here it should be remembered that the chair suggested we adjourn.

**CHAIR**—That is something we cannot have, but I think it is probably the best thing to do at this hour. We will now adjourn this committee hearing and begin with parks officials at 9.00 am tomorrow.

**Committee adjourned at 10.54 pm**