



COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

SENATE

RURAL AND REGIONAL AFFAIRS AND TRANSPORT
LEGISLATION COMMITTEE

ESTIMATES

(Additional Estimates)

FRIDAY, 17 FEBRUARY 2006

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SENATE
RURAL AND REGIONAL AFFAIRS AND TRANSPORT LEGISLATION
COMMITTEE
Friday, 17 February 2006

Members: Senator Heffernan (*Chair*), Senator McEwen (*Deputy Chair*), Senators Ferris, Milne, Nash and Sterle

Senators in attendance: Senators Adams, Carr, Crossin, Lundy, Nash, O'Brien and Siewert

Committee met at 8.38 am

TRANSPORT AND REGIONAL SERVICES PORTFOLIO

Consideration resumed from 16 February 2006

In Attendance

Senator the Hon. Ian Campbell, Minister for the Environment and Heritage

Department of Transport and Regional Services

Departmental Executive

Mr Mike Taylor, Secretary

Mr Mike Mrdak, Deputy Secretary

Ms Susan Page, Deputy Secretary

Mr Andrew Tongue, Deputy Secretary

Corporate Services

Mr Jeremy Chandler, Executive Director, Corporate Services

Mr Simon Ash, Chief Financial Officer, Corporate Services

Ms Sharon Field, General Manager, People and Planning

Mr David Banham, Chief Information Officer

Portfolio Strategic Policy and Projects

Mr Phil Potterton, Executive Director, Bureau of Transport and Regional Economics

Dr Andy Turner, General Manager, Regional Research and Statistics

Dr Anthony Ockwell, General Manager, Strategic Transport Policy Development

AusLink

Ms Leslie Riggs, Executive Director, AusLink

Mr John Elliott, General Manager, AusLink Planning

Mr Robert Hogan, General Manager, Auslink Road Investment

Ms Joan Armitage, General Manager, AusLink Systems and Regional Investment

Mr Jim Wolfe, General Manager, AusLink Rail Investment

Maritime and Land Transport

Mr Andrew Wilson, Executive Director, Maritime and Land Transport

Mr Peter Robertson, General Manager, Vehicle Safety Standards

Mr Michael Sutton, General Manager, Maritime

Mr Stewart Jones,, General Manager, Transport Integration and Reform

Australian Transport Safety Bureau

Mr Kym Bills, Executive Director, Australian Transport Safety Bureau

Mr Joe Motha, General Manager, Safety Research and Education

Mr Julian Walsh, Acting Deputy Director, Aviation Safety Investigation

Office of Transport Security

Mr John Kilner, Acting, Executive Director, Office of Transport Security

Mr Darren Crombie, General Manager, Aviation Security

Mr Richard Windeyer, General Manager, Aviation Security Task Force

Ms Vicki Dickman, General Manager, Regional Aviation and Air Cargo Security

Mr Maurice Austin, Acting, General Manager, Critical Infrastructure and Surface Transport Security

Mr Jeremy Parkinson, Acting General Manager, Maritime Security

Inspector of Transport Security

Mr Mick Palmer, Inspector of Transport Security

Mr Peter Pearsall, Section Head, Office of the Inspector of Transport Security

Civil Aviation Safety Authority

Mr Bruce Byron, Chief Executive Officer,

Mr Bruce Gemmell, Deputy Chief Executive Officer and Chief Operating Officer

Mr Rob Collins, Group General Manager, General Aviation Operations Group

Mr Peter Boyd, Acting Head of the Planning and Governance Office

Mr Patrick Murray, Group General Manager, Air Transport Operations Group

Mr John Goodrick, Manager, Business Development and Deputy Group General Manager, General Aviation Operations Group

Dr Graham Edkins, Group General Manager, Personnel, Licensing, Education and Training Group

Mr Greg Vaughan, Acting Head of Manufacturing, Certification, and New Technologies Office

Mr Peter Ilyk, General Counsel

Mr Chris Farrelley, Chief Information Officer

Ms Betty Edwards, Chief Financial Officer

Mr Gary Harbor, Head of Human Resources

Mr Geoff Kimber, Acting Manager, Corporate Relations

Australian Maritime Safety Authority

Mr Clive Davidson, Chief Executive Officer

Mrs Dianne Rimington, General Manager, Corporate

Aviation and Airports

Mr John Doherty, Executive Director, Aviation and Airports

Mr Neil Williams, General Manager, Airport Planning and Regulation

Ms Marilyn Chilvers, General Manager, Aviation Operations

Mr Richard Wood, Section Head, Aviation Markets

Mr Stuart Sargent, General Manager, Office of Airspace Management

Airservices Australia

Mr Alastair Hodgson, Acting Chief Executive Officer

Mr Ken McLean, General Manager, Air Traffic Control

Mr Jason Harfield, General Manager, Safety Management

Mr Alan Barber, General Manager, Finance

Mr Richard Dudley, General Manager, Corporate Affairs

Regional Services

Ms Carolyn McNally, Executive Director, Regional Services

Dr Leo Dobes, General Manager, Analysis and Performance

Mr Daniel Owen, General Manager, Regional and Indigenous Policy

Dr Gary Dolman, General Manager, Regional Partnerships and Networks

Ms Karen Gosling, General Manager, Sustainable Regions and Operations

Territories and Local Government

Mr Adrian Beresford-Wylie, Acting Executive Director, Territories and Local Government

Mr Barry O'Neill, Acting General Manager, Local Government and Natural Disaster Relief

Ms Anna Clendinning, General Manager, Territories

Mr Richard Magor, Section Head, Norfolk Island and Northern Territory Section

National Capital Authority

Ms Annabelle Pegrum, Chief Executive Officer

Mr Lindsay Evans, Managing Director, Business

Mr Graham Scott-Bohanna, Managing Director, Design

Mr Todd Rohl, Managing Director, Planning and Urban Design

Ms Alison Walker-Kaye, Director, Corporate

Mr Geoff Britt, Chief Finance Officer

Mr Phil Wales, Director, Executive Governance

Mr George Lasek, Director, National Capital Estate

Mr Andrew Smith, Director, National Capital Projects

Mr Peter Byron, Manager, Events and Outreach

CHAIR (Senator Heffernan)—I declare open this public hearing of the Senate Rural and Regional Affairs and Transport Legislation Committee. The committee will continue its examination of the additional estimates for the Transport and Regional Services portfolio. Answers to questions taken on notice and additional information should be received by the committee no later than 6 April 2006. I also remind officers of the Senate's resolution relating to expenditure of public funds and claims of commercial in confidence. We will have a tea break at 10 am. Other breaks are listed on the program. Does anyone want to make an opening statement? Senator O'Brien? In the absence of the minister, we will proceed on the basis that if anything the least bit controversial or doubtful turns up we will have a little rest until the minister gets here.

Senator O'BRIEN—Firstly, in October this committee heard the department was considering further a response to last year's Senate inquiry into Regional Partnerships. Will this response be provided some time soon?

Ms Page—The government is considering its response to the Senate inquiry. I imagine it will be tabled shortly.

Senator O'BRIEN—Do you think we could look forward to it before the Commonwealth Games?

Ms Page—I cannot comment on the government's deliberations. The government released a statement in November last year in which the Prime Minister and Minister Truss announced a range of changes to the Regional Partnerships program.

Senator O'BRIEN—To the extent that it answered the recommendations, we should understand that at least that is part of the government's response?

Ms Page—That is an indication of current government policy in relation to the Regional Partnerships program.

Senator O'BRIEN—The Senate inquiry into Regional Partnerships recommended that reviews evaluate the outcomes of individual projects, which is fundamental to any measure of the success of the program. Have any such reviews been carried out?

Ms Page—Reviews in relation to?

Senator O'BRIEN—Individual projects.

Ms Page—The program is continuing to operate in the way that it has, consistent with its existing framework and with the announcements made by Minister Truss in November last year.

Senator O'BRIEN—Funding approval for Regional Partnerships is now subject to decision by a committee. Who sits on the committee?

Ms Page—The committee comprises the Minister for Transport and Regional Services, the Minister for Local Government, Territories and Roads, and Mr Nairn.

Senator O'BRIEN—What effect have the measures announced on 15 November had on the working of the program?

Ms Page—I think the most significant change is the operation of the committee. The committee commenced operation very soon after that announcement. The committee has met twice. The way in which the committee operates is that it considers the majority of applications out of session and they are agreed on a consensus basis. Projects where there are issues that individual committee members wish to raise are brought to the committee for resolution or discussion. That committee has now met twice.

The other parts of the government's announcement, which involve the issuing of revised guidelines by the department of changes in the roles of central office and regional offices and of the appointment of deputy ACC chairs, will be implemented progressively throughout the year. We expect the majority of changes to be implemented by the middle of this year.

Senator O'BRIEN—Could you perhaps, on notice, give us a bit of a time line as to when different changes have taken place? Or are those changes still prospective?

Ms Page—I would like to take that on notice. We do have a work plan, but that work plan at the moment is subject to the consideration of the ministerial committee, because the ministerial committee also has a role in assessing and approving guidelines and changes to the program.

Senator O'BRIEN—Thank you for taking that on notice. The department indicated during the Senate inquiry that an additional evaluation strategy for both the Sustainable Regions and the Regional Partnerships programs would be carried out in three stages to gather

performance data on the impact of the programs against their objectives. The external review of the Sustainable Regions program was scheduled to report in late 2005. Was that review concluded?

Ms Page—I will ask Ms Gosling to report in relation to that program.

Ms Gosling—In relation to the evaluation strategy for Sustainable Regions, we are in the process of finalising stage 2 of the evaluation of that program. It is partly related to the fact that the government in the 2004-05 budget actually gave the initial eight sustainable regions an additional 12 months to run. To some extent, the implementation of the strategy had to be adjusted accordingly. We are at the point of trying to finalise stage 2.

Senator O'BRIEN—Do you have any inkling as to when that will be finalised?

Ms Gosling—My understanding is that the bulk of the research has been undertaken and the report is being finalised for consideration by the government.

Senator O'BRIEN—Is it intended that that report will be made public?

Ms Gosling—That would be an issue for the minister.

Senator O'BRIEN—Perhaps I could put that question on notice.

Ms Gosling—Certainly.

Senator O'BRIEN—The second stage of the review of a selection of Regional Partnerships projects is scheduled for 2006. Has that review commenced?

Dr Dolman—Yes, that review has commenced.

Senator O'BRIEN—At what stage is it?

Dr Dolman—I understand that the surveys have been undertaken and that we are now analysing the results of those surveys.

Senator O'BRIEN—Have you any idea when that review will be concluded?

Dr Dolman—It is probably a month or two behind the Sustainable Regions ones, and all the issues associated with clearance of that apply.

Senator O'BRIEN—The Minister for Transport and Regional Services promised to issue new guidelines to DOTARS's regional staff in November last year, including clarification of the key criteria for project approval. Have these guidelines been issued?

Ms Page—Those guidelines are part of that process that I described earlier. The department, I think the announcement indicated, was required to revise the guidelines. They are in the process of being revised at the moment. That is quite a lengthy process because it involves our consulting with all our regional offices, because their role is changing and their interaction, if you like, with the ACCs is changing to some extent. We have been quite keen to ensure that all parties who have an interest in the way in which the new roles will operate have a chance to be involved in the drafting of that package. That is now under way for consideration by the ministerial committee.

Senator O'BRIEN—Are we some way off those guidelines?

Ms Page—I would think they would be issued certainly before the middle of this year and hopefully earlier.

Senator O'BRIEN—I want to ask about a couple of individual projects, firstly, the Jimbour amphitheatre. As you will be aware, the amphitheatre was built on the property of the Queensland National Party President using a Regional Partnerships funding grant of \$173,146. As we were told last year, it is technically owned by the president's pastoral company. Is the department aware the amphitheatre was built without Queensland Heritage Council approval?

Ms Page—Yes, we are. I think it is fair to say that that was a genuine oversight on the part of the applicants. I understand that that approval either is being sought or has been sought. Dr Dolman?

Dr Dolman—Yes. My understanding is that the applicant sought advice from the local council on the matter and was advised that they did not need the heritage approval. They were subsequently advised by the Queensland Heritage Council that they would need to go through a different process to the advice that they received from the council.

Senator O'BRIEN—From the shire council, not the Heritage Council?

Dr Dolman—Yes.

Senator O'BRIEN—In effect, the grant was paid without the applicant achieving the necessary approvals?

Dr Dolman—The grant was paid on the basis of the approvals that both the applicant and the council believed they needed at the time. It was only subsequently that they became aware that they required Heritage Council approval.

Senator O'BRIEN—Do they have to confirm that they have received all of the necessary approvals before the money is paid?

Dr Dolman—It would have been part of their funding agreement. They would have confirmed that they had the approvals that they thought necessary.

Senator O'BRIEN—Given the maxim that ignorance of the law is no excuse, they are technically in breach of the agreement, are they not?

Dr Dolman—I think we would have to look at the detail of the funding agreement, exactly how it is written, and probably take legal advice, to have a definitive answer on that one. I understand that they are now working with the Queensland Heritage Council and that there is unlikely to be an issue.

Senator O'BRIEN—Has the Heritage Council told the government that?

Dr Dolman—It has not provided final advice on that.

Senator O'BRIEN—Who says that there is unlikely to be an issue, the applicant?

Dr Dolman—That is advice from the applicant and the council, having spoken to the Heritage Council.

Senator O'BRIEN—Is the department aware that if the Heritage Council does not approve the application it is possible the amphitheatre will need to be pulled down or the area restored to its former condition?

Dr Dolman—That is not our understanding of the likely outcome. Anything is possible, depending on what the Heritage Council decides ultimately.

Senator O'BRIEN—Is it possible, given that there is a question about whether the grant conditions have been met, that the department could seek to recover the grant money paid to the applicant, the National Party President from Queensland, or his pastoral company?

Dr Dolman—I am not sure on what basis we would seek to recover the moneys, given that the grant was provided for a specific purpose and that that purpose has been met, in that the amphitheatre was constructed.

Senator O'BRIEN—But, as we touched on earlier, if the applicant was required to obtain the necessary approvals and did not, be it by ignorance or otherwise, surely they would find themselves in the position where they have not necessarily met the terms of the grant?

Ms Page—The Australian government is only one of a number of funding partners in that project. I think we would need to assess the views of the other funding partners and also the terms under which the original application had been made by the applicant. If it had been made in good faith and we were satisfied that that was the case, that could be a relevant consideration.

Dr Dolman—It is probably worth clarifying this, too: I think I was saying the 'council and the applicant'. The council was, in fact, the applicant rather than the pastoral company in this case, so it was the council that provided that advice—to itself, in effect—that it did not require the heritage approval. That was its best understanding.

Senator O'BRIEN—This is another case where the recipient of the grant is not the owner of the property constructed with it?

Dr Dolman—The owner of the property is a partner in the project and is contributing, as I recall it, use of the land and a substantial cash injection into the project as well. It is a community facility and the owner of the land is actually allowing the use of the land for community functions as part of the project, as well as providing a cash contribution to the project.

Senator O'BRIEN—On the question of Beaudesert Rail, there had been no change on the progress of that project last October. Has there been any change since?

Dr Dolman—No, there has not been any progress on the project.

Senator O'BRIEN—Are the SONA principles still in place?

Ms Page—The SONA principles have not been withdrawn at this stage, though you would have noticed that in the minister's announcement of 15 November there was an indication that the government would issue guidelines on the way in which funds would be allocated to support national priorities under the program.

Senator O'BRIEN—Has that happened?

Ms Page—Those guidelines are part of the package of material that we are currently working on.

Senator O'BRIEN—We are still waiting?

Ms Page—That is correct.

Senator O'BRIEN—The committee was told last year that no projects were approved under SONA last year to October 2005. Has that changed?

Ms Page—No.

Senator O'BRIEN—There have still been no further approvals?

Ms Page—That is correct.

Senator O'BRIEN—Are the previous guidelines in effect still in place?

Ms Page—They are in place if the government wishes to use them. To this point it has not wished to use them.

Senator O'BRIEN—The responsibility, technically, is as it was in the middle of last year, for example?

Ms Page—The guidelines have not been withdrawn.

Senator O'BRIEN—They have not changed?

Ms Page—No.

Senator O'BRIEN—Were an application suddenly be required to be processed, it would be processed under SONA, as it has been for the last year?

Ms Page—I think that would be a matter for the government to consider, consistent with the announcement of 15 November.

Senator O'BRIEN—One project that had previously been approved under SONA was CrocFest. In October last year this committee heard there was no decision to sponsor CrocFest in 2005-06, as the department was awaiting an audit report. What was the outcome of that audit?

Dr Dolman—I am not aware of the details of that. I would have to take it on notice. I am not aware of any decision having been taken and I am not sure whether the audit has actually been completed. But we could take that on notice.

Senator O'BRIEN—Given that the CrocFest events are scheduled to begin on 18 July 2006, I take it the organisers have not been advised there will be any funds available?

Dr Dolman—Not through the Regional Partnerships program.

Senator O'BRIEN—A final payment of \$50,600 is due to Primary Energy Pty Ltd on 1 March. Do you know whether this payment will be made?

Dr Dolman—That final payment—as you say, of \$50,600, GST inclusive—is to be made on completion of the final milestone in the schedule of the funding agreement, and that is scheduled for payment in March 2006.

Senator O'BRIEN—On 1 March; that is what I said. What I want to know is: do you know whether it is going to be made? We are getting very close to 1 March.

Dr Dolman—I do not have advice on whether or not they have provided their final milestone payment, final milestone report. But they still have a few days to get that in to us.

Senator O'BRIEN—What is the final milestone?

Dr Dolman—I am sorry, I do not have that detail with me, but I understand that previously we have provided a copy of the funding agreement for this project.

Senator O'BRIEN—I am sure that we have it. I thought you might be able to remind me. The project has been paid, I think, over \$1.1 million to date.

Dr Dolman—It would be something of that order, yes.

Senator O'BRIEN—The department does not know of any confirmation that the project will proceed; to date you have not been told that?

Dr Dolman—I do not have confirmation. My last advice is that negotiations with potential funders for the construction of the ethanol plant, which you will be aware this project was the precursor to, are under way and the advice is that they are going well, but exactly what that means and whether or not it will eventuate in an ethanol plant being built—those are commercial-in-confidence discussions between the proponent and its potential bankers. We have not been provided with details of that at the moment. We have been advised to expect an announcement shortly.

Senator O'BRIEN—It is sounding a bit like another project in another portfolio, the Seahorse Inn on the south coast of New South Wales. Every year they announce they are going to open for Easter. It is the same this year. It has been going on since 2000 and they still have not opened, and they have all the money. Is it true to say that the grant paid to date, in the absence of the funding of the project, will have been a complete waste? If the project is not funded, then nothing will have been achieved with over \$1.1 million of taxpayers' money?

Ms Page—This project, as Dr Dolman has indicated, was about establishing the preconditions for a company to consider the construction of an ethanol plant, not for the construction of an ethanol plant per se. In any activity such as that, there is an element of risk, and the government considered in approving this project that there were benefits in allowing the company to explore that possibility.

Senator O'BRIEN—So the government was prepared to take the risk that spending almost all of the money did not give a guarantee of any further steps in this project; that is how I should understand the project milestones and the funding that attached to the milestones?

Ms Page—I cannot comment on the government's objectives in considering or approving the project, but it is not unreasonable, I think, to assume that the government was aware that a project like this offers some risk.

Senator O'BRIEN—It is notable that the overwhelming bulk of the money has been paid, but the last milestone, as I recall it, is tied with the step that would give some possibility at least that the project would go ahead, and it is only \$50,000.

Ms Page—It is a relatively small payment, the last milestone; that is correct.

Senator O'BRIEN—The department has been funded to meet 40 election commitments. As of June 2005, only 22 of those commitments have been funded, with \$25 million. Given that the commitments are now more than 16-plus months old, what is the progress on the other 18 commitments?

Ms Page—We consider we have 38 election commitments, and we are including the rural medical infrastructure fund projects as one election commitment. Those projects comprise \$65.8 million across the period of the forward estimates.

Senator O'BRIEN—Your annual report for 2004-05 states:

The department has been tasked with delivering 40 regionally-based election commitments.

Ms Page—They may not all be delivered under the Regional Partnerships program. I think the other two would probably be the two Sustainable Regions announced in the election context.

Senator O'BRIEN—It is 38 Regional Partnerships and two Sustainable Regions?

Ms Page—I think that is how you would achieve the 40, yes. Of the 37, if we just exclude the rural medical infrastructure fund for a moment, 32 of the commitments now have ministerial approval. Of the rural medical infrastructure fund, one has been funded and I think we are assessing another six.

Dr Dolman—Yes.

Senator O'BRIEN—Which of the election commitments has not received the approval?

Ms Page—The Reginald Murray Williams Australian bush centre project remains to be approved. The ministerial committee has considered that project and has sought further information. The Dalby/Wambo events centre covered arena—we are continuing to seek further information prior to putting that project to the ministerial committee. All information has been supplied for the Queenstown skateboard facility and a package is being prepared for ministerial committee consideration. The Georgetown memorial hall redevelopment project is currently having concept plans developed and they are scheduled to be completed around March/April this year. The Tamar Woodworkers Guild building project received state funding to develop its concept plans, and these plans are expected in April/May.

Senator O'BRIEN—Does that mean that, if the Tamar Woodworkers Guild project had not received those state funds, it would not have progressed at all?

Dr Dolman—I think that it was the case that they had secured that funding in any event, so it is a bit of a hypothetical question. We probably would have changed the arrangements to fund the part that the state was not going to be funding, if that was the case.

Ms Page—I should indicate also that the Central Queensland Science and Technology Precinct has received partial funding at this stage. Further funding is contingent upon the work—

Senator O'BRIEN—Which one was that?

Ms Page—The Central Queensland Science and Technology precinct in Mackay—

Senator O'BRIEN—Has it received part funding?

Ms Page—It has received partial funding with a view to the ministerial committee considering further funding when further information is received.

Senator O'BRIEN—With respect to the rural medical infrastructure fund, which application has been approved? You said one had.

Ms Page—The project that has been approved is in Boyup Brook in Western Australia.

Senator O'BRIEN—Which ones are under consideration?

Ms Page—Tennant Creek in the Northern Territory, Wyalkatchem in Western Australia, Boddington in Western Australia, Mendooran in New South Wales, Warrialda in New South Wales and Bruthen in Victoria.

CHAIR—Have you not been out to Mendooran?

Senator O'BRIEN—I must admit that I have not, sorry. I know the chairman is the 'I've been everywhere, man'. How many Bank at Post facilities have been installed since the end of June 2005, when 20 sites had been installed?

Ms Gosling—I am not sure if I have the breakdown since June, but in total 58 of the 266. The rollout of the Bank at Post facilities is on track, and the advice we have from Australia Post is that they will all be installed by the end of the year.

Senator O'BRIEN—Have you got a current list of Bank at Post facilities to date?

Ms Gosling—No, I would have to take that on notice.

Senator O'BRIEN—\$27.5 million has been allocated to the establishment of six regional icon projects. I think you talked about one of them earlier, the Mackay science and technology precinct. In relation to the Mackay precinct, I take it a business plan has been received?

Ms Page—No, I think the initial payment is to assist with the preparation of a business plan.

Senator O'BRIEN—When was that paid to the applicant?

Dr Dolman—The ministerial committee approved funding of up to \$200,000 on 30 November 2005 for the development of a comprehensive business plan. The business plan is expected to be completed by 30 June. I am not sure exactly when the payment was made or if a payment has been made.

Senator O'BRIEN—Perhaps you could let us know if moneys have indeed been paid. The Buchanan Park rodeo was due to receive a fourth payment on 10 February, I think, of \$1.1 million. Has that been made?

Ms Page—The first payment to the Buchanan Park rodeo was made on 26 May 2005. That was a payment of \$1.76 million. The first milestone report was received on 7 October 2005. That was not linked to a milestone payment. The next payment is linked to the second progress report. There is a slight delay, because of issues that the proponent has found in tendering. They were not particularly happy with the outcome of a tender process and are restructuring that project to retender.

Senator O'BRIEN—It is costing too much, is it? Is that how I should interpret that answer?

Ms Page—I would not like to comment on the outcome.

Dr Dolman—My understanding is that they put out an initial tender for the whole project, and they received only one proposal for that. They have now restructured the tender to divide it into five parts and are retendering for those five parts. I have some additional information on the science and technology precinct. We have not made a payment on that yet. The funding agreement is being negotiated.

Senator O'BRIEN—Is the Buchanan Park rodeo due to be constructed by 7 July, or is that when construction is scheduled to start? I am not sure.

Ms Page—The deadline for completion is 5 August this year.

Senator O'BRIEN—I take it that is an impossibility now?

Ms Page—My understanding is that they are trying to retender on the basis that that date will be achieved.

Senator O'BRIEN—What is the status of the Hinkler Hall of Aviation project, now that the risk assessment is complete?

Ms Page—Ministerial approval was provided on 16 June 2005, and the first payment of \$1 million GST exclusive was made on 28 June 2005. No further payments have been made to date. The first milestone report was received on 30 January 2006. Progress has been delayed slightly because the council called for tenders based on the expectation of receiving funding for additional elements to the project from the Queensland government, and the council has not yet received confirmation of these additional funds. My advice is that that will not harm the Commonwealth's contribution to the project. The Commonwealth's contribution is for an independent module, if you like, of that project and, if the Queensland government does not come on board, the project will proceed in a cut-down form.

Senator O'BRIEN—Will proceed into a—

Ms Page—It will continue to proceed but with a cut-down or reduced scope.

Senator Ian Campbell—Presumably there are benefits in having the project done as a job lot rather than split up?

Ms Page—I am assuming that that is the assumption of the department.

Senator O'BRIEN—It is the opposite with the Buchanan Park rodeo, which is apparently having to be tendered on a piece-by-piece basis. This project has been brought into Regional Partnerships. Was it there originally?

Ms Page—It was identified originally in the Investing in Stronger Regions statement.

Senator O'BRIEN—But it is now to be funded under Regional Partnerships?

Ms Page—It is being funded under the Regional Partnerships program.

Dr Dolman—\$2.5 million was made available as an election promise, and there is actually a separate budget line in our portfolio budget statement, I think, for \$1.5 million, which has been available for a long time, but obviously was not sufficient to be able to get this project under way.

Senator O'BRIEN—The funding from 2004-05 has been rolled out into the current and future financial years, I take it?

Ms Page—There is funding available; no funding for this project has been cut.

Senator O'BRIEN—Expenditure will need to be pushed into the out years, I take it, because of the—

Ms Page—To date we have rephased some expenditure under the Regional Partnerships program where there have been delays.

Senator O'BRIEN—Can you give us a breakdown of the rephasing, how the Regional Partnership funding has been rephased because of the delays?

Ms Page—I think that would be available in the budget documentation.

Senator O'BRIEN—Has it not been done yet? The budget has not been signed off?

Ms Page—Not in terms of this year's budget, because the budget has not been signed off; that is correct.

Senator O'BRIEN—What about 2004-05 into 2005-06?

Ms Page—That would be in the 2004-05 budget papers.

Senator O'BRIEN—There is no change from that?

Ms Page—I do not believe there has been any change since then.

Senator O'BRIEN—Has the risk assessment of the project to upgrade the Dalby showgrounds been completed?

Ms Page—Yes.

Senator O'BRIEN—Has the financial viability assessment of the feasibility study been completed?

Ms Page—Yes.

Senator O'BRIEN—Has it passed that test?

Ms Page—We are seeking further information on the basis of some issues identified by Ernst and Young, which conducted that financial viability assessment.

Senator O'BRIEN—At this stage, it remains to be seen whether the project is financially viable?

Ms Page—I think a better interpretation would be that we are trying to work with the council to address some of the risks identified to see if they could assist in remediating them.

Senator O'BRIEN—I think we said the same thing. I understand the Eidsvold Sustainable Agroforestry Complex is now to incorporate the RM Williams Australian bush centre.

Ms Page—What was the question?

Senator O'BRIEN—I am asking you to confirm that the Eidsvold Sustainable Agroforestry Complex now incorporates the RM Williams Australian bush centre.

Ms Page—I think at this stage the proponent is restructuring that project to consider whether there is scope to combine both the RM Williams and the Agroforest elements of it into a single project. The initial concept was for two separate centres.

Senator O'BRIEN—That is work in progress? It has not been completed yet?

Ms Page—It is work in progress, because the scope of it has changed. The initial concept was for the construction of two separate centres and, after extensive work, the proponent has decided that it may be more effective to construct a single centre.

Dr Dolman—You would be aware that the Agroforestry centre had received previous funding under Sustainable Regions, as I understand it.

Senator O'BRIEN—How much funding did it receive?

Ms Page—We do not have that information with us. We will try to get that for you.

Senator O'BRIEN—I am looking to see what the combined totals would be for the project. What the Agroforestry received, what is proposed for RM Williams subject to any changes—

Ms Page—We will get that information.

Senator O'BRIEN—I take it there is no funding agreement yet in place?

Ms Page—No, there is not.

Senator O'BRIEN—The Tamworth equine centre has received an advance payment already of \$2.2 million in July last year. A second payment of \$1.65 million is due on 1 March. Have all the necessary approvals and licences been obtained and full costings provided?

Dr Dolman—This project is slightly behind schedule. The second payment has not been made. The submissions of the development approval is delayed pending completion of a traffic impact study that is required. However, there has been a degree of progress in developing the plans. In fact, this week I have signed a variation to that contract that leads to a change in that second milestone to allow the additional time.

Senator O'BRIEN—When is the second milestone now due?

Dr Dolman—Unfortunately, I do not have that detail, but I can that on notice.

Senator O'BRIEN—You just signed it. Can you not remember?

Dr Dolman—Not the details of the dates.

Ms Page—I have further information on the RM Williams centre. The Agroforest centre received \$496,000 under the Sustainable Regions program and \$110,000 under the Regional Solutions program.

Senator O'BRIEN—How much has been promised under Regional Partnerships?

Ms Page—The election commitment is to \$4 million GST exclusive.

Senator O'BRIEN—What is the budget for Regional Partnerships for the current financial year?

Ms Page—Approximately \$111.6 million.

Senator O'BRIEN—Can you tell me what the total expenditure to date is?

Dr Dolman—I have the figures to 31 December, when the expenditure to date was \$36 million.

Ms Page—I do have some figures to 27 January, which are slightly more current. It was \$40.6 million to 27 January, and we have current commitments as well of \$36.2 million.

Senator O'BRIEN—When you say 'current commitments', are they subject to milestones and things like that, are they?

Ms Page—Yes, that is where our funding agreement is in place and we are obliged, if conditions are met, to pay out those funds.

Senator O'BRIEN—Is there likely to be an underspend this year?

Ms Page—It is possible there will be an underspend, largely because of the reasons we have already discussed in relation to some of those election commitments.

Senator O'BRIEN—What is the status of the 13 projects listed for funding, on page 4 of budget paper 2, a variety of projects totalling \$4.8 million?

Ms Page—Which projects are those?

Senator O'BRIEN—Wine, a multipurpose community centre, a Gippsland rail trail walk, a study for a proposal for recycling of Brisbane water, Tathra Wharf, Adaminaby snowy scheme collection, Mandurah Memorial, Memorial Walkway, Camden, and Grafton Hockey Club.

Ms Page—We have to take that on notice. I do not know that all of those are Regional Partnerships projects.

Senator O'BRIEN—If you would.

Ms Page—Dr Dolman might have information on some, but I would like to look at the relevant budget papers to clarify which ones belong to this program.

Senator O'BRIEN—If needed, we will further identify them or supply the list. Perhaps you could advise us to the extent relevant to this department of details of those projects that have been funded in full or in part and the dates the funding was made available to the projects, if that has occurred. I am pretty sure that one of them, the Newman town centre, is under Regional Partnerships.

Ms Page—Yes.

Senator O'BRIEN—We heard about the Prime Minister's \$50,000 election promise to revitalise the town centre. That was on 17 September 2004, one day after a letter was sent by the department to the project proponent seeking further information and outlining seven deficiencies that needed to be addressed. We established last year that a reply was received from the shire, but no action was taken as the project was an election commitment. What is the status of this project? Has the budget been confirmed?

Ms Page—A first payment of \$49,500 GST exclusive was made to the Shire of East Pilbara on 20 May 2005.

Senator O'BRIEN—Was it indeed a \$50,000 commitment?

Ms Page—The election commitment is for \$55,000.

Senator O'BRIEN—There is \$5,500 which remains to be paid. When is that likely to be paid?

Ms Page—I would imagine on completion of the final milestone, but the project is expected to be completed on 30 June 2006.

Senator O'BRIEN—Of the 438 regional partnership projects approved in the year 2004-05, how many actually have entered into funding agreements? Perhaps you can take that on notice if you do not have that material here?

Dr Dolman—Since 2004-05?

Senator O'BRIEN—Yes?

Dr Dolman—There were 414 applications to the value of \$79.1 million approved for funding. That is the number you gave? The 24 election commitments will be the difference, I suspect. I do not have the detail of how many of those have funding agreements in place. It will be the majority.

Senator O'BRIEN—I am relying on the departmental document *Regional outputs and programs*. New projects approved for 2004-05 was 438. Can you give us that information? \$1.4 million has been provided to Brambruk national park and cultural centre. Do you know if a funding agreement has been entered into?

Dr Dolman—I will take that on notice.

Senator O'BRIEN—It is in your annual report, Halls Gap, Victoria. Could you let us know what the status of that project is?

Dr Dolman—Yes.

Senator O'BRIEN—On the same page in the annual report, page 118, there is talk of a facility to enable farm goat meat to be processed in Oberon, New South Wales, \$0.6 million. What is the status of that project? Last October we heard there was no contract for a project approved by the then parliamentary secretary, De-Anne Kelly, in July last year for a grant of \$220,000 to establish a resource centre and office accommodation in Hopetoun in Queensland. Have any details been sorted out and has a contract or an agreement been entered into?

Dr Dolman—This is Hopetoun in Western Australia?

Senator O'BRIEN—No, Hopetoun, Queensland, in the Shire of Ravensthorpe.

Dr Dolman—It is Western Australia.

Senator Ian Campbell—That is Western Australia.

Senator O'BRIEN—That is my mistake. I apologise.

Senator Ian Campbell—It is down near Esperance.

Senator O'BRIEN—I am thinking of the similar sounding name in North Queensland.

Dr Dolman—There has been some development on that project, but I do not have the details. I will take a status report on notice.

Senator Ian Campbell—It is a project the federal Liberal government was flogged mercilessly by the state Labor government for not putting enough money into.

Senator O'BRIEN—These things happen.

Senator Ian Campbell—They do.

Senator O'BRIEN—Can the department tell this committee what due diligence checks were carried out on the financial viability of a project to purchase a dryer/separator as part of a grape seed oil venture before Parliamentary Secretary Cobb approved a grant of \$433,000 in February 2005 to Coonawarra Gold Facilities Pty Ltd?

Ms Page—The Australian government accepted the South Australian government's due diligence assessment of this project.

Senator O'BRIEN—What was the nature of the South Australian government's due diligence, as you describe it?

Ms Page—The state government undertook an external viability assessment through PKF Chartered Accountants.

Senator O'BRIEN—There was no separate process by the department on due diligence?

Ms Page—No, there was not, but that is not unusual in cases where we consider that a reputable financial viability assessment has been done by another party.

Senator O'BRIEN—The Commonwealth received a copy of a report from this chartered accountant?

Dr Dolman—The department received a copy of the financial viability analysis for the company that was undertaken for the state government by that chartered accountant, PKF Chartered Accountants; that is correct.

Senator O'BRIEN—Did the Commonwealth make contact with the chartered accountants? Did you ask any questions or did you just receive a document?

Dr Dolman—That would have been done through our South Australian regional office. I can take that on notice and find out for you.

Senator O'BRIEN—I understand the company was wound up on 14 December last year. Is the department aware that liquidators are now in the process of selling what is left of the processor and associated plant?

Dr Dolman—Yes, we are aware.

Senator O'BRIEN—Industry experts have reportedly said:

The project was doomed to failure from the start as the dry extraction method does not work.

Did the due diligence include an assessment of the viability of the process or just the company?

Dr Dolman—No, it did include an assessment of the process in addition to the viability of the company. The assessment of the company was, as we said, undertaken on behalf of the South Australian government. There was additional information, and the advice we received was that manufacturing grape waste into stockfeed and grape seed were both commercially viable.

Senator O'BRIEN—From that same company, the same chartered accountants?

Dr Dolman—I can find out what the source of that advice was.

Senator O'BRIEN—I would appreciate it if you could. Why was the applicant, Pat Trainor, paid a personal bonus of \$20,460 as a percentage of the funds approved in the grant? Is that normal practice?

Ms Page—I do not know that we have any advice on the payment of salaries and remuneration to members of the company. Our grant was to assist in the purchase and the installation of special filters.

Senator O'BRIEN—Mr Trainor said he had discussions with, amongst others, Mr Secker, the local member, to gain support for the project. Did Mr Secker make any contact with the department with regard to the project? Did he write to the department?

Ms Page—The member for Barker did not provide a letter of support for the Coonawarra Gold Regional Partnerships program application.

Senator O'BRIEN—In relation to the payment of a personal bonus, you say you are not aware that that was the case. That is not contained in any of the documentation the department saw?

Dr Dolman—We would have to check that, but I do not believe it would be. As was said previously, our money was to provide for the purchase and installation of the separators, not any salary component, as far as I am aware.

CHAIR—Can I just interrupt a minute to put on the record that the minister is young, enthusiastic and well-energised. He is eating a sugar-coated bun.

Senator Ian Campbell—I bought a separate dozen to take home to my family this evening, so I will be very popular tonight.

Senator O'BRIEN—In relation to the \$433,000 grant, will the Commonwealth become a creditor in the winding-up proceedings?

Ms Page—I do not believe so. We would have to examine that in more detail, but there are no funds owed to us and we do not have equity in that project.

Senator O'BRIEN—How long did the plant operate?

Ms Page—The project commenced in June 2005 and was completed in September 2005.

Senator O'BRIEN—It was wound up in December?

Ms Page—It was placed in receivership on Friday, 11 November 2005.

Senator O'BRIEN—Something less than two months of operation before it went into receivership?

Ms Page—I do not know whether the plant had any operational capacity before the installation of the filters. It may well have.

Senator O'BRIEN—The Sustainable Regions program was underspent in 2004-05. The revised budget estimate was \$33.5 million, while actual expenditure was \$22.609 million, an underspend of about 30 per cent. In October last year, Mr Elliott told us that this was due to

some anticipated projects not being funded and that there were delays in relation to expenditure on particular projects. Are these delays still occurring?

Ms Gosling—With all of these projects, obviously from time to time they do experience delays. For example, with respect to construction in remote areas, it is sometimes difficult to get the necessary labour to complete on schedule. There are sometimes climatic conditions that can impact on the progress of a project. There is often a variety of things that make these projects difficult to deliver for communities or other organisations that we fund.

Senator O'BRIEN—Perhaps you can, on notice, supply us with the details about the individual projects that have caused that underspend. Are you able to identify particular projects in particular regions that have caused the underspend or is it just that you could not find the projects for the funds?

Ms Gosling—It would be a combination of what I have just stated in terms of the sorts of challenges these projects face and also just in terms of the progress of applications coming forward from the Sustainable Regions advisory committees to the minister. It would be a combination of to what extent applications were being received and processed and then, once they were funded, how the groups were going about actually getting the project completed. It would be a combination of things. I think it would be actually quite difficult to unpick that in the level of detail that you are suggesting.

Ms Page—That is a very large job.

Senator O'BRIEN—Perhaps I will ask about a particular region, the Atherton Tablelands region. What can you tell us about that region in terms of projects—funding committed, projects proceeding—and in particular any of the projects that ultimately were not funded or not completely funded?

Ms Gosling—I think I would probably have to take that on notice, to go through that in that sort of detail, to look at each of those projects and get advice about where each them is currently at, if that is what you are asking us to do?

Senator O'BRIEN—I would appreciate it if you would do that. Thank you very much.

Ms Page—Funding for the Atherton Tablelands sustainable region ceases on 30 June. Really, by definition, those projects cannot extend much beyond that date.

Senator O'BRIEN—Sure, but I am interested in the progress to date. I do not know whether you are still entertaining applications.

Ms Page—No.

Ms Gosling—No. Final recommendations came from the committees to the minister by 31 October 2005 and the minister has considered virtually all of those. I think there is one project where we are still doing some research to finalise advice to him. In a sense, those committees have now finished their formal role and we have moved on to the next stage for those eight initial regions in terms of the program.

Senator O'BRIEN—In terms of Atherton, I understand that at least one of the projects was the subject of a challenge in terms of local government approvals and ultimately failed that challenge—it is a caravan park project. How much was involved in that?

Ms Gosling—The Kalamunda Caravan Park project?

Senator O'BRIEN—Yes.

Ms Gosling—The amount approved was \$150,000, GST inclusive. My understanding is that yesterday a building application was being considered locally. We are waiting for advice as to the progress of what the next stage of that project will be.

Senator O'BRIEN—If there is no approval by 30 June, will the project lapse?

Ms Gosling—As Ms Page said, the funding for these eight regions is due to cease on 30 June, so we would have to look at that. Obviously, with some of these commitments, we look at them on a case-by-case basis and provide advice to government as to whether, if the project is nearing completion, the community should suffer from our applying a strict time line. That is a process we are going through now with all of the eight of the initial regions. We are undertaking a project audit to try and assess where projects are at.

Senator O'BRIEN—With respect to the two new sustainable regions identified for this program, being Darling Matilda Way and Northern Rivers North Coast, as I recall it, there was not a formal process by the department to define exactly the boundaries of these regions?

Ms Page—They were election commitments.

Senator O'BRIEN—So the criteria were of the government's making, not the department's?

Ms Page—Correct.

Senator O'BRIEN—Why was it necessary for two in-depth studies into these regions to be completed after the regions were announced?

Ms Gosling—That process was undertaken with all of the 10 sustainable regions. The department contracted the Australian Bureau of Statistics to develop a regional profile, just to assist the Sustainable Regions advisory committees in understanding some of the pressure points and influences on the region as they were considering projects. It happened in all 10 cases.

Senator O'BRIEN—Have the two new regions identified any projects?

Ms Gosling—They have both met now, I think, several times. Certainly, in the process their executive officers are working very closely across communities to develop project concepts. Both committees have considered a number of expressions of interest and decided that some of those projects may move to the next stage of application. That work is certainly under way. I think the Northern Rivers North Coast committee may have made one recommendation to the minister, subject to a due diligence report on the project. Sorry, for clarification: that recommendation has not come forward to the minister. The committee is still undertaking due diligence on it, but in principle they have approved the project.

Senator O'BRIEN—With respect to the \$48.3 million that has been allocated for 2005-06, which is a \$25.7 million increase over the previous year, what progress has been made towards expending those funds? How much has been spent to date, in other words?

Ms Gosling—I am just trying to find the right piece of paper. As at the end of January, there has been \$12.4 million spent. We have a commitment of \$17.5 million and, in relation to approved projects but not yet contracted, there is \$13.1 million.

Senator O'BRIEN—Is it likely that the full allocation will be committed this financial year?

Ms Gosling—It is possible, particularly with the progress of the two new regions, that the full allocation will not be spent.

Senator O'BRIEN—Given that with contracts there are sometimes milestones, does that mean that some of the money will flow over into a future financial year because the milestones will not be achieved till those years?

Ms Gosling—As I said, we are undertaking a project audit now of the initial eight regions to try to collate some advice to government about the status of progress of projects. That is something that the government would then have to consider in terms of what stage those projects are at and what the status is of those contractual commitments beyond 30 June.

Senator O'BRIEN—I take it that the eight original Sustainable Regions programs will expire on 30 June?

Ms Gosling—To some extent it is a transitioning process. As I said, the committees' formal role now is concluded, with the final recommendations on projects coming forward to the minister as of 31 October 2005. In relation to the contracted projects, we are undertaking this audit and it will be a decision for government as to what is the status of those commitments beyond 30 June. At this stage, the appropriation is due to lapse on 30 June 2006.

Senator O'BRIEN—The annual report for 2004-05 highlights that extra funding will be provided to ACCs—area consultative committees—to broker project partnerships and facilitate whole-of-government initiatives at a local level. What funding was actually provided?

Ms Page—I think we have given you advice in a question on notice on the budget of the individual ACCs. That comprises the funding made available through this portfolio.

Senator O'BRIEN—When was that supplied?

Ms Page—I am sorry, I cannot identify it at the moment. I thought we had provided that information, but we will check.

Senator O'BRIEN—It may be. We have received a massive amount of information this week, which has been impossible to assimilate. It may have been supplied earlier; that is the reason I asked the question.

Senator Ian Campbell—We will have to come back to you.

Senator O'BRIEN—The department expects to assess 75 per cent of applications received in the current financial year within 12 weeks of receiving the submission. Is this happening?

Ms Page—I think it is variable. At the time of writing of the annual report we had a two-stage approval process. We are moving to a one-stage approval process at the moment, so that may change.

Senator O'BRIEN—Perhaps, on notice, could you give me an updated figure on actual assessment and timing?

Ms Page—Again, that is a very large job over several hundred projects.

Senator O'BRIEN—How do you assess performance at the moment?

Ms Page—We undertake some sampling, I think it would be a fair thing to say.

Senator O'BRIEN—What is that revealing in terms of the time it is taking for assessment?

Ms Page—I would have to take that on notice. But turnaround times at the moment are probably not typical. Dr Dolman has some information.

Dr Dolman—I have some data for 2004-05, which shows that the average assessment time was 19.6 weeks.

Senator O'BRIEN—But we do not have any material for this financial year?

Dr Dolman—For this year the average assessment time is 19.9 weeks, which also includes time taken for decisions by a minister, which on average is 3.3 weeks.

Senator O'BRIEN—The minister indicated that ACCs would be funded separately from the Regional Partnership program. During the Senate inquiry, the committee stressed the importance that ACCs are funded adequately to engage skilled staff and to operate effectively. What is the level of funding made available to ACCs? Has it become less or more with this change?

Ms Page—I think the total amount of funding provided to ACCs in this financial year is \$16.6 million. The minister's announcement indicated that future funding would be indexed.

Senator O'BRIEN—And that is in the Regional Partnerships?

Ms Page—It is within the Regional Partnerships appropriation. It will be separately identified from 1 July and indexed.

Senator O'BRIEN—That is the actual increase in funding between 2004-05 and 2005-06—precisely \$16.6 million?

Ms Page—At this stage the minister has not made a decision on what the level of funding will be. There is, as you are probably also aware, a review under way of ACC boundaries. It is possible that that could influence funding levels for ACCs, but I cannot comment at this stage on what the 2006-07 level of funding will be.

Senator O'BRIEN—I was not asking what that would be, I was just trying to identify the increase in funding to the Regional Partnerships program, perhaps just noting that the \$16.6 million increase is precisely the ACC funding amount. Is that—

Dr Dolman—It is coincidental.

Senator O'BRIEN—The minister is also committed to providing guidelines to ACCs to help committees be representative of the communities they serve. Are those guidelines being prepared and supplied?

Ms Page—No, they have not yet. That is part of that package that I discussed.

Senator O'BRIEN—I understand funds for rural transaction centres could only be accessed until June 2005. The annual report says that, of the 239 sites approved, only 175 sites are operating. How will the other 64 sites be funded?

Ms Gosling—It is correct to say that that funding for the RTCs ceased on 30 June 2005. In relation to the current progress of the opening and operation of the RTCs, there are actually now 198 that are open and operating and we anticipate a further 24 to be operating within the next few months. In relation to your question about the funding, final payments from this program had to be made by 30 June 2005, but many of the RTCs had funding from other sources as well, which is helping them complete. In relation to the government funding, again, payments were made on a milestone basis so that if, for example, they were expecting construction of a building over the next couple of months, we would have asked for evidence of the building contract to process the final payment.

Senator O'BRIEN—In the annual report, the department claims that for every dollar invested in Regional Partnerships programs, \$3 is contributed by other partners—specifically, the private sector—and this claim arises from the findings of the KPMG internal review. Has any other research been carried out to back up this claim?

Dr Dolman—Essentially, we keep statistics on the operations of Regional Partnerships so, obviously, that figure will change over time, up and down, depending on the projects that are funded. We keep regular statistics on that.

Senator O'BRIEN—Are there departmental statistics?

Dr Dolman—There are departmental statistics. The ones that we quoted were from the internal audit review done by KPMG which confirmed those statistics at that particular time.

Senator O'BRIEN—The 2004-05 annual report indicates that the national regional evaluation framework was completed. What were the findings of this evaluation?

Ms Page—That forms part of the basis of advice to government at this stage. That initiative stemmed from a request from government for information about regional performance and that material is currently being considered by an IDC for submission to government.

Senator O'BRIEN—Who is on the IDC, which department?

Ms Page—Just about everybody.

Senator O'BRIEN—Who is not on it? That is a shorter answer.

Ms Page—There is a small working group, which comprises DEWR, FaCS, DIMA, DOCITA, ABS and our own department, but there is a wider committee of deputy secretaries, which I chair, which comprises just about everybody.

Senator O'BRIEN—At this stage, the findings are being considered, I think, was your remark?

Ms Page—The findings are being considered initially by that working group, and the broader group will consider the recommendations of the working group.

Senator O'BRIEN—I note that research was also undertaken in 2004-05 into taxable income by region. How will that be used?

Ms Page—That material has been conducted by the BTRE, and that is being subsumed at the moment into the NREF initiative. The NREF initiative is about looking at a series of broad indicators of regional health, such as educational status and employment, and taxable income levels form one of those.

Senator O'BRIEN—It is part of ongoing work by the BTRE?

Ms Page—It is part of ongoing work by the BTRE; that is correct.

Senator O'BRIEN—What advice has been given by the department on the future of the Regional Women's Advisory Council, given the current council's term expired in September 2005?

Ms Page—I cannot comment on advice provided by the department.

Senator O'BRIEN—What has happened with the Regional Women's Advisory Council?

Ms Page—The minister is considering a future council but, at the moment, the government has a separate initiative under way, which is an inquiry into women's representation in regional decision making. The minister will consider the future of the women's council and the direction as he is informed by the progress of that review.

CHAIR—I would have thought it was pretty obvious in the last few days that women are taking over parliament.

Senator O'BRIEN—Insecurities of that nature probably do not need to be aired on the floor of this committee. I just want to know whether there is anything in place at the moment or we are in a gap.

Ms Page—There is no committee in place at the moment.

Senator O'BRIEN—At this stage, there is no formal plan for a replacement?

Ms Page—I cannot comment on a 'formal plan' but, certainly—

Senator O'BRIEN—None the department is aware of?

Ms Page—No, the department is not aware at this stage.

Senator O'BRIEN—I think my undertaking to Senator Carr was that I would complete by 10 o'clock. I have a small number of questions, which I will place on notice.

CHAIR—Thank you very much, Senator O'Brien. We are going to break for morning tea. We are going to have a private meeting and then we will be back at a quarter past. We will see.

Proceedings suspended from 10.00 am to 10.15 am

CHAIR—I welcome the Territories and Local Government officers to the table. Do you need to make any opening statements?

Ms Page—Could I just add to a previous question we took on notice. I think Senator O'Brien sought a list of licensed post offices where Bank@Post had been installed by the end of December. I have that list for him.

CHAIR—I notice that Senator Carr is frothing at the mouth over here, so I had better let him go.

Senator CARR—Thank you very much, Mr Chairman, I appreciate that. I am new to this job, so I take it there are a few new officers as well. Is that right?

Ms Page—Yes.

Senator CARR—Have there been changes in the division?

Ms Page—That is correct. Ms Sema Varova, who is the substantive division head, is on extended leave. Mr Beresford-Wylie is acting division head during that period. Mr Barry O’Neill is acting in Mr Beresford-Wylie’s substantive position, and Ms Anna Clendinning has been appointed to the position of General Manager, Territories since the last hearing. Mr Magor is the section head who deals with Norfolk Island and Northern Territory matters.

Senator CARR—I look forward to working with you. May I begin by asking: why is it that the department has so much trouble answering questions?

Ms Page—I think the secretary indicated at the hearing on Monday that he regretted the delay, and we do too.

Senator CARR—My observation is that you are eight weeks late on questions. Were they so difficult that they could not be answered or is there a hold-up in the minister’s office?

Senator Ian Campbell—I think the issue was canvassed; that is not to say you cannot canvass it ad nauseam. Senator O’Brien has put a series of questions on notice in terms of what questions were answered when, when they went to the minister’s officer and so forth. From the government’s perspective, can I say that I think it is very much in the interests of the government and the parliament that questions are answered on time. To the extent that I can make a commitment to this committee that I will do my own investigation as the Senate minister representing a minister who is based in the House of Representatives, I do think that it is a practical reality, both under the previous Labor government and this government, that often ministers—and I do not think it is a reflection on ministers of either the past government or this government—based in the House of Representatives do not have the appreciation of Senate processes that we have on the Senate side. I am told that Mr Chandler has the answers that we promised on Monday.

Senator CARR—I appreciate that.

Senator Ian Campbell—I want to make a commitment that I will raise it with the minister in the House of Representatives.

Senator CARR—Thank you.

Senator Ian Campbell—I will make sure that his staff know that it really creates an unnecessary issue for the government to have to have an hour’s argument about when questions were answered. It is entirely reasonable that members of Senate estimates committees have some time to review the answers from the previous estimates round so that they can ask follow-up questions. I have been on estimates committees for a large period of my life where we have dedicated staff trying to go through the answers and analyse the answers so that we can either be satisfied with the answers or do a follow-up. It is entirely reasonable, and I will ensure, to the extent I can influence it, that we improve the performance in this portfolio.

Senator CARR—I appreciate that very much. I take it in the spirit in which you put it. To assist you in this task, I seek leave to incorporate into *Hansard* a table indicating, on my assessment, what has been the situation over the last six rounds of estimates, four of which suggest to me that no questions were answered on time—none whatsoever. I seek leave to do that. It is a straight table. I will give a copy to the minister so that he can see what I am seeking to do. This is information current as at 9 February 2006.

Senator Ian Campbell—Mr Chandler is about to submit answers which will put the facts on the record from the department's point of view. I think it would be courteous to allow Mr Chandler to compare what you are seeking to table.

Senator CARR—I want to put that on the public record.

Senator Ian Campbell—You are seeking to table that?

Senator CARR—I am seeking to incorporate it, because I do think this is really totally unacceptable and I appreciate—

Senator Ian Campbell—This is in relation to the Territories section of the portfolio?

Senator CARR—Just the Territories section. Over six rounds of estimates—so it is not just because I have asked some difficult questions.

Senator Ian Campbell—We will allow this to be incorporated. I do not have any way of stopping that, unless my colleagues on the committee, who are all now—

Senator CARR—Who are working very hard on the job. I will say no more about it.

Senator Ian Campbell—Ms Page, do you have any—

Ms Page—My understanding is that they were supplied to the committee but they may not have been supplied by the due date.

Senator CARR—As I say, you can have a look at that table I have prepared and no doubt comment on whether or not I am accurate.

Ms Page—We will do that.

Senator CARR—I appreciate the assurance that the minister has given me. That will actually facilitate the work of the committee and it will save a lot of time.

Senator Ian Campbell—I do not think we need to call Mr Chandler to the table. We will just incorporate the table.

Senator CARR—Take it and we will hear further from you.

Senator Ian Campbell—We will in fact seek to incorporate Mr Chandler's answers at the same time. They will then be juxtaposed on the page of *Hansard* for all in the world to see in the future.

Senator CARR—Thank you. I have a series of questions about Norfolk Island, and in particular the relationship between the Commonwealth of Australia and Norfolk. There is a view that, over recent times, the government has been exploring the experiment of self-government. I understand that was the actual term used when the bill was introduced in 1978 for self-government on Norfolk Island. In the speech that was presented at that time by the minister, he said that the success of the new arrangements would depend greatly on the

maintenance of close cooperation between the Commonwealth government and the Norfolk Island Legislative Assembly. He pointed out in that speech how very important it was that the territory is able to manage its own affairs, but the Commonwealth was to ensure the preservation of Commonwealth responsibility for Norfolk Island as a territory of the Commonwealth. Does that still remain DOTARS's view?

Ms Page—The government has made a series of decisions in relation to Norfolk Island and they will be announced next week.

Senator CARR—What do those decisions go to?

Ms Page—I cannot comment on that.

Senator Ian Campbell—I can comment, since I had the privilege of being the Minister for Territories. I have to record here that I regarded having a responsibility in relation to Norfolk Island as an incredibly fascinating part of my career. I think it is important to get the relationship right with Norfolk Island. If Senator Carr either has or will in his capacity read the history of the relationship—which is a fascinating part of Australian history which I commend to all Australians—he will realise that this interface is one that has had a lot of focus from the territories committee under the able leadership of, I think, both Senator Lightfoot and Senator Hogg, who seemed to work very well together on that. Not only has that committee done work on it but the government, at the time I was the minister—and I am sure that work has been carried through by the new minister—has been focusing on the issues. There are issues that need to be addressed. They relate to the financial sustainability of the island. That is an issue that has come and gone for a long time.

A lot of the financial sustainability issues have been dealt with on a piecemeal or ad hoc sort of basis. The issues that I was concerned with at the time were the maintenance of a substantial asset network across the island and how that could be sustainably financed and managed—all of these sorts of issues. There is no secret that these are issues that need to be dealt with. What I understand will be happening in the next few days is that the government will be making an announcement on a series of these things. I think it is appropriate that we wait for that. It obviously would have been easier for estimates committees if that announcement had been made a couple of weeks ago. You could then cross it off, but you will see all this and it will be open for parliamentary scrutiny.

CHAIR—Could I just interrupt the proceedings to incorporate Senator Carr's table on questions. Is it the wish of the committee that the table be incorporated in the transcript of evidence? There being no objection, it is so ordered.

The table read as follows—

Over the past five Estimates rounds:

- (1) Did Territories take questions on notice? How many?
- (2) What was the cut-off date for replies?
- (3) Did they meet the deadline?

Estimates round	1	2	3
Supplementary October 2005	Yes; 55 questions	16 December 2005	No. Still outstanding
Budget May 2005	Yes; 50 questions	1 July 2005	42 received on the due date; 8 received late
Additional February 2005	Yes; 8 questions	1 April 2005	No. All received late
Supplementary October 2004 (note: no hearings; writ- ten qon only)	Yes; 16 questions	31 January 2005	No. All received late
Budget May 2004	Yes; 24 questions	9 July 2004	Yes. All received on the due date
Additional February 2004	Yes; 6 questions	2 April 2004	No. All received late.

The above information is current. as at 9 February 2006.

Senator CARR—Minister, that is precisely a matter I raised with you earlier before the proceedings started, because there are some questions that I want to raise that go to some matters that officers may not be able to or may choose not to answer. I understand that the minister is going to Norfolk Island next week. Is that correct?

Ms Page—That is correct.

Senator CARR—For four days?

Ms Page—From Monday to Thursday of next week, yes.

Senator CARR—He will be spending 90 minutes holding meetings and discussing these changes with the members of the Legislative Assembly, will he?

Ms Page—He has an itinerary which provides for him to meet with a number of groups, including the Legislative Assembly.

Senator CARR—For 90 minutes?

Ms Page—That will depend on the views of the assembly, I think.

Senator CARR—But that is what the itinerary suggests, is it not?

Ms Page—There is an itinerary that sets aside that amount of time.

Senator CARR—This is to discuss a federal cabinet decision taken earlier this year; is that right? Was it earlier this year or was it last year?

Ms Page—I am not going to comment about cabinet processes.

Senator CARR—You cannot comment about cabinet decisions, but you can tell me when the cabinet made a decision.

Ms Page—I do not believe I can do that.

Senator Ian Campbell—We have told you we are going to make an announcement next week.

Senator CARR—I put it to you that the minister next week will be discussing a cabinet decision to resume powers for the Commonwealth over immigration, customs, health, education and social services, including pension and unemployment benefits. I put it to you that that is what is being discussed and that a 90-minute discussion with the Legislative Assembly is perfunctory.

Senator Ian Campbell—Mr Chairman, I think any senator can seek to speculate about what might be in the announcement as much as they want, or speculate on what might have been discussed in cabinet, but I think the most sensible thing to do is to wait until next week. All I can say is that the Australian government has had a very cooperative relationship with the government of Norfolk Island. It has been an incredibly constructive relationship and has worked on these policies, both in my time as minister and in Mr Lloyd's time as minister. That is the appropriate way to deal with the relationship with the people of Norfolk Island and their elected government.

I think that the people of Norfolk Island were very worried, upset and concerned at the report that the parliamentary committee brought down, and were probably, over the many years of the relationship, used to people trying to stir up political unrest on the island and concern them about what Canberra may do. They should also wait until next week until the minister's announcement. He is spending four days on the island. You can make a bit of a game about having 90 minutes at the assembly, but when you are on the island, you are on the island—it is an island. That will read really well! It is a very small island. There are not many people there. You might meet the members of the assembly for 90 minutes at the assembly in a formal meeting. But I am absolutely certain that the minister will meet members of the assembly on every single day of his visit.

As in any small community, quite often the members of the assembly are also in charge of the tourism operations or in charge of the hotel that you are staying at or will meet at the administrator's house at a function. When you are on the island for four days, you will meet people often and for a long time. My visits there were for a day and a half or two days—fly in, fly out—and I spent a lot of time talking to people. Four days is a very long and good visit. I think the people of Norfolk Island would do well to wait until Minister Lloyd arrives, listen to what he has to say and then talk to him about it. They have four days to do it.

Senator CARR—I think your point about the importance of discussions is well taken, but he is spending an hour and a quarter with a morning tea to do with the Norfolk Island Commonwealth Games team, and an hour and a half to discuss these monumental changes with the Legislative Assembly. I am just wondering in terms of itinerary that has been put together whether that is inappropriate.

Senator Ian Campbell—The minister makes his itinerary. In terms of people being upset about the time allocations, the point I am making is the practical point that, if you are on that island for four days, you will spend a lot of time talking to a lot of people. In my own experience, I would have spent an hour and a half at the assembly. We had a very good discussion on a whole range of issues. We then sat down and had a sandwich. That will be what the minister is doing. You can never spend enough time at these places, but I think getting into whether the minister is going to spend an hour and a half, an hour and a quarter or two hours at the assembly really is getting fairly petty, quite frankly.

Senator CARR—It is not about pettiness, it is about whether or not there is proper consultation, advice and opportunity to discuss proposals.

Senator Ian Campbell—It is four days, and I would be very surprised when Minister Lloyd comes back across the Pacific to mainland Australia if most people on the island will not have had a chance to look him in the eye and have a talk face to face in a Norfolk Island way.

Senator CARR—I would like to return to the cabinet decision. The administrator is quoted on the island as saying there has been a cabinet sign-off for a \$30 million package to restructure social welfare. Are you familiar with those comments by the administrator?

Ms Page—I am not, but I cannot comment on cabinet processes.

Senator CARR—I put it to you, furthermore, that a substantial briefing has been provided out of cabinet to the local newspaper editor on Norfolk Island. Are you familiar with that?

Senator Ian Campbell—We will just wait until the announcements are made. You have to wait until the other side of the weekend, quite frankly.

AW530Carr, Sen Kim0Senator CARR—No, it is a bit more serious than that, because I have a document that suggests to me that there has been a substantial cabinet leak. I would like to know what action has been taken about an unauthorised disclosure. It has been put to me that the editor of the local newspaper, the *Norfolk Islander*, has been advised that the Commonwealth is resuming powers over the next 18 months for immigration, customs, health, education and social services, and that there will be discussions regarding the ‘obligation and transitional arrangements’ when the minister visits next week and that the Commonwealth will not allow the Norfolk Island government to become insolvent. Are you familiar with any request by the newspaper editor of the *Norfolk Islander* concerning interviews regarding this unauthorised disclosure?

Senator Ian Campbell—No, I am not.

Senator CARR—Has the minister actually put to the editor of the *Norfolk Islander* a proposition that, if this detail was actually published, there would be a Federal Police inquiry and that there would be charges under the Crimes Act if he persevered?

Ms Page—I do not know that you can assume that it is a leak of a cabinet decision.

Senator CARR—That is not the question I asked you. I am asking you whether or not the department or the minister’s office has threatened the local newspaper with a police inquiry and charges under the Crimes Act if a story was published about this cabinet decision.

Ms Page—I am not aware of any contact that the department has had with the *Norfolk Islander*. I am not aware of any contact the minister may have had with the *Norfolk Islander*.

Senator CARR—I ask you, minister: are you aware of whether the minister or the minister’s staff have actually threatened the editor of the *Norfolk Islander* with charges under the Crimes Act if he published stories in regard to this cabinet decision?

Senator Ian Campbell—No, I am not.

Senator CARR—Minister, would you be prepared to take that on notice? Have the minister or minister’s staff had any discussions with the editor of the *Norfolk Islander* about

the question of a Federal Police inquiry into the manner in which the editor has come to know of a cabinet decision concerning the matters I have raised this morning?

Senator Ian Campbell—I would like to see the allegations. You are saying you have a document.

Senator CARR—I am making the allegation right now.

Senator Ian Campbell—You have made a public allegation; the minister can respond. I am not going to take that on notice.

Senator CARR—You will not take that on notice?

Senator Ian Campbell—You have made an allegation in the parliament. It is public. I would have thought—

Senator CARR—I am asking for you to take it on notice.

Senator Ian Campbell—The policy is going to be announced by the minister on the island and he is going to spend four days there next week. You are trying to have a bit of fun with it in the meantime.

Senator CARR—I am not having a bit of fun with it.

Senator Ian Campbell—It is only natural for people to speculate about these things. These issues have been before the parliament for a long time. The parliamentary committee came down with a report on governance issues on Norfolk Island. These issues are around. I am absolutely certain that many people on Norfolk Island will be feeling a sense of anticipation about what is occurring. Some people on Norfolk Island will be concerned about what might be occurring next week. That is only natural when you are waiting for decisions of the government in relation to Norfolk Island. Is it surprising that the editor of the *Norfolk Islander* is taking a close interest in this? No, it is entirely unsurprising. You have made an allegation about ministerial staff or the minister's office or the department somehow threatening the editor. The minister no doubt, having heard this threat made public by you under parliamentary privilege, will respond.

Senator CARR—I hope that is right.

Senator Ian Campbell—It would be inane to take it on notice and then come back in 30 days time and give you an answer in writing. It is a bit puerile.

Senator CARR—No, it is not puerile, because I would like to know whether or not there has been an unauthorised disclosure and whether or not a Federal Police inquiry has been launched.

CHAIR—As the minister said, this will have to be—

Senator CARR—I am asking a specific question.

CHAIR—I know, and he has given you an answer.

Senator CARR—No, he has not given me an answer.

CHAIR—Yes, he has given you an answer. The minister will be aware of this and he expects the minister to respond.

Senator Ian Campbell—The minister may choose to respond.

CHAIR—That is right.

Senator Ian Campbell—We have had an allegation made under parliamentary privilege that threats have been made. That is an allegation; we will see how it is dealt with.

Senator CARR—I am asking a specific question: has there been a Federal Police inquiry launched into unauthorised disclosures?

Senator Ian Campbell—You would need to go to the estimates that deal with the Federal Police.

Senator CARR—Has there been a referral by this department?

Ms Page—No, there has not. I also have some advice from Minister Lloyd: there has been no contact between his office or the minister with the *Norfolk Islander* in relation to this matter.

Senator Ian Campbell—Either journalists or editor?

Ms Page—Yes, journalists or editor.

Senator CARR—Why has there been no ministerial statement in the Australian parliament concerning this matter?

Senator Ian Campbell—As a former minister, I can say that it is entirely appropriate for the minister to go and make the announcement on Norfolk Island. I think Norfolk Islanders would find it incredibly offensive if the statement were made in the Commonwealth Parliament. The question shows an incredible ignorance of the relationship, quite frankly.

Senator CARR—On the contrary, this is a proposition that involves—

Senator Ian Campbell—It shows a reflection of the Labor Party's attitude to Norfolk Island, and there is a very stark difference between the government's relationship with Norfolk Island and that of the Labor Party.

Senator CARR—On the contrary, I would have thought that, with an announcement of this importance, it would be respectful to actually advise people of what the government position is in advance of any meeting rather than try to drop it on them at the meeting. I would have thought it would be respectful to the Australian people who have to pay the bills to actually explain what the government has decided, because this is a cabinet decision. I would have thought it would be respectful of the Australian taxpayer that you would explain to them what the bill is.

Senator Ian Campbell—That is your attitude but the minister, and I support his decision entirely, has chosen to go to Norfolk Island and communicate a decision that affects Norfolk Islanders to their faces at Norfolk Island. I fully support his decision. Your suggestion shows the attitude that has dogged the Labor Party for many years and that is why the Labor Party are on the nose on Norfolk Island.

Senator CARR—When will the ministerial statement be made to the Australian parliament?

Ms Page—I cannot comment on that at this stage.

Senator Ian Campbell—It is a decision for the minister, but he is making it at the right place. He is doing the right thing by going to Norfolk Island and talking to Norfolk Islanders.

Senator CARR—Is it the intention to make a ministerial statement in the Australian parliament?

Ms Page—I cannot comment on that at this stage. That is a matter for the minister.

Senator Ian Campbell—That is a cabinet decision as well.

Senator CARR—Is there any intention to make a ministerial statement in the Australian parliament?

Ms Page—I cannot comment on that at this stage.

Senator CARR—Why can you not comment on it?

Ms Page—Because that is a matter for the minister's consideration, and it is part and parcel, essentially, of the range of government decisions which have yet to be announced.

Senator CARR—So that is part of the decision?

Ms Page—I cannot comment on the decision.

Senator Ian Campbell—What I have said, just so that you are clear, is that the decision on ministers making statements in the Australian parliament is a matter that goes before the parliamentary business committee of the cabinet.

Senator CARR—What is the responsibility of the territories division of the department for the appointment of public office holders on Norfolk Island?

Ms Page—The department makes recommendations to the minister in relation to appointments to statutory positions.

Senator CARR—The administrator's salary and expenses?

Mr Magor—The administrator's salary is determined by the remuneration tribunal.

Senator CARR—That is part of your expenses though, is it not?

Mr Magor—Our departmental expenses.

Senator CARR—Is it the case that the administrator formally appoints holders of public office and officials?

Mr Magor—The appointments are under Norfolk Island law.

Senator CARR—Is he also responsible to act on the recommendation of the legislature?

Mr Magor—How do you mean?

Senator CARR—If you had an appointment, for instance, for the gaming authority, is that a decision that comes through the department, through the minister or is it purely an on-island decision?

Mr Magor—The department does not have any role in appointments of Norfolk Island officials under Norfolk Island law, other than the administrator having a function to make those appointments.

Senator CARR—Is the administrator's role the appointment of members of the Administrative Review Tribunal?

Mr Magor—I would need to seek advice on that.

Senator CARR—You do not know at this time?

Ms Page—The legislative framework of Norfolk Island is quite complex. There are a series of schedules attached to the Norfolk Island Act which prescribe which areas the Norfolk Island government can legislate in of its own accord, those where it needs to make reference to the administrator and those where it needs to make reference to the Australian Governor-General.

Senator CARR—Is there a process within the department for the monitoring or reviewing of the performance of public officials on Norfolk Island?

Mr Magor—No.

Senator CARR—None whatsoever?

Mr Magor—No.

Senator CARR—On what basis can the Commonwealth ministers for territories remove persons from office?

Mr Magor—To my knowledge there is no provision for him in the Norfolk Island Act to remove Norfolk Island officials. That is a matter under Norfolk Island law.

Senator CARR—Even their members of the Administrative Review Tribunal, for instance?

Ms Page—We would need to take that on notice.

Senator CARR—I would like to know what officers on the island the minister or the administrator has responsibility for in terms of monitoring and the capacity to make decisions for removal? And what discretionary role does the administrator have, as a delegated authority from the minister, for the appointment of a person on the island? For instance, does the Commonwealth have any responsibility for the supervision of magistrates on the island?

Ms Page—I think we would prefer to take these on notice.

Senator CARR—Basically, it is the same old pattern. I just want to know how far the Commonwealth writ goes under existing law and to what extent officers of your department actually take a decision. I know the administrator formally appoints many of these people.

Ms Page—I can assure you that the department has no role in making decisions about Norfolk Island appointments.

Senator CARR—But does the administrator look to you for advice about formal appointments?

Mr Magor—No.

Ms Page—I do not believe so.

Senator CARR—Where does the administrator get advice from concerning appointments?

Ms Page—The administrator would get advice from the Norfolk Island government.

Senator CARR—And only the Norfolk Island government?

Ms Page—I do not think it would preclude him getting advice from other sources, but his principal source of advice would be the Norfolk Island government.

Senator CARR—When it comes to agreeing to legislation being passed, enacted, getting assent to legislation, where does the administrator get advice from on that matter?

Mr Magor—He receives advice from the executive council of the Norfolk Island government. Under the Norfolk Island Act, depending on which schedule an issue is, in some cases he is required to act solely on the advice of the Norfolk Island executive council. In other cases he is required to refer a bill to the minister for instruction.

Senator CARR—On which matters does the administrator require the advice of the minister, which of course means from Canberra.

Ms Page—The matters that are prescribed for various forms of treatment are attached in schedules to the Norfolk Island Act.

Senator CARR—Who is responsible for the removal or the registration, the licensing and the practising of barristers and solicitors?

Ms Page—As I have indicated, we would like to take on notice your questions in relation to individual office holders because it will go to the issue of the schedules attached to the act in relation to the way in which the various areas in which the Norfolk Island government can legislate have been structured.

Senator CARR—Is it the case that there are no disciplinary provisions attached to the regulations for legal practitioners on Norfolk Island?

Ms Page—I would need to take that on notice.

Senator CARR—I expect you would. How can a legal practitioner have their right to practice on Norfolk Island revoked?

Ms Page—Again I will take that on notice.

Senator CARR—Is the department aware of a Dr John Walsh, known as Dr John Walsh of Brannagh?

Mr Magor—Yes.

Senator CARR—Are you aware that he is a magistrate of the Court of Petty Sessions on Norfolk Island?

Mr Magor—I am aware that he holds a position. I am not sure exactly what it is.

Senator CARR—Is he also a senior member of the Administrative Review Tribunal?

Mr Magor—I need to take that on notice.

Senator CARR—Is he the deputy chair of the Norfolk Island Gaming Authority?

Mr Magor—I am not sure.

Senator CARR—Could you take that on notice and confirm those matters for me? As a magistrate, is he entitled to an honorarium of \$100 a day for his work as a magistrate?

Mr Magor—I will take it on notice.

Senator CARR—Is he also paid as a senior member of the Administrative Review Tribunal with expenses of \$500 sitting fees per day and \$250 each half day?

Ms Page—Some of these questions go to expenditure decisions of the Norfolk Island government and I am not sure of the extent to which we will be able to advise on some of them.

Senator CARR—I ask whether or not you could confirm these figures for me. Can you confirm that Dr Walsh receives \$25,000 per annum in a position as deputy chair of the gaming authority?

Ms Page—Again, you are asking about expenditure decisions of another government. I am not sure of the extent to which we can provide advice on some of these issues.

Senator CARR—I would appreciate it if you would make inquiries for me on that matter. Can you confirm that, as a member of that authority, he has a daily allowance when attending to the business of the authority of \$800 per day?

Ms Page—We will make inquiries, but these relate to financial and remuneration decisions of another government.

Senator CARR—Can you advise me as to who appointed Dr Walsh to these positions?

Ms Page—We will take that on notice.

Senator CARR—Can you confirm for me that he has occupied all of these positions in the years 1994 through to 2000?

Ms Page—We will take that on notice.

Senator CARR—Are you aware that Dr Walsh is a notary public on Norfolk Island? That is a term I am not entirely familiar with in our other jurisdictions, but I understand it is a term that is used on Norfolk Island.

Ms Page—We will take that on notice.

Senator CARR—Can you confirm that Dr Walsh has also been engaged by Norfolk Island as a legal consultant?

Ms Page—That goes to the issue of consultancies undertaken by another government.

Senator CARR—I ask you to seek what advice the department has on those matters. Could you also confirm that he is a barrister and solicitor on Norfolk Island and a partner in the legal firm of McIntyres?

Ms Page—We will attempt to do so but, as I have indicated, your questions go to issues related to the operation of another government.

Senator CARR—Is a minister in the government of Norfolk Island, Mr John Brown, also a partner in that legal firm?

Ms Page—We will take that on notice.

Senator CARR—Was Mr Brown appointed as a member of the executive of the legislature by the administrator under the Norfolk Island Act 1979, section 13?

Ms Page—We will take that on notice.

Senator CARR—Was it Mr Grant Tambling who made that appointment or his predecessor?

Ms Page—We would have to check on the timing of Mr Brown's appointment.

Senator CARR—Is Dr John Walsh also the person responsible for the establishment of Greenwich University on Norfolk Island?

Mr Magor—We need to take that on notice.

Senator CARR—You do recall the scandal associated with the Greenwich University?

Ms Page—I am not familiar with it.

Senator CARR—The former Minister for Education, David Kemp, told the House of Representatives on 17 December 2002, after conducting a review into this so-called university that:

The review committee established by the Commonwealth to examine the academic and financial credentials of Greenwich University has reported to me today. The committee was set up following a request from the Norfolk Island government that Greenwich University be listed on the Australian qualifications framework register, the AQF. The committee has recommended that, one, Greenwich University not be listed on the registers of the Australian qualifications framework, because the standard of its courses, quality assurance mechanisms and academic leadership fail to meet the standards expected of Australian universities.

Has the department raised with the government of Norfolk Island why the legislation establishing this university is still on the books of Norfolk Island?

Ms Page—The legislation on the books of Norfolk Island is largely a matter for the Norfolk Island government. We have no role in oversighting or questioning the decision of the Norfolk Island government if they wish to legislate in particular areas.

ACTING CHAIR (Senator Nash)—If I could interrupt for just one moment—and I do appreciate that you are in the middle of your questions and I understand that there are quite a lot more to go—would you be prepared to allow Senator Siewert to ask some questions, as she has to go back to Adelaide?

Senator CARR—Could I conclude this section?

ACTING CHAIR—Yes, absolutely.

Senator CARR—I have already indicated that Senator Siewert will have plenty of opportunity to pursue her matters, but I would like to conclude these matters.

ACTING CHAIR—That is absolutely fine. Can you give me an idea when that will be?

Senator CARR—Most of the answers so far have been taken on notice, so I cannot complain about the length of the answers from the department, so I would not have thought too long at all.

ACTING CHAIR—Thank you.

Senator CARR—Are you aware that Dr Walsh appointed as vice chancellor of this university Dr Ian Mackechnie who had various offences for fraud?

Ms Page—No, but neither would we expect to be. We have no oversight of the delivery of educational services on Norfolk Island.

Senator CARR—I am interested in this point, because this goes to some matters that go to the legal supervision of legal officers on Norfolk Island and the Commonwealth responsibilities therefore, a matter that was raised in a recent Senate report. I am wondering who is responsible within the department for ensuring that legal officers conduct themselves in accordance with the ethical standards of the legal practice, as we have come to understand them in this country, on Norfolk Island?

Ms Page—Legal officers on Norfolk Island would be responsible for adhering to the Norfolk Island Act and relevant Norfolk Island legislation. We have no role of oversight. Norfolk Island is a self-governing territory.

Senator CARR—I see. What I am anxious to know is whether the department would be aware that Dr Walsh allegedly signed a series of sworn declarations where he declared, among other things, that he had not returned to any work except on occasions he was doing limited appearance work and was not able to perform any professional duties as a barrister, and that in various sworn affidavits he declared that he could only manage day-to-day living and had no current monthly earnings or no other source of income. I ask whether or not the administrator or the minister has obtained access to the official register of all relevant persons on Norfolk Island, such as justice of the peace, capable of signing sworn affidavits to ascertain whether or not affidavits or declarations signed by Dr Walsh in recent years are in fact accurate.

Ms Page—That is really a matter for Norfolk Island law.

Senator CARR—I am interested to know because there are serious penalties for perjury in this country for the legal profession, particularly for persons signing false statutory declarations. There is a writ currently before the Supreme Court of Victoria which I have a copy of here. It is a public document dated 12 May 2004 in which Dr Walsh claimed that he was totally disabled and unable to work between the period of 1994 until 2004. Since he has had a series of appointments on Norfolk Island—official appointments made by the Commonwealth administrator on Norfolk Island—I question whether or not that would produce a prima facie case—

Ms Page—We would need to check whether the administrator did indeed have a role in appointing Dr Walsh to various appointments.

Senator CARR—I am asking the department whether or not you are aware of the proceedings in the Supreme Court of Victoria between Dr Walsh and ING Life Ltd, and that the proceedings go to a claim being disputed by ING for moneys paid to Dr Walsh as part of an insurance claim for being totally incapacitated.

Ms Page—No. We have no knowledge of that.

Senator CARR—I am surprised that you would have no knowledge of this matter given that Dr Walsh has such a prominent position on Norfolk Island and that, as a magistrate, a senior member of the Administrative Review Tribunal and deputy chair of the Gaming Authority, he would be making statements in affidavits that he was totally incapacitated.

Senator Ian Campbell—It seems to me from what you have said that this is an issue that is between an insurance company and an individual who, from what you said, resides on Norfolk Island. I do not know that it would be appropriate for the department to even have a view on that. They have said they are not aware of it, so I do not know whether we can add anything to your inquiries.

Senator CARR—Education is a schedule 3 matter. These are matters to do with the supervision of ethical conduct of the legal profession on Norfolk Island, which I would have thought were matters that the Commonwealth would have an interest in. I am not seeking to comment on the course of the case itself, but these are public documents and I wonder whether or not the department has had these issues drawn to its attention.

Ms Page—I am not aware that the department has, but these are matters to do with the operation of the legal profession and particular appointments on Norfolk Island and we would not expect necessarily to have a knowledge of, or be involved in them, any more than we would if this happened in a state or territory elsewhere in Australia.

Senator CARR—So these matters have not been brought to your attention.

Ms Page—I am not aware of that.

Senator CARR—In consultation with the administrator?

Ms Page—We would have to check any correspondence we have had from the administrator but I am not aware of this issue.

Senator CARR—Will you take on notice whether or not this matter has been raised by the administrator?

Ms Page—Yes, we will.

Senator SIEWERT—My questions are mainly about Christmas Island, and I understand you are the appropriate body I should be talking to as I am following up some matters that I did—

Senator Ian Campbell—Any more on Norfolk from the committee?

Senator SIEWERT—No. Sorry. I have not.

Senator Ian Campbell—Any more on Norfolk, Senator Carr?

Senator CARR—I have quite a lot on Norfolk.

ACTING CHAIR—He is only breaking momentarily.

Senator CARR—I have got a great deal, so what do you want to do?

Senator SIEWERT—Christmas Island.

Senator CARR—Unfortunately, though you want to leave in—

Senator SIEWERT—I have to be on a plane. I did notify the committee on Tuesday that I would need to be on a plane to get away.

Senator Ian Campbell—I am in the same boat, so we will keep going.

Senator CARR—So we have more material on—

ACTING CHAIR—Senator Carr, we will come back to you. If Senator Siewert can start and we will come back as soon as she has finished.

Senator Ian Campbell—My suggestion, which I made to Senator Carr informally, was that Senator Carr has given me the courtesy of saying some of his questions are ones that are only appropriate for a minister. I suggest that we try to deal with the ones that I should be here for before midday and then ones that the department can deal with that have no political or policy-type issues, the officers can answer those.

ACTING CHAIR—That sounds a very sensible course of action.

Senator Ian Campbell—Are Senator Siewert's more sort of—

Senator SIEWERT—Some of mine may be ones that you need to take on notice, anyway, so I am happy to also—

Senator Ian Campbell—Exactly. I think we will go on with any ones that need a ministerial-type response and we will obviously take on—

ACTING CHAIR—If Senator Carr has quite a range of those, though, Senator Siewert will not get out of here in time.

Senator CARR—No. You will not get out on time. I have got some hours of work to do.

ACTING CHAIR—Can I suggest that we let Senator Siewert now have approximately 15 minutes or so, and then come back to Senator Carr and start then immediately on the ministerial questions. Is that suitable for everybody?

Senator CARR—Sure. I am happy to do that.

Senator Ian Campbell—Okay.

Senator CARR—I am happy to do that.

Senator SIEWERT—I am following up issues around Christmas Island and specifically, obviously, I have a deep interest at the moment in the mining activities, so I would like to follow up some questions around that. Has there been an independent environmental audit of PRL's activities to date against its lease conditions?

Mr Beresford-Wylie—You asked about an environmental audit, is that right?

Senator SIEWERT—There are two things. Has there been an audit against their lease conditions in general? I understand that they go beyond their environmental issues.

Mr Beresford-Wylie—I am not aware of an audit against the lease conditions. I would have to take that on notice.

Senator SIEWERT—If you could take that on notice. Has there been an audit of the environmental conditions that have been placed on their leases?

Mr Beresford-Wylie—Again I would have to take that specific question on notice.

Senator SIEWERT—So you cannot answer my question because, if you do not know if there has been an audit, you cannot tell me how they performed against it. However, if there has been an audit, I would like to know if that is publicly available and if it is I would like a copy of it.

Mr Beresford-Wylie—We will take that on notice.

Senator SIEWERT—You presumably will find the next question difficult then. If there has not been an audit why has there not been an audit against the lease conditions?

Mr Beresford-Wylie—Yes. We will take that on notice.

Senator SIEWERT—How much of PRL's land to date has been rehabilitated?

Mr Magor—We will take that on notice.

Senator SIEWERT—Has PRL submitted an environmental management plan?

Mr Beresford-Wylie—We will have to take that exact detail on notice.

Senator SIEWERT—Are you going to need me to submit these or can you deal with these—will you take these off *Hansard*?

Ms Page—We can take them on notice.

Senator SIEWERT—Do you know what the cost of rehabilitation is per hectare?

Mr Beresford-Wylie—I do not have a per hectare figure.

Senator SIEWERT—Is there a total figure there?

Mr Beresford-Wylie—I know the cost of rehabilitation to date that we have actually paid to Parks Australia under an agreement, an MOU for rehabilitation, has been \$1.2 million. That has been the cost of rehabilitation to date.

Senator SIEWERT—That is to date?

Mr Beresford-Wylie—To date.

Senator SIEWERT—But you do not know how many hectares that has—

Mr Beresford-Wylie—I could not tell you how many hectares that has covered, no.

Senator SIEWERT—Has PRL had an independent review done of its rehabilitation strategy?

Mr Beresford-Wylie—I certainly do not know whether PRL has had that independent audit done. We can ask the company whether it has done so.

Senator SIEWERT—You have not required it to have one done?

Mr Beresford-Wylie—Again, I would have to take that on notice, as to whether we have had a specific requirement.

Ms Page—Some of these questions would be better directed towards the Department of the Environment and Heritage rather than us, I think.

Senator SIEWERT—Funny you should say that. I asked it on Tuesday night and it said to come here, so I am coming here.

Ms Page—It is work being undertaken in consultation with Parks Australia. That is why I thought they might be able to tell you some of the detail.

Senator SIEWERT—It did answer a few of my questions but for the rest of them it said to come here, so I am coming here.

Ms Page—My apologies.

Senator SIEWERT—Can you tell me a little about the international research centre proposed for the island? Did you have any involvement with that at all?

Ms Page—I am not aware of an international research centre.

Senator SIEWERT—Unfortunately, I did not bring it with me, but there was a media release about the proposal for an international research centre on the island.

Mr Magor—I am aware that there is a proposal for an international research centre. To my knowledge, it is still embryonic and the details of exactly what it would be and how it would be funded are still being worked out.

Senator SIEWERT—What level of involvement do you have with that?

Mr Magor—I have a feeling it is actually an issue that is being worked out with the environment department, but I would have to check.

Ms Page—It is not a project being sponsored by this department.

Senator SIEWERT—Could you tell me what is the return to the Commonwealth from PRL's mining activities on Christmas Island?

Ms Page—Over what period?

Senator SIEWERT—Say, over the last five years.

Ms Page—We will take that on notice.

Mr Beresford-Wylie—We will.

Senator SIEWERT—Could you include mining royalties and any other sources?

Mr Beresford-Wylie—Yes.

Senator SIEWERT—Have you done a cost-benefit analysis with respect to the mining operations and the Christmas Island community?

Ms Page—No, we have not to my knowledge.

Mr Beresford-Wylie—Not that I am aware of.

Senator SIEWERT—Is there any level of subsidy from the Commonwealth for the mining operations on the island?

Ms Page—At this stage I think there are concessional arrangements in place in relation to royalty payments.

Senator SIEWERT—Can you provide those details now or do you need to take that on notice?

Ms Page—We would need to take that on notice.

Senator SIEWERT—If you could, that would be appreciated. Is there any intention to change those concessions or better them?

Ms Page—They are currently under review. They are time limited. I cannot remember the period for which they are in place. The government would need to review them on expiry.

Senator SIEWERT—If you could provide details of when that expiry is due when you answer that question that would be appreciated. You answered before when I was asking about the cost-benefit analysis that you have not done one?

Ms Page—No, we have not.

Senator SIEWERT—Have you done any analysis of the impact of mining or the benefits of mining versus the benefits of tourism, or looked at the benefits of tourism to the island? Have you done a cost-benefit analysis on tourism?

Ms Page—No, we have not.

Senator SIEWERT—My understanding is that it was 1991 when there was the changeover from mining to PRL; is that correct?

Ms Page—I do not think we have details of the lease with us.

Mr Beresford-Wylie—No, we do not.

Senator SIEWERT—You do not know them or you do not have them with you?

Ms Page—We do not have them with us.

Senator SIEWERT—In that case I might need to chase this up on notice, because I am chasing some details over what was the understanding when the lease arrangements were changed. I think it was in 1991; it was certainly the early nineties. I will submit some further questions on that on notice. Even if you have not done any cost-benefit analysis on tourism, do you have an indication of the estimated value of tourism and ecotourism on Christmas Island?

Ms Page—I do not believe so. It goes without saying that we support the efforts of Christmas and Cocos islands to stimulate tourism. We recognise that that is an important avenue for both communities.

Senator SIEWERT—But you have not done any work on what the value or potential value of tourism for the island is?

Mr Magor—No. I am not aware of any, but the department does provide money to the economic development associations on the islands to do their own work, and they may have done that.

Senator SIEWERT—Could you provide me with some details of the value of the money you do provide and what projects that funds?

Ms Page—It might be more helpful if you could narrow it down. The Commonwealth government provides in excess of \$60 million annually to support the IOTs, and that covers a range of things, principally the delivery of services on the island. Is your interest principally in relation to tourism?

Senator SIEWERT—Yes. My interest is in relation to tourism, its value to the island, what is done to promote it for the island and whether there has been any work done on projections for possible increases in tourism.

Ms Page—That is largely a matter for the local governments on the two islands. We do, however, as Mr Magor has indicated, provide small grants to those governments, some of which they may spend on tourism promotion, but we will have a look at that.

Senator SIEWERT—I would have thought that you would have had a breakdown of what you provide to promote or investigate tourism on these islands.

Ms Page—Our role, as I indicated, is principally the delivery of services on those islands, not the promotion of tourism.

Senator SIEWERT—What funds do you provide for the promotion of tourism? Do you have details on that?

Ms Page—That is what I just indicated. We provide some small levels of funding for the local governments on those islands, which they may or may not use to promote tourism.

Mr Beresford-Wylie—Yes. To that economic development board we provide an annual grant of about \$75,000.

Senator SIEWERT—Do they not then provide you with details on how they spend that money?

Ms Page—We get a general report from the shire council I think in both cases. I am not sure that it goes to that level of detail.

Senator SIEWERT—You have probably answered my next question through the answer to that one, and that is that you do not get involved in the level of detail of developing strategies for the promotion of tourism or other economic activities on the island?

Ms Page—Generally not. We have provided money from time to time for various studies in relation to economic development and future planning on the islands, but it is fair to say that we do not have a direct responsibility for tourism development and promotion.

Senator SIEWERT—Do you have a broader involvement in trying to ensure that the island does have an independent economic future?

Ms Page—We have a role to the extent that we administer Commonwealth funding, that we monitor the funding requirements of the islands, and that we are also responsible for the administration of the lease of the mining company.

Mr Beresford-Wylie—You have asked about economic development strategy. With regard to that, the Australian government has funded and encouraged the development of a draft economic strategy. It is in draft status at the moment. At present, I understand that strategy has been provided to us and to the minister for his consideration, but there has been no decision on that draft strategy.

Senator SIEWERT—Is that a confidential draft or is it publicly available for comment?

Mr Beresford-Wylie—It is not publicly available for comment in its current draft form, no.

Senator SIEWERT—How much did the Commonwealth provide for funding for the development of that strategy?

Mr Beresford-Wylie—I will have to take that exact figure on notice. I do not have the figure here.

Senator CROSSIN—I want to ask two questions to follow up on that. Would you do an audit against lease provisions in mines in other territories?

Ms Page—I do not believe that we have any mines in other territories.

Senator CROSSIN—There is quite a few in the Northern Territory, as far as I know.

Ms Page—The relationship is different. The Indian Ocean territories are non-self-governing territories.

Senator CROSSIN—Would you do an audit of lease provisions in other territories as part of DOTARS's responsibility?

Mr Magor—Not that I am aware of. I believe territory governments would do that themselves.

Senator CROSSIN—What about the \$1.2 million in rehabilitation that you just spoke about—is that yearly?

Ms Page—I think that is the amount that has been spent to date.

Mr Beresford-Wylie—That is correct. That has been the amount spent to date. There was a yearly figure under the MOU with Parks, which appears in the budget documents. I think the figure is \$740,000.

Senator CROSSIN—Is that your Parks contribution to the rehabilitation?

Mr Beresford-Wylie—That is our contribution under the MOU to Parks. So we make that contribution—

Senator CROSSIN—For rehabilitation purposes?

Mr Beresford-Wylie—That is correct.

Senator CROSSIN—How much was that for the last year?

Mr Beresford-Wylie—In the budget statements, \$740,000 of the funds collected under a levy is provided to Parks under the agreement we have.

Senator CROSSIN—That is correct. Would it not be more than \$1.2 million in total since 1991? Perhaps you could take that on notice?

Ms Page—I do not think we are counting from 1991. It is probably under whatever the current agreement or current program is.

Mr Beresford-Wylie—I think that is correct.

Senator CROSSIN—So you think the \$1.2 million is under the current agreement, not the life of the mine?

Ms Page—Not over the life of the mine, no.

Senator CROSSIN—I see.

Senator CARR—Perhaps I could just finish on Christmas Island. There are a few matters on Christmas and Cocos islands I would like to address. The new airline that has been

established, SilkAir, as I understand it, is going to provide regular flights between Christmas Island and Singapore. Is the department aware of that?

Ms Page—We are, but that is a matter for the Aviation and Airports Division.

Senator CARR—That is another part of the department?

Ms Page—Yes.

Senator CARR—You cannot take questions on this matter?

Ms Page—We could take it on behalf of that part of the department.

Senator CARR—If you could, please. I understand that SilkAir will be establishing regular flights between Christmas Island and Singapore, which follows the demise of Garuda operations between Bali and Christmas Island following the Bali bombings; is that right? You have no knowledge of this?

Ms Page—That is an international air service and, as such, is—

Senator CARR—Could you confirm for me that the minister has been approached with a request for assistance to obtain certain ground support equipment to enable Christmas Island airport to comply with international standards?

Ms Page—We would like to take that on notice.

Senator CARR—Can you confirm that the minister been informed that the provision of such equipment is necessary to ensure the continuation of this air link between Christmas Island and South-East Asia?

Ms Page—Again, we would need to take that on notice and refer that to the Aviation and Airports Division.

Senator CARR—I ask these questions in the context of the decision by the previous minister that there be no casino licence on the island. Senator Campbell, I think you were responsible for that?

Senator Ian Campbell—Yes.

Senator CARR—The government also stated that it would be supporting alternative developments, particularly tourism, so I am wondering what action has been taken to support air service provision to support the tourism strategy.

Ms Page—Again, we would need to refer that to our colleagues.

Senator CARR—Is it the intention of the government to maintain its position on the casino, that there will be no casino licence?

Senator Ian Campbell—The government has a policy and it is not under review.

Senator CARR—So there is no change in the position?

Senator Ian Campbell—We have a policy and it is not under review.

Senator CARR—It was at the time of the decision to make the changes to the Burswood Casino in Western Australia, was it not?

Senator Ian Campbell—The issues certainly were not related, in my mind.

Senator CARR—You will be interested to know at the recent inquiry hearings on Christmas Island that that very, very strong link was made by a number of witnesses suggesting that the government had in fact been leant on in terms of the about-face on the casino licence at the time.

Senator Ian Campbell—No, there was no about-face. The government has had strong views on casinos generally for a long time.

Senator CARR—Does it only support casinos owned by PBL; is there a change in that position as well?

Senator Ian Campbell—The Labor state government in Victoria regulates the Crown Casino in Melbourne, the Labor state government in Western Australia regulates the Burswood Casino in Western Australia. They are not issues that come before the territories minister.

Senator CARR—Why is the Commonwealth maintaining its view that there will be no casino on Christmas Island? What is the rationale for that?

Senator Ian Campbell—It is just a decision. A proponent came forward and said that they wanted to take over the lease of the now inoperative casino up there and the proposal was to expand the resort and so forth, but the expansion was all linked to a casino licence. They lobbied very hard to get the Commonwealth to allow the casino to be reopened, and the Commonwealth said no.

Senator CARR—What was the reason?

Senator Ian Campbell—It is not a change of policy. It is just—

Senator CARR—What I would like to know is what reason has been given for its not creating a licence for a casino.

Senator Ian Campbell—I do not think we ever gave a reason. They asked us if they could reopen the casino and we said no. I do not think they even asked us for a reason, from my memory. But I am acting from memory, and that is probably a dangerous thing to do. If there were any statements issued at the time that set out reasons, I will make sure they are given to the committee.

Senator CARR—Are there any other proposals for air link support to Christmas Island from Asia?

Ms Page—Again, you would need to direct that question, which we can take on notice, to—

Senator CARR—Would you take that on notice?

Ms Page—the Aviation and Airports Division.

Senator CARR—Do you handle the crane on Christmas Island?

Ms Page—Regrettably, yes.

Senator CARR—When will there be final approval for repairs to the port crane at Flying Fish Bay on Christmas Island?

Mr Beresford-Wylie—At present the crane is not operating. A metallurgist is due to travel to the island next week to look at the crane, and then we would expect to get a report after that inspection with a design solution. That is likely to take about two weeks.

Senator CARR—When will the expert come to the island?

Mr Beresford-Wylie—He is coming on the first available flight, which means that he will arrive, on I think the date I have, either today or tomorrow.

Senator CARR—Then there will be another two weeks?

Mr Beresford-Wylie—It is a big crane. It is being disassembled, so he will have to look at the crane.

Senator CARR—So there will be a big report?

Mr Beresford-Wylie—I am not sure what the size of the report will be.

Senator CARR—It has been out of service now for six weeks?

Mr Beresford-Wylie—That is correct.

Senator CARR—That means it will be eight weeks. You would agree the crane is extremely important in terms of the provision of goods for the island?

Mr Beresford-Wylie—Yes, it is important.

Senator CARR—Extremely important.

Ms Page—We are acutely aware of the need to get an urgent solution to the crane. The issue for us has been that we have had to contract experts in the field of engineering and metallurgy and then arrange for them to be flown to a relatively remote location, and that has not been easy to do given the constraints at Christmas Island. We are also currently investigating what scope there is to accelerate work should there be a report indicating that significant work is required on that crane.

Senator CARR—That is another two weeks to get a report. That does not tell us how long it will take to actually fix the crane, does it?

Ms Page—No. What that report will indicate is what is wrong with the crane and professional advice on the best methods of treating it. We then have to assess that and get somebody who is able to fix it.

Senator CARR—Will that report go to the question of how the cracks in the base of the footings came about?

Ms Page—I would assume so.

Mr Beresford-Wylie—Yes, we are looking for that report to tell us the cause.

Senator CARR—The cause of the problem?

Ms Page—Yes.

Mr Beresford-Wylie—That is right.

Senator CARR—And the extent to whether or not there were fundamental design faults in the construction?

Mr Beresford-Wylie—It will identify the cause and it will identify the solution. Whether it will make an extended comment on—

Senator CARR—And who is responsible for those design faults, should they be established?

Ms Page—I do not know in detail, but I suspect that that would be another stage of the process. It is a report done by a metallurgist. The job of the metallurgist is to provide us with scientific advice, not to attribute blame.

Senator CARR—I appreciate that. It is important to establish these questions, given the critical importance of this infrastructure to the people of Christmas Island and how this has come about. It has been put to me that the Christmas Island ports have been instructed not to make comment on the issue and in particular not to discuss the question of the length of time repairs might take. Are you aware of these claims?

Ms Page—I am certainly not aware of those claims.

Mr Beresford-Wylie—I am not aware of them.

Senator CARR—None of the officers is aware?

Ms Page—At this stage, nobody does understand how long the repairs will take so it could simply be that people are—

Mr Beresford-Wylie—Advised not to speculate.

Ms Page—advised to be cautious.

Senator CARR—Can you assure the committee that no DOTARS employee gave the Christmas Island ports authority that advice?

Ms Page—Certainly I am not aware of any such instruction.

Mr Beresford-Wylie—The responsibility for this particular issue lies with the Perth office. I cannot say whether advice has been given from an officer in the Perth office.

Senator CARR—Can you take it on notice for me, please? What formal advice has been offered to the people of Christmas Island or Christmas Island businesses on the question of the crane malfunction?

Mr Beresford-Wylie—The harbour master has provided advice through a notification to port users on 11 January that the crane was taken out of service. I am aware that that advice was given. I am not aware of any other formal advice that has been provided subsequent to that.

Senator CARR—Are people not entitled to know a bit more about this from the department?

Ms Page—At this stage, we do not have enough information to advise people. We know the crane is broken, we know that it is unable to be used, we are doing our best to get expert advice to indicate what the nature of the problem is and also to look at, if the crane does require urgent repairs, how we could do that more quickly. Beyond that, we do not have detailed information that we can tell people at this stage.

Senator CARR—Does the department have the records of the independent engineers? I understand it was from the engineers that actually constructed the crane. Do you have access to the records? Is that the reason why officers of the department are advising inquirers that there are no solutions and no time frame for any solution?

Ms Page—We are still in the process of seeking technical advice.

Senator CARR—Who is managing this repair project?

Mr Beresford-Wylie—It is being managed from the department.

Senator CARR—By the department?

Mr Beresford-Wylie—That is correct. As we have said, we are awaiting the advice of the consultant who is working with the metallurgist to give us advice on that solution.

Senator CARR—Why is the department handling the repair and not the port authority, given that the port authority is actually on site and DOTARS is 3,000 kilometres away in Perth?

Ms Page—We own the asset.

Senator CARR—Yes, but you managed to subcontract out just about everything else in the department. Why are you not allowing the local authority to actually manage the repair process?

Ms Page—We have not got to the point of managing the repair process at this stage. An asset of ours has failed and we are seeking to establish why.

Senator CARR—Who were the engineers that supervised or were responsible for the construction?

Ms Page—We would need to take that on notice.

Mr Beresford-Wylie—The project manager was Gutteridge Haskins & Davey, but are you asking us to identify individual engineers?

Senator CARR—Who commissioned the purchase? Was that a DOTARS process?

Ms Page—It was, as I understand it.

Senator CARR—Who managed the installation? Was that DOTARS as well?

Mr Beresford-Wylie—The project installation, on my understanding, was managed by our project manager.

Senator CARR—What inspection and maintenance program did the department put in place for the crane?

Ms Page—We would need to take that on notice.

Mr Beresford-Wylie—Yes, we would have to take the detail on notice.

Senator CARR—Can you confirm that in April 2005 the crane's motor collapsed?

Mr Beresford-Wylie—I can confirm that there was a failure of one of the crane's luffing motors, yes.

Senator CARR—What was the reason for the failure of the motor?

Mr Beresford-Wylie—There was a subsequent Comcare investigation that set out the details for the failure of the motor. I do not have those immediate details before me, but it was a failure of one of the two motors.

Senator CARR—Can we get a copy of the independent engineers' report on that matter?

Mr Beresford-Wylie—This is the Comcare report.

Senator CARR—Can we get a copy of that?

Mr Beresford-Wylie—I will take that on notice.

Senator CARR—Since its installation, on how many occasions has the crane been out of service?

Mr Beresford-Wylie—I do not have that detail. We will have to take that on notice.

Senator CARR—Was an inspection of the crane undertaken at the time of the motor collapse in April 2005?

Mr Beresford-Wylie—An inspection was undertaken by Comcare related to that Luffin motor failure, yes.

Senator CARR—Did DOTARS have an inspection of the crane at the time? Was there any work undertaken in terms of your maintenance program at that time?

Mr Beresford-Wylie—In April?

Senator CARR—Yes. In April 2005.

Mr Beresford-Wylie—Not that I am aware of.

ACTING CHAIR—Senator Carr, if I could just interrupt. Sorry, I was not a party to the informal agreement, but the agreement was that you were going to ask the ministerial questions first, am I correct?

Senator CARR—We have already dealt with that.

ACTING CHAIR—So there are no more?

Senator CARR—One can never tell in this business, but I think we have already dealt with that matter.

ACTING CHAIR—I was of the understanding that after Senator Siewert you had some ministerial questions.

Senator CARR—No.

ACTING CHAIR—If you do not, that is fine.

Senator CARR—In April 2005, if inspections were undertaken, were the base foot cracks discovered?

Mr Beresford-Wylie—We have talked about one inspection and that was the Comcare investigation.

Senator CARR—Yes, but you maintained that the department manages the maintenance of the crane. Yes or no?

Mr Beresford-Wylie—The maintenance of the crane—

Senator CARR—Are you responsible for the maintenance of the crane?

Ms Page—We would need to take that on notice.

Senator CARR—I thought we had already cleared up that issue.

Mr Beresford-Wylie—If we are talking about how it is arranged, we would need to take that exactly on notice.

Senator CARR—Were any reports or evaluations commissioned as to the project's completion, that is, when the crane was installed, about the actual job itself? Were you satisfied at the time of the installation that the work had been done correctly?

Ms Page—We would need to take that on notice.

Senator CARR—I would be particularly interested to know, because it was put to me on my recent visit to Christmas Island that the crane was put on the same footings as the earlier smaller crane and that the footings were not designed for the larger crane. Is that the case or not?

Ms Page—We would need to take that on notice.

Senator CARR—If it is the case, what were the reasons for that? Was it a cost-saving device?

Mr Beresford-Wylie—I understand the question.

Senator CARR—I am sure you do. Who was responsible for the decision in regard to putting the smaller footings on the larger crane?

Senator CROSSIN—Or the larger crane on the smaller footings.

Senator CARR—Whichever way you want to put it.

Senator CROSSIN—The footings were there first.

Senator CARR—Just using the existing footings for a much larger piece of equipment.

Senator CROSSIN—Who signed off on that?

Mr Beresford-Wylie—I will take that on notice. Did you say who signed off in the department?

Senator CARR—Yes: who was responsible for the project management within the department? Presumably that would have been an issue that you would have had to deal with.

Ms Page—Some of these questions go to the technical assessment that is currently being undertaken and assumptions of failure that have yet to be established.

Senator CARR—I am sure the failure will be established, will it not, when the engineers' report comes in? I am interested in the administrative failure, if there has been one, and what action the department has taken, given you are responsible for this piece of equipment. This is not just any piece of equipment, it is a vital piece of equipment.

I turn to Cocos Island. A matter of some interest to me came up on a recent visit there. I refer to the public access to the golf course on Cocos Island, which I am sure officers will be aware is in fact the runway for the local airport. Citizens of this country have complained that the Commonwealth's decisions on airport security have disrupted their golf game. Has there

been any advice tendered to the department about complaints from residents that they cannot get public access to the golf course at the Cocos airport?

Mr Beresford-Wylie—I received advice from the general manager of the Cocos shire a day or two ago about the issue. He had raised that issue, and we will seek advice from the department.

Senator CARR—The controller-general of security, I suppose.

Mr Beresford-Wylie—We will seek advice within the department on the issue.

Senator CARR—How many planes currently use the airport?

Mr Beresford-Wylie—I could not tell you exactly how many planes use the airport.

Senator CARR—Will you take that on notice?

Mr Beresford-Wylie—Yes.

Senator CARR—How frequently is the airport actually in use?

Senator Ian Campbell—We are expecting a jumbo shortly.

Ms Page—It may well be variable also.

Senator CROSSIN—There is very likely to be a couple of jumbos. We hope they do not wreck the golf course as they get off.

Senator CARR—That is right.

Senator Ian Campbell—If you see an elephant walking across the fifth hole, just hold your shot for a second!

Senator CARR—Is the perimeter of the airport to be fully fenced and what security measures are likely to be taken at the airport? What changes are expected to be made?

Ms Page—That is a matter for the Office of Transport Security. We will refer that question to it.

Senator CARR—Has there been any consideration of local custom and practice in these matters, given the limited nature of recreational facilities on Cocos?

Senator CROSSIN—You are aware of the situation at the golf course that we are talking about, aren't you, where there are four holes on one side of the runway and five holes on the other side?

Mr Beresford-Wylie—Yes. I have not seen the golf course but it has been described.

Senator Ian Campbell—They sound like important environmental issues that the Minister for the Environment and Heritage should go and investigate first hand!

Senator CROSSIN—It is very serious, because I understand there has been a suggestion that the whole complex be fenced.

Senator CARR—They are going to close down the golf course.

Senator CROSSIN—And there will be no access at all to the golf course even on days when no planes are due to arrive.

Senator Ian Campbell—That would be un-Australian.

Senator CROSSIN—It is quite a serious issue if you are living on Cocos Island. There is not a lot of recreational activity other than golf.

Senator Ian Campbell—It has been raised with the department in recent days and I think we can rely on Mr Beresford-Wylie to investigate this.

ACTING CHAIR—Senators Carr and Crossin, I have to leave shortly also. Would you be happy for Senator Adams to take the chair when I go?

Senator CARR—I am not the slightest bit concerned who takes the chair. We will make a nuisance of ourselves whoever is in the chair.

ACTING CHAIR—Thank you very much. The spirit of cross-party cooperation is alive and well.

Senator CROSSIN—Where are you going now?

Senator CARR—I am going back to Norfolk Island matters.

Senator CROSSIN—Can I have 20 minutes on Christmas and Cocos, please? Thank you. In terms of the mammography service, the women have been waiting many months since the original but very welcomed announcement by the minister. When will this unit be purchased and when will it be transported to the island?

Mr Beresford-Wylie—In terms of the mammography unit, I understand we were discussing with a purchaser this week the purchase of the machine. I am not aware that that purchase has been finalised, but we are in discussions on a machine. In terms of the delivery on the island, we are hoping to deliver it in March. Obviously that depends on the shipping schedule, but that is what we are aiming at.

Senator CROSSIN—And the crane, no doubt, because at the moment the island is relying on the alternative site near the resort.

Mr Beresford-Wylie—Yes.

Senator CROSSIN—What has been the hold-up?

Mr Beresford-Wylie—I am aware that we have been looking for a mammography unit and that we have had discussions with the purchaser. I am not aware that there is a hold-up. I know we are trying to find one as quickly as we can and one that will meet the requirements of the island.

Senator CROSSIN—It has been quite a number of months, though, between the announcement and this activity. When was that announcement?

Ms Page—May 2005.

Senator CROSSIN—So you are only finalising discussions with the purchaser this week?

Ms Page—We had to locate a suitable piece of equipment. I think that has been done.

Mr Beresford-Wylie—I am hopeful that that has been done, yes.

Senator CROSSIN—The equipment will be placed on the island and then what is the intention to actually use it and service it?

Mr Beresford-Wylie—In terms of the screening that is available, it will be available as part of the health service that is provided on the island.

Senator CROSSIN—Will there be a need to bring a specialist onto the island to operate the machine?

Mr Beresford-Wylie—I would have to confirm that.

Ms Page—The department has currently commenced negotiations with Breastsreen WA as well, so I think the assumption is that there is a link into the Western Australian health service as well.

Mr Beresford-Wylie—It would be in addition obviously to the visiting radiography specialist we have, who comes four times a year from Fremantle Hospital.

Senator CROSSIN—What sorts of discussions with Breastsreen have been undertaken?

Ms Page—I do not have details of those.

Senator CROSSIN—Can you find that out and get back to us about it? Is an MOU being negotiated or a service delivery arrangement? What is the nature of them?

Mr Beresford-Wylie—We would look to see that the agreement was covered under the SDA, the service delivery agreement, we have with the WA government, but we will come back.

Senator CROSSIN—Do you anticipate that the crane breakdown will cause a further delay?

Mr Beresford-Wylie—It is premature to speculate on what might be the outcome of the report that we get in two weeks' time as to whether it will cause a further delay or, as you have said, whether we will be able to access alternatives.

Senator CROSSIN—Are you investigating whether this will be provided under the existing health SDA?

Mr Beresford-Wylie—We will look at that.

Senator CROSSIN—You are looking at that and you will get back to me about whether that is the case or whether a new one is to be negotiated?

Mr Beresford-Wylie—Yes.

Senator CROSSIN—What is happening with the proposed transfer of Commonwealth assets to the shires?

Mr Beresford-Wylie—We are having a discussion with the shires on the transfer of those assets. We are preparing a detailed list of services and associated assets for Christmas Island as a basis for further discussions with the shire council, and obviously we have a concern to make sure that we are not putting the shire in a position where it is taking on assets that will prove difficult in terms of adversely impacting on their viability. But the discussions are ongoing with the shires.

Senator CROSSIN—Can you provide me with a list of assets to be transferred to both the Christmas and the Cocos islands, please?

Mr Beresford-Wylie—We have yet to finalise that list at present, so I am not in a position to provide the list.

Senator CROSSIN—When will you be finalising that list?

Mr Beresford-Wylie—I am not sure of the time frame for actually finalising the list. As I said, we are developing the list currently. When it is developed we will then provide it.

Senator CROSSIN—You are actually trying to put together what you would transfer and what you would not, is that right?

Mr Beresford-Wylie—Yes. There needs to be a discussion about the particular assets and what is able to be transferred to the shires.

Senator CROSSIN—Do you have a list of what is initially on offer for transfer?

Mr Beresford-Wylie—I would have to take that on notice.

Senator CROSSIN—If you do, can you provide it to me for each of Christmas and Cocos islands? I particularly want to know what is happening with the transfer of the West Island Cocos Club. Is that on the list of assets to be transferred?

Mr Beresford-Wylie—I cannot make a comment at this stage.

Ms Page—We are not aware of the detail, but we could take that on notice.

Senator CROSSIN—I understand that the Cocos shire does not particularly want it, but it is actually a cyclone shelter on West Island. I wonder in that instance where you might want to get rid of a piece of asset and the shire does not want it, is there no other appropriate incorporated organisation that could take it over? Where you might want to transfer an asset and the shire does not want it, have you looked at whether there is a third party that might be interested in managing the asset, such as on Cocos Island, for example, with the co-op?

Mr Beresford-Wylie—I am not aware personally of whether we have looked at third parties. At the moment, I am aware of the discussions with the councils. If something emerges in terms of not being able to take over an asset, then we would need to consider what we do with that asset.

Senator CROSSIN—Can you particularly look into what is happening with the West Island Cocos Club for me and what your intentions are with that? Similarly, with the transfer of the quarantine station. I know it is about to be used, but is there any discussion about the future of the quarantine station once the elephants have left it?

Mr Beresford-Wylie—I am not aware of the discussions to be taken subsequent to the potential arrival of the elephants.

Senator CROSSIN—My understanding was there were initial discussions, or discussions were occurring, about the transfer of that station to the shire that have been interrupted because of the need to use it?

Mr Beresford-Wylie—That is correct. I am saying I am not aware of the status at the moment. I am aware that there were discussions with the shire.

Senator CROSSIN—Can you take that on notice, please?

Mr Magor—The quarantine station is actually owned by AQIS.

Senator CROSSIN—My memory from previous estimates is that you were also involved in that discussion, so can you take that on notice for me, please? In respect of air services, is the contract for the air service to the IIGs renewable this year?

Ms Page—That is a matter, again, for the Aviation and Airports Division and not for us. We can take it on notice and refer it to them.

Senator CROSSIN—I was not aware that it was.

Ms Page—I am sorry. I understand it is us. I correct that.

Mr Beresford-Wylie—If we are talking about the National Jet contract?

Senator CROSSIN—Yes, I am. That is what I am talking about. The contract for the air services?

Mr Beresford-Wylie—It is not due to be retendered until 2009.

Senator CROSSIN—Can you provide me with what the total amount of that contract is?

Mr Beresford-Wylie—Do you mean the funding amount?

Senator CROSSIN—The value of the contract?

Mr Beresford-Wylie—I cannot give you that information at the moment. We have to take that on notice.

Senator CROSSIN—Can you also provide what annual subsidy is given from the federal government towards that contract?

Mr Magor—The agreement with National Jet is that the Commonwealth will pay a subsidy in particular circumstances where the revenue has not reached a particular level. My understanding is that, over the life of the agreement, that provision has been triggered only once, for an amount of \$10,000.

Senator CROSSIN—When did that occur?

Mr Magor—I do not have the date. I would have to check.

Senator CROSSIN—I need the total cost of the contract for the life of the contract, please. Where is the scoping survey for the health services at?

Ms Page—There is a market testing process under way in relation to the delivery of health services. We are currently assessing the tenders at the moment.

Senator CROSSIN—How many of those did you receive?

Ms Page—Three.

Senator CROSSIN—The announcement will be none of the three or one of the three?

Ms Page—I cannot comment on that.

Senator CROSSIN—When are you expecting that to be finalised?

Ms Page—That tender is proving to be more complex than we initially anticipated.

Senator CROSSIN—Why is that?

Ms Page—A range of issues is associated with accommodating and facilitating another organisation in a remote location and we are currently working through some of those issues.

Senator CROSSIN—Can you give me an example of what some of those issues are?

Ms Page—I would rather not at this stage, if you do not mind, because they do go to the issue of the cost of some of the relevant bids.

Senator CROSSIN—When are you planning to try and have this finished by?

Ms Page—Obviously as soon as possible, but I cannot give you—

Senator CROSSIN—You cannot say the middle of the year or end of the year?

Ms Page—We will need to make a decision on it before too long.

Senator CROSSIN—You are aware that the staff are existing on month-by-month contracts?

Ms Page—I am, yes.

Senator CROSSIN—That is not particularly satisfactory for those people. Finally, I wish to ask about the space base. My understanding is that the agreement on the use of the land for the space base expired at the end of 2005. Is that correct?

Ms Page—The administration of arrangements in relation to the APSC are the responsibility of the Department of Industry, Tourism and Resources.

Senator CROSSIN—Do you have responsibility for the \$100 million that was allocated at the time of the arrangement with the space base?

Ms Page—We have responsibility for those aspects that relate to infrastructure provision to support the APSC.

Senator CROSSIN—What is happening to the Linkwater Road project?

Mr Magor—The department has done some initial engineering work about what is required to restore the road. However, the road is actually on a lease held by SoftStar Pty Ltd, which has the lease over the resort, and we are currently in negotiations with it about having access to the land.

Senator CROSSIN—What is the problem about having access to the land?

Mr Magor—SoftStar is responsible for maintaining the road. We are in negotiations with it about it transferring the ownership of that portion of its lease back to the Commonwealth so that we can then undertake the restoration works ourselves.

Senator CROSSIN—Are you aware that the road has been closed for a number of months?

Mr Magor—Yes.

Senator CROSSIN—Have you investigated why it has been closed?

Mr Magor—I understand it was closed by the council for safety reasons.

Senator CROSSIN—Has there been any investigation as to whether SoftStar has upheld its end of the contract in terms of maintaining that road?

Mr Magor—We are having discussions with SoftStar about that.

Senator CROSSIN—Of the \$100 million, how much was allocated towards the road?

Ms Page—\$10 million.

Senator CROSSIN—Of the \$100 million towards the road?

Ms Page—The Australian government committed \$68.6 million for three common-use infrastructure projects to assist the APSC, and that included \$10 million for the upgrade of Linkwater Road.

Senator CROSSIN—The extension of the airport?

Ms Page—\$51.3 million.

Senator CROSSIN—The alternative port?

Ms Page—Additional port, \$7.3 million.

Senator CROSSIN—The \$10 million has not been spent on the road. What about the airport extensions?

Ms Page—That remains conditional on the APSC's own financial commitment to the project.

Senator CROSSIN—The wharf?

Ms Page—The port facility has been completed.

Senator CROSSIN—Has the \$7.3 million been spent and allocated?

Ms Page—I believe so, yes.

Senator CROSSIN—The agreement on the use of the space base expired at the end of 2005. In the previous three years that I have been there, I have taken the same picture of the space base, and there are still the same phosphate mounds and the same two signs. One would have to significantly say that SoftStar has not comprehensively met any agreement to launch a rocket. Are you aware whether or not the \$100 million will be still spent on the island or will things like the \$51.3 million go back into consolidated revenue?

Ms Page—That is a decision for the government. That is a matter that the Minister for Industry, Tourism and Resources is currently considering.

Senator CROSSIN—They make that decision and you manage the money; is that right?

Ms Page—Our access to funds is conditional upon broader policy decisions in relation to the future of the APSC.

Senator CROSSIN—Has the department of IT and R sought any advice from you about that?

Ms Page—It has been consulting with us in relation to the steps that its minister may take.

Senator CROSSIN—There has been some discussion, but no announcement or decision about whether that money will be reallocated for the island's infrastructure.

Ms Page—As I said, that is a matter for Minister Macfarlane.

Senator CROSSIN—I have two further questions that I wish to pursue, one of which is about the water problem on Home Island. Water restrictions have been placed on the residents there again. In November 2000 this issue was raised. I understand that studies have been done; is that correct? Has your department undertaken studies about access to water on Home Island on Cocos?

Mr Magor—Certainly, the department has been looking at options in relation to access to water.

Senator CROSSIN—What sorts of options?

Mr Magor—The sorts of measures that could be put in place, such as water saving, improvements to pipes to reduce leakage—those sorts of things; anything that can be done to save water.

Mr Beresford-Wylie—There are two options we are looking at: one is a desalination plant and the other is a pipeline from the West Island airfield lands.

Senator CROSSIN—Have you been looking at that since November 2004?

Mr Beresford-Wylie—I am aware that the business unit manager of the water corporation was looking at this in 2005. They were looking at the potential long-term solutions for the water. They looked at both of these issues, including the possible construction of the desalination plant.

Senator CROSSIN—How long has someone been looking at this? I take it since November 2004; is that right?

Mr Beresford-Wylie—I understand that Minister Lloyd gave a commitment to resolve the water supply problem when he visited the islands in March and April 2005. I do not have a record here of work that might have been taken prior to that.

Senator CROSSIN—What has happened since March and April 2005? It is nearly 12 months on, and the water supply is pretty bad.

Mr Beresford-Wylie—That is right. We have a report from the water corporation that gives an indication of some of the options, the cost estimates that were provided—

Senator CARR—What are the cost estimates?

Mr Beresford-Wylie—I do not have the cost estimates, but I can tell you that they were premised on plus or minus 30 per cent accuracy.

Senator CARR—Plus or minus 30 per cent?

Mr Beresford-Wylie—That is right. We were given figures—

Senator CARR—So they are robust, are they?

Ms Page—Some of this forms the substance of advice to government.

Senator CARR—But there is a report that has been prepared. We have been advised there is a report prepared on the options. All I am interested in knowing is what the cost ranges are for these options. You mentioned two: a pipeline and a desalination plant. What are the costs, plus or minus 30 per cent?

Mr Beresford-Wylie—I do not have the costs, but I can tell you that we are looking at cost-benefit analysis over the next few months of those two options.

Senator CARR—Are cost estimates available or not?

Ms Page—We would need to take that on notice.

Senator CARR—What possible reason could there be for not having them if they are available? I am asking: are they available? Do you have any cost options? Does the department have cost options? There is a second question: will you give them to the committee?

Ms Page—The department is in the process of providing advice to ministers more broadly about issues to do with the delivery of services and the cost benefit of them, and a range of alternatives on Cocos Island.

Senator CARR—Can the details for those options be provided to the committee and the indicative costs at this time?

Ms Page—We will take that on notice.

Senator CROSSIN—Finally, I wish to ask about the mobile phone system on Cocos Island. I understand there are issues to do with a mobile phone tower on Cocos Island that we will take up with Telstra. But more broadly than that, can you explain to me why the mobile system was extended to Christmas Island but not to Cocos Island?

Ms Page—No, I cannot. We will take that on notice.

Senator CROSSIN—The mobile phone system was provided by VeriSign on Cocos Island. You would be aware that Christmas Islanders have the normal Telstra mobile phone service?

Ms Page—I understand that a Regional Partnerships grant was used to extend mobile phones to at least part of the IOTs.

Senator CROSSIN—Can you take on notice why it was that Cocos Island was not included in that, and whether there are any plans to actually extend normal mobile phone coverage to Cocos Island in particular?

Ms Page—We can do that.

Senator CROSSIN—My understanding is that the infrastructure is there, it is just a matter of the cost to transfer it over from one server to the other.

Senator CARR—Can I return now to Norfolk Island. Has the department undertaken or commissioned any research on the taxation system on Norfolk Island?

Ms Page—The department has contributed to some work commissioned by Norfolk Island itself—is that correct?—and we assisted through the provision of some assistance from officers of Treasury and the ABS some time ago. This was not work that we commissioned, it was work done for the Norfolk Island government, or advice provided to assist the Norfolk Island government.

Mr Magor—That is right. That was the most recent report where Australian government officials were involved in an advisory capacity in looking at the sustainability levy that the

Norfolk Island government proposed to introduce, and it requested advice. Also, I think about two years ago, the Norfolk Island government requested advice on taxation options, and the Treasury provided a paper on options.

Senator CARR—Is that paper available to the committee?

Ms Page—I think it has been broadly available for some time. It has been in the public domain.

Senator CARR—I have not seen it. It may well have been. Are you able to confirm that wages and salaries are below the Australian average?

Ms Page—I am reluctant to comment on that, because it is really quite a difficult equation to work out. Because the economies of Norfolk Island and the mainland are so different and the taxation regimes are so different, it is really very difficult to compare the real value of salaries at the two places.

Senator CARR—The joint house committee on territories estimated that 40 per cent of the Norfolk Islanders earn less than \$20,000 and 15 per cent earn more than \$31,000; that there are probably 40 to 80 millionaires on the island. Are you able to confirm those figures?

Ms Page—I cannot confirm those figures.

Senator CARR—Do those estimates seem reasonable to you?

Ms Page—I have no reason to doubt them.

Senator CARR—In terms of the recent cabinet decision, surely some assessment was undertaken by the department as to the financial inequities built into the islands?

Ms Page—It is very difficult for the Australian government to get accurate information concerning the personal circumstances of individual Norfolk Islanders. The ABS does not currently have jurisdiction on Norfolk Island. We do not have the capacity to get detailed information concerning people's salaries and levels of economic activity on the island. Most of the information that is around is anecdotal.

Senator CARR—When you are assessing the financial sustainability of the island, surely basic data like that would be a critical component?

Ms Page—As you are aware, this department commissioned an assessment of the financial position of the Norfolk Island government using Acumen. What it was looking at was the financial state of the Norfolk Island government.

Senator CARR—Can you confirm that it anticipated as follows, 'The likelihood is that the Norfolk Island government is to become insolvent in the next five to 18 months'? Was that in fact found?

Ms Page—That was one of the conclusions drawn by Acumen Alliance, yes—depending on a range of scenarios, yes.

Mr Magor—I think that finding was actually 18 months to two years.

Ms Page—Yes.

Senator CARR—I am just quoting from a document that I have received from the island itself.

Ms Page—I think Mr Magor is correct; I think it is 18 months to two years. But, again, it depends on a range of assumptions.

Senator CARR—Insolvent in the next five months; has that been considered? Do you believe that is a real possibility, that the government of Norfolk Island could be insolvent in five months?

Ms Page—That report was brought down in November and it is now February. The Norfolk Island government is not yet insolvent, so I think that is a fairly extreme prediction.

Senator CARR—But the 18 months to two years estimate is not so extreme?

Ms Page—I do not believe so, no.

Senator CARR—Clearly, the Commonwealth would not allow Norfolk Island to become insolvent?

Ms Page—As I indicated, the government has made a series of decisions about Norfolk Island that Minister Lloyd proposes to inform the Norfolk Island government of next week.

Senator CARR—Is there a proposal to change the taxation regime?

Ms Page—I cannot comment in advance of the government announcement.

Senator CARR—But you could say if it is not part of the discussion, surely?

Ms Page—No, I cannot comment on the nature of government's decision.

Senator CARR—Given the question of ethical conduct that has been raised, what action has the department taken, through the Administrator, to develop a code of conduct to address the matters that have been found in this report concerning the conduct of persons undertaking official duties, as either members of the legislative assembly or executive council, particularly in relation to the tendering for Commonwealth funded projects?

Mr Magor—The Norfolk Island government has passed its own legislation in relation to members of the legislative assembly. That is the Legislative Assembly Register of Members' Interests Act. It sets out a code of conduct for members and establishes a register of members' interests, where MLAs would declare any particular interests that they had relative to their responsibilities. I believe it also establishes some sort of review body that is able to look into any possible issues in relation to members.

Senator CARR—That currently exists, does it?

Mr Magor—Yes.

Senator CARR—There is a declaration of pecuniary interests?

Mr Magor—I believe so.

Senator CARR—Is it not the case in terms of the audit arrangements since 1988 as follows, 'Private auditors appointed under the Norfolk Island Act have had the statutory duty to prepare and submit to the Speaker and the Administrator annual report reports'?

Mr Magor—That might be correct. That would be under Norfolk Island law.

Senator CARR—And the Commonwealth Administrator is required to forward the reports to the federal minister as soon as practical?

Ms Page—That is our understanding of the act. They are reports, they are not audited financial statements.

Senator CARR—Is it also the case that in 1988 the Public Moneys Act of Norfolk Island was amended and the statutory obligation of the executive members to table audit reports complete with any remarks by the auditor was removed?

Ms Page—I am not aware whether that is the case, but I would not have any reason to doubt the research by the committee.

Senator CARR—I am quoting directly from the report. Has the department had the opportunity to examine this report?

Ms Page—The department has certainly read the report in detail and the government provided an interim response to that report.

Senator CARR—An interim response?

Ms Page—Yes.

Senator CARR—I particularly note this reference: ‘The evidence received by the committee suggested it was a popular perception within the island community that in the conduct of official duties, some members of the legislative assembly and executive council are influenced by private commercial interests or the interests of family and business associates.’ Have you found any evidence to suggest that that is not true? Do you refute that claim in the report?

Ms Page—I think all I can do, again, is indicate that the government has considered a range of issues in relation to the administration and financial sustainability of Norfolk Island and will announce those things next week.

Senator CARR—Given the previous answer that you provided to Senator Heffernan concerning the procurement policy of the administration of Norfolk Island, in particular the claim that was made that there is a robust tendering process—this was TLG08—

Ms Page—Yes.

Senator CARR—You referred to the code of conduct of ministers and the like. I would like to ask about the tendering process for the airport. You said that it was a very robust tendering process. Is that still your view?

Ms Page—I do not think we have received any information to indicate otherwise.

Senator CARR—You have indicated that there is this pecuniary interest register. Who holds this register? Where is it held?

Mr Magor—I would need to check.

Senator CARR—Who has access to it?

Mr Magor—I believe there is a part of it that is made public and anybody who is—

Senator CARR—Part of it?

Mr Magor—Anybody can inspect the details.

Senator CARR—Who is responsible for the maintenance of this declaration?

Mr Magor—We would need to have a look at the Norfolk Island Act to see who is responsible.

Senator CARR—Are you aware that evidence has been received by the territories committee that access to this register is in fact limited?

Mr Magor—I am not aware of that.

Ms Page—No, we are not aware of that.

Senator CARR—How does the tendering process on Norfolk Island compare with the Australian government procurement tendering process? Is it replicated?

Ms Page—Again, we would probably need to give a more detailed answer to that. Obviously, they are quite different economies with different considerations and different issues of scope and scale.

Senator CARR—Could I ask whether a copy of the probity auditor's report on the tendering process for the airport runway and Kingston Pier projects is available?

Ms Page—I do not know whether we have access to that.

Mr Magor—That report would be made to the Norfolk Island government, which runs the tender processes.

Senator CARR—Can we have a copy of it?

Mr Magor—We would have to ask the Norfolk Island government.

Senator CARR—Does the Administrator have access to the audit reports, given there is a requirement under the act that I mentioned earlier for these reports to be made available to the Administrator?

Ms Page—I think they have to be made available to the minister, rather than the Administrator.

Senator CARR—Sorry?

Ms Page—Do they not have to be tabled in the Norfolk Island parliament?

Senator CARR—They may well have to be tabled, but I have read from this report before concerning the 1988 act—is that still in operation?

Ms Page—It sounds like an amendment to the Norfolk Island Act.

Senator CARR—Yes.

Ms Page—My understanding is that the auditor of the Norfolk Island government, which is currently the Queensland auditor, tables a report annually on the audit of the Norfolk Island government accounts. Because that is tabled, yes, we certainly have access to that information.

Senator CARR—So you could have access to these particular Commonwealth funded projects' audit reports?

Ms Page—They are not audit reports; they are reports of the probity auditor to the Norfolk Island government.

Senator CARR—Will you have reports of the probity auditor? Do you have access to those reports?

Ms Page—They are not required to be tabled. We could request those from the Norfolk Island government, but we would not have an automatic right of access to those.

Senator CARR—Who was the probity auditor for the projects at the airport runway, the Kingston Pier and Cascade rock crushing and associated activities?

Ms Page—We do not have that advice with us. We would need to take that on notice.

Senator CARR—To whom were the tenders let for each of those projects?

Mr Magor—I believe the tender for the restoration of the Norfolk Island airport runway was let to Boral Industries. The work on Kingston Pier involves a number of different elements. There was an engineering company taken on to look at design aspects, and that was Patterson Britton and Partners. A separate company was taken on towards the end of last year to actually do the physical refurbishment works, and that is Geotec Pty Ltd. I do not know who undertook the work on Cascade Cliff.

Senator CARR—Could you take that on notice?

Mr Magor—Yes.

Senator CARR—Was Island Industries involved in any of these projects?

Mr Magor—I am not sure. I will just check.

Senator CARR—Did any member of the legislative assembly have an interest in any of the companies associated with these projects?

Mr Magor—Again, I would need to check.

Senator CARR—Who was the decision maker on the island for each of these projects?

Mr Magor—Do you mean who actually makes the decision to engage—

Senator CARR—The effective decision maker. You will say to me it was the cabinet or whatever, but who is the effective minister responsible for each of these projects?

Mr Magor—I will take that on notice.

Senator CARR—Is it the intention of the government to introduce ICAC provisions to Norfolk Island, as recommended in the Senate report?

Ms Page—As I have indicated, there is a broad range of issues that form part of the government's recent decisions.

Senator CARR—So there are no changes proposed in regard to—

Ms Page—I cannot comment on the detail of what the government has decided until an announcement is made.

Senator CARR—Is immigration a schedule 3 matter?

Mr Magor—Yes, it is.

Senator CARR—Was there an amendment to the Norfolk Island Immigration Act passed and signed off by the territories minister in 2000?

Ms Page—There could well have been. There are minor amendments made often.

Senator CARR—I take it that, if that was the case, the department would provide advice to the minister on such matters?

Mr Magor—Certainly, the Administrator would have referred the bill to the minister.

Senator CARR—Does the department have a view on the provisions relating to the authorised searches of detainees, including prohibited immigrants and deportees?

Ms Page—It is not appropriate for the department to express a view, I do not believe.

Senator CARR—So the department has not expressed a view about any of these matters?

Ms Page—I cannot comment on what advice we may have been asked to provide in the past.

Senator CARR—Why is it, as I understand it—and you can confirm if this is correct—that on Norfolk Island there are different provisions for the search of detained persons?

Ms Page—There are quite a number of aspects of Norfolk Island law that differ from those of laws in mainland jurisdictions.

Senator CARR—I am interested to know particularly why the minister signed off on legislation to change the regime, in particular to the searching of detainees on Norfolk Island?

Ms Page—We are not aware of that particular amendment that you are referring to.

Senator CARR—Can you take on notice what reasons were given for those changes, and how do they differ from—

Ms Page—Do you mean the reasons supplied by the Norfolk Island government?

Senator CARR—Yes, what was the minister's reason for signing off on that legislation at that time?

Mr Magor—The Administrator assents to the legislation, not the minister.

Senator CARR—Sorry?

Mr Magor—Assent to a bill is made by the Administrator.

Senator CARR—But on advice from the minister?

Mr Magor—The minister does not have to provide advice. The Administrator is required to refer it to the minister.

Senator CARR—Did the minister provide advice? That could effectively mean whether or not the department provided advice to the Administrator on the reasons for signing off on that legislation. With respect to child labour laws on the island, I take it that health is a schedule 2 matter; is that right?

Mr Magor—I think health may be schedule 3. I would need to check.

Senator CARR—Could you?

Mr Magor—Yes.

Senator CARR—You are the experts. Is it a schedule 2 or 3 matter?

Mr Magor—Sorry, we do not have a copy of the act handy.

Senator CARR—We can assume that employment is definitely a schedule 3 matter?

Ms Page—I would rather not guess without access to the schedules to the act.

Senator CARR—Can you advise me whether or not amendments to the employment act would require formal approval of the minister or the Administrator?

Ms Page—Again, I think it is fair to say that the minister does not approve legislation.

Senator CARR—So the Administrator would be required to agree?

Mr Magor—The Administrator assents to all Norfolk Island legislation.

Senator CARR—Yes, but in particular matters where the Commonwealth maintains legislative responsibility—

Ms Page—They are not areas where the Commonwealth maintains legislative responsibility. They are areas where the Administrator is required to refer the matter for the consideration of the minister.

Senator CARR—Matters that require the minister's attention, given the—

Ms Page—Principally the schedule 3 matters—correct me if I am wrong—relate, from memory, to issues to do with the Commonwealth's treaty and border powers, issues of defence, border control and treaty-making powers. The reference is largely to ensure that Norfolk Island as a treasury does not legislate in an area which would threaten the Commonwealth's broader ability to legislate in response to its external powers.

Senator CARR—I am interested particularly in changes that occurred or were known as act No. 7 of 2004 of the Norfolk Island legislature, also known as the Employment Amendment Act 2003. Can you advise me as to whether or not the department sought advice from DEWR on this particular matter?

Ms Page—We would need to take that on notice.

Senator CARR—Who in DOTARS was responsible for this particular matter?

Ms Page—If that matter was handled by the department, it would have been handled by the Territories and Local Government Division and the relevant officers at that time.

Senator CARR—This is a matter that went to the regulation of child labour. Is that a matter for your responsibility?

Ms Page—We are responsible for the provision of advice to the minister in relation to matters affecting Norfolk Island.

Senator CARR—It is an international treaty obligation question, an ILO matter, convention 182. Surely that would be a matter for the Commonwealth?

Ms Page—This issue predates most of us. That is the reason for my caution. I am simply not aware of the amendment to which you refer.

Senator CARR—How is it the Administrator can assent to legislation, as I understand it, which is in conflict with our international conventions; for instance, allowing children under

15 years of age to be employed for up to 40 hours a week outside school terms and 20 hours a week during school terms?

Ms Page—I would like to look at the nature of the amendment before I commented on that and any advice that we may have provided.

Senator CARR—Did the minister sign off on these amendments?

Ms Page—As Mr Magor has indicated, the responsibility for assenting to legislation is the responsibility of the Administrator, not the minister.

Senator CARR—Did the Administrator sign off on these amendments?

Ms Page—I do not know the amendments to which you refer.

Senator CARR—Will you take that on notice for me, please?

Ms Page—Yes, but I would like the opportunity to examine them first.

Senator CARR—My recollection was that the territories department recommended the Administrator sign off on the Greenwich University legislation as well, which turned into quite a kaffuffle. Has the department rejected any legislation at any time in the last five years that has come forward from—

Mr Magor—We do not reject the legislation—

Senator CARR—Have there been any occasions on which you have recommended that the Administrator not give assent to legislation?

Ms Page—There have been, I think, from time to time. Yes.

Senator CARR—What were those matters?

Mr Magor—There were two cases recently where the Administrator did not assent to two customs amendment bills.

Senator CARR—When was that?

Mr Magor—The middle and late 2005.

Senator CARR—Were there any other occasions since 2000?

Ms Page—There may have been. These are the ones that are in our recent memory.

Senator CARR—I put those others on notice. That will conclude my questions.

CHAIR—Good on you.

Senator CARR—You did say 12.30, didn't you?

CHAIR—Thank you very much. That concludes the questions.

Senator CARR—Thank you very much for your assistance. Much appreciated.

Ms Page—Excuse me, I have one thing to table. Am I able to resume?

CHAIR—Yes.

Ms Page—Senator O'Brien asked Michael Sutton, General Manager, Maritime Branch on 13 February 2006 whether he could provide a list of stakeholders to whom a draft of the proposed changes to the ministerial guidelines for granting licences and permits to engage in

Australia's domestic shipping had been sent. The list, as requested by the senator, is being tabled for the committee. I have a copy of that list.

CHAIR—Thank you for that.

[12.29 pm]

National Capital Authority

CHAIR—Welcome. Do you need to make an opening statement?

Ms Pegrum—No, I do not.

CHAIR—I have only one question. Have you been caught in the traffic early in the morning down near the airport there?

Ms Pegrum—No, I have not been going past the airport in the morning.

CHAIR—I did invite you to.

Ms Pegrum—You did.

Senator LUNDY—I would like to turn first to a perennial issue, it seems, the State Circle redevelopment, and seek some clarification regarding the status of the construction taking place at the moment and what happens next as far as the obligations on the developer for both the temporary construction that I have been advised is what is being constructed now, and also the consultation processes and plans and works approvals relating to the permanent redevelopment on that site on State Circle?

Ms Pegrum—I will ask Mr Todd Rohl to give you an update on the status of the applications before us for works approvals. With respect to the last component of your question, as you know now we have statutory obligations for consultation as a result of amendment 39 for developments in that area.

Senator LUNDY—Thank you.

Mr Rohl—As you are aware, we actually gave approval for a temporary display suite for a period of up to 12 months. That is the building which is currently being constructed. In terms of current applications on the site, we have an application currently for the redevelopment of the site for multiple dwellings and we are providing advice on that. We expect consultation to commence some time in the next two weeks.

Ms Pegrum—I believe that application—I could be corrected—covers five blocks fronting State Circle, and is by Becton Property Group.

Senator LUNDY—Blocks 1 to 5, is it?

Mr Rohl—That is correct.

Senator LUNDY—Going back to the temporary works approval for what is being constructed at the moment, could you give me the exact dates that that was approved and thereby what date that temporary works approval finishes?

Ms Pegrum—The works approvals were granted on 15 November 2005 to the demolition of two houses on blocks 1 and 2, section 6 of Forrest, and the construction of a temporary single-storey display suite with the associated hoarding and minor site servicing.

Mr Rohl—In addition to that, there has been a minor amendment to that, just to bring the building forward approximately two or three metres.

Senator LUNDY—Why was that given?

Mr Rohl—It was to facilitate the development to bring it further off the back boundary.

Senator LUNDY—What was the reason for that? Was there a reason to bring it further off the back boundary?

Mr Rohl—No, it was just an approach by Becton Group to actually move the building forward.

Senator LUNDY—Does the temporary construction distance from the front of the block conform with what will be the final distance from the front of block, for the design and siting rules for that area?

Mr Rohl—No, it does not.

Senator LUNDY—So it is not further forward?

Mr Rohl—The proposed development that we are currently now assessing, or the provisions in the plan, provides for a greater setback than the current temporary—

Senator LUNDY—It does?

Mr Rohl—Yes.

Senator LUNDY—How much further back?

Mr Rohl—I would have to check, but in my understanding the minimum setback is 10 metres.

Senator LUNDY—Can you recall the setback of the temporary construction?

Mr Rohl—I cannot recall it. I would have to check, but it is approximately six metres.

Senator LUNDY—With respect to the temporary construction, can you outline its specific purpose?

Mr Rohl—Essentially, the temporary structure is to provide a display suite which would actually identify how the kitchen may look, how a bedroom may be set up, in accordance with their proposal.

Senator LUNDY—What about the external features of the display suite? I ask this for the obvious reason: because the final development has not yet been approved. What relationship does this temporary structure have externally with the final development? Is the authority of the view that it could potentially mislead investors if the final development does not reflect the external appearance of the temporary structure?

Mr Rohl—No. That would not be my view. What the temporary structure is doing is simply a display suite. It does not reflect the proposal as it currently is with us for consideration and I have no reason to believe that it should not reflect it.

Ms Pegrum—Could I just ask Mr Rohl a question?

Senator LUNDY—By all means.

Ms Pegrum—I am sorry, Senator, I think you might have been asking about the external elevation of the display suite as well.

Senator LUNDY—It is the overall appearance. What my concern is, is that that stands there effectively as an advertisement for the development to come and that people might make an approach believing that it is what the final development will look like, or at least a component of the final development will look like and, in the context of all the controversy about design and siting and height restrictions, I wanted to know what relationship will it have with the final outcome.

Ms Pegrum—The display suites are very common in developments these days. If you drove around Canberra you would see several of them. They are generally there for a developer to show people what the internal layout of a suite would be like. Any responsibility for the internal layout or the fittings to match the expectations of people looking at them really falls back to the developer. Our obligation is in relation to the works approvals associated with an application for a permanent dwelling. In this case, what we were approving was the positioning and the scale of that suite on the site, but it in no way pre-empts an approval by the authority for the application before it. The question I was asking Mr Rohl, and we will correct if it we are wrong, is that the external is most likely to simply be a hoarding around the display suite of some sort, and it is the internals that are most important. If we are wrong, we will correct that.

Mr Rohl—I can add to that by saying that that view that it may reflect a misunderstanding of what the final outcome may reflect will be dissipated by the fact that they are preparing a model to demonstrate the final form, so that will clearly illustrate the proposed final outcomes for the proposal.

Senator LUNDY—With respect to the hoarding, there are some motifs on the hoarding, but it struck me as unusual to allow them to advertise in the way that they have on State Circle. I do not know if that is just me or what the custom and practice is, but can you provide the committee with what is the standard practice for NCA approved developments, be they for residential or commercial, when it comes to advertising on hoardings or, indeed, cite any examples previously of residential developments the NCA has approved where a display suite has been constructed?

Ms Pegrum—If I can just talk about the hoarding and advertising on it, we usually do not get involved in censorship of what is actually on a hoarding, as long as it is not illegal in any nature. It is normally the actual perimeter and the nature of that perimeter that we are approving, rather than the application of what is on it. I think this would be pretty average for what you would see around developments of this type, regardless of who the approving agency would be.

Senator LUNDY—You do not have any guidelines on what is on the hoarding?

Ms Pegrum—No.

Mr Rohl—We have some provisions in the plan which deal with signs, but an example where it does occur is 1 National Circuit, which has a hoarding attached to it.

Senator LUNDY—That example being? There is a hoarding?

Mr Rohl—There is a hoarding with advertising on it, in terms of the proposed development.

Senator LUNDY—Yes.

Ms Pegrum—We are just saying it is fairly average for that to occur.

Senator LUNDY—With respect to the proposed permanent development, my understanding is that the NCA is currently engaged with the developer discussing their application and finetuning their application prior to works approval being given. Can you either confirm that or tell the committee exactly where that approval process is up to?

Mr Rohl—Yes, that is correct. We have had discussions with the proponent in relation to the proposal and we are doing an assessment against the plan. We have provided information back to the proponent where we think that further improvements to the design are necessary and we are still waiting to hear back from them in terms of moving that forward.

Senator LUNDY—What is the chronological process that will occur from this point on?

Mr Rohl—Once we are satisfied that the proposed design is of a standard for us to go out to consultation, we will be going to consultation which will involve the public notice in the paper advising the adjoining neighbours and a notice to be erected on the street frontages. From there, we will receive submissions, and there will be 15 business days to allow submissions. Within that time, we have asked the proponent to hold a meeting, particularly with the adjoining owners, so they can have direct input into the proposal and for the proponent to outline what the proposal is in more detail. Subject to the submissions, we will consider the submissions prior to making a determination on the application.

Senator LUNDY—Just for the sake of clarity, that application is the application for works approval for the permanent development?

Mr Rohl—That is correct.

Senator LUNDY—What do you anticipate the time frame for that to be? You mentioned that you are awaiting the developer to come back to you incorporating your suggested changes. That implies that the NCA is quite far down the track of understanding the nature of this development. How soon do you expect that to occur? I understand it is in their hands, but what are your expectations?

Mr Rohl—We had discussions with the proponent yesterday and we expect to go to consultation probably late next week.

Senator LUNDY—You mentioned earlier when I asked the general question that there are statutory obligations on both the NCA and on the developer to engage in consultation. Can you outline specifically what those statutory obligations are?

Mr Rohl—As I outlined in terms of the consultation before, the responsibility is that letters get sent to the adjoining neighbours, a public notice is erected on the site and that notification of the public notice is placed in a locally-circulating newspaper.

Ms Pegrum—The obligation under the plan rests with the proponent of the work, but the authority will require the proponent to meet those as part of their works approval considerations.

Senator LUNDY—This is where previous problems with works approval have been addressed, in that the NCA will ensure that the developer meets these obligations of consultation?

Ms Pegrum—For residential development.

Senator LUNDY—Because of the history of this particular site, a number of near neighbours, not directly adjoining to this site, have strong views. I have certainly made representations to the developer that they should be included in the consultation and invited by letter to a consultation meeting. Does the NCA have a view on this and are you able to encourage the developer to consult perhaps a little more widely than they are required to under the plan?

Mr Rohl—Certainly we can encourage them to do that, but the obligation is really just to advise the adjoining neighbours. Certainly with the public notice going in the paper, we will certainly accept submissions from the broader community if they wish to contact us and make submissions, or go through the designs with them, as we would with any project that requires consultation under the plan.

Ms Pegrum—The same is true of the notices erected on the site which are quite large notices and we have been paying attention to make sure that they are prominently placed. Equally, if people respond on the basis of that, those comments would be taken into consideration.

Senator LUNDY—My understanding is that the developer is planning to have a consultation meeting with those parties and the developer will advise, obviously, the NCA of that, and I have asked them to advise me as well because of the many years this particular site has been brought to my attention and that of others. As for the actual process of considering submissions, can you outline in detail what the requirements are on the NCA to take into account responses received from stakeholders, neighbours and interested parties through that consultation process and how you take all of that into account before issuing the final works approval?

Mr Rohl—We would consider all submissions individually and will consider those submissions in terms of the response against the provisions of the National Capital Plan. If there are specific matters which are outlined in the submissions that we feel should be taken into account, then we will certainly address those and take those up directly with the developer, or the proponent, and ensure those submissions are addressed. We will notify the submitters that we have received their submission and we will notify them of the decision once it has been finalised.

Senator LUNDY—What rights of appeal or follow-up do submitters have if they are unhappy with the NCA's decision to grant works approval?

Ms Pegrum—As you know, at the moment under our act there is no AAT appeal, so the options open are to the ADJR, which is really a review of process rather than of decision.

Senator LUNDY—So that any appeal would have to relate to the process, not the subjective merit?

Ms Pegrum—That is as I understand it.

Senator LUNDY—In terms of the actual proponent, I understand the developer that you are dealing with is Becton Pty Ltd?

Ms Pegrum—Becton Property Group, I am told.

Senator LUNDY—Can you tell me what role, if any, State Circle Developments has in this project? I recall from earlier inquiries that State Circle developments were proponents of a multi-unit development on this particular site.

Mr Rohl—We are not aware of their involvement or any involvement of the group that you just mentioned.

Ms Pegrum—There are some other blocks where we are aware that there is development interest. Nothing has been lodged, but I do not believe State Circle Developments is one of those.

Mr Scott-Bohanna—Certainly from our experience there is some sort of relationship between the landowner, which is State Circle Developments, and Becton, but we are not aware of what that relationship is.

Senator LUNDY—Are you aware that State Circle Developments are the landowner per se? Is that what you just said?

Ms Pegrum—We are not sure.

Mr Scott-Bohanna—No.

Ms Pegrum—We have to take that on notice if you would like to know.

Senator LUNDY—Yes, please.

Ms Pegrum—But the application before us is being made by Becton Property Group.

Senator LUNDY—You are presuming they are the owner? I am just not clear on the relationship between the developer and proponents of the development and the actual owner of the blocks, whether they are one and the same or whether a developer does not have to own the land as long as they have a commercial relationship, or a relationship, with the owner of the land, that sort of thing.

Mr Rohl—They could be acting on behalf of the owners.

Ms Pegrum—In some jurisdictions that is called an agent. For example, an architect can lodge an application on behalf of someone else, but we can certainly take on notice if you are interested in what that relationship might be.

Senator LUNDY—I would like detailed information about the relationships, including the owners and whether they—

Ms Pegrum—As much as they are prepared to give us, but we can take that on notice.

Senator LUNDY—I do not want to pre-empt whatever application is before you; I do not know anything about it, but can you tell me whether or not the application before you does cover the whole of the blocks 1 to 5 across the State Circle frontage?

Mr Rohl—Yes, it does.

Senator LUNDY—Is there a time frame, or have you issued works approval, for demolition of other buildings in blocks 1 to 5 or other hoardings? At the moment I think there is only works approval for blocks 1 and 2, so have you got any applications before you for the other three blocks?

Mr Rohl—No, we have not.

Senator LUNDY—Are there any other works approval applications before you affecting other blocks of State Circle?

Mr Rohl—No, there are not.

Ms Pegrum—But as I said, we are aware of interest in some, but they are not applications.

Senator LUNDY—Is any of that information in the public domain?

Mr Rohl—No, it is not.

Senator LUNDY—I might place a question on notice about that.

Ms Pegrum—Can I just clarify: you would like to know what other blocks there is an interest expressed in, that we are aware of?

Senator LUNDY—Yes, but I am also conscious of the fact that someone could have expressed interest and it does not have any particular status.

Ms Pegrum—Sure.

Senator LUNDY—I think if I could just ask you to take on notice to provide me with information that is at a stage of being considered by the NCA.

Ms Pegrum—Yes.

Senator LUNDY—Could you provide that information to the committee. I would like to ask questions also about Pierces Creek. This is again an issue that has been in the media. I have even been known to comment on it myself. The question I would like to ask you today is to go through the key points that the NCA believes justify its involvement in the Pierces Creek settlement and reference specifically the National Capital Plan, which the NCA is of the view justifies your intervention in that settlement.

Ms Pegrum—It is really not a justification; it is just a statement of fact that under the current National Capital Plan that area is part of the national capital open space system and, in order for an expansion of residences in the area above the existing houses that were there prior to the National Capital Plan coming into effect, there would need to be an amendment proposed to the plan, and the authority's statutory responsibility is to agree to propose or otherwise a draft amendment to allow for that to happen. Post a draft amendment being proposed, of course, it then becomes part of the parliamentary processes of ministerial approval and disallowance. The issue here is that the territory government could not legally have expanded the development in that area under the current auspices of the plan.

Senator LUNDY—Thank you for that explanation. Given my experience of the operation of the NCA that it is largely under the auspice of the NCA itself to generate or not draft amendments to the National Capital Plan, why won't the NCA prepare such a draft

amendment to allow the prevailing view of the elected government of the ACT to be facilitated in expanding Pierces Creek?

Ms Pegrum—I think we are well and truly on record from the public inquiry into this matter as to reasons put. I could provide that *Hansard* and our submission again but, in short, the authority decision not to propose a draft amendment was because of the potential impact associated with the national capital open space system for an expanded settlement in that area and the nature of the settlement itself as not constituting the basis, if you like, of a village in the same context as, say, the Uriarra decision was made. I am quite happy to table our submission again and all of the reasons that we put forward to the inquiry.

Senator LUNDY—There will not be a need to do that. I was hoping to use this opportunity for you to just summarise what you obviously claim would be the negative impact on the open space. It seems to me that, if the development is expanded, there will be marginally less open space than there was previously, but I am very interested to know in the technical judgment of the NCA why that is such a bad thing.

Ms Pegrum—If I could say again, when the authority did consider this, which it did on a number of occasions, and was closely involved with the steering committee considerations—I believe it was called a steering committee—of the territory government, the authority's decision not to propose a draft amendment was made for a number of reasons, but those included that: unlike Uriarra, the Pierces Creek settlement did not have any significant infrastructure services or community facilities; unlike the Uriarra settlement where the ACT government had sought a draft amendment some years prior to the bushfires to enable it to formalise the settlement and that process was well and truly in train before the bushfires, the territory government had not sought any amendment for Pierces Creek; the authority considered that the ACT government's proposal would create a settlement which was markedly different from the original character and spirit of the Pierces Creek settlement; Pierces Creek is surrounded by the national capital open space system, whereas Uriarra is on the border between the national capital open space system and the rural areas; to change the land use at Pierces Creek would be an anomaly as it would create an isolated pocket of residential uses within the national capital open space system; an isolated pocket of residential uses would be a significant further erosion of the values of the national capital open space system in an area which is close to the Cotter recreation area; and the authority was not convinced that the sustainability report that had been provided at that time established a compelling case for the expansion of the settlement.

Part of the sustainability study that was tabled for the authority reflected the financial view that was made to the public inquiry for the expansion of Pierces Creek. A significant component of that related to the extent of profit that the territory would make by the development of Stromlow, Uriarra and Pierces Creek. At that time, the settlement at Uriarra was being looked at as 75 houses, from memory, and Pierces Creek was being looked at for 50 houses. The receipts, that is the profit that the territory was looking at, at the time was described by Mr Hollway as a mere \$1 million for 75 houses at Uriarra and Pierces Creek with 13. After the inquiry and after the amendment for Uriarra came into effect, there was discussion with the territory about the expansion of houses at Uriarra from 75 to 100, and part of that was done in the context of the overall sustainability issues that they were putting into

place and the extent of the village's development and infrastructure at Uriarra. The authority went to some length to address what was described as the sustainability issues at that time. I should also say that another issue that was—

Senator LUNDY—Just on that point of sustainability, you mentioned the NCA looked at the profit of any such redevelopment. Can you just explain how that was a factor in your consideration?

Ms Pegrum—We did not look at the profit. The profit issue was raised by the territory government and again is in *Hansard* in relation to the public inquiry, but an argument that was put to us by the bureaucrats from the territory at the time was that the cost in dollar terms was an issue in terms of the establishment. We simply responded in part to that, but it was not the primary factor for our consideration.

Senator LUNDY—I appreciate that, but why are using now as an argument about your concerns about the sustainability the fact that—

Ms Pegrum—I am certainly not. I am saying it was an argument put to us by the territory as part of the sustainability argument. But we could not base our decisions on a commercial issue. You have asked me for a detailed statement of all of the sorts of discussions that we had.

Senator LUNDY—I just do not understand. I can understand why they would have raised it; I do not really understand why you would be concerned about that, because surely it would be a political decision of the ACT government about the nature of their investment or any return.

Ms Pegrum—We would completely agree. It is just that you asked me for a comprehensive statement of the sorts of issues that were raised. Can I also add that it is important for the committee to understand that from a very early time we did make it very clear that there was no requirement for the authority to take any action whatsoever in order for the original houses to be rebuilt.

Senator LUNDY—I understand that. The question I have for you is: can you point to any previous draft amendments—and obviously Uriarra is one—that have impacted at all on the open space system?

Ms Pegrum—I have to take that on notice because I would have to go back to the genesis of the National Capital Plan itself. Clearly one which the public is very aware of potentially is the Molonglo Valley expansion, and certainly again that was part of the sustainability discussion internally that we were having with bureaucrats, because that is a preferred option for detached or greenfields development for the territory and the—

Senator LUNDY—Preferred option of whom?

Ms Pegrum—Of the ACT government, through the Molonglo Valley area. I will not be exact in these figures, but from recollection I think it was something like five kilometres potentially from where the Pierces Creek development would be. We did discuss the sustainability issues associated with that. That may well be a point for discussion in the future and the authority has said, in terms of suitability terms, there seems to be an argument that the territory has made positively and they are doing a feasibility study at the moment. But that is

not one that is before us at this time and I cannot think of any previously, certainly not in my term, but I will certainly go back and look at the plan.

Senator LUNDY—If you could take that on notice and also provide a general description of the circumstances and reasons for any changes or amendments to the open space system that have emanated obviously through the production of a draft amendment.

Ms Pegrum—I will. One that I will have to check is the implications associated with the Gungahlin Drive extension.

Senator LUNDY—Yes, I think that was an example where open space in a very high profile and visible area was actively advocated by the National Capital Authority.

Ms Pegrum—It was not actively advocated. We were asked to make a judgment that affected two areas of open space.

Senator LUNDY—I think it is a fair reflection to say that the NCA was adamant in its view that the route should be chosen that impacted more on the open space system rather than the route that impacted less on the open space system.

Ms Pegrum—I would not agree with you on that, for the record.

Senator LUNDY—I have a general question about consultation, which is obviously topical with a couple of areas. How is the NCA doing some sort of quality assurance on the fact that developers are meeting their statutory obligations under the National Capital Plan for works approval that the NCA is considering? I am trying to get an insight into how the NCA has improved its practices since the gaps and problems were identified.

Ms Pegrum—I will not get into whether or not I would agree that there have been gaps, but certainly there have been issues raised associated with consultation.

Senator LUNDY—There have been examples where it has not worked.

Ms Pegrum—In our business plan for this financial year, we are looking at establishing a consultation protocol and, as part of that, we have been looking at the kinds of consultation that exist in other jurisdictions, and also the development assessment forum recommendations in association with that. The consultation associated with amendments is statutory and appears to have worked fairly well over the years. Obviously not everybody can be happy all of the time, but they have proved to be fairly robust in relation to making amendments to the plan.

In relation to works approvals, we are now obliged with respect to the standard residential developments after amendment 39—and in relation to federal works in the parliamentary zone, all works in the Parliamentary Zone of course both houses of parliament have a separate and independent works approval and, with respect to that, there has been not statutory but stakeholder consultation associated with it. As you would know, the usual process is that a minister will also refer those works to the committee prior to tabling them in parliament, although that is the minister's decision to do so. The other works that are not standard residential that do not have to do with amendments to the plan are the ones in particular that we have been looking at. The authority has considered some of the thoughts we have had about that consultation and has asked us to do a bit more homework, but it is our intention to move forward and to have a protocol that we would then release for consultation.

Senator LUNDY—What is the timeframe for the development of that protocol?

Ms Pegrum—It is in this financial year's business plan and I would anticipate, if the authority supports the draft protocol, that we would be looking at this financial year.

Senator LUNDY—What parliamentary or other processes are needed to adopt that protocol, or will that be a decision of the board of the NCA?

Ms Pegrum—Really at the moment we are not influencing a legislative structure, so we are simply looking at a protocol that could be made public. Any issues associated with legislation are matters for government.

Senator LUNDY—Is there any merit in looking at making that protocol a new appendix, for example, to the National Capital Plan to lock it in place? Is that something you have considered?

Mr Rohl—I think how we finally implement the consultation protocol will be a matter which we consider as part of developing up and making determinations based on other jurisdictions and their approaches.

Senator LUNDY—What assurances will stakeholders, be they developers or aggrieved residents, have that this protocol will be adhered to and respected by all parties?

Ms Pegrum—I think that with the efficacy of the authority, if we have a protocol outside we would do our very best to adhere to that at all times, and our expectation would be that developers would do so also. However, I point out that any issue about it becoming statutory in the act itself would be a matter for government with respect to whether we—

Senator LUNDY—An appendix to the National Capital Plan would require a draft amendment?

Ms Pegrum—No, I said legislation; but if we chose to work that into the National Capital Plan that would then itself be subject to consultation. We have not made that judgment yet. Part of your question, though, went to compliance with the works approval. There is nothing in the act, to my knowledge, that allows the National Capital Authority to take action against somebody building something that is noncompliant.

Senator LUNDY—Say that again?

Ms Pegrum—Unlike the territory planners, who can order a person, for example, to knock down a wall that might be built that is noncompliant, the authority itself has no control to do that.

Senator LUNDY—Even in the Parliamentary Triangle?

Ms Pegrum—I believe that that is correct, and I believe that the potential where we can request the AFP to remove an illegal structure only relates to the Trespass on Commonwealth Lands Ordinance. We are unable to do that. However, we do go back and look at the way in which things are built and check that they are being built in accordance with the approved plans. From time to time obviously things happen that you are not aware of; that is in any jurisdiction. We do take as much action as we can in counselling and in requesting drawings to be submitted which, if they are not inconsistent with the National Capital Plan, we then give an approval to.

Senator LUNDY—What you have just told me says if a developer lodges plans and drawings and they abide by all of their statutory obligations with respect to consultation and then they build something that is different, you cannot do anything about it.

Ms Pegrum—Yes. I would have to say the risks are very low, because we are checking as things are being built and there are issues about having a building that is not an approved work, which we would certainly be putting on record, and I would imagine those issues would go potentially to insurance in relation to the works themselves. I would have to say that I am not aware that there have been major concerns. I know of a fence, I think, that was built without an approval at one time and we have had one occasion recently with an embassy where some works proceeded prior to approval, but they were not of a major nature.

Senator LUNDY—With respect to—I will use two examples—the potential changes to the National Gallery of Australia, we heard at estimates earlier this week about the Gallery's vision for improving the front façade and new galleries and also, of course, about the construction of the National Portrait Gallery down in that lake foreshore precinct. Can you outline what the processes would be for approval for those types of major construction works in the Parliamentary Triangle and what level of consultation has to occur, given that they are not residential?

Ms Pegrum—The proponent, be they the National Gallery or the department of finance on behalf of the National Portrait Gallery or DEST, would literally make an application, as everyone else does, and we would assess that application against the provisions of the National Capital Plan. As with other applications, the norm is that we see the design as it is being developed, and that is certainly the case, for example, with the National Portrait Gallery. Bear in mind that our assessment is only in relation to the National Capital Plan, so it does not deal with interiors and it is not a building approval.

Senator LUNDY—It is a works approval?

Ms Pegrum—It is a works approval.

Senator LUNDY—What authority has the building approval for the Commonwealth buildings within the Parliamentary Triangle?

Ms Pegrum—The norm is that the agency delivering that work through its contractor will have a third-party certifier. That has been the norm, to my knowledge. We make it quite clear that our works approval does not constitute a building approval. As part of that process, normally the proponent of the work will liaise with stakeholders and we assist in that. For example, if it is the National Gallery there is liaison with the High Court, and certainly with the Portrait Gallery there has been liaison with the High Court and the National Gallery because they are part of the arts and civic campus under the National Capital Plan.

Part of that application is that we also ask to see evidence that the proponent has met their obligation under the Moral Rights Act and have met their obligations under the Environmental Protection and Biodiversity Act. Whilst we are not responsible for that, we do ask to see that those obligations have been met. Then we usually indicate to the minister prior to his or her tabling in parliament that we are prepared to grant works approval, but the norm is that as a courtesy we wait until parliament has considered those works.

Senator LUNDY—With respect to works approval, obviously the design and siting issues are within your jurisdiction. At what point, if at all, does the public get to comment on the proposed look of the new institution or, in the case of the Gallery, the modified institution? Is there a process which the NCA manages to facilitate that?

Ms Pegrum—For the public, not at this point in time. I think you would be aware that the public has had considerable exposure to the design of both the Portrait Gallery and the National Gallery. There are thoughts about their entrance over the years because inevitably buildings of that nature are very high profile and are advertised quite widely through professional journals and newspapers. So if a member of the public had a view they could write to the National Gallery or to the Department of Finance and Administration for the Portrait Gallery, but there is no protocol that is constant that the authority has used. Having said that, both those buildings will be the first buildings in the parliamentary zone that are new buildings since the National Capital Authority and the plan came into effect. The works that we have undertaken, like Commonwealth Place and Reconciliation Place, have been the subject of national competitions and have had advisory panels associated with them in juries, which in our view gives a representation of Australians' views about these things.

Senator LUNDY—I was going to move onto those buildings within the parliamentary triangle which effectively are the assets of the Commonwealth and owned for the purposes of responsibility about public safety and quality of the buildings by the NCA. My understanding is that Commonwealth Place, so the area currently being used as an annexe by the National Portrait Gallery and the restaurant on the other side, are buildings owned and effectively managed as landlords on behalf of the Commonwealth, is that correct?

Ms Pegrum—Yes, they are administered assets, not departmental assets, so we manage them on behalf of the Commonwealth. That is correct.

Senator LUNDY—Are there any others?

Ms Pegrum—In the parliamentary zone, I believe Commonwealth Place is the only one, but we do manage a lot of the public land which is land that is deemed to be required for the special purposes of the capital, but no other buildings per se. The Lobby restaurant is also one of those. Then there are some odd delineations such as the forecourt on the northern side of the Treasury building and the fountain is an asset managed, but not the building.

Senator LUNDY—Is there a commercial facility there, a cafe or something, that you operate as a landlord?

Ms Pegrum—No, there is not. It is just within the building. It is just the open space because it is part of the public realm. The courtyard, or what is perceived to be the courtyard, to the south is over a basement and is therefore deemed to be part of the building and is not ours to manage.

Senator LUNDY—Sounds like a bit of an anomaly, is it, to manage a courtyard of a building?

Ms Pegrum—I think people have been—

Senator LUNDY—It is obviously closed off from the public area? Is that what—

Ms Pegrum—No, it is not, and it does have the significant artwork in it, which is the fountain which has been recently restored.

Senator LUNDY—Finally, on that overarching role that the NCA have—

Ms Pegrum—Sorry, I have just had additional advice.

Mr Evans—We just have advice that we can actually refer a building which was noncompliant under the National Capital Plan to the courts and seek the court's jurisdiction to enforce compliance. That would be through a superior court such as the Supreme Court or the Federal Court.

Senator LUNDY—Sorry, did you say where that was?

Ms Pegrum—They are qualifying my advice about not being able to take direct action.

Senator LUNDY—So you can take them to court?

Mr Evans—Not through our act, but we can apply to the court to do so.

Senator LUNDY—Thank you for that. That is reassuring. Will the kiosks planned for the Commonwealth Place foreshore become administered assets on behalf of the Commonwealth?

Ms Pegrum—Yes, they will.

Senator LUNDY—Is the NCA signing the lease arrangements with any commercial operators?

Ms Pegrum—That is correct.

Senator LUNDY—What about the Carillon and the operators of the Carillon? I know this was an issue some time ago.

Ms Pegrum—If you are referring to the carillonists, they are actually under contract to the authority to provide the performances that we put in place.

Senator LUNDY—So that is a slightly different thing?

Ms Pegrum—Yes, it is.

Senator LUNDY—Can you outline for the committee the expansion of the NCA's role, particularly with respect to Australia Day in the capital events, and what changes have taken place since the Australia Day committee has been wound up? I do not think I am using the right term there, but if you could clarify what has happened with those changes.

Ms Pegrum—Nothing of major substance has taken place as yet. There is an agreement that the territory government and the National Capital Authority and the National Australia Day Council will form a committee in order to coordinate the events. This really came out of some of the issues over the last few years about who is doing the children's concert, who is sponsoring the citizenship ceremony and the like. Collectively, everybody is really wanting to grow the value of Australia Day in the capital. To my knowledge, there has not been any formalisation of that role.

Mr Evans—There has not. It is effectively a committee which has been formed through the National Australia Day Council, and we sit around and plan the event. It includes a

number of other Commonwealth agencies as well who would be responsible for the flag-raising components or the citizenship ceremonies. It has just been a coordination forum up until now.

Senator LUNDY—I just noticed on Australia Day there were several acknowledgments of Mrs Turbane's role and that that was winding up. Can you just explain what has happened with the committee that she chaired? The way I heard it was that the responsibilities of that particular committee would be going to the NCA?

Ms Pegrum—That is really a matter for the National Australia Day Council, because we have no direct role with that committee, although I think our chairman and our previous chairman were members, but not tied to their positions in relation to the National Capital Authority. My understanding is simply that that committee has been dissolved and all the appropriate close-offs of financials will take place. Then we will be into discussions about how best to progress next year's event.

Mr Evans—The arrangements between the Australia Day Council and the other states and territories is generally through a state relationship. The fact that we had a committee separate to the state jurisdiction entity was a bit unusual and was probably there because, prior to self-government in the ACT, there was no other formal way of doing so and it actually predated self-government. So that was why that arrangement was slightly different in the ACT.

Senator LUNDY—On the walk that was opened providing a display for Australians of the Year, I noted all the Australians of the Year to date have been put in place. Can you advise the committee how many years in advance have you planned for those plaques to be put in place along the foreshore?

Ms Pegrum—The path that is in place is 350 metres long and currently there are 49 Australians of the Year, 26 Young Australians of the Year, six Senior Australians of the Year and three Local Heroes. One hundred plinths have already been installed and that will be sufficient to record all the Australians of the Year through to 2059.

Senator LUNDY—So the next 51 years?

Ms Pegrum—Yes, and that is on the western side of the parliamentary zone itself. Obviously post that date, we will move onto the other side.

Senator LUNDY—Or whoever is alive at that time. So you have about 110 years in it anyway?

Ms Pegrum—Yes.

Senator LUNDY—Commonwealth Bridge and Kings Avenue Bridge—I am sure every Canberra motorist who has been across the bridge will see that some work is going on. I have received some complaints about the delays in traffic on Kings Avenue. Are you going to begin Commonwealth Avenue before you have completed Kings Avenue, thereby limiting people's route options across the lake?

Ms Pegrum—George Lasek will answer this, but we have been at pains to give as much public attention as possible to this prior to having to start to close down lanes on the bridge.

Senator LUNDY—I appreciate that; it is really a logistical thing.

Mr Lasek—Work will not commence on Commonwealth Avenue until Kings Avenue is complete.

Senator LUNDY—My final issue goes to Canberra airport. I note there has been some interest in the various approvals and otherwise at the airport. Could you outline the status of the current works approvals or applications before you affecting Canberra airport?

Mr Rohl—We currently have an application before us for an extension to the factory outlet centre and an application for a warehouse which incorporates a retail tenancy. We also had one for Ikea on which we provided advice late last week that we could not support it under the provisions of the current National Capital Plan.

Senator LUNDY—Why was that? What were the provisions that made it possible to support other things and not Ikea?

Mr Rohl—It is because the provisions of the plan, when they talk about non-aviation uses, have to ensure the tenancies are no greater than 500 square metres. An application for Ikea of, off the top of my head—

Ms Pegrum—14,600 square metres GFA.

Mr Rohl—That could not be supported as it was larger than the retail tenancies allowed under the current provisions.

Senator LUNDY—The theory being that the extension to the factory outlet centre is that each of the retail tenants would be less than 500 square metres?

Mr Rohl—That is correct.

Ms Pegrum—Generally.

Mr Rohl—Generally.

Senator LUNDY—That is all I have. If I think of anything else, I will put it on notice.

CHAIR—Just to finish off, thank you all for coming and attending. I thank the secretariat staff and Hansard for their work. It has been a fairly long two and a half days, but we have got there. That is all. Thank you.

Committee adjourned at 1.27 pm