



COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

SENATE

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

ESTIMATES

(Supplementary Budget Estimates)

TUESDAY, 31 OCTOBER 2006

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SENATE

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

Tuesday, 31 October 2006

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

Senators in attendance: Senators Bartlett, Carr, Conroy, Eggleston, Chris Evans, Lundy, Ian Macdonald, McLucas, Joyce, McGauran, Moore, Parry, Ronaldson, Siewert, Trood, Webber and Wortley

Committee met at 9.02 am

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

In Attendance

Senator Kemp, Minister for the Arts and Sport

Department of Communications, Information Technology and the Arts

Executive

Ms Helen Williams AO, Secretary

Ms Fay Holthuyzen, Deputy Secretary, Infrastructure and Access

Dr Rod Badger, Deputy Secretary, Strategy and Content

Ms Lynn Bean, Acting Deputy Secretary, Arts and Sport

Legal

Mr Don Markus, General Counsel

Corporate and business

Mr Frank Nicholas, Chief Operating Officer and Acting Chief General Manager, Corporate and Business Division

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

Ms Cheryl Watson, Acting General Manager, HR and Communications

Mr Tim Cornforth, Manager, Regional Network Management Unit

Finance and budgets

Ms Jennifer Gale, Chief Financial Officer

Infrastructure and security

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

Mr Philip Mason, Acting General Manager, Networks Competition Branch

Mr Simon Bryant, General Manager, Broadband Infrastructure Branch

Mr Ashley Cross, General Manager, Security Branch

Access and consumer

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

Mr James McCormack, General Manager, Broadband Development Branch

Mr Brenton Thomas, General Manager, Networks Operations and Spectrum Branch
Mr Rohan Buettel, General Manager, Consumer and Shareholder Branch
Mr Richard Desmond, Manager, Postal and Shareholder Section
Ms Caroline Greenway, International Branch

Content and media

Dr Simon Pelling, Acting Chief General Manager, Content and Media
Dr Bernard Keane, Acting General Manager, Media Industries
Mr Simon Cordina, General Manager, Digital Content
Ms Trish Barnes, Acting General Manager, Digital Broadcasting

Strategic, development and regional

Dr Beverly Hart, Chief General Manager
Mr Philip Allnutt, General Manager, Indigenous Communications
Mr Lindsay Barton, General Manager, ICT Development
Mr Tom Dale, General Manager, Strategy Branch
Ms Liz Forman, General Manager, Regional Branch

Arts and Sport Division

Mr James Cameron, Chief General Manager, Arts and Sport Division
Mr Peter Young, General Manager, Film and Digital Content Branch
Mr Mark Taylor, General Manager, Arts, Regional and Governance Branch
Ms Lyn Allan, General Manager, Indigenous Arts and Training
Mr Paul McInnes, General Manager, Collections
Mr Bill Rowe, General Manager, Sport
Ms Jenny Anderson, Acting Chief General Manager, Old Parliament House and National Portrait Gallery
Ms Kate Cowie, General Manager, Contents and Programs, Old Parliament House and National Portrait Gallery
Mr Gregor Manson, General Manager, Heritage and Property, Old Parliament House and National Portrait Gallery
Mr Andrew Sayers, Director, National Portrait Gallery

Arts and Sport**Australia Council**

Ms Megan Coombs, Acting Chief Executive Officer
Dr Cathy Brown-Watt, Executive Director
Mr Ben Strout, Executive Director

National Library of Australia

Ms Jan Fullerton, Director-General
Mr Gerry Linehan, Assistant Director-General, Corporate Services

National Gallery of Australia

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

National Museum of Australia

Mr Craddock Morton, Director
Mr Jeff Smart, Chief Financial Officer
Ms Jennifer Watson

National Archives of Australia

Mr Ross Gibbs, Director-General

Mr James Barr, Deputy Director-General

Film Finance Corporation

Mr Brian Rosen, Chief Executive Officer

Mr Ross Pearson, Chief Commercial Officer

Australian Film Commission

Mr Chris Fitchett, Acting Chief Executive Officer

Mr Greg Brown, Director, Corporate Services

Australian Sports Commission

Mr Mark Peters, Chief Executive Officer

Mr Brent Espeland, Director, Sport Performance and Development

Professor Peter Fricker, Director, Australian Institute of Sport

Ms Lois Fordham, Director, Corporate Services

Mr Steve Jones, Director, Commercial and Facilities

Mr Greg Nance, Director, National Sport Programs

Australian Sports Anti-Doping Authority

Mr Richard Ings, Chief Executive Officer/Chair

Mr Kevin Isaacs, Group Director, Deterrence

Ms Michelle Narracott, Group Director, Detection

Ms Catherine Ordway, Group Director, Enforcement

Ms Catherine Shadbolt, Chief Financial Officer

CHAIR (Senator Eggleston)—We continue this morning the examination of the communications, information technology and the arts portfolio in accordance with the agenda. Under standing order 26, the committee must take all evidence in public session. This includes answers to questions on notice. I remind witnesses that, in giving evidence to the committee, they are protected by parliamentary privilege. It is unlawful for anyone to threaten or disadvantage a witness on account of evidence given to a committee, and such action may be treated by the Senate as a contempt. It is also a contempt to give false or misleading evidence to the committee. The Senate, by resolution in 1999, endorsed the following test of relevance at estimates hearings:

Any questions going to the operations or financial positions of the departments and agencies which are seeking funds in the estimates are relevant questions for the purpose of estimates hearings.

I remind officers that the Senate has resolved there are no areas in connection with the expenditure of public funds where a person has a discretion to withhold details or explanations from the parliament or its committees unless the parliament has expressly provided otherwise. The Senate has also resolved that an officer of a department of the Commonwealth or of a state shall not be asked to give opinions on matters of policy and shall be given reasonable opportunity to refer questions asked of the officer to superior officers or to a minister. This resolution prohibits only questions asking for opinions on matters of policy and does not preclude questions asking for explanations of policies or factual questions about how or when policies were adopted.

If a witness objects to answering a question, the witness should state the ground upon which the objection is taken, and the committee will determine whether it will insist on an

answer, having regard to the ground on which it is claimed. Any claim that it would be contrary to the public interest to answer a question must be made by the minister and should be accompanied by a statement setting out the basis of the claim. The committee notes that there is one answer still outstanding to a question on notice from last February's additional estimates hearing. I welcome Senator the Hon. Rod Kemp, Minister for the Arts and Sport, and portfolio officers. Minister, do you wish to make an opening statement?

Senator Kemp—I want to make a very brief statement. We have a very talented group of public servants here who are ready and able to respond wherever they can to questions. I want to put something on record. I have had the chance to reflect on the last estimates when we were all here. Some very unfortunate events occurred at the last estimates. I just want to indicate that I will not be allowing the reputations of public servants to be traduced in the way they were at the last estimates. I quite accept that members of the committee will ask vigorous questions, and the government has to be able to respond to those but I think, on reflection, there were some events at the last hearings that were exceedingly unfortunate and did not stand this committee in good stead and did not stand the senator in good stead. I think it is something we should not put up with at Senate estimates, and I give notice, Mr Chairman, that if we see these types of attacks again they will be met with great vigour on my part.

CHAIR—Thank you. We are going to begin today's hearings with sports. Senator Lundy, would you like to say what you propose?

Senator LUNDY—I would like to indicate to the witnesses that I had questions for the Sports Commission first, so I will not get to ASADA until after the tea break. You are very welcome to stay at the table—sometimes that is useful anyway. But I just wanted to give that indication.

[9.07 am]

Australian Sports Commission

CHAIR—We welcome Mr Peters and his colleagues.

Senator LUNDY—The first questions I would like to ask relate to the Active After-schools Communities program. I note the key evaluation findings following a review of the Active After-schools Communities tell us that the program reaches its intended target of non-active children. I would like to ask how the Active After-schools Communities program specifically targets non-active children and, in particular, I want to ask about the definition of a non-active child for the purposes of that program.

Mr Peters—One of the keys to the implementation of the program has been the appointment of regional coordinators who work within the school environment with the teachers and with the parents and identify young children that perhaps are not as active as others in the school community. That is the prime source at the moment for identifying who should be invited into the program and who is perhaps not targeted initially.

Senator LUNDY—What did the review use as the measurement to determine whether the participants were previously non-active students? Are you familiar with that detail?

Mr Espeland—The children are selected through the schools and the OSHCs, so it is very much a local selection process. The criterion used to determine whether or not they are

regarded as inactive is whether they are involved in physical activity for more than three hours a week. If it is less than that then they are regarded as inactive.

Senator LUNDY—Is it structured or unstructured? My understanding of that definition was three hours or less of structured physical activity per week.

Mr Espeland—That is correct.

Senator LUNDY—I want to query that measurement. I ask whether you think that is an accurate measure given that a child may be active in unstructured ways and also that the definition of three hours or less of structured physical activity could still include children who are involved in a sport, because the sport and one session of training probably does not constitute more than two hours of structured activity. So that definition could in fact include kids who play structured sport and train for that sport on a weekly basis.

Mr Espeland—You would regard sport as a structured physical activity initiative. I suppose sport holds as a subset of structured physical activity as distinct from being unstructured, which be going for a walk or throwing a frisbee, for instance. When it is structured, whether it be in the form of games, which a lot of the activities for the after school program are, or in a modified or full-blown sport, it would be regarded as structured physical activity.

Senator LUNDY—I appreciate that, but I am just querying it. What this review is saying is that the targeted students for the program could in fact include kids who are already playing sport—that is, sport that falls within the definition of less than three hours of structured activity. Is that the intention of the program?

Mr Peters—When the children are selected it is actually the result of the interviews that happen within the school environment and it is mainly about the definition of what structured activity is in sport. So, if someone is participating in sport and that definition is over three hours a week, they would be deemed as an active person. It comes down to degrees of definition, and we think there should be a lot more activity, whether it is structured or unstructured. But, at the moment, in rolling a program out we need to make a judgement in conjunction with the parents and teachers on a norm that we can work on.

Senator LUNDY—Are you confident of that, even though your definition of targeted students could well include kids who already play sport, depending on how the schools apply that criteria?

Mr Peters—There is no doubt there will be some kids involved in the program who play sport. In fact, one of the ultimate aims of the program is to have transition of children involved in the program into the community so that we can bolster and enhance community supporting clubs. One of the initial statistics is that the rate of children who have participated in the Active After-school Communities program and then determined that they would like to go on and participate in a club environment is probably higher than we expected. In our second year of analysis we will be able to determine whether that was a blip or there is consistency in that transfer. I think the initial figure was around 30 per cent of young children who may have participated in some sort of club environment, and the first stat indicated it is now 60 per cent, which is surprisingly high to us. Hopefully it is correct, and therefore it is a

positive, but we will need to look at the second year of our analysis to determine whether that is a consistent theme or not.

Senator LUNDY—Going back to how you target children to participate in this, what strategies do you have in place to target children who do not play structured sport or participate in structured physical activity like dance? What effort is made by the regional coordinators to really reach into the school communities and target those kids for participation in this program? How are you able to acquit that against the stated goals of the program, particularly because the definition includes kids who already play regular sport or participate in a physical activity like dance?

Mr Peters—That program is based on schools and after-school-hours centres volunteering to be part of the program, so there is no compulsion involved. First of all, by being aware of the program, schools or after-school centres will say they want to be part of it on the basis that they see the benefits of getting their children more active. It can be, on average, two nights a week, some may be three and in some instances it may be one. So we are always aware that we could do more to have more children involved in the program.

Again, a school or after-school care centre will volunteer to be part of the program. They will then work with our regional coordinators to link deliverers and the training of deliverers who can actually come in and deliver programs within those schools. The programs delivered are the choice of the children and the school. As you have rightly said, in some schools dance has become a significant component. It was about children being physically active, which is fantastic. Multidisciplinary skills learning, where they learn a number of activities, has probably been the major program. In a number of other schools they have wanted to do a netball, cricket or Aussie rules program or something like that. We are not dictating what the activity can be. Our philosophy overall is: if we can have children enjoying being physically active then that is a major plus out of the program. If we can then introduce them to an activity which happens to be a sport and they enjoy doing that and want to integrate into the community, then that is a benefit as well.

Senator LUNDY—You mention the surprisingly good statistics of children moving into community based sport. Can you describe how the Active After-schools Communities program creates those links to these community sports clubs to enable that transition to occur? How does that happen within the program?

Mr Peters—One of the roles of the regional coordinator is to look at what opportunities might be available in the local club structure, given that there is a lot of pressure on the community clubs at the moment, which is an overall concern for our sporting industry. One of the valuable roles they play is to initially work with a school to identify the young children that can be involved in the program, work to have accredited deliverers actually come into the school and deliver the activity, and then look at what opportunities there are, if the children are interested, to integrate them into those community clubs. The first 18 months or two years has really been about establishing the programs within the schools. The emphasis more and more, once the programs are established, is to look at those community links. As I say, the first year to two years has really been about putting the program into the schools and getting kids active. The emphasis now is to continue to look at how we integrate them into the communities.

We would hope that over time more of the deliverers may well be from local clubs where they are trained in the Community Coach Training Program and then there is an even more direct link. But in the first instance clubs are so stretched it has been difficult getting them. Most of the deliverers are outside of the club structure at the moment.

Senator LUNDY—Just on that point, the review did not appear to survey community sports clubs as a stakeholder constituency. Can you confirm that and then tell me why not?

Mr Peters—I will just seek some clarification. Again, this program is in its infancy. Initially it was about establishing it within the schools with the ultimate aim of having a transition. So the first year of data was really collecting the attitudes of the teachers, parents and the children within the program. Again, to have the deliverers at the community level we needed to have people trained. That is progressively happening. About 13,000 deliverers have now been trained over one year. So it is more important for us to look at the data next month when the second a lot of data is finalised to see what those trends are and then look more at how it has an effect on the community. Very much initially it was a new program being introduced all over Australia in a time line that demanded that we concentrate on making sure the program works in that school environment.

Senator LUNDY—Can you confirm that the community sports clubs were not part of review?

Mr Peters—Yes.

Senator LUNDY—Can you indicate—or even give an undertaking—that you will survey that constituency or stakeholder group next time you review this program? Not to put you on the spot or anything, but don't you think it would be a good idea?

Mr Peters—It is. In fact, we have been talking to Western Australia and South Australia, who have community club development programs, to actually see if we can integrate with the work they are doing already. At that state level there is a lot of concern about what is not happening in those community sports clubs. So we are looking at how we work in these initial stages with those two governments to strengthen that community base and then to flow from the school system into the club system.

Senator LUNDY—On that point, I have had some anecdotal feedback that these community clubs, which are under pressure in many cases, are being asked to come in and provide services to the program and that it is creating more stress on those clubs. Can you describe for the committee whether or not those clubs received any remuneration for their effort or whether they are asked to do it on a volunteer basis, or whether it varies depending on the circumstances?

Mr Peters—My understanding is that there is no pressure on clubs to provide the services. One of the delivery options is to have people at the club level trained. If they do come in as deliverers they are paid an hourly rate.

To clarify what I said earlier, in the 2005 survey, if there were club people involved as deliverers, they were part of those who were surveyed—not necessarily the clubs.

We are also doing a number of case studies around schools and communities, which we are just finalising. We are looking at metropolitan areas, rural and remote areas, and Indigenous communities to see what impact the program in the school has had on the wider community.

Senator LUNDY—Just going back to the review, the review reflected on different successes in the different ways the program had been implemented. Are you able to make a comment about where the program was most successfully implemented and how it was organised where it was most successful in the eyes of the review?

Mr Peters—I would not like to pre-empt what our case studies are going to reveal. There are a lot of great examples in different community areas about the effect that it has had not just within the school environment but also with parents. There are some case studies in low-socioeconomic areas where parents who have been long-term unemployed have got involved in delivering the program. They have now got involved in the school community. Headmasters who had struggled to get people to parents and friends meetings are now seeing an increased number of people attending because of interest within the school environment. In one community in South Australia those parents are now training other parents in nearby schools.

So there is a lot of very good work anecdotally. In these case studies we are trying to pick out some of those best practices. But there are so many variations, as you can imagine, within metropolitan areas, where it is probably the biggest challenge for us to get people involved at that club level. The Department of Health and Ageing have asked us to do additional work in Indigenous communities. We are in other areas where there are integration problems for special groups, such as those with a disability.

So we are trying to run the base program out to prove what we think everyone believes, and that is that kids need to be more physically active. The secondary point, which I think you have acknowledged, is that we need to strengthen that community club area as well. There is some good work happening in the states where we are able to integrate the program. But basically it is a three-year pilot to prove that it will get kids more physically active within a school environment and change a whole lot of attitudes towards physical activity. That has been a prime role of the program.

Senator LUNDY—The delivery model for the program is through after-school activities and after-school programs, many of them being run by afters care services, either associated with or part of schools. Is it fair to say that where this has worked best is where the school is more involved in the delivery of the program, including going back to this issue of identifying the children who are the target group?

Mr Peters—If the schools are not committed to the program, given that they have volunteered to be part of it, the program will not continue. There are some schools that have not continued in the second year. We are surveying them at the moment to find out why they did not continue on. Anecdotally, some of them are saying that the workload for them within the school environment, on top of other things they needed to do, was too high. Again, we are surveying some of the schools that have not continued on in the program, given that it is a voluntary program. Some schools have said they believe they have enough physical activity within their school environment and therefore do not need to be part of the program. The main

thing is that, with those who have volunteered to be part of that, we think it is crucial to have a commitment from the school and those within the school environment.

Another spin-off of the program is that states have asked preliminary questions about whether we could run our community coach program for all schoolteachers within their state because they believe lessons learnt by teachers in how you roll out a program like this will have benefits across the whole school environment. Again, it is a positive that has come out of the schools being committed to being involved in the program. We have been very pleased with the commitment from education departments, who were perhaps a little sceptical at the beginning but have embraced this as a way of perhaps doing what everyone knows we should do, which is to have our young people far more physically active.

Senator LUNDY—Are you able to give numbers for the proportion of programs that are implemented and managed directly by the schools and those that are managed and implemented directly by after-school care programs? Have you made the distinction in your record keeping?

Mr Peters—Out of the 2,521 schools and after-school-hours care centres at the moment, 1,264 are primary schools, so they are coordinated through the primary school, and 1,257 are coordinated through the after-school-hours care centres. So it is roughly fifty-fifty.

Senator LUNDY—So marginally more are delivered by the schools.

Mr Peters—Yes.

Senator LUNDY—Do you know whether that is because they do not have an after-school program? What is the reasoning behind that split?

Mr Peters—We would hope that, at the end of the day, there are a majority of primary schools in on the program. At the beginning, some primary schools had after-school care centres. Again, it became a choice of how they ran those programs. We had an issue in New South Wales initially, where a number of the primary schools did not believe that the amount of money paid to the school coordinator was in line with some of the other payments, so we looked at ways of overcoming that with the New South Wales education department. So we think the figure will actually increase for primary schools as we go on, against the after-school care centres.

Senator LUNDY—I just want to get my head around the costs of the implementation. You mentioned before that the deliverers from community clubs are paid an hourly rate for coming in and providing those services. What is that hourly rate? And what proportion of overall cost of the program does that figure represent?

Mr Peters—On average, it is around \$15 an hour that they get paid. It depends on some of the activities.

Senator LUNDY—Does it depend on the age of the deliverer?

Mr Peters—No.

Senator LUNDY—How have you reached that figure?

Mr Peters—We looked at our budget and then looked at what some of the other costs of delivery were. It is not a figure that anyone is going to get rich on, but it seems—

Senator LUNDY—Is it in line with industry and community standards for that type of service? And how have you tested that?

Mr Peters—It was really talking to the schools in terms of what a supervision amount would be for a teacher, which is far greater than \$15 an hour. There is really no model for this type of program. There are some private deliverers who charge far more, but they make a profit out of being involved in the school area. There is no industry standard that we have compared this to; it has just been based on what is affordable within the school environment.

Senator LUNDY—And the sort of people who are getting paid \$15 an hour? I am guessing that sometimes it would be teachers providing the role, sometimes it would be parents providing the role and sometimes it would be volunteers—people who work in community sports clubs, such as coaches and so forth—providing the role. Am I correct in saying that?

Mr Peters—It very much varies. There are some high school students who are trained in our community coach program who deliver within the primary schools, and there are community club people. They all have to do the community coach component and they all have to go through the normal checks of anyone being involved with young children.

Senator LUNDY—Are they paid in all cases, or do you have to request to be paid?

Mr Peters—It is part of the grant to the school. It is worked out whether it is for equipment as well as people being paid. So it is there for anyone to be paid.

Senator LUNDY—How much does the program cost for children to participate in?

Mr Peters—It is free.

Senator LUNDY—What if it is run through an afters program?

Mr Peters—Obviously they will pay to be part of the active after-school program, but we do not charge any costs to the children.

Senator LUNDY—But for schools that have implemented the program through the afters service it is a prerequisite to be paying afters fees to participate in the program, isn't it?

Mr Peters—Yes, those in the after-school-hours care program would be paying a fee to be part of that program. Our component of that is not charged. So there is no cost.

Senator LUNDY—I guess my point is that, for those schools that have implemented the program, there is no charge at all but for schools that have implemented it via the afters program, the child must be registered and paid up in the afters program to then have access to Active After-school Communities. So it is not the cost to them for that but they are not eligible to participate in it unless they are a member of the afters program.

Mr Peters—Yes. That is why I said before that we believe more primary schools will come on board in their own right. That is an area we are targeting.

Senator LUNDY—What is the process of a child finding out about the process and registering once the school has agreed to participate?

Mr Peters—It is a communication program within the school, as any other school program would be communicated. The school will normally appoint a coordinator and that person is the one who would work within the school environment. Then our regional coordinator will

come in at the appropriate time and talk to teachers and parents and involve them in putting the program together.

Senator LUNDY—Do schools, either generally or specifically, in some cases, apply selection criteria? In other words, are any children ever rejected or not allowed to participate in the program if they want to?

Mr Peters—There may have been some cases in terms of the numbers of children who can be in the program at a particular point in time. Then those that may not be in it—and I am not aware of large numbers—may be those who are doing far greater than the three hours a week, given that our target is those kids who are presently inactive. I visited a school in Tasmania, and there are a number of kids involved in the program and they are also involved in sport. I do not have this figure and I could check to see if we do, but the only time I can see where kids may not have been involved in the program is where the program is full—there are the 50 children. The criterion that would be applied is that those who are inactive would have priority.

Senator LUNDY—Have there been any problems that you are aware of in implementing that?

Mr Peters—Not that I am aware of.

Senator LUNDY—Can you describe what each program involves—that is, its frequency each week and the duration of each session?

Mr Peters—I do not have the individual statistics here, but our hope is that the program will be conducted at least twice a week—

Senator LUNDY—So the requirement is for at least twice a week.

Mr Peters—Some schools have done one session because they are not sure whether they can cope with the delivery of the whole program. So, in the initial stages, they may have asked for one session a week; on average, it is two. Some may do three; but that is a very small number. The time slot is normally for three to 3.30 and five to 5.30. Again, it depends on individual schools and when their school day finishes. Then the program really comes down to what the coordinator in conjunction with the schools and the kids want it to be. It is very much about unstructured physical activity. Some schools may start off with young children bouncing balls and throwing them around witches' hats without the stigma of standing in a line for five minutes and then going to the front with everyone looking at them. The deliverers walk around and talk to them about cupping their hands or give them some other little instruction.

There is informal instruction and no pressure on the kids; it is about them having fun and being physically active through to their having a hockey lesson, a multiskill lesson or a dance lesson. At a recent launch of one of our programs at Parliament House—and you have attended one of our launches—the kids did a dance, which was about movement, physical activity, balance and all those sorts of skills. They may choose to do that in the first term and then choose to do netball, judo or some modified sport in the second term. The idea is that they have a choice to experience different activities each term.

Senator LUNDY—You mentioned the three to 3.30 or the five to 5.30 time slots. Does that mean the school has the discretion about the time slot? Also, how long does each session go for?

Mr Peters—Because we have rolled out the program nationally, you can appreciate that some schools may not have bus services. So, in some cases, the money to the schools has gone towards the introduction of a varied time in the bus service. Also, some schools might not have a session time that lasts as long as other schools because of buses having to leave at a certain time to drop kids off at their destinations.

If I had to give an average, I would say that the kids would be doing things for an hour or an hour and a half, because they often want something to drink or eat—a piece of fruit or something—when they come out of school and then they will go to their unstructured activities or to whatever activity they choose to experience. On average, it is a minimum of one hour of physical activity.

Senator LUNDY—On the issue of frequency of physical exercise, there are a whole raft of formal and not so formal recommendations on the amount of physical exercise considered necessary to maintain a healthful state of fitness. Most recommendations that I have seen say that three sessions are needed. Is it your aim to push the participating schools and after-hours programs up to three sessions a week?

Mr Peters—As an overview, we would like kids doing something every day of the week.

Senator LUNDY—I am thinking of the minimum, though. I agree with you that, ideally, it would be 30 minutes minimum each day, but a minimum of three times a week seems to be the benchmark.

Mr Peters—On average, it is twice a week at the moment. If we succeed in our ultimate goal of having a transition of young people from the school environment into the community club structure, there will be at least one night of activity and then a weekend of activity. So, suddenly, there will be four or five sessions. There is a lot of debate, as you have identified, about how many hours. We have a national strategic committee that has representatives from the Primary School Principals Association, the national education sector and the Australian Council for Health, Physical Education and Recreation. So we have a lot of experts who meet in this strategic committee to look at where we should take the program, given that it is a pilot, and the sorts of standards we should be putting in place. The key for us was to have a very professional and fairly in-depth research study done, which normally sports is not good at, to start to give us the feedback we need on how to vary the program to make it more attractive for more people.

One of the difficulties at the moment is finding out what the states are doing in some of the school settings. So again, some schools may well have a form of physical activity during the day. So how do we match what they do in that school with what we do in the after-school environment. That becomes a very individualised program that the regional coordinators need to work with the school to make sure that perhaps eventually there is not an overactivity.

Senator LUNDY—It will be a while before we get there.

Mr Peters—Yes, I would like to have that problem.

Senator LUNDY—Are you able to identify the separate costs of each program provided to each school and give the committee an average of that?

Mr Peters—Yes. Could I clarify that: that includes a proportion of the costs from our regional coordinators? We have a cost per school where we give them a grant, and then if we divided the time regional coordinators have by each school, that is a more real delivery fee.

Senator LUNDY—Could you give me both?

Mr Peters—Yes.

Senator LUNDY—Can you give it to me today?

Mr Peters—Yes. We have the school grant figures which we can give you. To go through roughly our 180 coordinators and look at which schools are involved and proportion it out may take a day or so.

Senator LUNDY—Thank you. That will be interesting. In terms of the participating schools and the numbers of kids involved in the program, what are your observations about the proportion of children able to participate? I guess I am looking for an insight into the scalability of the program for the larger schools. I imagine the groups cannot be that large that they are unmanageable. So are some schools doing more than one group on a given day? Are they using that sort of strategy? I am looking for some insight, but also specifically what proportion of the student population is the program delivering services to. Do you have those numbers?

Mr Peters—It would be a rough calculation of how many students are in the system at the moment, but the goal is for us to get to inactive children. That is our prime target. So that figure may be irrelevant in terms of a proportion of those in the program as against the students in the particular schools. I am not sure how we would get a survey of all the inactive kids who haven't volunteered or been identified to be asked to volunteer to be in the program, if that is the sort of stat you are looking for. So if we had a school of 100 young children and 60 per cent are deemed to be inactive, have we got 50 per cent of that 60 per cent involved in the program? I am not sure we are that sophisticated as yet.

Senator LUNDY—What about just a straight proportion of the school population participating in the program? If you have 30 children twice a week and there are 800 kids in the school, does that mean lots of kids are getting knocked back? I don't know if you are at this level yet in your detailed review mechanisms, but if you have got that information I would certainly like it.

Mr Peters—We haven't got it at the moment. We would need to go back through our regional coordinators and get the numbers of children in each of the schools and try to do a figure that way. I think the more important for us is to find out why the schools that volunteered to be part of it have pulled out. That may give us more important stats on whether the young children enjoyed being part of the program and whether it was administratively too burdensome. That is part of our learning in a program that is in its infancy at the moment.

We can do a rough calculation of the number of kids in the schools that are involved in the program and how many we are targeting and perhaps get an anecdotal comment from our regional coordinators as to whether they are noticing anything. Again, part of the first year

survey and the second one that has just been finalised now was to ask the regional coordinators, to ask the parents and to ask the schoolteachers about what was actually happening in that school environment with the program being in place.

Senator LUNDY—Does the Sports Commission pay any private providers—that is, not your regional coordinators and not the \$15 fee for service for people helping with the program? Do you engage any other consultants or service providers as part of this program?

Mr Peters—We do not engage them direct, but there are some private providers that can be deliverers in the program.

Senator LUNDY—How does that happen?

Mr Peters—They have made their services available within the states, because there is a state council. Regional coordinators may be aware that a Blue Earth, a Kelly Sports or someone is prepared to deliver in a certain area and they can be employed as deliverers. Again, the rate would be negotiated—it would be around that \$15; it might be slightly higher in some instances. I know that Blue Earth have been delivering some programs in some schools, but that is part of the negotiations on the deliverers. It could be a high school student; it could be a community club; it could be a private provider.

Senator LUNDY—Could you provide the committee with all of the programs where you have engaged a private provider and at what cost?

Mr Peters—We can provide the details of which schools may use a private provider to deliver the program.

Senator LUNDY—Is that a school decision or a regional coordinator decision?

Mr Peters—In consultation they will decide who the deliverers are per school.

Senator LUNDY—Going back to the original point, where schools are provided with a grant, you are saying that schools have a high discretion on how that funding is spent.

Mr Peters—Yes. Although it is not a formal accreditation, they must be equivalent to our community coach program in terms of their educational level.

Senator LUNDY—What is the average size of school grants? I know I asked that before.

Mr Peters—It is \$1,600.

Senator LUNDY—For how long?

Mr Peters—Per term.

Senator LUNDY—How many providers and children—so two separate numbers—are currently enrolled for the program for term 4 in 2006?

Mr Peters—There are around 9,200 providers active in the system now. We are just about to have a celebration because we have just achieved the figure of 100,000 children involved in the program. About 13,000 people have been trained in our community coach program and just over 9,000 are active in delivering at the moment.

Senator LUNDY—How many children, providers or schools requested the program for term 4 in 2006 but are not able to get it? This goes back to an issue we have traversed before about the undersupply and overdemand of this program.

Mr Peters—There are 575 schools that genuinely wanted to put the program in and that we have been unable to meet. There were more than that that put in an expression of interest but we went back and said, ‘This is what you need to do.’ The latest figure is 575 schools and after-school care centres.

Senator LUNDY—Representing how many children, on average?

Mr Peters—The average is about 50 at each centre.

Senator LUNDY—That is a lot of kids who are missing out.

Mr Peters—The key for us is to run the pilot in terms of the 3,250 centres at the end of three years and learn from how we implement it as to whether we can do it more efficiently. You are right: it is always sad when people cannot have the opportunity. This has been a fairly low-key rollout as well. I am sure that if the publicity were far greater in some of the areas then we would have an even greater demand.

Senator Kemp—I think also the way to look at it is that, before this program was rolled out, none of these kids were taking part in active after school programs. It is true that now large numbers of children are taking part in this program as a result of this initiative. We are encouraged by the fact that more and more people wish to join the program, and it would be no secret what my policy would be in this area.

Senator LUNDY—I was going to ask you how your cabinet submission is going.

Senator Kemp—Let me not discuss cabinet submissions—

Senator LUNDY—It is a lobbying opportunity.

Senator Kemp—but let me just make it clear I think this program has been a very important initiative. The federal government has made the threshold decision that it will play a major role in active after school hours sport. As a result of that, we think the early signs in the program are that it is very successful. Feedback from members and senators from both sides of the parliament has been very positive. It would not surprise you to know that the minister for sport thinks this is the sort of program which could be easily extended. Let me say no more than that.

Senator LUNDY—Minister, I think last time we spoke, at budget estimates, you indicated that it would be in next year’s budget that you would need to determine the long-term funding of this program.

Senator Kemp—Again, not wanting to discuss budget submissions, my view is it should be a long-term program; it should be an expanded program. I will be taking whatever steps are required to ensure that my views are brought to the attention of my colleagues.

Senator LUNDY—Are you still trying to double the funding?

Senator RONALDSON—That was hint with a capital ‘H’, I think.

Senator Kemp—Yes, I think that is a big hint. You can read into that what you like.

Senator LUNDY—Going back to the cost of training the 13,000 leaders who will conduct the programs, how is that being paid for? Is that paid for by the school grant or is there additional funding provided by the Sports Commission to fund that training?

Mr Peters—It is delivered by our regional coordinators and there is no cost to the participants; it does not come out of the school grant.

Senator LUNDY—So there is no cost for the trainees?

Mr Peters—Yes, that is correct.

Senator LUNDY—And the regional coordinator delivers that training?

Mr Peters—Yes.

Senator LUNDY—In all cases or do they access private providers or other resources?

Mr Peters—It is delivered by our regional coordinators. I spoke earlier about some states being interested in us delivering the community coach program to all teachers. That would be at a cost.

Senator LUNDY—So you would be charging the state education departments for that service?

Mr Peters—Yes.

Senator LUNDY—How much?

Mr Peters—At this stage we have not gone into those negotiations because we are in preliminary discussions with only two of the states. They are obviously looking at some of their own internal policies.

Senator LUNDY—Which states? New South Wales and who else?

Mr Peters—Western Australia.

Senator LUNDY—The review mentions that active after school training should be provided to pre-service teachers. What are you doing about that and is it a realistic goal for this program?

Mr Peters—The difficulty we have when we look at sport in schools across Australia is that we have no role over what state education departments or state governments do in relation to their teacher training. The observation there is that, if we had all of our teachers, particularly the preschool teachers, understanding what basic movement was and they were able to incorporate that into the daily life of students, then, again, we would have a better school environment and hopefully it would be one of the many components needed to combat some of the health issues into the future. Again, the discussions with the states are very much preliminary and the program may well cover that area as well.

Senator LUNDY—Do you envisage teachers becoming deliverers of the program in that after-school timeslot?

Mr Peters—It could well be a possibility. In some of the negotiations or early discussions we had there were a lot of concepts thrown around: perhaps the school day could be extended—not a decision for us—and teachers could start at 11 o'clock and finish at six and others at 8.30. So there are a whole lot of things, I guess, not just around this program, that are being discussed in the education sector. Some young teachers, say, may see this as a second job opportunity. Again, that is a decision that needs to be made by individuals. We would love to see more teachers involved in delivery and linking themselves to the school children. In

some of our programs the coordinators who have been teachers in the schools have been one of the success factors in the enthusiasm they have generated.

Senator Kemp—The model of delivery of sport in the fifties, sixties and early seventies was in fact that teachers delivered the sport. I was not aware of the idea that private providers would be out there; they may have existed, but certainly the model that existed in government and non-government schools was that sport was delivered by teachers after school hours and on weekends. From where I stand, I think that is a good thing. I think that, the more we can involve teachers in this, the better; and the greater the commitment that they have to this program, the stronger the program would be.

Senator RONALDSON—They are the natural group.

Senator Kemp—You would have thought so. They were. We have seen, as we went back to delve into the history of sport, that the teachers were the supervisors, the coaches. I think there was a significant change in culture and how sport was viewed in schools in the last 20 or 30 years, under governments of both persuasions. I make no political point here except that I think that now is the best time to argue strongly for sport in schools in a way that perhaps has not been possible in previous decades, because the consequences of not having active young people are now becoming all too apparent. The active after-school-hours program is the response to that.

We would like to see a greater response to sport within school hours—and I think this was touched on by Mr Peters—and in school curricula. I think sports ministers generally around Australia think that. Sports ministers I think would confirm that they were never involved in the decisions to wind back sport in schools. These decisions were made by education departments, through a whole host of other pressures. I do not want to be too unkind to them, but the fact is that, at the end of the day, sport was squeezed. A lot of the interschool competitions were probably wound back—at least, that is what you hear from various people. I think the mood now has changed, and this is a time for great reform in relation to promoting sport in schools.

Senator LUNDY—What percentage of deliverers—that is, at \$15 an hour—are teachers?

Mr Peters—It is around 19 per cent at the moment.

Senator LUNDY—That is not a very big percentage.

Mr Peters—Correct.

Senator LUNDY—Are you able to provide any insights into why it is one per cent and not five per cent or zero per cent?

Mr Peters—It could be \$15 an hour.

Senator LUNDY—Most likely. Has that made you want to rethink that fee-for-service payment where teachers are involved?

Mr Peters—Again, the strategic committee that we have are looking at that. We have looked at increasing the payment of the supervising teacher in line with other payments made to those who may be supervising in a school environment. It would have a significant impact on the budget, so again it comes down to the sort of budget available to deliver. Part of the survey we are doing now is: is that the prime reason? Certainly the supervisory rate was an

issue raised in New South Wales by our strategic committee, and we deal with the issues as they come along. At the moment we have just over 13,000 trained in our delivery program, but, yes, I would like to see more teachers involved in delivery. But, given that they have full-time jobs, there may be some other reasons why.

Senator LUNDY—I am sure there are. I guess I am just trying, as I said, to get your insight. I do not know why.

Mr Espeland—I should also add that, for the teachers who are there in a supervisory role, it is not a passive one.

Senator LUNDY—No, that is right.

Mr Espeland—They get down and get dirty.

Senator LUNDY—In terms of that rate of pay, that allowance, what is the intention of the commission in addressing that problem? Do you think that by increasing that rate you would be more able to tap into community and teaching resources to deliver the programs and increase the frequency of the programs in the school week, that sort of thing? Has that been one of the limiting factors? I am not drawing any conclusion from any information. I am just asking this question straight up. Do you think it is a factor?

Mr Peters—It has not been raised at our strategic committee level that it is a factor in limiting the rolling out of the program. If we were able to extend the program into, say, 80 per cent of schools, then suddenly that is an enormous number of deliverers we need to find, and it may be a significant factor in how we attract people. That is one of the things we constantly are questioning: what are the limiting factors in rolling this out, if we are able to do so, to far more schools?

Senator LUNDY—I have questions about the Active Australia Schools Network. How does that link with the Active After-school Communities program, and what resources does the commission put into the Active Australia Schools Network?

Mr Peters—The Active Australia Schools Network has been outsourced to ACHPER, the Australian Council of Health, Physical Education and Recreation. They work with the schools to encourage—through information provided in terms of curriculum design—children to get more active within the classroom environment. ACHPER sits on our national strategic committee. At our meeting last week the CEO of ACHPER was asked to explain how we can coordinate the programs better if we need to. He said he thought that the schools involved in that network were totally on side; they were aware of it. Not all of them are part of the Active After-schools Communities program because some of them believe they are providing the opportunities within the school environment.

Senator LUNDY—How many primary schools are there, on the latest numbers, and how many of those are registered as being members of the Active Australia Schools Network?

Mr Peters—There are around 8,100 primary schools, and then there are some special schools on top of that. I can get that figure reasonably quickly. I think only around 700 or 800 are part of that network.

Senator LUNDY—How much funding goes into that network from the Sports Commission, into that whole initiative?

Mr Peters—To ACHPER to run the program?

Senator LUNDY—Yes.

Mr Peters—About \$250,000 a year.

Senator LUNDY—I do not know how long it has been around, but 700 or 800 is not a particularly high percentage. How long has the network been in place, and is the fact that it is not bigger a reflection of the size of the grant?

Mr Peters—I am not sure of the feedback on the last question. Most of that money is used to appoint some staff in the states or the national office of ACHPER to try to drive the program with resources. I will come back to you in the next little while on how long it has been running. The program has been around for a number of years. It was initially under the Active Australia banner as one of the programs that was put out there. Again, it is trying to get into the curriculum of schools, which has been difficult for anyone to do in recent years. ACHPER have been driving it because of their membership of physical education teachers and those in the program.

Senator LUNDY—Is the program growing?

Mr Peters—I do not have the figures—I can get them for you—

Senator LUNDY—If you could take that on notice.

Mr Peters—but certainly our discussion next week is that ACHPER believe it is a valuable program for those schools.

Senator LUNDY—And how does the network link with the Active After-school Communities program?

Mr Peters—It is part of the communication network. The CEO of ACHPER sits on our national strategy committee and they also run the network program, so there is dual communication back to those schools. As I said, we had a meeting last week and the comment was that it is an effective communication stream.

Senator LUNDY—Can you take on notice to provide the committee with how many of the Active After-schools Communities schools are members of the network?

Mr Peters—Yes.

Senator LUNDY—Thank you. I now want to ask a few questions about facilities. You mentioned pressure on community clubs. I know one of the areas of pressure is access to quality and safe facilities. With participation rates generally on the rise, what are the Sports Commission's strategies, if any, to improve the quality and availability of safe and affordable sports facilities?

Mr Peters—There are no programs at the Australian Sports Commission to support the development of facilities.

Senator LUNDY—I notice the minister bolted out of the room. I am sure it is not just because I started asking questions about facilities and facilities funding, but I might need to wait until he returns given you do not have any program that supports facilities.

Mr Peters—Not a grants program. We have the Australian Sports Foundation that offers tax deductibility, and that has been a very successful program since it was reincorporated into the commission's—

Senator LUNDY—Just on that, can you provide the committee with all of the successful grant applications and facilities that have benefited from that over the last five years, and the proportion of the grant—or perhaps of the total cost of the facilities that was represented by the Sports Foundation grant.

Mr Peters—The percentage of sports facilities?

Senator LUNDY—Some of those grants do not cover the whole cost of the initiative—the proportion of the total cost.

Mr Peters—So if a facility is registered for \$1 million and donations are for \$500,000.

Senator LUNDY—Yes, so we can get a sense of how it is contributing.

Mr Peters—Yes. There are two other initiatives that we are not directly running, but at the national level of the Standing Committee on Recreation and Sport there is a program being coordinated to look at the use of school facilities by communities, and that is being chaired by Tasmania. There have also been discussions at the planning level of the seeming trend of when subdivisions are now created in communities, whereas once there was an area of land that may have been big enough to put an oval or two ovals on, that land now tends to be on the boundary, next to creeks, under powerlines and is creating a great shortage of land for sports like cricket, football, soccer. That is an issue that is being addressed at the national level.

Senator LUNDY—I know in metropolitan areas, more often than not, that open space is being targeted for infill as well.

Mr Peters—Yes.

Senator LUNDY—So what are you able to do about that from the commission's perspective? Do you provide advice to state planning authorities? How does it work?

Mr Peters—The only mechanism we have available is to encourage our state counterparts to take the issue up strongly with their planning regimes and also at the national level to support the ministerial meeting to make sure that we engage with people like the National Parks Association, who have also raised this as a major issue in going forward.

Senator LUNDY—Minister, when are you going to implement a proper facilities grants program—

Senator Kemp— What do you mean by proper?

Senator LUNDY—as opposed to a Liberal Party headquarters pork-barrel prior to every election?

Senator Kemp—You make promises before the election, we make promises before the election—

Senator LUNDY—But you are in government; you could do it now.

Senator Kemp—we win and we deliver on our promises, you lose and you do not deliver on yours. There is absolutely no difference. I have my famous helmeted honeyeater brief. This is what the Labor Party did before the last election.

Senator LUNDY—Is that what you went out of the room to get when I started talking about facilities?

Senator Kemp—Yes, I went out to get my helmeted honeyeater brief.

Senator LUNDY—You are shallow, Minister.

Senator Kemp—You were complaining about our election promises. Therefore, I wondered what your election—

Senator LUNDY—My question has nothing to do with promises. You have been in government for a couple of years now, so you have the opportunity to now put in place a facilities program, and you have chosen not to.

Senator Kemp—You were in government for 13 years. You did not put in place what you would call a ‘proper facilities program’. You put in place sports rorts, and you were dealt with accordingly. When we go to elections, it is true we make some promises in facilities. You make some promises in facilities. I went out to the Whitten Oval to witness the turning of the sod. The local Labor Party member, Nicola Roxon, was there, and she was fully endorsing this very important initiative by the Howard government—and good on her.

As you know, facilities have traditionally been the responsibility of local councils and state governments. Happily for you, every state and territory government is a Labor government, and all of them are benefiting from the huge amounts of GST money which are coming in—but it is true that they are falling behind in sports facilities. That is true, and I accept your comment on that. But there is an issue regarding how much the federal government should move into this area. We will make commitments from time to time. Frankly, I am always delighted when we make commitments. I am absolutely delighted, because we know that with the federal government’s involvement we can get things done and we can get important community priorities established. But you had 13 years to put in place a facilities program, and you did not. We have been in power for 10 years. Because our budget has been in surplus, we have been able to make grants for facilities.

Senator LUNDY—So are you planning another big round of pork-barrel grants leading up to the next election?

Senator Kemp—You will be doing it. You will have your helmeted honeyeater grants all lined up. We all know that. We will make election promises and you will make election promises. You are probably preparing a list now. I suspect if spoke to your research people, they would tell me that there is a list currently being prepared on promises that Senator Lundy will be making on facilities—and good on you; you are entitled to do that.

Senator RONALDSON—L-a-w law tax cuts.

Senator Kemp—That is right. But you are not entitled to criticise us.

Senator LUNDY—I am sure your desperate attempt to talk over me while I am trying to ask you questions about facilities is being well noted by anyone in this subject area.

Senator Kemp—I am sure they are gripped by it.

Senator LUNDY—Can you now confirm that it is not your intention to implement a grassroots sports facilities funding program that people can apply for before the next election?

Senator Kemp—We have many programs which impact on sport.

Senator LUNDY—Yes or no? Are you going to do it or not?

Senator Kemp—What is this grassroots? You keep on raising these grassroots programs.

Senator LUNDY—Grants that communities can apply for because they need some money for some facilities. Are you going to do that or not?

Senator Kemp—What we are going to do and what we are not going to do is not your business, actually; it is our business. It is not the business of this committee.

Senator LUNDY—So it is going to be an election pork-barrel again.

Senator Kemp—You can be absolutely assured that this government is always responsive wherever it can be and wherever it is sensible, affordable and practical for community needs.

Senator LUNDY—For the purposes of community interpretation of this transcript, that means: lobby your local marginal seat's member and get in touch with the minister, because unless you get a favour from this government and you are in a marginal seat you will get nothing for community sports facilities.

Senator RONALDSON—I take it you are going to, are you? What is the cost of it?

Senator LUNDY—My question is to the government that has now been in power for two years since the last election and has chosen—

Senator Kemp—Can I ask you this—

Senator RONALDSON—Aren't you going to implement—

Senator LUNDY—It is none of your business. I am not in government. I hope to be.

Senator Kemp—But you are developing policies now.

Senator LUNDY—That is right—and we cannot implement them until we are elected.

Senator Kemp—You were one of the longest-serving sports ministers. You should have a policy folder that thick.

Senator LUNDY—I wish.

Senator Kemp—To be quite frank, you should have developed significant policies in these areas. You have not. The truth is that you were sin-binned, as you know, because of policy failure on your part. You have come back into the sports portfolio, and that is a good thing, but are you going to have a program of grassroots sports facilities? You have asked me whether we have, so can I ask you whether you have?

Senator LUNDY—We are not in government, and you are.

Senator Kemp—But you make policies. In order to get into government you have to have policies; in order to stay in government we have to have policies.

Senator LUNDY—The more you talk the more you are making a fool of yourself and hiding the fact that you are just not going to invest in community facilities.

Senator Kemp—All I am saying to you is that what we will do in terms of policy development is our business and it is not your business.

Senator RONALDSON—Is Ros Kelly writing the guidelines?

Senator LUNDY—You are such a comedian.

Senator Kemp—Equally, we will be staying tuned to see what you do.

Senator LUNDY—Let's talk about hockey facilities.

Senator RONALDSON—You moved off that very quickly.

Senator LUNDY—If you have finished your hilarious banter, I ask the commission: when will a decision be made on the future location of the AIS hockey program? I understand that submissions have been prepared for the Sports Commission proposing the future location of that program. I would just like to know about the process.

Senator Kemp—Do you think you should declare an interest here?

Senator LUNDY—I do not have an interest.

Senator Kemp—An ACT senator?

Senator LUNDY—That is correct.

Senator Kemp—I think you should declare an interest.

Senator LUNDY—Can I tell you that my view is that this should go where it is in the best interests of hockey and, no, I do not have an interest and I am remaining impartial. Are you?

Senator Kemp—I am absolutely impartial on this issue, as has been long noted.

Senator LUNDY—Thank you. So am I. I would like the commission to answer some questions about the process for the decision making. Can you tell me when a decision will be made on the future location of the AIS hockey program?

Mr Peters—My understanding is that the Hockey Australia board have a meeting at the end of November. They have received submissions from a number of states and they will be making the decision.

Senator LUNDY—To what extent is the Sports Commission involved in that process?

Mr Peters—We were asked by one territory government, being the ACT, whether we would provide funds to supplement their proposal. We said that at this stage we would not be providing any more funds than those allocated to the Perth program. We have no opinion on where it should be based at the end of the day. That is for hockey to decide, which is a similar process to the one they went through three years ago, I think. One of the issues that hockey have had to look at is whether they are being disadvantaged by being in Perth—whether, in fact, corporately they would be better based in the eastern states. Statistically, I think they have also looked at the fact that most of their players are now from the eastern shore and not from Perth, as when the program was first set up. But Perth has been an excellent program and the Western Australian government has provided considerable support. They said they would review it post-Athens, and that is the process they are going through at the moment. We

are obviously kept informed of the timing of the process and we have a high-performance committee that may input on some technical aspects, but the absolute decision will be made by the Hockey Australia board.

Senator LUNDY—You said that the Australian Sports Commission is impartial. How does that relate to the fact that there has been major investment in the AIS in Canberra? Does that impact on either your involvement in that decision or Hockey Australia's view to any extent that you are aware?

Mr Peters—Sorry, a major investment in Canberra?

Senator LUNDY—In the AIS, in just the general upgrade of facilities.

Mr Peters—The upgrade of facilities is across the 26 sports. As I say, the program seems to have worked very well in Perth. I understand the reasons hockey are looking at moving it are to do with the economics of it at the end of the day. Through our arrangements with the Western Australian Institute of Sport, we are able to deliver the components that we need to deliver under the present arrangements. If it were in Queensland or New South Wales, similarly we would work with the Queensland Academy of Sport or the New South Wales Institute of Sport to support the athletes and the coaches in the best way we can.

Senator LUNDY—The commission has quite a formidable reputation for liking gold medals and strong performance and funding programs accordingly. Surely there is not anything you can point to in the hockey program that would constitute any dissatisfaction with their performance on the world stage or the national stage.

Mr Peters—We did not instigate the review of where the program should be. It was instigated by the Hockey Australia board.

Senator Kemp—I think Senator Lundy is correct: the AIS and the Sports Commission do like those gold medals and do like top performance. It is, of course, quite appropriate that they do, because that is what they have been asked to do.

Senator LUNDY—Hockey has been a particularly good performer lately.

Senator Kemp—You are quite right, hockey has been very successful over a long period of time. The point is well made. This has been one of our top team games. This government is very keen on team sports and we are constantly seeing how we can continue to improve the support available to team sports. That is certainly turning my mind at the present.

Senator LUNDY—I am sure it is, Minister—as it should be.

Senator Kemp—Yes.

Senator LUNDY—Cost-effectiveness is an issue for the Sports Commission in the funding of every national sporting organisation. Is the question of cost-effectiveness a factor for you in this process—that is, in expressing a view to Hockey Australia or having a view and perhaps not expressing it formally but letting it be known that you would like to see them move?

Mr Peters—The concern that we have is that more sports are reliant on government funding than ever before. The percentage of funding to support national sporting organisations from the Australian government is increasing every year. That is a worrying trend. So if a

sport is reviewing its location on the basis that it believes that in one particular location it may generate more money through sponsorship, then that has to be a consideration for a national sporting organisation. I can only assume that that is one reason that Hockey Australia are looking at the location. Again, our input is that the program has worked well in Perth. We are continually challenging national sporting organisations to look at revenue sources, and it is becoming increasingly harder for them. The most worrying stat over the last five years since Sydney is the continually greater reliance of national sporting organisations on funding they receive via the commission.

Senator LUNDY—Can you confirm that you do not have any formal role in Hockey Australia's decision and you are not seeking to influence them one way or another?

Mr Peters—The decision will be made by the Hockey Australia board. We will be not inputting in any way with submissions to them on what we think should happen.

Senator LUNDY—Okay. I now have some questions about women's sport. Minister, following the Senate committee report, *About time! Women in sport and recreation in Australia*, we note the fact that the government has not yet announced that it will support all the recommendations along with the recommended funding of a number of initiatives. When are we going to hear from you? What are you waiting for? It is about time.

Senator Kemp—You are being very demanding, I have to say.

Senator LUNDY—Indeed—assertive even.

Senator Kemp—Senator Ronaldson played a significant role in the report, as did you.

Senator LUNDY—Indeed he did.

Senator Kemp—Senator Ronaldson, I might say, has been giving me a hell of a time over this, wanting action in this area. So you are not without an ally here. The truth is I think there were many useful comments made in that report and I think the government, appropriately, is seeking advice on the recommendations. It is no secret that I would be happy to have those progress sooner rather than later, but these are not entirely my call, I have to say.

Senator LUNDY—How is the cabinet submission going?

Senator Kemp—As you know, we do not discuss cabinet submissions here. But you should feel very happy that Senator Ronaldson has taken a very close interest in this report and is pressing it—because it was a bipartisan report—in all relevant quarters. It has created a lot of interest out there in the community as well. As I go around, women's groups, particularly in sports, are interested in the recommendations. I think you will just have to contain your interest and enthusiasm and give time for the government to carefully consider it. But I am very glad it was done on time. Frankly, it has been produced at an appropriate time, so it can be considered in a budgetary context.

Senator LUNDY—Are you going to bring an initiative to the budget?

Senator Kemp—Let us just wait and see.

Senator LUNDY—That is in the cabinet submission?

Senator Kemp—I can say that I think the analysis in the report was very interesting. I think it identified some significant issues. I would be keen to see what we can do to make

some progress in this area. But, in the end, we will just have to wait and see, and see how persuasive I can be.

Senator LUNDY—Minister, when you appointed some new members to the Sports Commission board recently, what regard did you have to ensuring gender balance or strong gender representation?

Senator Kemp—We are looking around. This government appoints people on merit, essentially, to be quite frank.

Senator LUNDY—Are you saying that there are not women out there who are meritorious? That is a very dangerous thing to assert.

Senator Kemp—Having said that, let me make the point. Let's not verbal me. As you know, I am essentially a—

Senator LUNDY—I know, but there are clearly women out there who could do the job. You could lead by example. It is a great opportunity. Ms Williams is sitting next to you, so you have led in your department.

Senator Kemp—Look at my key adviser, Senator. I would be very interested to see what I could do to put some more women on that board and draw on the experience of women on that board.

Senator LUNDY—When?

Senator Kemp—Leave it with me.

Senator LUNDY—How many women are on the board at the moment?

Senator Kemp—Three.

Senator LUNDY—Out of how many?

Senator Kemp—Nine, I think.

Senator LUNDY—You could do a bit better, surely. Would you like me to send you a list of clever sportswomen and businesswomen?

Senator KEMP—I would always be keen to hear your views, Senator. As you know, I have paid attention to your views over the years, so—

Senator LUNDY—I suspect that, if I did that, you would probably cross them off!

Senator Kemp—please feel free to put some names in.

Senator LUNDY—To make a serious point: you do have the opportunity to show leadership by example in this area. One of the areas identified is that national sporting organisations range from being best-case scenarios, where they work actively and strategically to ensure that they have access to the best knowledge—and that usually involves a gender balance—to others which are poor performers in this area.

Senator Kemp—I think it is important to make sure that we draw on a wider range of talents. I know the Labor Party likes quotas; I come from a tradition which pays attention to merit. But the point is well made. We need to make sure the Sports Commission is drawing on the widest possible range of talent. It would surprise me if, in forthcoming appointments, you were displeased by the gender balance.

Senator LUNDY—So you have some women coming on to the board?

Senator Kemp—Just leave it with me.

Senator LUNDY—Excellent! I will look forward to that announcement. Just going to the Sports Commission, the report made observations about the wide range of strategies, some good and some not so good, when looking at accessing the best talent for sports boards. What is the commission doing specifically about ensuring that the governing bodies of these organisations are not excluding talent by having in place barriers to women, whether they are overt, systemic or whatever? I am not alleging one or the other, but we know there is a problem. What are you specifically doing about that?

Mr Peters—About three years ago now we ran the ‘sport needs women’ workshop, which identified issues which I guess were not new to us or anyone else. We actually said that we believe there should be much more representation of women on sports boards. We are still struggling with the lot of governance issues within sport, not just at a national level but particularly at state levels, where it is very difficult for women to get into state positions and in turn therefore onto national boards. So we are addressing that by suggesting other models of governance that sports need to introduce. It is very difficult when you need a 75 per cent majority to change constitutions.

So I would say that at the national level there is an awareness. Some national boards struggle to find women who want to go on boards that are qualified to go on them. There seems to be—and this is absolutely anecdotal—perhaps an expectation of payment because there is a demand for women to go on boards in the private sector as well as in sport. We are getting feedback. Our whole executive met with a number of national sporting organisation CEOs two weeks ago to go through the report and to look at what we could do to reinforce the various areas that came out of it. As part of our sporting futures conference next year we will be running a workshop specifically to address the recommendations. By then we will be informed as to what policies there may be in place.

So it is being taken very seriously. It is a very difficult challenge not just for the sports industry but for industry overall. One of the difficulties we have is changing the mindset of people at the state level to encourage them to have more people involved in the system, which in turn allows them to be nominated at the national level. But some sports have responded. I think it is a challenge for all of us, whether it is the Commonwealth Games Association—which now has an all-male executive, including the president and vice-president—or the AOC or the IOC. They are pressing to have more women involved. I think how we do it is the challenge for all of us. As you rightly said, there are many talented women out there who could benefit the sports industry, not just by sitting on boards but by being coaches and administrators. Our women’s leadership grants are one way of encouraging women to gain expertise to go into the sporting area. That has been outstandingly successful.

Senator LUNDY—That is the perfect segue into my next question for you.

Senator Kemp—Just before you go on, Senator, I have a table here of the current members of the Sports Commission. It is essentially a total of 11. I think I said nine.

Senator LUNDY—So it is three out of 11. They are ex-officio members, too.

Mr Cameron—It is actually 10, Minister. The CEO is not formally a member of the board.

Senator Kemp—Thank you for correcting me on that. I think we have now had three goes at this. Is there any further advance or is everyone now happy?

Senator LUNDY—I will resist making the obvious comment, which is that you ought to have known. I want to have a go at the Sports Commission again, as I did in the women in sport inquiry. I think your annual report shows an imbalance. There are more males in higher positions and females in lower-paid roles in the commission itself. I put it to you that the Australian Sports Commission can play a much greater role with respect to your own staffing profiles and gender balance to ensure that you, too, as an organisation, can access the best talent in the area of sport. What are you doing about your own staffing profiles and improving the representation of women?

Mr Peters—We have a system with all our staff where we look at their career development. We have identified a number of women within our organisation and given them the opportunity to pursue their careers perhaps faster than the normal system would allow. But, at the end of the day, we choose on merit. Each staff member has an agreement with the manager on what their career development should be and what the opportunities are and how we are able to encourage more women to do that. One of the greatest challenges I have had in Canberra is attracting people from outside Canberra to come to Canberra, particularly experienced people, whether they be male or female, who are in a family situation and have to look at moving their entire family. That is one of the challenges for the commission overall—to attract people to Canberra, because, when they are at an experience level where we could very much utilise them, they have family situations that preclude them from moving here. So we have individual agreements between managers and staff to look at how we can progress their careers, and we have undertaken that with a number of females within our organisation.

Senator LUNDY—I have two points on your response. First of all, with due respect, on the merits of selecting women and so forth, surely a much better strategy would be to take less of what I think is a slightly patronising approach and allow the organisation to have women in senior levels not managed by the senior group of men in that way.

Senator Kemp—Senator—

Senator LUNDY—Sorry, let me finish. I understand Mr Peters's comments, and I support efforts to progress women's careers specifically, particularly if there are perceived or real systemic barriers to women within an organisation, but I also think that it is not good enough to say that people do not want to live in Canberra or that there is not the talent here or even within your own organisation to take up the most senior roles. I think there probably is and that the Australian Sports Commission under your leadership, Mr Peters, could do a lot better in this regard.

Senator Kemp—Mr Peters is more than capable of defending himself, but on your comments that the Sports Commission is taking a somewhat patronising approach to this problem: I do not believe it is at all.

Senator LUNDY—I would hope it was not.

Senator Kemp—I think, in the light of what Mr Peters has said, we have to deal with the systemic issues. You cannot just define those away. This government will promote on merit—

that is what it will do. If there are systemic problems that have been effectively identified, we have to deal with those as well. There are many women who—

Senator LUNDY—I appreciate that, Minister. I guess where I am coming from is that I just do not accept that there are not women who could be appointed in the most senior positions in that organisation on merit. I just do not accept that they do not exist.

Senator Kemp—I would be very disturbed if the selection process was not fair—if people with talent were not being appointed, compared with perhaps people with lesser talent. I would be the first to complain about that. But we are running an organisation—

Senator LUNDY—Do you think the Sports Commission should be providing leadership by example?

Senator Kemp—We are running an organisation that is charged with important responsibilities. It is an organisation which, I am advised, promotes and appoints on merit, which I think is a very good thing. There are a number of women in very senior positions in the Sports Commission. Of course, the active after-school-hours program itself—which was important enough to spend an hour on—is being very effectively run, I might say, by Ms Flanagan. It is not fair to indicate that the Sports Commission does not take this issue seriously.

Senator LUNDY—Do you think that they could be doing more, Minister?

Senator Kemp—We can always do more, but, at the end of the day, we just have to be judged on what is happening there. If there was an issue that the Sports Commission was in any way discriminating against women, I would be the first to complain.

Senator LUNDY—Just so we can put it in context: the information that I am using to make these observations is the annual report staffing levels. Under ‘Executive’, it is 25 per cent female and 75 per cent male. For sports officer grade 4, grade 3, grade 2 and grade 1, under the ‘Female’ column, the highest percentage is not quite the lowest but the second-lowest, and it gradually gets less and less as you go up the column. On the ‘Male’ side, it starts at 75 per cent and gets less and less as you go down the column. So the proportion of women in roles at the Sports Commission is completely inverse. That is not right, in 2006.

Senator Kemp—Mr Peters is happy to further add to his comments. He has outlined what the policy was.

Senator LUNDY—Perhaps I could ask him to take on notice responding to my points.

Senator Kemp—I think at the end of the day you have to judge an authority like the Sports Commission on what it is also achieving. To be quite frank, if you judge by the key performance indicators—what it is doing in high-performance sport—you only have to look at where Australia is in high-performance sport, and the Sports Commission is doing an excellent job.

Senator LUNDY—I look at the cup half full, Minister, and I think they could be doing better, if there were a better proportion—

Senator Kemp—We can always do better. No-one argues there.

Senator LUNDY—because that would mean that fewer women would be prevented from accessing those high-level decision-making positions.

Senator Kemp—We can always do better. The Labor Party can always do better. You can all do better. In fact, sometimes I wish you did do better.

Senator LUNDY—I am happy for the commission to respond in more detail about your strategies internally. You can take it on notice—

Senator Kemp—Let us hear from Mr Peters.

Senator LUNDY—if there is anything there. Thank you. I have some questions about the disability funding for athletes and participation. How many sports and/or organisations that cater for athletes or participants with a disability are currently funded?

Mr Peters—These are national sports specifically for people with a disability?

Senator LUNDY—Yes.

Mr Espeland—For 2006-07 I should add that, more broadly, in terms of the grants that are given to sport, we will be posting them comprehensively on our website within a couple of weeks.

Senator LUNDY—You are referring to the previous round?

Mr Espeland—No, this current round for this year.

Senator LUNDY—So the new ones are for next year?

Mr Espeland—No, the board makes an allocation in May. The sports, and that includes the national sporting organisations for people with a disability, are advised in June. Then, once we have executed a formal funding and service level agreement, that notional allocation becomes a grant. At that stage, when we have a number there, we post them on the website, and we are probably two weeks away from doing that. On your specific question for this year: there are nine sports, nine NSODs including the APC, that receive grants.

Senator LUNDY—That includes the Paralympic Committee?

Mr Espeland—That includes the Paralympic Committee.

Senator LUNDY—What are the criteria for funding an NSOD?

Mr Peters—It has been historical, in that they provide more of a technical role. Since the APC have progressed the Paralympic movement considerably in the last few years, the majority of funding is directed to them. They have talent search programs as well as the preparation of the team for the Paralympics, so the NSODs' roles, to some extent, have become more technical; whereas five or six years ago they were involved in some organisational aspects such as preparing athletes for Paralympics. We are near completing—in fact, on 30 November our board will receive—a joint report between the Australian Paralympic Committee and us, looking at the whole disability area: what the roles of the NSODs should be, what the pathways are that need to be established, in the same way as able-bodied athletes have pathways, and how that coincides with the concept of mainstreaming. That is a fairly significant report. The Standing Committee on Recreation and Sport, which supports a ministers committee, will also look at that report, because a number of states are

looking to put in place plans along the same lines for athletes with a disability. So there is a fairly big review at the moment to ask: how do we do this better into the future?

Senator LUNDY—So we had first the review that talked about mainstreaming?

Mr Peters—Sorry?

Senator LUNDY—There was a review, a new strategy to mainstream disability sports into NSOs.

Mr Peters—There is a concept of mainstreaming, yes.

Senator LUNDY—Did you say that the Australian Paralympic Committee, or the Sports Commission, was conducting this review into the funding of NSODs?

Mr Peters—It is a joint review between the APC and us.

Senator LUNDY—When will that be released?

Mr Peters—It goes to our board on 30 November, and it will be referred to the Standing Committee on Recreation and Sport. Then we will be going out to the states and so on to discuss the implications of it. Our component involved about 250 consultations Australia-wide. There were over 100 submissions. We had a committee of experts of people from different areas of the disability streams. The challenge is not necessarily at the top end. We know how we can better help our athletes and coaches—it is a matter of finances. But how do we create pathways for those who have a disability to use sport as a means to an end or a means to rehabilitation? There are a lot of agencies Australia-wide involved in that area. We are suggesting that there needs to be a more coordinated effort. So this is a fairly significant study, probably one of the biggest that has been done worldwide, about how we should address this area.

Senator LUNDY—And will it also address issues such as the participation of children with disabilities in commission programs like the active after-schools care?

Mr Peters—Yes.

Senator LUNDY—It specifically addresses that?

Mr Peters—It is one of the issues about how you create pathways. The active after-schools program is obviously one of those pathways. In fact, there are a number of special schools involved in the program at the moment.

Senator LUNDY—How many special schools or schools catering for children with a disability specifically are involved in the active after-schools program?

Mr Peters—Can we take that on notice? We do not have the figure here at the moment.

Senator LUNDY—Sure. And how many children are actually involved specifically? I have a few more questions about disability to ask after the break.

CHAIR—That is quite all right, Senator Lundy.

Proceedings suspended from 10.45 am to 11.10 am

CHAIR—We shall now resume.

Senator LUNDY—Noting that the review is going to be taken to the 30 November board meeting, can we go back to my original question about the current criteria for funding an NSOD?

Mr Peters—Funding for the NSOD is being provided on a strategic plan that they put forward. They have lobbied us for additional funds, and we have said that we want to await the outcome of the review to find out whether their role is reinforced as it is. They are the discussions that we are going through at the moment. So we have kept their funding going into this financial year at virtually the same level as it was last year. We gave a top-up grant to Special Olympics to help them administratively last year. That grant does not apply to the oncoming year but they have done a significant restructure around their governance, and we are working with them on that at the moment.

So the criteria, as for any organisation, are based on what the role of the organisation is and what their priorities are in the coming years, and we fund against those. This has been a difficult area, because where do you classify a Transplant Australia? Is that sport? Is it recreation? That is why we are looking at the whole category of roles of organisations. So far there has been a lot of support for these organisations.

Senator LUNDY—Can I ask whether or not the review being undertaken has caused you to reject the registration of potentially-funded NSODs or has contributed to your not providing ongoing funding to existing NSODs?

Mr Peters—The answer to the second half of your question is that we have continued the funding to those we have funded in the past. I am not aware of any NSODs that we have rejected. There is a set criteria that any national sporting organisation must meet to be identified as a sport with us, and that is around having harassment-free policies and anti-doping policies in place. The same criteria would apply to any group that receives funding from us.

Senator LUNDY—Have you received any applications from organisations for registration and funding that you have not supported recently?

Mr Espeland—I am not sure whether you are referring to surfing for the disabled.

Senator LUNDY—Yes.

Mr Espeland—They did come and speak with commission staff. They provide very high support, experiential activities for people with severe disabilities. But it is that: it is an experiential activity.

Senator LUNDY—What does that mean?

Mr Espeland—It means that a number of people work with a person to get them on a surfboard and let them experience catching a wave. It is an organisation that has been run by a couple of people with extended support. It has done a fantastic job, but it does not have a competitive element and, therefore, would not satisfy one of our criteria to be recognised as a sport. We have encouraged them to work with certain—

Senator LUNDY—So it is not a sport? Surfing is a sport.

Mr Espeland—Surfing is a sport, yes.

Senator LUNDY—But not when people with disability do it?

Mr Espeland—No, I think you are taking my words off in another direction. Surfing Australia have more recently started to have discussions with disability surfing perhaps with a view to establishing an MOU. Surfing Australia are also looking at opportunities for people with disabilities to compete in the sport of surfing. As I indicated to the people from the Disabled Surfers Association, their best opportunity to obtain some sort of access to government support through the sports portfolio would be indirectly through Surfing Australia. As an organisation, the activities they run themselves, whilst they are exceptionally praiseworthy and provide a great opportunity for those people with severe disabilities, do not represent a competitive element in terms of being a sport.

Senator LUNDY—On your definition of disability sport being a sport, a number of non-disability sports are funded with public money that arguably have some not so competitive elements. Indeed, participation is a clear role of many sporting organisations that I understood was supported by the Sports Commission. Why does a disability sports organisation have to formally qualify as competitive to attract funding from the Sports Commission when, as you acknowledge, they are providing a fantastic sporting experience for people with a disability? I have seen some TV footage on this and I do not think I am overstating it to say that it is obviously loved by all its participants.

Mr Espeland—And it is a great initiative, as I indicated before.

Senator LUNDY—Where does it say in the application for funding that there must be a competitive element to the activity to make it eligible for NSOD funding?

Mr Peters—We have a definition of sport and it talks about competition, but the difficulty with this area is that it is very emotional and we have to make decisions at the end of the day about what is the best way for sport to be developed in Australia. One of the difficult areas here is defining what is a sport and what is an activity. We have been successful in the past at providing opportunities by having national pathways, so where does an activity fit into a national pathway? That is one of the key issues that this national review is looking at. It is looking at the relevancies of the organisations that provide opportunities for people. It is a very difficult area to deal with because of the emotion involved. It is under the concept of mainstream if we can have the parent bodies responsible for the particular sport and, whether it is surfing or wheelchair basketball, that allows us to look at where that fits into a national pathway and see what the support mechanisms are. It is a very difficult area for us. This group, from what Mr Espeland has said, has only just recently approached us. We have asked them to talk to Surfing Australia, who are a very efficient organisation, to see if there is a way those organisations could work together.

Senator LUNDY—Is it true that you also rejected them to be classified as an NSOD, which could have made them eligible for other types of funding?

Mr Espeland—It is a question of applying the standard recognition criteria, which were approved by the ASC board, as a first step towards possibly accessing funding. Only recognised sports can be funded. Many sports approach us not necessarily seeking funding from the Australian government but knowing that recognition by the commission will then allow them to access money at state level from state governments. In each case there are

certain criteria which have to be met, and they apply whether or not it is an NSOD or an NSO. In this case we are talking about recognition as a national sporting peak body. As I said, the people involved in this program deserve nothing but the highest praise for their initiative and all the people who support them. I have seen that TV footage; it is great—fantastic.

Senator LUNDY—They have been in place for 20 years and have developed specific programs over that time. I understand their programs are in demand. They have obviously come to you because they are a sport and you are the Sports Commission.

Mr Espeland—I think that is where I would beg to differ. They see themselves as a sport and being involved in a sport, but—

Senator LUNDY—What do you see them as?

Mr Espeland—I see them as a very praiseworthy organisation that provides an experiential initiative for people with high support needs. The benefits that are derived from that are fantastic, but they do not represent, as I said, a sport. The commission has—

Senator LUNDY—Surfing do not want them. You have sent them back and said, 'Fit in with Surfing Australia.' I understand that Surfing Australia do not want them. What is your response to that? Presumably you know that.

Mr Espeland—No, I do not. The last time I spoke with Surfing Australia was at one of our national plan workshops, and they were quite positive about getting to understand what this organisation was and about getting involved with disability sport and developing competitions for people with a disability in the surfing environment. They indicated that they were more than happy to talk with these people. And why shouldn't they? In venturing into this area, Surfing Australia would hope to draw upon 20 years of experience, because there are a lot of high-support needs which will need to be identified.

Senator LUNDY—Sure. On that point, why should Surfing Australia expand its charter into a highly specialised area just because you reject their registration as an NSOD?

Mr Espeland—I do not think that is the case. They are not looking to get into this area.

Senator LUNDY—Exactly.

Mr Espeland—But there are certain understandings and lessons that have been learnt by the surfing disability organisation over 20 years that I am sure Surfing Australia would like to draw upon.

Senator LUNDY—With all due respect, that is not a satisfactory answer in my view. We have an organisation that is not about competition; it is about getting people with disabilities involved in a sport as participants. You do not have to compete in a sport to be a participant. There are several modifications of games and the concept of social participation is, in the structure of the game, not competitive at all. So how can you possibly define this organisation as not being a sport and reject it for the purposes not even of funding but of status as a national sporting organisation for athletes with disabilities?

Mr Peters—The principle that we work under is the principle of mainstreaming, and it is important that the parent body for the sport engages in discussions with this group to see if there is a possibility for it to be mainstreamed, because at the end of the day they will be asking for resources. There are only so many resources available. If we can have efficiencies

in the delivery of particular activities under the sporting umbrella, that is what our aim will always be, and that is where the discussions are at at the moment. I am not aware, from what Mr Espeland has said, that Surfing Australia have rejected any approaches, and we will continue those discussions with them.

As I said, the larger review of this whole area of sports for athletes with a disability hopefully will shed a lot of light on the roles of these various groups and how we set up a national body and how states and territories need to take some responsibility for this area—it is not all about a national approach through the Sports Commission. There are state and territory departments that also need to address how these activities fit within the umbrella of state and regional associations at that delivery level. It is a very complex area.

Senator LUNDY—If you were to grant them NSOD status, they would then be eligible for funding such as Project CONNECT funding. Are you of the view that they ought not be eligible for Project CONNECT funding? I understand it is a lower level of funding to support smaller NSOs.

Mr Peters—Project CONNECT funding is for national sporting organisations.

Senator LUNDY—An NSOD is not able to access that at all?

Mr Peters—No. It is for national sporting organisations under our mainstreaming policy.

Senator LUNDY—Why aren't NSODs able to access Project CONNECT funding?

Mr Peters—Our philosophy is mainstreaming.

Senator LUNDY—Have you taken advice from the Human Rights and Equal Opportunity Commission on that?

Mr Peters—I am not aware of that.

Senator LUNDY—Do you think you might be breaching the guidelines under that act?

Mr Peters—I assume we are not, otherwise we would not be operating this way.

Senator LUNDY—But you have not asked the question.

Mr Espeland—I have not personally. Whether our area of disability, which has been operating now for a long time and deals with all of these issues, has asked that question, I can certainly check. But I am sure someone would have informed us if we were doing it. Perhaps through correspondence you are aware of something. I am happy to follow it up.

Senator LUNDY—Could you take it on notice to get an opinion from HREOC about determining that—

Mr Peters—That is fine. We work with them on a number of projects, including Play by the Rules; we are in constant contact with them.

Senator LUNDY—Going back to the Disabled Surfers Association of Australia, when they do their thing in getting people with disabilities on surfboards, they require a huge number of volunteers to help them with that—20 at any one time. How on earth would Surfing Australia cope with that sort of program, and don't you think this example is one of those stand out examples that just do not fit the mainstreaming model? What scope is there within your guidelines to support them? Is there any at all? Is it a board decision?

Mr Peters—It will eventually be a board decision. We have criteria for recognising bodies; they have been approved by the board. The whole area of people with a disability and activities associated with them is why this major review has been put in place—because there are no easy answers to this.

Senator LUNDY—Is it the Sports Commission's intention, as a result of the review, to eliminate funding for national sporting organisations for athletes with disabilities?

Mr Peters—No.

Senator LUNDY—Can you guarantee that the funding will stay there?

Mr Peters—I cannot guarantee the present funding will be as is. There may be some recommendations that some of these groups combine. This is about finding out from those involved in the field whether there are efficiencies in operation. When we did a review back in 2000, a number of groups were recommended to amalgamate, which they did to great effect.

Senator LUNDY—Can you explain why the ones that are still receiving funding receive high-performance funding but no sport development funding? As I see it, this is more in that participation area. Can you answer that question generally about NSOD funding currently?

Mr Peters—The majority of the funding to sporting organisations goes to high performance. That has been the case for many years because, at the state and territory level, governments tended to do more work in the participation area. As I have said, it is a worrying stat that they require more support from government in the future because corporate support is not there and, in a lot of cases, state support is not there. At the end of the day, we give the majority of our support to high-performance programs, whether it be in the disability area or whether it be in the able-bodied area.

Senator LUNDY—Going back to Project CONNECT funding, what is the criteria for that funding based on?

Mr Peters—Project CONNECT started roughly four or five years ago under the concept of mainstreaming. It was looking at sports that had the desire to implement programs along the mainstreaming line, and there were a number of different classification levels set up so that you achieve different integration stages within your sport. They were classified as the bronze and silver and gold levels. Once they achieve a certain increment of their programs then they receive additional funding. It was linked to a number of sports that were prepared to embark on that mainstreaming program because, for a lot of sports, it is a difficulty.

Senator LUNDY—It sure is, like surfing. If that funding is available to assist sports to mainstream, why are you cutting out the Disabled Surfers Association from accessing that to then facilitate their mainstreaming with Surfing Australia? Why are you denying them that opportunity? That is discrimination.

Mr Peters—If surf life applied under this program and they had the disability element as part of it, it would be considered. At the end of the day, there is only a certain amount of money we have available to distribute to organisations. We have asked that organisation to talk to the national sporting organisation and we wait with interest to see what comes out of that. We are not discriminating against them at the moment.

Senator LUNDY—You are in the sense that you are preventing them from becoming a registered NSOD, which makes them eligible for Project CONNECT funding and which would enable them to talk to Surfing Australia but resource them to a point where they actually had something to bring to the organisation. At the moment, they are at a complete disadvantage because you have told them to go and knock on the door of Surfing Australia. There is no incentive for Surfing Australia. I think you are discriminating by not granting them status as an NSOD, which would then allow them to open these other doors in this way, and I am asking you to reconsider.

Mr Peters—If they are able to meet the criteria, then they will not be not recognised as an NSOD.

Senator LUNDY—But they will not meet your criteria of being competitive per se.

Mr Peters—I suggest they do not have an anti-doping policy in place either, and they probably do not have a harassment-free policy in place, which are criteria that organisations need to consider.

Senator LUNDY—Have you offered to provide them support in developing those policies that are required?

Mr Peters—I was not privy to the discussion, but they are obviously talking to their national sporting organisation at the moment and we will await the outcome of those discussions.

Senator LUNDY—I suspect you have not, and I suspect there has been no serious proactive effort on behalf of the commission to assist this group to become an NSOD so that they can apply for funding to help them achieve the ultimate goal that you are wanting, which is an amalgamation with Surfing Australia. Can you cut them a bit of slack, stop discriminating and let them do what they do best and have a hope for the future?

Mr Peters—Our board has a definition on what sport is at the moment, and they must meet those criteria, otherwise—

Senator LUNDY—Can you take something to the board asking them to have a special exemption for this group to facilitate change?

Mr Peters—At the completion of our national review into a sport plan for people with disability, I am sure there will be a number of recommendations that our board will consider.

Senator LUNDY—Does Project CONNECT only fund paralympic sports?

Mr Peters—No.

Senator LUNDY—So they could be eligible for Project CONNECT?

Mr Peters—Yes.

Senator LUNDY—What is the level of Project CONNECT funding?

Mr Peters—There are three levels. I do not have them with me; we can get them very quickly.

Senator LUNDY—You can take that on notice. Going back to your definition of ‘sport’, for the purposes of this discussion can you outline specifically what the definition of ‘sport’ is?

Mr Peters—The key part of the definition for this is there needs to be a competition base and there needs to be a national pathway.

Senator LUNDY—What do you mean by competition base?

Mr Peters—It needs to lead to some form of competition. That normally has a regional, state, national, international level to it. In some cases it may be at the national level. We are supporting two things: one is strengthening of a national pathway and the other is excellence in sport, which are the two objectives of the commission.

Senator LUNDY—Can you expand on what ‘pathway’ means?

Mr Peters—Pathways is an entry point for someone into a particular sport. If they wish to pursue that sport there is a structure they can go through, whether that be club, regional, state or national, if they are of some talent—and the majority of our funding goes to support the high-performance network. But if they wish to remain in the sport there are also other opportunities for them to go through as coaches or administrators and be social participants. A pathway means you need to have a number of elements.

As Mr Espeland was trying to explain, there are some activities where people go and do an activity. Is that the responsibility of the Australian Sports Commission, which deals primarily with national sporting organisations or is that the responsibility of state governments? That is what this review is trying to look at. We get people applying for funds from us every day for various reasons. We have to have definitions. We have to have some sense of what we are trying to achieve. Otherwise we would deliver funds across a whole lot of groups that would not achieve the outcome that we are expected to achieve.

Senator LUNDY—Does the AIS have athletes with an intellectual disability on scholarship?

Prof. Fricker—Depends how you define ‘intellectual disability’.

Senator LUNDY—Let us go with the IPC definition.

Prof. Fricker—I am not sure what the IPC definition is.

Senator LUNDY—I was hoping you would know.

Prof. Fricker—No, I do not.

Senator LUNDY—I put it to you that you do have them. What is the status of their scholarships following the IPC decision to not include athletes with an intellectual disability in Paralympic competition in Beijing in 2008?

Mr Peters—Overall the support we gave was an additional \$180,000 was given to Ausrapid, the group that supports athletes with an intellectual disability. Previously that money had been included in the Australian Paralympic Committee funding. We had discussions between Ausrapid and the APC and agreed that \$180,000 should move across to them. Presently within the AIS we would have, I would say—and I am not aware of the IPC’s definition—athletes with a disability in the track and field program, we run a camps based

program for swimmers and we run a camps based program for the Winter Olympics group. We are discussing this with the APC now on how we can provide more support to athletes to be under the AIS banner. They are presently looking at the funding implications for that.

Senator LUNDY—Are you talking about athletes with an intellectual disability?

Mr Peters—I would say that they are athletes with a physical disability at the AIS—again, not knowing the definition. We are inundated with requests for athletes and sports to be part of the AIS and we need to make decisions on how we can best support those particular athletes.

Senator LUNDY—Are you able to advise on the status of the scholarships for athletes with an intellectual disability, given the IPC decision, as I said, not to include them in the Beijing Olympics? Do you need to take that on notice?

Mr Peters—I am not aware of any such scholarship holders at the AIS. From Professor Fricker's reaction, I don't think we have any scholarship holders that would be classed as having an intellectual disability.

Senator LUNDY—Please take that question on notice and, if you have, what are your intentions?

Mr Peters—We have been aware of the IPC decision and that is why we entered into discussions with Ausrapid to make sure the support that is presently being given to athletes would continue pending hopefully a reconsideration by the IPC.

Senator LUNDY—Will athletes with an intellectual disability still be involved in Paralympic preparation programs—the implication being they will not be able to participate and that this is the only opportunity they will have to maintain their preparation for international competition?

Mr Peters—My understanding, having worked on some of these issues with the APC recently, is that, no, the APC will not be preparing athletes with an intellectual disability. That will come back to the sports in conjunction with Ausrapid.

Senator LUNDY—What is the Sports Commission doing to ensure that Ausrapid are able to maintain that quality training experience and scholarships for these athletes? You mentioned the \$180,000, but that will not go very far.

Mr Peters—They get other money in addition to the \$180,000. That was just specifically for athletes at that particular level. The Ausrapid CEO was on our national reference group for the sport plan for people with disability and contributed significantly to looking at how we ensure that this group of athletes is supported, which again raises the issue of the definition of 'sport'. It has been a fairly robust discussion. As I said, we are now taking that combined report, which is the APC and ourselves with our reference group, to the Standing Committee of Recreation and Sport so that we can engage the states in more discussion. This is not just a solution that the Sports Commission has to find; this is a national solution that involves some fairly complex and perhaps not particularly efficient systems around Australia at the moment.

Senator LUNDY—What requirements does the Sports Commission place on NSOs to ensure that they continue to include athletes with an intellectual disability in their programs?

Mr Peters—I do not think we have differentiated between athletes with an intellectual or a physical disability; what we have said is that the policy is one of mainstreaming. We are also realistic enough to realise that the majority of NSOs struggle to run their able-bodied program. Again, it is a very emotional issue for them—how do we streamline our processes, how do we get resources into a NSO to make sure that they cater for those that want to be part of their operations? It is very difficult scenario. Whether we can tap into funds from the health or education sector, where there are programs about integration and rehabilitation, to support the mainstreaming concept is something that this national plan addresses.

Senator LUNDY—Will that review with respect to disability and sport be made public?

Mr Peters—As part of the government's policy, it asked us to do the review and refer it to the minister. So I assume it is a government decision at the end of the day whether it is made public. Certainly to date it has been very much a public process.

Senator LUNDY—Minister, is it your intention to make the disability and sport review public?

Senator Kemp—I have not seen it myself yet. When I have seen it I will make a judgement. In general, I think it is a good thing if these things can be discussed widely, but I think what I need to do is have a close read of it myself.

Senator LUNDY—We will look forward to it then. How many of the talent identification initiatives announced in the last budget are underway?

Mr Peters—All of them are underway. We looked at three areas. The first was programs that were in place for sports that we believe needed some assistance. Those particular sports have received funding. They are rowing, canoeing in particular, cycling and our skeleton program. Those four are under the continuing commitment to national talent ID program, which was one section of the policy. Those four continue to be supported.

In the Asian specific program that was established there have been discussions with a number of sports. At the board meeting two weeks ago it was agreed that badminton, judo, taekwondo, shooting, beach volley ball, triathlon, diving and short track speed skating would be programs pursued with those NSOs. There have been discussions with them as to how best we can utilise that Asian-centric location.

As background to the Indigenous area, we have, combined with the states, something like 50 sport and recreation Indigenous officers around Australia now. They have been giving input into how we would deliver the Indigenous program. At this stage, the sports of track and field, hockey, basketball, softball and boxing have been identified as sports that would be able to be progressed within the communities on the basis that AFL and cricket are in some of those communities already. So the feedback we have to date is that they are the sports that would benefit from some emphasis within those communities, and now we are looking at rolling those programs out.

Senator LUNDY—I understand the new Skeleton intake was recently announced. Can you tell the committee how much this program cost in its entirety from identification through to the last winter Olympics?

Mr Peters—The first stage of the program to Torino?

Senator LUNDY—Yes, up to Torino.

Mr Peters—Can we take that on notice? The allocation of funds for the remaining program is around \$350,000.

Senator LUNDY—How does that compare with other Olympic sports funding?

Mr Peters—I can produce the stats. I would say it is one of the better funded programs on the basis that it was an AIS initiated program to see whether we could match talented athletes with a talented coach and sports science and sports medicine and make a difference in a women's sport area. There is a lot of intensity in the program, because we are not taking athletes who have come through the system; we are going to surf life and to track and field and identifying athletes under the talent transfer proposal. So there was an additional cost. The Winter Olympic Institute debated whether it would continue the program and was very supportive of our continuing it through to the Vancouver Winter Olympics.

Prof. Fricker—Just to add to that, it was also established as a research project rather than a straight sports program.

Senator LUNDY—So it incurred additional costs because of that?

Prof. Fricker—It did incur additional costs to make sure that the science was rigorous and to constantly test it. Also, setting that up generated its own costs as well.

Senator LUNDY—Could you take on notice the full costs for that and a breakdown and also the costs of the other Winter Olympic sports in the lead-up to Torino so we have some comparisons. Could I also ask you to take on notice to provide the details of all the current talent identification programs, including the targeted ones, the Indigenous programs that you spoke of, the athletes that have been targeted and the specified outcomes that you are hoping to achieve for those programs—length, cost and duration.

Prof. Fricker—May I ask a quick question on that?

Senator LUNDY—Yes.

Prof. Fricker—With the breakdown of the costs for the Winter Olympics program, are you asking for the total cost—the contributions from the AOC as well as from the AIS and the Sports Commission.

Senator LUNDY—If you have those figures, but just that figure to illustrate the proportion that the Sports Commission contributed to the whole program.

Senator Kemp—I think it would be of interest to see what the states are doing too, if that is possible. I would not want to add to the work but—

Senator LUNDY—I am sure you are allowed to put a question on notice, Minister.

Senator Kemp—I am actually making the point that this is a really important program. It is one which I think offers great potential to help us maintain our position in world rankings, and it is one that I am particularly supportive of. I think the point was made earlier that an increasing proportion of money for high performance is coming from the federal government. We will always be the major funder, and I would take some responsibility for that because I am continuing to push, as you know, for improvements in our budgetary position.

The worrying thing is that some of the states are perhaps not showing the same commitment to high performance. We are seeing the allocations to state institutes are either static or declining. I know that is not your Labor Party policy, Senator Lundy, but it is apparently the Labor Party policy in a number of states. Any influence you may have with ministers for sport in the states on improving their performance in this area would be a very good thing.

Senator LUNDY—Following a discussion we had at the last estimates regarding what was then called direct athlete support and is now the Australian government support training grant, can you advise the committee whether non-Olympic sports such as netball and orienteering currently receive federal grants?

Mr Peters—We are finalising the recommendations for our 30 November board meeting on athletes to receive grants for this financial year, and non-Olympic sports are being considered.

Senator LUNDY—Are you able to say, if that decision is positive, whether that funding will continue through the Olympic Games period for those athletes not competing at the Olympic Games.

Mr Peters—If we use the example of netball, if they are successful then that will continue through until the next Commonwealth Games in India.

Senator LUNDY—Last estimates you suggested that the recommendations for funding came from the NSOs. What mechanisms are there for an athlete to dispute this allocation with the Sports Commission if they perceive that they have been treated unfairly by the NSO or there have been allegations of bias within the NSO? What are the appeal mechanisms if an athlete perhaps misses out, based on the recommendation of their NSO? Can they come to you and appeal?

Mr Peters—They have come to us, and that is available to them. In at least one instance, we accepted their argument. The criteria is based on medal potential. You have to be able to prove, on your performances, that you are a medal-potential athlete.

Senator LUNDY—What is the process for arbitrating those kinds of disputes? How do you hear the complaint? How do you respond to the complaint? How do you fix it?

Mr Peters—We have set up a moderating panel. When national sporting organisations nominate athletes to be recipients of the grant, that panel, which consists of commission staff, a representative from the National Elite Sports Council and on some occasions Perry Crosswhite or someone from the Commonwealth Games Association or the Olympic Committee are invited to participate. Sometimes they do; sometimes they do not. That moderating panel would be the same group that considers an athlete's submission that they have been unfairly treated.

CHAIR—We might rotate to Senator Ronaldson, because you have had a very long go of three hours.

Senator RONALDSON—Just a quick question. We will have further questions later on. Minister, Senator Lundy referred to the talent identification and I gather there was a

substantial increase in funding in the last budget. Would you care to advise the committee on other budget initiatives and where they are at at the moment?

Senator Kemp—There were some very important initiatives in the last budget for high performance sport, which have been very extensively welcomed by the sporting community. Certainly the talent ID was a very important initiative. There were also initiatives in respect of coaches, so I might get Mr Peters to speak on the current status of those initiatives.

Mr Peters—One of the key issues was for us to support the AIS. There had been generous support from the Australian government over a number of years for national sporting organisations, travel funds et cetera. One of the key components of the success of our Australian sporting system has been the role of the Australian Institute of Sport. We had not been able to supplement their funding since 2000, so in last year's budget there were funds of an extra \$3.9 million a year on average to supplement existing AIS programs. There has been a review of all of the programs. National sporting organisations have put submissions in for where they may want additional scholarships at the AIS, where they may want additional coaches appointed and where they may want to run additional camps. That is all being considered. In our board meeting before last, the board signed off on the allocation of those funds. They were certainly well-received by those within the AIS and the national sporting organisations.

We spoke briefly about the national talent ID. I think that is an exciting area for Australian sport into the future. We are going to have a reducing talent pool, so we are looking to identify athletes who are talented in a particular activity and have particular skill sets who may be able to go on in a sport that they had not thought of before. We have seen great examples in gymnastics, where gymnasts who, through changes in body size or whatever, are not going to be able to go on and compete in that sport but can become divers, aerial skiers and so on. There has been a lot of success with that program. We think there are a number of athletes in rowing who could go into canoeing, for instance. It is becoming a great base now for very talented athletes from the winter sport of women's skeleton through to canoeists and rowers. The whole talent ID program is trying to tap in and give people an opportunity to be identified. Of course, then it is about hard work and health, and that happens through the system, but the more people we can identify who can go into our high-performance system the more chance we have of continuing to be successful in an ever-increasingly competitive international sporting environment. As I mentioned, we needed to support some of our key sports like rowing, canoeing and cycling, so we have continued our programs and put more resources into talent identification. It is about talent identification and development, so once we identify them we need to have a development program. That is continuing really good work that has happened in the last few years.

In the Indigenous area, in a sense it is a brave new world. There are lots of talented athletes. The AFL have done a good job in identifying half-forward flankers and forward pockets. A lot of those athletes may well be exceptionally good 400-metre runners or jumpers. How do we work with them not just to identify talented athletes to bring out of their communities and put into programs but to develop coaches and support mechanisms within their communities? How do we deal with the transitional issue to make it as easy as possible?

They are the sorts of complicated issues that have been dealt with around the simple concept that there are talented Indigenous people out there that we need to tap into.

Our Asian-centric location means that the costs and the time differences between Europe and the USA are challenging for all our sports. If we can take these sports that are what we call Asian-centric, where there is very strong competition and good coaching expertise, we can fast-track a number of multi-medal sports at the Olympic Games such as judo and taekwondo. People with skills in those areas deciding to live in Australia may have the ability to compete more effectively within a time zone and with less expense for our NSOs. If we can establish those links in Asia, then we think that is going to benefit our programs at the end of the day.

They are the key areas out of last year's budget that we have implemented. The other area is university sport. We are talking to them about how we can implement the government's program, particularly for rural and regional universities, and how we encourage more participation and set up some pathways within that area. We have had extensive consultations with them.

Senator RONALDSON—I presume that talent ID is almost about keeping up with the Joneses to maintain our position vis-a-vis the rest of the world. Or keeping ahead of the Joneses, perhaps I should say.

Mr Peters—We need to finish one, two or three in the medal count, not four, five or six. We are seeing some countries like China, Russia, Germany, Great Britain and Canada now putting enormous funds into their high-performance sport area. We are also seeing a lot of European countries specialise in four or five sports, so they are putting all their resources into four or five sports to be successful on the international stage. The sports they are choosing are swimming, cycling and rowing. I think from memory at Athens 23 countries won medals in rowing. The competition out of Europe is quite extraordinary. Even to keep our outstanding performances of the recent decade we need to invest in these athletes and look at the talent transfer issue. We do have an aging population. We have probably lost a generation of kids who have not learnt mobility skills in school and therefore have not actually tried sport. So we are seeing an ever-reducing number of athletes in what we would call our high performance talent pool.

So we have challenges as a country in how we sustain our international performance, which from everything we see is important for the Australian community. This is one way of looking to fast track, and with the expertise of the staff not only at the commission and in terms of strategic planning but with the AIS linked with our national institute and academy program, where we would like to see some boosts in resources as well. We think we can be competitive, but it is probably one of the biggest battles we have had, with Beijing being our first big test.

Senator Kemp—It is clear to us, just to summarise, that other countries—no matter how you measure it in terms of absolute dollars, per capita dollars, dollars per sport—are often spending a great deal more on high performance sport than Australia is. The recent figures that have come out of the UK are quite dramatic. On a number of key Olympic sports in the run-up to Beijing, and on to London, they will be spending, at least on current forecasts, perhaps twice, sometimes three times, as much as we are spending in Australia. Then you

look at other countries who are targeting particular sports. The amount of money being spent in those sports more than matches what we are putting into sport in Australia. Russia, probably boosted by the revenues they are receiving from oil, are making a huge commitment to lifting sport. So right across the globe as we go into Beijing it is going to be absolutely mega competitive.

The concern of the Sports Commission and the sports minister—despite our great successes in Athens and Melbourne, and the results were outstanding—is how, as we go ahead to Beijing and Delhi and then London, we can maintain our position or in some cases improve it. It is going to be a very big task. The Sports Commission has put a lot of detailed planning into place over the last three years to see how we can lift our performance. The last budget initiatives, which Mr Peters went through, are very interesting.

We want to generate in the system a greater commitment from the states, to be quite frank. The states do have institutes. Clearly it makes sense to have—we are a federation, we are a huge country—very active and well funded state institutes. At the next meeting we are having with the state institutes Mr Peters is keen to see how we can better coordinate future programs with the states. There is a big task ahead of us. In a paradoxical sense I think probably Australia has been better at using its talent than many other countries, but we still have to make a substantial leap forward so that young people with talent are recognised and given the opportunities, if they want to, to progress to the very highest levels. I think we are putting in place those pathways very effectively at the moment.

Senator RONALDSON—Have you got any figures about the reduction in the states' support through their institutes?

Senator Kemp—We do have some figures; I don't know whether we would have them here. In some ways it has been static, while the federal funding has been lifting considerably. Some of the money that goes to state bodies comes indirectly, I suspect, from the federal government through our funding of the NSOs. This is the moment where Australia has to make sure its resources are most effectively used. We are facing a mega competitive environment out there. The federal government will play a key role. We are not in any way shirking our responsibilities but we would like to see a bigger effort from some of the states.

Senator RONALDSON—Minister, it seems they are happy to fete successful athletes but they are not prepared to put the resources in.

Senator Kemp—Of course, there is always a bit of competition over badging. We think that can be solved very easily. We are not too precious about that. I think it is just a matter of whether state sports ministers can kindly go and knock on their premiers' and treasurers' doors. As you know, we are pretty busy here in Canberra doing that. We have been very successful and we want to see a bigger commitment from the states. To be quite frank, we would also like to see whether the AOC itself could put some more money in. We are facing a huge challenge. Everything has to be done to meet that challenge. At the end of the day, I am confident we can but I just wanted to alert the committee that there is a megacompetitive environment emerging. A lot of the Chinese athletes who may medal in Beijing are athletes we have not seen. I would have to go around and check with the sports, but we think that a number of the best Chinese athletes are not competing at the moment in world cup championships.

Senator RONALDSON—Is the AOC in a financial position to make a further contribution?

Senator Kemp—Again it is a matter for the AOC, but we would like a bigger commitment from them and a bigger commitment from the states. Frankly, on sports sponsorship we would like to see more commitment as well. The Australian government is taking the lead in this. This is not attempting to pass the buck in any way whatsoever, because I think everyone would look to see what the Australian government has delivered and say that this has been a period where huge efforts have been made to really lift our game, which we have to do.

Senator RONALDSON—I have to say I think you are being very generous. This has to be a team effort, doesn't it? The federal government is putting substantial increased resources in. It has this terrific initiative with talent ID, which will underpin our future competitive position, but it has to be a team effort, doesn't it?

Senator Kemp—I agree with that; you are right. I thought that was the point I was making. I think that is correct. We do need—

Senator LUNDY—Are you finished? Can I get back to my questions, Chair?

CHAIR—Senator Lundy, just take it easy. You have had three hours.

Senator LUNDY—That is because I am in opposition.

CHAIR—Senator Ronaldson is entitled to ask his questions and to flesh out the issues that he thinks are of interest.

Senator RONALDSON—Kate, I am staggered that you interjected then. I am absolutely staggered. What time did we start this morning? It was nine o'clock. What time did I start asking questions? At five to 12.

CHAIR—Ten minutes ago.

Senator RONALDSON—Honestly and truly!

CHAIR—It really is appalling, Senator Lundy.

Senator RONALDSON—I have made more sense in the last 10 minutes than you made in the last two hours.

Senator LUNDY—You are just humiliating yourselves. Get on with it.

Senator Kemp—That is discourteous.

Senator RONALDSON—As it turns out, I had finished. But it had nothing to do with your interjection, I can assure you. I will probably be asking more questions now as a result of it.

Senator Kemp—A press release which has been put out today has come to my attention. I want to draw it to the attention of the committee in case there is any misleading information. It is headed 'Kids still sitting on the sidelines'. It is an unfortunate effort by Senator Lundy to make what can only be described as a sad political point.

Senator LUNDY—But a reasonable one.

Senator Kemp—No. The political point is this: when we came into government—

Senator RONALDSON—Can you advise the committee—

Senator Kemp—I will table the press release. When we came into government, there was no active after school hours program. The Labor Party showed no interest having an active after school hours program. It was this government which put in place the active after school hours program. But something is not clear in the press release. Senator Lundy says that kids are missing out. I have stated my view, which is that I hope this program can be expanded. Under Senator Lundy's policy, when she went to the last election, she proposed to cut \$10 million off the active after school hours program.

CHAIR—Is that right?

Senator RONALDSON—Deary me!

Senator Kemp—If I am wrong, I am happy for Senator Lundy to advise me I am wrong. But my memory is that the Labor Party policy was to reallocate some of the active after school hours program. So for Senator Lundy to use information at this committee when her policy was to cut the active after school hours program is quite disgraceful, in my view.

What is also missing from this press release is a commitment by Senator Lundy not only to restore the funding that the Labor Party promised to cut from the Active After-school Communities program but to increase the funding. If I were a journalist, I would ask Senator Lundy: is it Labor Party policy to expand the active after school hours program? That is the question that Senator Lundy should be asked. But she is under strict instructions from Lindsay Tanner not to make any commitments, so I will be intrigued when the journalists pick up this press release and they ask Senator Lundy whether she is prepared to make the commitment. Of course, I have indicated my own strong support for this program and my desire to expand it but there is a gaping hole in the Labor Party policy agenda.

Earlier on I said that Senator Lundy was sidelined from the sports portfolio for bad policy development. One of the policy developments which caused a lot of complaint was Senator Lundy's policy to cut the Active After-school Communities program. So she has a total cheek to come to this committee and use information—which, I might say, was freely and appropriately given by the Sports Commission—in order to make a political point. We are all aware of this problem, Senator Lundy. That is why we initiated this program.

Senator LUNDY—Are you finished making your political points, Minister? I think you ought to be grateful that I am clearly supporting your push for more funding for the program..

Senator Kemp—What is your push?

Senator LUNDY— I want to thank you for promoting my public statement. It is very helpful.

Senator Kemp—You tried to cut this program in the last election, and I vigorously opposed you on that. Now you are complaining that we have not expanded it by more. The truth is that from a policy position you are all over the place as usual, so I just hope journalists will press you to find out why you decided to cut it last year.

Senator LUNDY—Chair, I would like to move to ASADA.

Senator RONALDSON—On that point, I presume this program was introduced to make Australian kids more healthy—to assist with them their health—and I assume that any reduction in funding for this would compromise it.

Senator Kemp—That is right. That is why it surprised us that in their last policy the Labor Party wanted to reallocate some funding out of this program. Anyway, I make the point and I am very interested that the Labor Party clearly endorses this government initiative, which is great—let's give credit where credit is due; Senator Lundy endorses a Howard government initiative, the Active After-school Communities program. Question 1 is this: why did Senator Lundy then try to cut it in the last election? Question 2: why is Senator Lundy now claiming that it should be expanded? I support that. It is nice to hear but it is a bit late after your initial policy position. What is the Labor Party's commitment to this program? That is what I think we need to hear. Putting out this sort of press release is pretty ordinary. I really think, after all of these years as shadow minister—

Senator LUNDY—We have managed to fill 10 minutes with it. I would like to get on with questioning ASADA.

Senator Kemp—it is pretty ordinary.

CHAIR—Do you wish to table that?

Senator LUNDY—He already has, Chair.

Senator Kemp—It is a pretty ordinary effort.

CHAIR—We have to have a motion accepting the document, I believe. Senator Ronaldson, would you like to move that that document be accepted?

Senator RONALDSON—Yes.

Senator IAN MACDONALD—I second that.

Senator LUNDY—Thank you, Chair. That is very helpful. I would like ASADA to come to the table now, because I have some questions for them.

CHAIR—I am not sure. Does Senator Wortley have any questions at this stage?

Senator WORTLEY—I am happy for the shadow to take the questions.

Senator Kemp—How about Senator Macdonald, who has been waiting patiently there?

Senator IAN MACDONALD—I find that there is very little that needs investigation in this area, Minister. You run it so well.

Senator Kemp—Thank you, Senator Macdonald.

Senator IAN MACDONALD—The only thing I could ask you, knowing your Scottish background is whether the Scots interact with Australia. I understand they did quite well at the Olympics. Someone suggested to me that Australia might have had something to do with it.

Senator Kemp—This is the Commonwealth Games, I think. Were Australian coaches involved there, Mr Peters?

Mr Peters—The head of the Scottish Institute of Sport was an Australian, but we have just brought her back to head up the Victorian Institute of Sport. So we do not expect any threats.

Senator IAN MACDONALD—A very sensible move.

Senator Kemp—We have taken action immediately on this. As I said, the Sports Commission is very wily on these things.

Senator IAN MACDONALD—That is good to hear.

Senator Kemp—Good question, by the way. A very good question—without notice.

Senator LUNDY—Are you going to call ASADA to the table, Chair? It is only the fourth time I have mentioned that.

Senator Kemp—If we call ASADA to the table, does that mean the Sports Commission can go?

Senator LUNDY—Just before the Sports Commission goes, I cannot speak for other senators but perhaps I could ask the Sports Commission what they are doing to improve physical activity for adults—apropos the comments about Labor's policy, where we did choose to direct some of our money to the dire need to get adults more active.

Senator Kemp—I am glad you conceded that point. That was the first time you ever conceded that you had proposed to cut the active after school hours program.

Senator LUNDY—Can I say that we had programs for adults. And my question to the commission speaks for itself, Minister. So stop making political points. The question to Mr Peters is: what programs—

Senator Kemp—It is very interesting what you have just done.

Senator RONALDSON—You have acknowledged that you are prepared to compromise the health of kids.

Senator LUNDY—I acknowledged what our policy was at the last election.

Senator RONALDSON—Which was to compromise the health of kids.

Senator LUNDY—Anyone can read that.

Senator Kemp—It is important that you have done that, because—

Senator LUNDY—You are not so clever, Minister. What are you doing about adults' physical activity levels?

Senator Kemp—It is rather important that you have conceded for the first time that you propose to cut the active after school hours program.

Senator LUNDY—But everyone could read that.

Senator Kemp—Mr Peters may seek to respond.

Senator LUNDY—Unbelievable. Mr Peters, what does the Sports Commission do to improve the physical activity of adults. Given you have all spent a long time talking about what you are doing for children—

Senator Kemp—Only in response to your question.

Senator LUNDY—what are you doing for adults?

Mr Peters—I do not know what your definition of 'older adults' is.

Senator LUNDY—Not children, to help you along there.

Mr Peters—We do not have a specific program directed to older adults. We run a whole lot of programs which are about quality of coaching and officialdom within SOs, and we believe that by being successful on the national stage hopefully people will be encouraged and inspired to be active. Our latest statistics from the ERASS report suggest that the older population is becoming more active. We cannot claim that is a direct result of what we do, but it is certainly encouraging that that is occurring.

Senator LUNDY—But you do not fund any specific programs aimed at boosting adult physical activity.

Mr Peters—That is correct.

Senator Kemp—I thank the officers from the Sports Commission for appearing this morning and for the comprehensive information they gave.

[12.18 pm]

Australian Sports Anti-Doping Authority

Senator LUNDY—The players association came out in late August extremely concerned about after-hours testing performed by ASADA. Players have apparently been woken in their family home at 5 am. What discussions has ASADA had with the players association to explain that change in testing, and have those problems been resolved?

Mr Ings—Firstly, I would like to say that, under the WADA code, there is a provision which outlines that testing can be conducted anywhere, anytime. The line that we have is that we do not just play lip-service to that. If we say, 'Anywhere, anytime,' we have to mean anywhere, anytime. That is not just in relation to the WADA code. It is also particularly in relation to the individual sporting policies under which ASADA must operate. For example, the matter in question related to the specific policy of the sport of rugby league. Their policy states:

Players are liable to be Tested

32. All players are liable to be selected for Testing by a Drug Testing Authority and, if selected, are obliged to provide Samples. Testing may take place anywhere at anytime. This includes after games, at training, at home and at any other suitable facility. Players are liable to be selected for any number of drug tests; there is no maximum number.

So there is an ability to conduct testing anywhere, any time. The important thing is that we have to do it in a way that provides fairness to all athletes. Testing outside hours is conducted on a very limited basis. In the last quarter, out of the approximately 1,000 tests that have been conducted by ASADA, two were conducted before 7 am: one was conducted at 6.20 in the morning; the other one was conducted at 6.50 in the morning. So it is an application of policy which is very limited, very directed and only done where necessary.

In answer to your question, we—Mr Isaacs and I—have directly met with the leadership of the various players associations to answer specifically their questions. We have provided them with a written response. We have recently received some follow-up questions from them and we are in the process of getting the information together to go back with more details to respond to their further questions.

Senator LUNDY—Were athletes notified that this type of testing would occur and, if so, how?

Mr Ings—When athletes sign their various agreements to participate in sport, they do so with the understanding that they must comply with their relevant sporting policies. So athletes who compete in the sport of rugby league do so in the full knowledge that, as part of the rugby league policy, as I have just read out, they will be liable for testing, if required, at training, at home, at matches—anywhere, any time. So this is not a new policy; this is just implementing existing practice.

Senator LUNDY—But did you notify them that you were going to implement it in a different way?

Mr Ings—No.

Senator LUNDY—You didn't?

Mr Ings—No.

Senator LUNDY—Do you think maybe you ought to have, in retrospect?

Mr Ings—There is a very fine line that we have to balance here. The rules are in place to allow us to do testing anywhere, any time. Of course, if we are flagging particular things that we are doing, that is a message to athletes who may be involved in doping that they should change their practices. So, yes, this was new and, yes, this was a surprise and, yes, this was extremely limited, but it is allowable under the WADA code. It is allowable under the rules of the policies of the various sports, and we applied it under those policies.

Senator LUNDY—What proportion of overall tests are early morning tests?

Mr Ings—In the last quarter, approximately 1,000 tests were completed, and two were conducted, by definition, in the early morning, meaning before 7 am.

Senator LUNDY—According to an article in the *Sydney Morning Herald* on 26 August, the ASADA employees responsible for conducting these early morning tests also had some concern about their safety in conducting the tests. What have you done to ease these concerns?

Mr Ings—We have not received any information from our staff about particular concerns about conducting these.

Senator LUNDY—Did you read the article?

Mr Ings—Yes, I am familiar with the article.

Senator LUNDY—But you have not responded to that at all?

Mr Ings—We have received no direct communication from any of our staff concerning the two tests that were conducted out of the 1,000 in the last quarter.

Senator LUNDY—Do you think having staff knock on the players' doors early in the morning could pose a risk to their safety?

Mr Ings—This is something that we are very mindful of. Remember, the core function of testing is to conduct no-notice, out-of-competition testing, which means that that core function is that there will be testing conducted at home. That is the whole principle of no-

notice, away-from-training, out-of-competition testing. The testing that we do conduct involves two individuals, two persons, who go to the particular premises to conduct the test. They are fully trained and briefed. They are provided with identification to notify the athlete correctly. This is just business as usual. The key difference here was that, instead of the tests being conducted at one minute past 7 am, these were conducted in the minutes leading up to 7 am.

Senator LUNDY—Sorry, say that again. What is the significance of one minute past or one minute to?

Mr Ings—The significance is that this is no change in policy. This is part of the standard business that we have in the way that we conduct our testing. The surprise was that it was slightly before 7 am.

Senator LUNDY—How do ASADA identify who you will target, particularly with the football codes, and in the early morning testing?

Mr Ings—ASADA have a program whereby we have what we classify as a prospect pool. What that means is that, if we have received some evidence which would suggest that there is a question to be answered—not that there is doping but that there is a question to be answered—the role that we have is to answer that question. That information comes from a variety of sources. It may come from the testing program that we conduct; it may come from the Australian Customs Service; it may come from various police forces; it may come from the Therapeutic Goods Administration; or, indeed, it may come from the Stamp Out Doping Hotline, which is an initiative that was put in place with the launch of ASADA. We receive that information, we vet that information and we make a decision on whether we need to act or not. If we act, we conduct an investigation and come away making a decision as to whether there was doping involved or not.

Senator LUNDY—Does ASADA notify the sports officials that their code or sport is going to be subject to targeted political testing in the way you have described?

Mr Ings—No, we do not notify the sports because each sporting policy—and remember there are 90 different sporting policies—specifically outlines to its athletes that the athletes agree and are bound by the condition that they will be prepared to be subjected to targeted testing. They must be prepared to be subjected to at-home, no-notice, out of competition testing. This is a foundation of various sporting policies around the country and a foundation of the WADA code, and we act on those policies.

Senator LUNDY—Has the number of notifiable offences increased under your targeted approach?

Mr Ings—I think it would be fair to say that the purpose of the establishment of ASADA was to raise the bar on this issue—to create an organisation that had a much greater capability with much greater powers and much greater access to information to really examine the issue of drugs in sport very seriously and to identify where there are questions to be answered and answer those questions. We have recently reported in our annual report that there were, I think, approximately 27 register findings in the last financial year. In the previous year there were 15 register findings. So that is an increase in the number of register findings of 2004-05 versus 2005-06. Since the establishment of ASADA there have been 11 register entries: nine

related to prohibited substances being detected and two related to athletes failing to comply—in other words, being asked to provide a sample and then failing to provide that sample.

Our new powers have been very instrumental in raising the bar on this issue. In fact, one of the 11 matters that we have worked through since the launch of ASADA directly relates to a tip-off that we received on the Stamp Out Doping Hotline. It was a very clear and specific tip-off relating to particular allegations against particular individuals. We put in place a program to answer the question. We conducted targeted testing around those individuals and we were very pleased to find that one of those individuals tested positive to the exact anabolic steroid that we received a tip-off about on the Stamp Out Doping Hotline. This is an example of some of the initiatives and the way we are managing them, particularly the results that we are getting and the way the bar on this issue has been well and truly raised.

Senator LUNDY—What proportion of notifiable offences can you attribute to targeted testing out of all of the notifiable offences?

Mr Ings—Can I take the question on notice? There is a breakdown between the different offences and I do not have the specific details. There are some offences that relate to substances such as cannabis, which is clearly not related to targeted testing. There are other matters which relate to prohibited substances, anabolic steroids and human growth hormone, which are related to our new powers, either targeted testing or investigation. So could I take that question on notice and get you the breakdown of those 11 offences?

Senator LUNDY—Thank you. I refer you to an article in the *Australian* on 24 August this year, which quotes an ASADA statement:

ASADA can confirm that the current anti-doping initiatives have not revealed any National Rugby League player testing positive to anabolic steroids, EPO, human growth hormones or stimulants.

That was quite an unusual statement, unilaterally clearing NRL players of using all of those things. What was the rationale for ASADA making that statement? Will this be a regular feature of ASADA's engagement with the media in making public comments, particularly in the context of positive tests?

Mr Ings—It is an excellent question. The role of ASADA is to answer the question: is there or is there not doping with particular athletes or particular sports? So we reserve the right to make commentary about athletes whom we have uncovered as being involved in doping practices. Or, if we conduct investigations where the conclusion is that there are no issues, that there has been no doping, then we believe it is right and proper in those cases to also acknowledge and promote that fact. Our goal, as I said, is not just to get positives but to inspire public confidence in 'is there or is there not doping in Australian sport?' and, if there is not, to flag it and, if there is, to do something about it.

In that case a media article made very specific allegations about the National Rugby League. The allegations which were made were off target, and we felt that it was appropriate, given the work we had done, and given the testing we had conducted in that particular sport, to put on the record the fact that the programs we had initiated had uncovered no athletes at the National Rugby League level who had indeed tested positive or who had an implication of being involved in any doping practices. At the same time we were conducting an investigation into some New South Wales Rugby League matters. There is one athlete in regard to whom

we announced a positive test for stanozolol. There was another athlete whom we announced with a positive test for nandrolone and also the first admission of the use of human growth hormone in Australia. In that case we thought it was important to clarify for the media and for the public that the issues we were working through were unrelated to the National Rugby League. The National Rugby League were very appreciative of that support for their sport.

Senator LUNDY—Will you do that for all sports?

Mr Ings—We will review it on a case-by-case basis. We believed it was necessary in that moment to make that announcement. I will not rule out that we will do it again, but I will not lock myself into making similar announcements for all sports in all matters.

Senator LUNDY—What if you are wrong? Will you say later ‘Sorry; I was wrong’?

Mr Ings—No. The wording of the announcements that we make is very clear. We put in place actions of testing and investigations. We cannot say that there is no doping. But we can say, based on the activities that we have conducted, based on the testing that we have conducted, based on the investigations that we have conducted, that we have no evidence in our possession of any athlete or athlete support personnel being involved in the sport. That is a very critical distinction.

Senator LUNDY—Another article in the *Sydney Morning Herald* in late August suggested that ASADA was moving to access records of a deregistered doctor. Did anything come of this search?

Mr Ings—Do you have the specifics of that? There are a number of matters we are working through. I don’t have that particular article.

Senator LUNDY—Wednesday, 23 August.

Mr Ings—Is that concerning a matter in New South Wales? I just want to make sure we are talking about the same matter.

Senator LUNDY—I think so.

Mr Ings—One of the core functions of ASADA—one of the core new powers we have, and the power that is probably proving the most effective in terms of our new war, our new fight, against drugs in Australian sport—is the ability to get access to and share information. Working with Australian Customs, working with state police, working with federal police and working with the Therapeutic Goods Administration and state medical boards, where those bodies have information which may be relative to examining the issue of whether there are doping practices in Australian sport, that information is very important and very useful.

We are in the early stages at the moment of putting in place all of those relationships. There are many organisations around Australia where that information could be directly useful to ASADA and the work that we do. In that case we are working together with that medical board through counsel representing ASADA, through our lawyers, to see what we need to do—being consistent with the ASADA act, being consistent with the NAD scheme, being consistent with the relevant privacy provisions—to gain access to information which may be relevant to conducting investigations into possible doping use in Australian sport. So we very actively pursued that information. But we have to work within the various acts and schemes,

and particularly the Privacy Act, to get the approval to get access to specific bits of information. In that case, we are still working through that process.

Senator LUNDY—If ASADA did find the name of an athlete who had been prescribed a banned substance in the past because of access to those records, would you be in a position to sanction the athlete under the act?

Mr Ings—It would really depend on the nature of the evidence that was available.

Senator LUNDY—What if you found their name in those doctors' records and that athlete had been prescribed a banned substance?

Mr Ings—If I may talk generally—

Senator LUNDY—No, I am asking you about that specific scenario.

Mr Ings—I will talk generally about getting access to information in medical records.

Senator LUNDY—You already did that to an extent.

Senator Kemp—Chair, Senator Lundy has asked her question. I think the witness should be allowed to answer it without being interrupted.

CHAIR—Indeed. I agree, Minister.

Mr Ings—The reason that it is important I respond generally is that this is a specific matter dealing with specific individuals and a specific doctor. So it is important that I just respond generally. The new functions and powers of ASADA oblige us to look at all eight antidoping rule violations under the WADA code. This is in addition to our previous ASDA functions of positive tests, presence of prohibited substances, tampering et cetera to include issues of use, trafficking, administration and possession. These can only be detected through investigations and can only be detected by getting non-analytical evidence.

There are various burdens that an organisation such as ASADA would have in examining evidence they may have to determine whether it meets the burden to find a doping infraction against a particular athlete. That information that we could obtain would certainly be very useful. It would be examined in great detail. It would be compared to the relevant sporting policy. It would be compared to the relevant legal principles of burdens of proof and evidence. If indeed there were sufficient evidence to take forward a case against an athlete, it would be reviewed by the ASADA members to make that determination, and we would take the appropriate action. So we review it on a case-by-case basis, based on the strength and the credibility and the legal principles underpinning the evidence that we may receive.

Senator LUNDY—Has any athlete been sanctioned as a result of this methodology?

Mr Ings—At this point in time, no athlete has been subject to a finding or a register entry based on non-analytical evidence. There is one exception. One athlete has been sanctioned recently, publicly announced, for the presence of nandrolone—a very powerful anabolic steroid—and the use of human growth hormone. Growth hormone was not detected in the sample. That admission came from the athlete as a result of the initiative and action of ASADA investigators and that athlete is being prepared to admit the extent of his involvement in using prohibitive substances. That is the only addition on the register at this moment that relates to non-analytical evidence.

Senator LUNDY—What role does ASADA have in the development of an application of in-house doping policies for Australian professional codes?

Mr Ings—I may pass the question over to Mr Isaacs. I am very pleased to have my full complement of executives on board today, unlike the last hearing. Mr Isaacs looks after our stakeholder management, Ms Shadbolt is our chief financial officer, Ms Narracott looks after our detection program and Ms Ordway heads our enforcement program. I will pass that question to Mr Isaacs.

Mr Isaacs—At this stage we are talking principally about the AFL illicit drugs policy, as I understand your question. ASADA's current role is as a service provider. We provide sample collections and result management services to the AFL under that policy.

Senator LUNDY—Do you provide any role in supporting the development and application of the organisation's in-house doping policies? If they asked you to, would you be able to provide them with advice?

Mr Isaacs—I understand that the former ASDA did have an advisory role, though not a crucial advisory role, in the development of the AFL's in-house policy but principally the development of a sport's internal illicit drugs policy is a matter for the individual sport. We are always happy to assist with the development of that policy. We are happy to give advice but, ultimately, it will be a call for the individual sport.

Senator LUNDY—The sanctions and testing regimes seem to vary greatly, not only between the sports or codes but even between clubs within codes. Are you able to confirm that not only the sports codes are compliant with the WADA code but that the individual clubs within the sports are compliant with the WADA code?

Mr Isaacs—It is very important to distinguish between a sport's WADA code compliant policy, which tests for and sanctions substances that are prohibited under the WADA code, and what a sport does above and beyond the WADA code to look at issues like illicit drugs. I can confirm that, on the sports' WADA code compliant policies, every national sporting organisation in Australia is compliant with the WADA code. What a sport decides to do above and beyond the WADA code is, again, a matter for individual sports to look at, given their own circumstances, the relationship of what they want to do with their illicit drugs policy versus their code of conduct policies et cetera. ASADA and the WADA code set the benchmark, as it were, for antidoping policies for substances and methods prohibited under the WADA code. Then sports have the ability if they wish to go above and beyond. It will depend on their individual circumstances how they do that.

Senator LUNDY—Given ASADA's investigative function, how does ASADA deal with a positive test that is taken and either kept quiet under a three-strikes policy or sanctioned under the club's own policy? Shouldn't ASADA investigate the matter further and sanction the athlete?

Mr Isaacs—As that goes to our broader investigation function, I will refer that one back to Mr Ings.

Senator LUNDY—Obviously it would fall under the WADA code if there was a positive test. How do you deal with that conflict?

Mr Ings—I think it is important to understand that there is a distinction. It is a very subtle distinction, but there is a distinction. The use of illicit drugs in competition is prohibited under the WADA code. The classic example of that would be the case of Wendell Sailor, where his positive test came in competition. He was sanctioned under the WADA code for an in-competition positive and he received, quite rightly and appropriately, a two-year suspension for the conduct that he was engaged in. That is very distinct from illicit drugs programs which may be run by some sports—the AFL is an example. There are some rugby league clubs that also have policies, and I believe that there are some other sports, including rugby union, which are examining implementing policies.

Athletes who are detected with positive use of illicit drugs out of competition have not committed an antidoping rule violation. They have not breached the WADA code. If there was any indication that an athlete may have breached the WADA code, then, absolutely, as ASADA and as the national antidoping organisation with powers of investigation, we would examine those matters. But there is a clear distinction in terms of roles and responsibilities in those areas.

Senator LUNDY—I want to get this clear. You would actually be conducting the tests, wouldn't you—as a service provider?

Mr Ings—That is correct. In the case of the AFL it is a legacy arrangement. It has been in place for, I believe, some time. ASDA and subsequently ASADA as the contract rolled over with the transition have been providing out-of-competition illicit drug sample collection for the AFL and then passing on the results back to the AFL Medical Commission, as per the terms and conditions of that existing contract.

Senator LUNDY—Okay. So the scenario is that ASADA provides the tests. So you would be technically aware under the requirement of that service contract that an athlete may in fact return a number of positive tests to illicit drugs and, because that is outside of the WADA code, you make no record of it on your notifiable incidents? Is that correct?

Mr Ings—That is correct, because a positive drug test out of competition is not a violation of the WADA code and therefore is not a fining or register entry. It is not a violation of the NAD scheme or the act.

Senator LUNDY—There are two scenarios arising out of that. How do you determine what is considered in competition and out of competition for the purposes of that distinction? Is that contained in the service agreement?

Mr Ings—The definition of 'in competition' and 'out of competition' is a non-mandatory component of the WADA code. What I mean by that is that sports have the flexibility to define what is in competition for their sport and what is out of competition. So it does vary between individual sporting policies. I am not completely familiar with the AFL policy off the top of my head, but I would suspect that the definition of 'in competition' in terms of AFL is antidoping rule violations for the use or presence of illicit drugs on match day. That is the policy of the Rugby Union. That is the policy of a wide range of sports. But I believe that is the definition.

Senator LUNDY—So the scenario is that, in competition, illicit drug testing would only be match day tests.

Mr Ings—That is correct.

Senator LUNDY—Is that contained in the service agreement, or is that the policy of the sport that you abide by because you have a service contract with the sport? I am happy for you to take that on notice.

Mr Ings—That is quite detailed. Can I take that question on notice?

Senator LUNDY—Yes. With respect to the ‘out of competition’ and ‘in competition’ definitions, can you tell the committee what the definitions for each of the football codes are with respect to what is considered in competition or out of competition for the purposes of an illicit drugs policy.

Mr Ings—Again, in regard to the specific details on it, because there are four major football codes, I will take that question on notice. Generally speaking, it involves an in competition test on the day of the match, but let me get the specific wordings from the individual policies for you.

Senator LUNDY—Is that consistent with what is considered in competition for other athletes?

Mr Isaacs—Under the world antidoping code, ‘in competition’ is defined as a test where an athlete is selected for testing in connection with a specific competition. So, as Mr Ings was saying, in the case of a football code it would revolve around match day. In the case of an athletics competition, it would revolve around the day of the competition and so on. So again, the world antidoping code sets the benchmark in that general way for what is regarded as in competition and out of competition.

Senator LUNDY—Do other sporting associations have the same definition for the purposes of their own policy, given that it is their discretion to extend the definition of ‘in competition’ to the days or weeks surrounding the competition?

Mr Isaacs—We would have to look at individual sports policies, and I would be more than happy to take that one on notice and come back to you. My impression again, given that they are all co-compliant, is that the definition of ‘in competition’ is going to be pretty generally around the definition in the code that I have just read out, but we will clarify that for you and come back with that on notice.

Mr Ings—I could give you an example of a sport that I am directly familiar with, which is professional tennis. The definition in professional tennis of ‘in competition’ is a sample collected in the week of a tournament. So it can vary widely between individual sports.

Senator LUNDY—Thank you for that. On the issue of the three strikes and you’re out policy and what you are saying is permissible under the WADA code, Minister, do you think that meets the community expectation or standard?

Senator Kemp—I am on record, and I refer you to an answer—

Senator LUNDY—I am giving you another opportunity.

Senator Kemp—You asked me a similar question in the Senate, and the answer I gave there was the answer that still stands. I invite you to read that. I have suggested that the AFL could review its reporting arrangements and its sanction arrangements because they are

probably out of line with community expectations. Having said that, I want to make it clear that the AFL is WADA-compliant—

Senator LUNDY—We have established that.

Senator Kemp—The AFL has gone further, and should get credit for going further, in their additional testing arrangements. My remarks apply to that. It should at the same time be recognised that the AFL has gone further than some sports.

Senator LUNDY—What would be the scope to improve the law in Australia to ensure that all sports had a broader definition of what constituted ‘in competition’ to avoid this problem? I understand the views that you have expressed, but is there any way that can be given expression in the regulations?

Senator Kemp—That is something I would take legal advice on.

Senator LUNDY—Have you taken legal advice on it?

Senator Kemp—No. This matter has not been raised with me. At the same time you have to recognise that what is in place is a vast improvement on what was in place before. To level the playing field internally as far as we can and to level it on the international scene has been a very big step forward. Can this be further improved? The answer is that it can be. The government, ASADA and WADA are always open to ways in which we can seek to improve the campaign against doping in sport.

Senator LUNDY—Has ASADA taken legal advice on the possible amendments to the regulations, that I acknowledge would be over and above the WADA code but perhaps more reflective of community expectations and standards in the laws in Australia?

Mr Ings—I think the answer would be no; we haven’t at this point in time.

Senator LUNDY—Would you need ministerial direction to do that, or could you do it under your own initiative?

Mr Isaacs—No. We do not need to take advice on that. Clearly this would be something we would enter into in very close consultation with the government and the minister, given that we are now going into areas above and beyond the wider code. We would need to take advice on whether we could do that on our own initiative. Clearly, even if we could, we would not do it without close consultation with the minister.

Senator LUNDY—Perhaps it is time to have those conversations, minister. What do you think?

Senator Kemp—I think that, quite rightly, more steps have been taken to deal with doping in sport under this government than any previous government.

Senator LUNDY—Will you take this next step, though?

Senator Kemp—You are asking if we can continue to take steps forward. I will continue to consult. I do not do it quite on a daily basis with Mr Ings but I do it on a very regular basis with him. I will always be very open to ways in which we can make further improvements. That is the policy I come to the table with. It is a constant battle to keep ahead of the game. That is the truth. I congratulate those sports which are proactive in this area. Drugs are one of the great scourges of the modern community. Anything we can do as part of the sporting

community to help rid the community of this scourge is a very good thing. There should be no doubt where I stand on this issue.

Senator LUNDY—My question to you is completely a policy issue. Will you take that next step and initiate perhaps the seeking of legal advice to see if the regulations can be extended to cover the definition of out of competition testing?

Senator Kemp—An issue has been raised here. I will have a discussion with my experts. We will then consult to see what is the best way forward. We have lots of additional things in train. This is an area where we are delighted with the activities of Mr Ings and the work he and his staff are doing. I do not want to go through all the initiatives we are taking because I do not think that would be appropriate. This is an area of active development. I congratulate Mr Ings and his staff for what they are doing.

Senator LUNDY—I am assuming you are aware of the claims made by cyclist Matt DeCanio on the SBS *Insight* program earlier this month. How have ASADA responded to these claims? Have you initiated any investigations as a result of his claims?

Mr Ings—I am very familiar with the claims made by Mr DeCanio because I was on the program. I was there when he made the claims. The position of ASADA in general is that, if we receive any evidence, any information on or any allegation of possible doping use by Australian athletes or in Australian sport, we examine that information and make a decision on the veracity and completeness of that particular piece of information. We then make a decision on a business case basis as to whether we need to allocate resources to further investigate and render a decision as to whether there was or was not an issue of doping related to that particular allegation. Mr DeCanio has made an allegation, and we are following up on that information.

Senator LUNDY—So you are investigating it?

Mr Ings—I am not saying that we are investigating.

Senator LUNDY—Why aren't you?

Mr Ings—Because we are still following up on the investigation.

Senator LUNDY—What does that mean?

Mr Ings—It means that a number of statements were made. We wish to follow up with Mr DeCanio to get—

Senator LUNDY—But, if you do not start an investigation, you are risking that he will not release the name, because he said that he would release the name of the cyclist if there was an investigation.

Mr Ings—I think that we need to speak with Mr DeCanio first and understand exactly the information that he has and the claims that he is making.

Senator LUNDY—Have you spoken with him then?

Mr Ings—This is a matter for our detection unit—to make contact with any person who has any information.

Senator LUNDY—Can I ask you specifically: has your investigation unit made contact with Mr DeCanio after he made those claims?

Mr Ings—I believe that at this particular point in time we have not spoken directly with Mr DeCanio—

Senator LUNDY—Why on earth not?

Mr Ings—but we are making representations to try and speak with him directly.

Senator LUNDY—So you are trying to speak with him?

Mr Ings—We are looking forward to hearing his claims and his allegations, yes.

Senator LUNDY—Do you have a meeting set up?

CHAIR—Senator Lundy, this is getting very close to an operational investigation. Perhaps they are details that you should not press.

Senator LUNDY—Mr Ings has not tried to hide behind that yet.

CHAIR—No, I am simply suggesting to you that you might like to think about that as an issue.

Senator LUNDY—Can you update the committee on where the weightlifting investigation is up to?

Mr Ings—Yes, I can. The weightlifting investigation is a very significant piece of work that ASADA is currently involved in. It is the inaugural investigation conducted by a brand-new authority. It was announced less than 24 hours or 48 hours after we opened the door on 16 March. The investigation is progressing well. It is nearing its final stages. We are expecting to receive recommendations and conclusions from that investigation shortly. It is a significant piece of work. The questions to answer have been significant. The amount of time we have allocated to that investigation is a function of the number of questions which have been there to be answered, but it is in its final phases, and we are hoping to wrap it up very shortly.

Senator LUNDY—Do you have a date when you expect to conclude those investigations?

Mr Ings—I do not want to lock in the investigators or indeed the enforcement team to a particular date. I do know that they are very well advanced. It is in the final phases. A lot of work has been involved in this. There have been interrelationships with a number of other government agencies in obtaining and reviewing particular pieces of information. It is almost finished. It is work in progress, and we are looking forward to seeing the final report.

Senator LUNDY—Thanks for that.

CHAIR—Senator Lundy, I also draw your attention to the time.

Senator LUNDY—I have probably one more question, and then I will put the rest on notice.

CHAIR—That is very kind of you, Senator Lundy. That is exactly what I was hoping you would say.

Senator LUNDY—Just going back to the DeCanio claims for a second: if Mr DeCanio makes a name public or tells you a name, what powers do you have to pursue the cyclist that he names?

Mr Ings—Again, it is not so much the fact that a person such as Mr DeCanio or any person would name someone publicly; it is a question of reviewing the information;

reviewing the allegation; if required, opening an investigation; and drawing a conclusion as to whether or not there has been an issue of doping in Australian sport. Under the ASADA act and under the NAD Scheme, the requirements on ASADA are very clear. Confidential information related to specific matters of individuals subject to investigation is not to be released unless and until it has been presented to a proper tribunal and the tribunal has handed down a verdict of a violation being found. So we are very careful to be very limited in the statements that we make, to speak very generally about investigations and not to get focused on particular athletes or particular individuals if we can avoid it.

Senator LUNDY—Thank you, Chair. I am conscious of the time. I will be placing further questions on notice.

CHAIR—We appreciate that, Senator Lundy.

Senator Kemp—Chair, I rather hoped that, before we concluded with Mr Ings at the table, this may have been an appropriate time for an apology to be given for the attacks that were made at the last estimates committee by Senator Lundy. I think it would be an appropriate occasion to just record in *Hansard* an apology for that behaviour.

CHAIR—Would you like to consider this, Senator Lundy?

Senator LUNDY—No, and the minister knows that. He is just trying to make a cheap point, and it is ridiculous.

CHAIR—Thank you, Senator Lundy.

Proceedings suspended from 1.00 pm to 2.05 pm

CHAIR—Closure time for questions on notice is by the close of business tomorrow, 1 November, not today, so I ask that all senators take note of that. We will now proceed to examine the arts section of Senator Kemp's portfolio.

[2.05 pm]

Australia Council for the Arts

Senator Kemp—Thank you, Mr Chairman. I do not think I will make an opening statement, because I am so keen to allow senators to get to their questions.

Senator LUNDY—Thank you, Minister. I hope you maintain that for most of the afternoon, if not all of it.

Senator Kemp—That has been my practice, Senator Lundy, throughout my ministerial career.

Senator RONALDSON—A long and distinguished career, Minister.

Senator LUNDY—Except when you do not like the questions!

Senator Kemp—Thank you, Senator Ronaldson, I will get that recorded in *Hansard*!

CHAIR—We welcome the Australia Council. Senator Lundy, please proceed.

Senator LUNDY—I would like to start by asking for an overview of the strategic initiatives announced by the Australia Council in April 2006, and then I will go on to some specific questions about some of those initiatives.

Ms Coombs—In March 2006 the council of the Australia Council set aside a pool of funds for council strategic initiatives of \$4.2 million. At its March meeting it considered a range of strategic proposals. Fourteen were recommended for the council's support and those 14 proposals were endorsed by the council. They were in three strategic themes: Indigenous arts, whole-of-government and developing artists' earned income. The council agreed to allocate a total of \$6.6 million over three years to a range of those initiatives. I think we went through them in detail at the last Senate estimates, but I can do that again if you think that would be helpful.

Senator LUNDY—If you could just name each of those initiatives.

Ms Coombs—Certainly.

Senator LUNDY—My next question is: has there been any initial analysis of each of those or any of those programs?

Ms Coombs—In the area of Indigenous arts, there were four initiatives which were supported: Showcasing the Best, which was around international presentation opportunities for Indigenous arts; Artists in Work, which was an employment proposal for artists and arts workers; The Other Side of the Coin which was around Indigenous intellectual property; and Indigenous philanthropy. In the area of whole-of-government there were five initiatives: The Little Big Book Club, which was a national rollout of a South Australian government initiative that promotes reading and books for young children; Generations, which is a project working with five arts led civic engagement projects specifically with local government; Arts and Science, which is a continuation of the Australia Council's existing Synapse art/science initiative; a national arts and health strategy; and Musicians in the Classroom, which involves Musica Viva and music education.

In the area of developing artists' earned income, five initiatives have been supported: Scope for Dancers, which is training beyond dance for dance professionals; Story of the Future, which is about building digital skills for writers and collaborating artists, research for the digital download of music; the MMM program, which is a visual arts and crafts program; Maker to Manufacturer to Market program, which is about helping artists to develop commercial strategies for craft and design products, and assisting the Australian Chamber Orchestra to establish a second ensemble to mentor and professionally train talented musicians. We are currently pulling together the first of six-monthly reports to our council on the progress of those initiatives. That report has not yet been finalised and will be going to our November council meeting, so we will be able to provide you with more information probably at the next Senate estimates.

Senator LUNDY—Thank you. Would you take it on notice to provide that information once it becomes available post that November meeting.

Ms Coombs—Certainly.

Senator LUNDY—Are all the programs in place?

Ms Coombs—My understanding is that all of them are underway.

Senator LUNDY—Can you provide dates of when each of these initiatives began, starting with funding applied and people in place doing the work?

Ms Coombs—I would need to take that on notice, but yes we can do that.

Senator LUNDY—Have you received any feedback from artists or arts organisations about any of these projects and is that feedback included in your six-monthly report back to council?

Ms Coombs—We will have received feedback. My understanding is that certainly for the artists in the various initiatives it has been overwhelmingly positive. Obviously a key issue council will want to consider is the impact on the sector.

Senator LUNDY—How have you collected that feedback from participants and stakeholders?

Ms Coombs—I think it would vary from initiative to initiative, but again I would need to take that on notice for all of the 14.

Senator LUNDY—In 2005-06 the Maker to Manufacturer to Market program granted funding to three artists of \$30,000 each. What are the results to date of that funding?

Ms Coombs—I understand that all three of those grants have been satisfactory acquitted by the recipients, but I would need to take on notice the specifics.

Senator LUNDY—Are you able to give a brief description on what each of those grants achieved?

Ms Coombs—We do not have the specifics of each of those \$30,000 grants available.

Senator LUNDY—If you could take that on notice. Were all of them acquitted satisfactorily?

Ms Coombs—Yes, of the MMM, yes.

Senator LUNDY—How many of the initiatives have been acquitted and finished?

Ms Coombs—None of the 14 that were done in April will have been completed and acquitted.

Senator LUNDY—Except for the three in the Maker to Manufacturer to Market.

Ms Coombs—Yes, because it was an extension of a pilot program we ran in 2005-06. The decision by council in March was to extend that for another three years.

Senator LUNDY—Thank you for that. What outcomes have been achieved in protecting and promoting Indigenous cultural intellectual property as a result of the Other Side of the Coin program for Indigenous artists—notwithstanding that I know you have not received the report yet? Perhaps you could report to date on the implementation of that program.

Ms Coombs—Currently, we are in the process of employing a consultant who will help us to scope out some of the issues that we would like to specifically address in that area. Clearly, the initiative is not the only work that the Australia Council does in the area of Indigenous intellectual property. We have a range of things that are underway outside of that initiative.

Senator LUNDY—How much funding has been allocated to that initiative?

Ms Coombs—It is \$300,000 over three years, so it was due to start in 2006-07.

Senator LUNDY—What is the cost of the consultant you just mentioned who has been engaged for that project?

Ms Coombs—We are in the process of engaging them, so we do not have a final cost.

Senator LUNDY—In ballpark terms, what proportion of the \$300,000 do you anticipate the consultant to be worth?

Ms Coombs—Somewhere between \$50,000 and \$80,000.

Senator LUNDY—What is the remaining funding to be used for?

Ms Coombs—Once we have specifically identified the issues we would like to work on, that will be for implementation moneys for those projects.

Senator LUNDY—Will that include the production of consumer information and education resources?

Ms Coombs—Yes.

Senator LUNDY—How long do you anticipate the consultant's work will take?

Ms Coombs—Less than 12 months.

Senator LUNDY—When do you hope to engage the consultant?

Ms Coombs—We assume the consultant will be in place as at December of this year. It is really very close.

Senator LUNDY—Is it a fair observation to make that resources such as consumer information and education resources will not be available until after December 2007, once you have received and assessed that consultant's report?

Ms Coombs—Yes.

Senator LUNDY—It is a long wait. In the last budget the government announced the individual visual artists—enhancing business skills package as an alternative to a resale royalty scheme. Is the Australia Council working with government in this area so as not to duplicate programs and initiatives, and what consultations have taken place between the Australia Council and the department to ensure that money is not being wasted?

Ms Coombs—We always work very closely with the department to ensure that our program delivery is complementary and we do not waste resources.

Senator LUNDY—A very good answer.

Senator Kemp—An excellent answer, I thought.

Senator LUNDY—I cannot see a flaw in that one. Can you describe specifically what consultations have taken place?

Senator Kemp—There would be constant contact with the department across a range of issues.

Senator LUNDY—I want to know specifically about this issue.

Senator Kemp—We can take it on notice if we do not have any details.

Ms Coombs—If you are talking about the moneys that were given to ABAF in relation to artists' skills development in the budget context, there has been at least one meeting between an executive director of the council and the chief executive officer of ABAF to talk about the program. I understand that ABAF has also been talking to other players in the field about the program.

Senator LUNDY—I presume they are. I will make some points on that later. Has one meeting been enough for you, as the Australia Council, to be confident that you are both singing from the same song sheet on this issue?

Ms Coombs—Yes, I am relatively confident of that.

Senator LUNDY—Could you take on notice to obtain the detail of those consultations, the issues discussed and any correspondence that relates specifically to the Australia Council, the department or ABAF relating to the visual artist enhancing business skills and/or related programs.

Ms Coombs—Yes.

Senator LUNDY—In respect of the initiative 'research into digital downloads of music,' the annual report states that that is a project aimed at examining the ways in which independent artists can generate income through online downloads. Can you outline to the committee where that particular initiative is up to, how much money has been expended and the outcomes to date.

Ms Coombs—Nothing has been expended to date. We understand that a tender brief is currently being prepared with the director of our music board and representatives from APRA. That brief will be finalised by mid-November. The brief will then be sent to a range of consultants before the end of November this year, with tenders expected by the end of December this year. Consultants are to be selected by the end of January. The interim report is to be provided to the February 2007 policy meeting of the music board, with a final report on the outcomes of that research to the August 2007 assessment meeting of the music board.

Senator LUNDY—I do not know if you said you are looking to engage a consultant to do some research.

Ms Coombs—Yes.

Senator LUNDY—Which board meeting of 2007 will that report be considered at?

Ms Coombs—There will be an interim report to the February 2007 meeting of the music board. They are a sponsor of this particular strategic initiative. A final report is planned for the August 2007 music board meeting.

Senator LUNDY—Is the music board contributing financially?

Ms Coombs—No. It looks like all of the moneys have come out of the strategic initiatives budget of the council. They are not making a separate contribution to that project.

Senator LUNDY—What is their role in the management of this project?

Ms Coombs—They are obviously a source of expertise in the Australian music industry and the sector generally

Senator LUNDY—Do any of these initiatives not involve the putting out to tender and engagement of a consultant?

Ms Coombs—I would need to go through them closely. Some are being delivered in-house. It depends on what it is as to whether we feel the need to get external support—whether we have the skills in-house or not.

Senator LUNDY—Associated with each program, could you take on notice to provide me with details of where it is intended to engage a consultant or a particular academic or expert external to the organisation or to do research. If it is not yet established, could you provide the ballpark figure, or indeed the exact amount of that consultancy.

Ms Coombs—Certainly.

Senator LUNDY—Can you describe the arts in health initiative in more detail?

Ms Coombs—We are attempting to develop a National Arts in Health Strategy, which would enable the Australia Council to promote and extend the role of the arts in government services in the areas of health care, ageing and community services. We have convened an expert reference group made up of healthcare and arts professionals, although I do not have their names with me today. They have expertise in the benefits of arts in health programs on wellbeing and health care. We are attempting to conduct an audit of existing Australian programs and practice in the area, including arts and health projects that have been funded by the Australia Council. We are identifying existing research into the role of arts in health and developing an implementation strategy around that strategy.

Senator LUNDY—In reading the key performance indicators for this particular strategy, my understanding of it is that the funding associated with this will not allow any program to begin; it will just ultimately assess the viability of a strategy to roll out such program, were one to be designed. Is that correct?

Ms Coombs—There are some implementation moneys in there, I believe, for 2006-07, but I would need to check the specific amount.

Senator LUNDY—You could take that on notice.

Ms Coombs—Yes.

Senator LUNDY—The SCOPE for Dancers initiative, again, seems to create some resources, but is there any funding that will go specifically to dancers themselves?

Ms Coombs—I do not know that the money will specifically go to dancers, but money will be spent in putting together a development program that includes financial support and expertise for training, counselling and job placements for working dancers and choreographers, as well as those who are starting to move out of their performance careers.

Senator LUNDY—Could you take on notice to provide to the committee additional information with respect to each of these initiatives. I should acknowledge the answer to the question on notice from last time about the description of the initiative and the key performance indicators, which we requested. Could I also have the funding amount—

Ms Coombs—Certainly.

Senator LUNDY—for each of those and allocations to date, including that reference to consultants that I made.

Ms Coombs—Okay. So you would like the funding amount approved and then the year-to-date expenditure on each?

Senator LUNDY—Progress to date. An update including a specific reference to engagement of consultants—

Ms Coombs—Certainly.

Senator LUNDY—And the value of their contracts—or ballpark expectations. Are the original time frames set in the announcement being met?

Ms Coombs—I will know that in a couple of weeks, when I start to review the Australia Council papers for November.

Senator LUNDY—You must have a bit of an idea whether or not they are on time?

Ms Coombs—We faced a few implementation issues in the Indigenous area, largely around attempting to recruit specialist individuals. Despite our best efforts at recruitment, in some cases we certainly did not get a strong field and we are looking at ways to work around that. There have been slight delays in relation to Indigenous employment and showcasing the best, but we believe those delays are recoverable.

Senator LUNDY—I have a couple of questions about the Venice Biennale. What was the Australia Council's total outlay for the Venice Biennale in 2005?

Ms Coombs—The Australia Council's contribution to the core budget was \$780,000.

Senator LUNDY—How many artists did the Australia Council sponsor to travel to the biennale in 2005?

Ms Coombs—Could I just clarify that that \$780,000 was over two years. The biennale is held every two years.

Senator LUNDY—Being a biennale and all.

Ms Coombs—Yes, but I just did not want you to think it was \$780,000 per annum.

Senator LUNDY—It is listed in the annual report of 2005-06, but that was expenditure over 2004-05 and 2005-06?

Ms Coombs—Yes.

Senator LUNDY—Do you have details of how much was expended in 2004-05? What was the split?

Ms Coombs—We do not have that with us, but we can follow up on that and provide that.

Senator LUNDY—Thank you. How many artists did the Australia Council sponsor to travel to Venice in 2005?

Ms Coombs—There would have been one artist—Ricky Swallow.

Senator LUNDY—What was the cost of sponsoring this artist?

Ms Coombs—We do not have the specific details, but it would have been for things like return air fare, accommodation while in Venice and commissioning fees associated with the new work that he produced specifically for the Venice Biennale.

Senator LUNDY—Do you normally take just one artist, or have you previously taken more?

Ms Coombs—It depends—sometimes it is one artist and sometimes it is more. For example, in 1997 we featured the works of three artists in the pavilion. It was one theme but there were three artists' works.

Senator LUNDY—How many Australia Council representatives attended the Venice Biennale in 2005?

Ms Coombs—Our recollection is that there were five people—the chief executive officer, the manager of international market development, the director of the visual arts and crafts section and project staff, including the exhibition manager and the public relations manager for the project.

Senator LUNDY—What was the cost to the Australia Council of sending these five representatives?

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

Senator LUNDY—Are you able to tell the committee proportionally how much of the \$780,000 went towards facilitating Australia Council representatives?

Ms Coombs—No. I would need to take that on notice.

Senator LUNDY—You may need to take these on notice. For the Venice Biennale 2005, what did the Australia Council spend on coordination and administration; events and hospitality; marketing; travel and accommodation for Australia Council representatives; and publicity? That might be the same as marketing.

Ms Coombs—I will need to take all of that on notice.

Senator LUNDY—How many artists does the Australia Council intend to send to the Venice Biennale 2007?

Ms Coombs—We are taking three artists this time. Susan Norrie will be exhibiting in the Australian pavilion in the Giardini. We are taking another two artists. Daniel von Sturmer will be in the pavilion in the Giardini. Callum Morton and Susan Norrie will be exhibiting in other spaces in Venice. We have not yet confirmed the space Callum Morton will be using.

Senator LUNDY—How many Australia Council representatives does the council intend to send in 2007?

Ms Coombs—I do not think that has been finally determined yet, but I would not imagine it would be more than we sent in 2005.

Senator LUNDY—What is your budget for the 2007 Venice Biennale?

Ms Coombs—The Australia Council's contribution to the budget is again \$780,000 in total over two years. The total budget, though, is \$2 million. The remaining moneys will come from state governments and other arts agencies, sponsors and private donors.

Senator LUNDY—Thank you.

[2.39 pm]

Australian Film Commission

CHAIR—We welcome the Australian Film Commission to these estimates.

Senator WORTLEY—Can you advise how long the search for a replacement CEO has taken?

Senator Kemp—There have been some interesting issues here, so I might ask the Secretary to respond to that question.

Ms Williams—We went out, we got a search person and we got applications. But there was doubt as to exactly what the Film Commission would be doing because of the film review. The film review is looking right across at assistance to the film and visual media industry and it may change the responsibilities of the different organisations. So we have put the process on hold pending that review's completion.

Senator WORTLEY—How long will it be on hold?

Ms Williams—It will depend on this budget. The film review will be considered in the budget context.

Senator WORTLEY—When can we expect the outcome of the film review?

Senator Kemp—The first stage of the review is virtually complete. There are some consultations occurring. That review will be put to me. Then I will have to make proposals to the government, and the government will have to decide whether to accept my proposals. That is the general process. The normal process would be for this to be viewed in the budget context, but the government will have to make a decision just when and how it will deal with the review.

Senator WORTLEY—In the May budget estimates a question was put on notice by Senator Lundy. The question was: what is the process now in place to appoint a new CEO, what are the selection criteria and what is the timeframe? The response that came back was that the recruitment process was coordinated by the department, the position was advertised in April 2006 and the applications will be short-listed. Have you got to the short-listing stage?

Ms Williams—They were short-listed.

Senator WORTLEY—So they have them short-listed, an interview will be held and recommendations will be made to the minister. So now you are saying that is on hold.

Ms Williams—That is all on hold.

Senator Kemp—That is on hold for the very good reasons stated. Senator Wortley, the film review has been widely welcomed by the sector. This is not an initiative the government has taken lightly. It was announced by press release in the last budget. We then developed the terms of reference for the review, those terms of reference were agreed, and we are now in the process of finalising the review so that the review can come to me and I can make recommendations. We are not going to be stamped into anything. We are determined to get this right. This is enormously important for the film sector.

Senator WORTLEY—Perhaps we can move to the next question. Will there be an appointment of a new CEO to the Australian Film Commission?

Senator Kemp—We have an acting CEO—a very good one.

Senator WORTLEY—An acting CEO, I understand, can sit in the position for 12 months.

Senator Kemp—Senator Wortley, don't adopt the bad habits of Senator Lundy. If you let me finish my remarks, we have a very good acting CEO, Chris Fitchett, who has been appointed to act up until 30 June next year. From our point of view, this was an appropriate and responsible way to go. We have to get this review right; we have to work out what the future structure of the sector will be. In that context and for the reasons which were so well expressed by Secretary Williams, it would not be appropriate to have continued to proceed at this time.

Ms Williams—Senator Wortley, a number of the people who were on that list were starting to ask exactly what changes there would be before it was decided that we should put that promotion and appointment on hold. We informed all the people who had applied that that would be the case.

Senator WORTLEY—I am sure they would appreciate that. In relation to the extension of Mr Fitchett's position, you said until 30 June. Is it 30 June 2007 that you extended it to?

Mr Fitchett—June 2007, yes.

Senator WORTLEY—My understanding is that the acting appointment can only be for 12 months. Is that correct?

Ms Williams—I understand that is so.

Senator WORTLEY—Will we expect an appointment before that time?

Senator Kemp—It depends, of course, on the judgments the government makes in relation to the review, which includes a review of the structure of the sector.

Senator WORTLEY—Minister, so you are not going to give an answer as to whether or not we are going to have a CEO?

Senator Kemp—Senator, this is such an important review that I do not want it to be treated in any trivial way by this committee. This review has been strongly endorsed by the film sector, and the film sector has been actively engaged in making submissions to the review. The review goes far wider than the appointment of a CEO of the AFC. What will be the final structure of the sector is yet to be determined and, until that is determined, it would not be appropriate for the reasons that Secretary Williams said for an appointment to be made. But do not doubt that the government regards this as extremely important. Do not doubt that this is something that the sector is very keen to see a successful outcome on.

Senator LUNDY—Is the Film Commission still going to be its own entity or are you going to amalgamate it more?

Senator Kemp—The Labor Party has proposed that it be amalgamated. That is Labor Party policy. It is my understanding that Labor Party policy has stated that there are too many film agencies, so that is obviously—

Senator WORTLEY—So you are not going to answer the question?

Senator Kemp—Senator Wortley, I know that you are new at this game, but we are looking at the whole structure of the sector, and until we make a determination on that, it would not be appropriate to proceed with the AFC appointment. The truth is—

Senator LUNDY—Why not? That implies it is not going to be around.

Senator Kemp—The Labor Party has proposed that the AFC and the FFC be merged.

Senator WORTLEY—You still have not answered the question that was put to you.

Senator Kemp—You are asking me to pre-empt the review.

CHAIR—Senator Wortley, it takes a while to develop his answers.

Senator Kemp—Senator, I know that you probably picked up some bad habits from Senator Lundy, but I would urge you to recognise that the issue of the structure of the sector is part of the review. When I have considered that review and made a recommendation to the government and the government has accepted it that is when final government policy will be determined. The Labor Party has already determined its policy.

Senator WORTLEY—Perhaps we will just move on. I was on the web site and I looked at the most recent newsletter. There are a number of vacancies advertised on that. When I looked to see how those vacancies were to be filled, there was no timeframe. Is there any reason for that?

Mr Fitchett—Was that the AFC web site?

Senator WORTLEY—Yes.

Mr Fitchett—Which vacancies were they?

Senator WORTLEY—ICD exhibitions officer, ICD marketing coordinator, recruitment officer, marketing officer industry development and executive assistant, and video and telecine services officer.

Mr Fitchett—They are not senior positions and they are a mixture of ongoing and non-ongoing positions, so that would be a normal state of affairs for the AFC if you look back over a year or two years.

Senator WORTLEY—I did go back and there was quite a few there. If someone were looking to apply for those jobs and they went across to where they were directed in the web site, they would find no job specifications there. Is there any reason for that?

Mr Fitchett—I will have to take that on notice.

Senator WORTLEY—Thank you.

CHAIR—That was very quick and simple. We thank you for appearing and we look forward to your appearance at the next estimates.

Senator Kemp—Easy come, easy go, Mr Fitchett.

[2.50 pm]

Film Finance Corporation Australia Limited

CHAIR—We welcome Mr Rosen and Mr Pearson.

Senator WORTLEY—The statement of expectations by the Minister for the Arts and Sport to the Film Finance Corporation under the heading ‘Financial Management’ states that the FFC must:

take active steps to secure revenue from sources other than Government, in order to increase the revenue base for the FFC.

What measures is the FFC undertaking in order to fulfil this requirement by the minister?

Mr Rosen—The FFC always looks for cofinancing with its films. Part of our corporate plan is that we would add value to the appropriation we get. In feature films we look at financing less than 60 per cent of the budget of a film. In a marketplace door, that is less than 45 per cent. In television, we would only put up to 35 per cent into a program. In documentaries it varies between 40 per cent and 60 per cent. We always look for cofinance.

Senator WORTLEY—When you say you look for it, how have you gone about that?

Mr Rosen—It is for a producer to put the other financial elements together. We will work directly with a producer to help find the additional finance. That finance can come from distributors, sales agents and the private investment sector using 10BA. It may also be cofinanced from overseas. For instance, for *Mary Bryant* there was a lot of money from Granada Television.

Senator WORTLEY—Do you consider these current measures to be successful in drawing additional private sector funding or support?

Mr Rosen—The FFC works very hard to try and find private sector money, but the private sector is a very conservative sector. We are not seeing quite as much private investment as we would like to see.

Senator WORTLEY—When you say not quite as much, do you have some sort of benchmark that you would like to achieve?

Mr Rosen—We look overall to try and get a ratio of \$1 to create \$2.40 worth of production. With regard to whether that comes from cofinancing from people directly involved in the industry—that is, broadcasters or distributors—or whether that is private sector money, we leave that to the producer to decide.

We have created some initiatives to try and create interest in the private sector marketplace. For instance, *Jindabyne* was a financing initiative we did with Babcock and Brown to raise private sector money for that film. But film investment is a high-risk area, and it is difficult to find investors willing to put money in.

Senator WORTLEY—If you were to rate the success of it, where would you put it at this stage? What other measures do you have in place to get the support you need?

Mr Rosen—I think the measures that are there, with a 100 per cent deduction on 10BA, are quite generous when you look at other private sector investments around the world. However, that 100 per cent is not strong enough in Australia at this point in time with the

competition in the marketplace of other financing paradigms that might be around for people to invest in various different things. As part of the review that is happening—all of this is being looked at.

Senator WORTLEY—That leads to my next question. Given the current review into Australian government film funding support, does the FFC consider the current lack of private support to be hindering its ability to satisfy both its mission statement and the statement of expectations?

Mr Rosen—I cannot say that it is necessarily a failure.

Senator LUNDY—The question was ‘hindering’ your ability, not failure per se.

Mr Rosen—I think it is a given that, although the measures are generous, they are not enough to attract private investment.

Senator Kemp—That is the nub of your view. Clearly there will always be a significant government role. Under this government, funding for this area tends to increase. We had a great film package before the last election, which was endorsed by the film industry, but there is a problem with private investment—there is no doubt about that. A key part of the review is to examine the range of incentives to see what can be done to encourage more private investment in the film industry.

Senator WORTLEY—Is the FFC confident that it will invest all available funds this year in Australian productions?

Mr Rosen—Yes.

Senator WORTLEY—Thank you.

Senator LUNDY—Just going back to the point of the review, you say that the plan for you is to have it all considered and be able to make announcements in next year’s budget. As far as your funded initiatives and other things you have put into film in the meantime, does that not take the timing out too far to be able to make a real impact on the current problems in the sector? This is a very open question. I am not trying to make a point, but tell me what you think.

Senator Kemp—I said in the *Hansard* that the normal practice would be for it to be announced in the budget context, which it is. If in the consideration of these matters the government decides on some other timing, that is a matter for the government. That is an issue that is in the future.

Senator LUNDY—Sure.

Senator Kemp—I have not looked at that and obviously we would want to see what we could do to encourage confidence in the industry. All these factors will feed into precisely what the government will do. The normal way these things are handled would be for it to be in the budget context. The truth is that this is important to the industry. Obviously I would be very happy if we could announce these things sooner rather than later, but we will have to wait and see. On the other hand, you have to remember that we are already very close to November. The clock is already ticking. I do not think there is much difference. The question is what I can put to the government, what the government’s reaction to it is and how it then wants to handle it from then on. As I said, normally it would be in the budget context. We are

very keen to see what we can do to continue to encourage the sector. We probably have a similar view on that.

Senator LUNDY—Thank you.

Senator WORTLEY—Does the FFC have a view on the future of the National Film and Sound Archive?

Mr Rosen—The FFC? It does not come under our auspices other than we put money into films and obviously we would like to see them preserved.

Senator WORTLEY—Do you believe that it should be an independent, autonomous institution?

Senator Kemp—You might call that ‘leading the witness’, Senator. You have had a little too much *Perry Mason*, I think, in your youth.

Senator WORTLEY—I am sure Mr Rosen can answer these questions.

Senator Kemp—It does not come within the FFC. It is under the auspices—

Senator WORTLEY—I am sure they have an opinion.

Senator Kemp—I am on the record of never directing officers here, every officer is free, but Mr Rosen made a very valuable point. If it does not come within his auspices—

Senator WORTLEY—Perhaps I could rephrase that.

Senator Kemp—We had this debate a long time ago—even before you arrived. Senator Lundy and I used to lock horns regularly on this issue.

Senator WORTLEY—Considering the current review, what does the FFC see as a best outcome for the future position of the National Film and Sound Archive?

Mr Rosen—At the moment, where it sits with the AFC is a very good position to be in. In the event that out of the review there is a recommendation to change the agency structure, then I think there is an opportunity to look at the best way this new organisation should work.

Senator WORTLEY—I thank the minister for that.

Senator Kemp—I think you are unduly suspicious, Senator; unduly suspicious.

CHAIR—What successes have you had recently? I saw *Little Fish*.

Senator Kemp—Did you enjoy that?

CHAIR—We have discussed this. It was a very well put together film. Have you followed that with other attractions?

Mr Rosen—We have had some good successes. *Jindabyne* has done in excess of \$5 million at the box office. *Boy Town* opened not this weekend but the previous weekend. It is already at \$2 million at the box office after 10 days. There is another film called *Kenny*. The FFC has not invested in that, but it is doing very well. *Ten Canoes* is a film that has been lauded around the world at various festivals. That film has performed very well at the box office too.

I would say that, overall, the box office for Australian films is showing the quality of the films that are there at the moment, and what film makers are making. The way it is looking at

the moment, this year's box office for Australian films will exceed last year's. We are on a growth pattern at the moment.

CHAIR—How does that compare as a percentage of cost, and your contribution? Are we getting above the line?

Mr Rosen—You cannot just take the Australian box office when looking at a film; you have to take its sales worldwide. When you look at that, our films are selling overseas, but it is a very competitive market overseas to sell into.

CHAIR—Do you find a market in subscription television and late-night movies in America, Canada and places like that?

Mr Rosen—Our films sell all over the world. Whether they get onto late-night television is in the hands of the distributors who buy them in the various countries. The normal pattern for release of a film is that it goes out theatrically and then it gets a DVD-video release. It then goes to pay television and then to free-to-air television. When you look at that cycle for Australian films, they are seen by a lot of people around the world when they get through the whole cycle.

Senator Kemp—We are always encouraged by the interest you show in the sector. Chair, I think you regularly attend the Wednesday night movies we put on. I might say that Senator Parry is a regular. I have had to name him on a couple of occasions on which he attended. Senator Lundy has been to our functions. I would like to see more of Senator Wortley at our film nights. Have you attended some of our film nights, Senator Wortley? I think you should. You are always asked.

Senator WORTLEY—Which ones are you talking about? The ones you have here?

Senator Kemp—We have them on Wednesday nights.

Senator WORTLEY—Yes, I have been to a couple.

Senator Kemp—They are well attended. We encourage parliamentarians to attend. There is one coming up in the near future, is there not, Mr Rosen?

Mr Rosen—Yes. At the end of November there is a very nice film called *Clubland*.

Senator WORTLEY—I often have other committee meetings at night.

Senator Kemp—You will have to drop some of your factional meetings.

Senator WORTLEY—Committee meetings.

Senator LUNDY—I ask the minister whether he thinks that attendance at such functions is an indication of the level of support or not.

Senator Kemp—I have read Mr Garrett's comments on people's attendance records. As I said, I had to defend some of my Labor colleagues in the parliament, because he said that polities of all persuasions were not attending enough cultural events. I was able to instance a number of Labor colleagues who attend regularly.

I make the point not in any aggressive fashion, because I know people have other things to do. But we are finding that quite a number of our colleagues are able to come to these functions and get a better feeling for what is happening in the industry. Quite a range of

movies are shown over the course of the year. These are really their first public showings, typically. We are very happy to have people coming along.

CHAIR—Premiere performances. Mr Rosen, when you say we are selling films overseas, whereabouts are we selling them? Can you give us some indication of that? In the UK?

Mr Rosen—They sell to all territories. Our films sell very well to Europe. Not all of them sell to the United States, but they do sell to Canada and Latin America.

CHAIR—Latin America—that is interesting.

Mr Rosen—We get quite a lot of sales.

CHAIR—Thank you for that information.

Senator WORTLEY—Can I say something in response to the minister: I have very good attendance at my committee meetings.

Senator Kemp—Do they meet on Wednesday evenings?

Senator WORTLEY—We have meetings every night. It depends on which committees sit, of course.

Senator Kemp—Are these Labor Party factional committee meetings?

Senator WORTLEY—No, we are talking about committee meetings held in this building, in this place.

Senator Kemp—Right.

Senator WORTLEY—Senator Lundy, do you want to ask questions on the Australian government film funding?

Senator LUNDY—Yes. I have a couple of general questions to the department and the minister about the film funding review. Is it useful to deal with that now rather than later, with the department?

Senator Kemp—We can deal with that now or we can deal with it later.

Senator LUNDY—I do not mind.

Senator Kemp—It actually does come under DCITA, so it probably would be good—

Senator LUNDY—We can do it later on, then.

Senator Kemp—We can have the person who was actually doing the review sitting with us at the table.

Senator LUNDY—We will do it with the department.

Senator Kemp—Yes, that will be fine.

CHAIR—Not yet. Senator Lundy, there are other senators; Senator Parry has a question.

Senator PARRY—Thank you. Mr Rosen just sparked up a question when talking about non-funding of *Kenny*, which was going so well. Was there a reason why? Was there just no approach to the FFC?

Mr Rosen—There was no approach to the FFC. We feel that, for a healthy industry, it is good that films get financed outside of the FFC, so we welcome any success.

Senator PARRY—So it was not because of the nature of the film? It was not ‘on the nose’ or anything like that—pardon the pun.

Mr Rosen—No, no. We would have welcomed them to come in, and hopefully with the next film they will come and talk to us.

Senator PARRY—It was an unusual film to have gone so well; it was on an unusual topic.

Senator Kemp—Have you seen it?

Senator PARRY—No, but I have seen the highlights.

CHAIR—What about domestic production for television, Mr Rosen? Does the Film Finance Corporation get involved in financing anything with local content?

Mr Rosen—Yes, we do. Under our charter we fund the high-end television—that is, miniseries up to 13 hours long and telemovies. We fund roughly eight such projects a year, be they miniseries or telemovies. We expend about \$15 million on that, and that generates about \$40 million to \$45 million worth of production spend. They are the sorts of miniseries like *Tripping Over*, which is on Channel 10 at the moment, as it just started last week. I mentioned *Mary Bryant* before, and *Jessica*. We have just financed a big series with Channel 9 that Hal McElroy is doing, which is about the patrol boats and called *Sea Patrol*. That has a lot of help from the Navy and it will be a very big miniseries next year.

CHAIR—One would gather, from that answer that, in other words, this is quite a significant part of your activities.

Mr Rosen—Yes it is. If you look at the full appropriation of \$70 million, \$25 million of that actually goes towards television drama, of which I would say roughly \$15 million goes to adult drama, and the rest goes to children’s drama. We do a lot of TV series for children, and then also we spend about another \$8 million, which creates about \$20 million worth of production documentaries.

CHAIR—We hear that Australian television production is diminishing somewhat; people are very concerned about this. What percentage of Australian productions do you finance? Are there other people in the field who are contributing equally?

Mr Rosen—As I say, we finance the high-end productions. For us to finance something it has to qualify as a 10BA production—so, if you get a long running series like *McLeod’s Daughters*, we are not able to finance that. However, we did finance the pilot of *McLeod’s Daughters*; there was a telemovie pilot. By us financing that pilot, they were then able to screen it and, out of the ratings and all of that, they then decided to make a series. So in that sense the FFC helped create a series.

CHAIR—Thank you. That appears to be all the questions, Mr Rosen. Thank you very much for being here, Mr Pearson.

[3.09 pm]

National Archives of Australia

CHAIR—We now move on to the National Archives, and we welcome Mr Gibbs and Mr Barr.

Senator LUNDY—I refer to the National Archives of Australia Corporate Plan 2006 to 2009 titled *illuminating the past, guiding the future*. It identifies record-keeping in the digital age as a priority for the years ahead. I know I ask questions about this fairly regularly, but I would once again like you to update the committee on the National Archives plans as outlined in this particular corporate plan.

Mr Gibbs—Our plans are comprehensive, and we outlined them at a recent conference which was held in Adelaide by the Collections Council of Australia. We outlined our plans to digitise as much of our collection as we were able to. Eighty-four per cent of our access is now online or remote, which is a fairly significant achievement. We now have 17½ million items available online as of this month.

Senator LUNDY—How many, sorry?

Mr Gibbs—There are 17.5 million, growing rapidly. On the digital side—that is, the material that comes to us digitally—as I think you are aware, we have built a product and device called Xena, which enables us to take digital records from agencies directly, and that is our main program.

Senator LUNDY—How is Xena holding up to the workload?

Mr Gibbs—The workload is just beginning. At this stage we are just taking in records like royal commissions and big-scale and urgent material like that. The factory-style transfer has not begun yet because most agencies still prefer to print to paper as their primary record. So what we are doing, really, is preparing for when the agencies do start to send us the digital material.

Senator LUNDY—Are you able to provide the committee with the presentation to the Adelaide conference?

Mr Gibbs—We certainly could. I was looking at it this morning. We are running a conference early next month for archives from all over the country and New Zealand, here in Canberra, and you can have my presentation for that as well if you would like. That is probably updated.

Senator LUNDY—Thank you. That would be excellent. You mentioned the ongoing issue of getting paper records from departments and agencies. What is in this corporate plan that you think will assist an improvement in the proportion of material you receive electronically over the next three years?

Mr Gibbs—By the end of this report period, we envisage that that will be the primary method of delivery.

Senator LUNDY—That is a big turnaround.

Mr Gibbs—Unfortunately, people have been predicting the advent of the paperless office since about the end of the Second World War, and it has not come as fast as we hoped! We

really do think now we are on the cusp of a change, and you may be aware that the Auditor-General, the ANAO, has just brought out a major report this month on electronic record keeping, which we seconded staff to and which has a major recommendation that the Archives should set minimum guidelines for agencies to encourage them to transfer records to us in digital form.

Senator LUNDY—Have the government responded to that report? I presume they have, if it has been published.

Mr Gibbs—It only came out last week, I think. It was tabled in parliament.

Senator LUNDY—Is it a performance audit by the ANAO?

Mr Gibbs—Yes, it was.

Senator LUNDY—Those reports usually contain a government response to the recommendations, to a degree.

Mr Gibbs—It contains an Archives response. We endorse most of what they are saying, but we acknowledge the resource implications of what they are asking us to take on.

Senator LUNDY—What action does the Auditor-General recommend that the Archives take to improve that performance?

Mr Gibbs—We should issue more minimum-level guidelines, so they apply to all agencies. As you may be aware, and certainly we made the audit committee aware, we are developing a minimum-level workbook, a checklist, for all agencies to know how they are going and what they need to do to improve. As I said, the report was done very much in tandem with us.

Senator LUNDY—What are your expectations for the next three years? Do you have targets aligned with each financial year to achieve in terms of the proportion of documents received electronically?

Mr Gibbs—We do, but they are not as ambitious as they would have been perhaps three years ago, for the reasons I said. We have been surprised in the survey—both in the Public Service Commission State of the Service survey and in the ANAO report—at how much agencies are still fairly conservative. They work electronically with email and other things, but when it comes to records they are very conservative, we think, and still print to paper. The National Archives, I think, is the only agency identified by the ANAO as being fully online, and all its records are electronic. So it is hard to say, but we are aware of what it is, and we are issuing encouragements. This is the third ANAO report. You will remember that two years ago they did one for big agencies and one for small agencies. This one is focused just on the electronic, and we hope this will help to be the catalyst for agencies to transfer their records—to keep their primary record in digital form and transfer it in that form rather than going to paper. I think that, as court cases emerge around the world where in fact the digital is regarded by courts as the primary evidence, it will be another incentive for agencies to do that.

Senator LUNDY—What have the Archives budgeted to achieve these outcomes? Has there been any additional budget allocation through the additional estimates process, or are you awaiting the next budget to allocate the resources necessary to achieve it—or, alternatively, can you do it with your current budget?

Mr Gibbs—We are trying to do it with our current budget. We have a team of about six people working on the digital archive project and, at the moment, until the floodgates open, that is sufficient staff for us to manage the project.

Senator LUNDY—So are you seeking additional resources, or do you think you can do it and you are going to try and do it within existing resources?

Mr Gibbs—We are always seeking additional resources for all sorts of things—

Senator LUNDY—Did you hear that, Minister?

Mr Gibbs—including this one.

Senator Kemp—I do not have to hear that, Senator; I know that very well indeed. I am very much aware of the very important work of the Archives, I can assure you.

Senator LUNDY—What consultations have the Archives held with state—as opposed to federal—governments and departments and other institutions in other states?

Mr Gibbs—In this area, do you mean?

Senator LUNDY—Yes, in the area of digital record keeping. You obviously play a leadership role, but do you play a practical role in supporting them as well?

Mr Gibbs—Three years ago, when I came to Canberra, you might recall that there was a Senate estimates committee at that time which asked that very question. We set up a joint initiative with Victoria which has now spread around the whole country, and to New Zealand, called the Australasian Digital Recordkeeping Initiative.

Senator LUNDY—That is terrific.

Mr Gibbs—That is now the driver for all of us to make sure that we are going in the same direction, that we are being efficient and getting real synergies. The conference I was talking about in Canberra next month is really under the auspices of that body. So there is a unified archives approach in this country now.

Senator LUNDY—Do they use the same software?

Mr Gibbs—Only Victoria and the Commonwealth at this stage are developing digital archival software. What we have been trying to do since that Senate estimates committee in 2003 is to make sure that we are working in the same direction. Essentially, we are all trying to work with open source software.

Senator LUNDY—Excellent.

CHAIR—Thank you very much, Mr Gibbs and Mr Barr.

[3.19 pm]

National Gallery of Australia

CHAIR—We are now proceeding to the National Gallery of Australia. We welcome Mr Radford and Mr Froud.

Senator WORTLEY—I have some follow-on questions from our budget estimates in May.

CHAIR—You can proceed then, Senator Wortley.

Senator WORTLEY—Following on from budget estimates in May, in which we spoke about the issues of occupational health and safety, the Wray review, allegations of sick building syndrome and the investigation into possible cancer clusters, and the questions in general discussion around these issues, I want to get some clarification on where you are at now. Mr Froud, you told the committee in May that you would be talking further with Dr Driscoll. Could you advise the committee of developments?

Mr Froud—I certainly can. We subsequently engaged Dr Driscoll to provide advice. Dr Driscoll and Mr Gary Foster are providing assistance. Since we last met, we have convened an all-staff meeting—that occurred in August—to ensure that all our staff were aware of the initiatives we were taking to try to secure information associated with this matter. Dr Driscoll indicated, and we accepted his proposal, that the most appropriate response would be a comprehensive analysis of issues associated with this matter, which would include an approach to cancer registries in all of the states and territories to ensure there was a comprehensive assessment of any information regarding any former members of staff of the National Gallery since its establishment to try to ensure there was a body of work undertaken to be as complete and as comprehensive about the matter.

That, however, takes some time because the processes associated with gathering information from those registries are time consuming. It goes to issues of ethics and the like, and the approvals process takes many months. We are expecting an interim report from Dr Driscoll by about the end of November or early December. That will be primarily to focus on issues that have been raised by staff in the discussions that have taken place already since the engagement of Dr Driscoll and any issues that were raised prior to Dr Driscoll's engagement.

Any issues that were previously identified in response to the earlier invitation that we made to staff around this issue will be considered by Dr Driscoll and Mr Foster, and their indication was that we can expect their report on those issues by about late November or early December. It would probably be the middle of next year before the final report would be available because of the time to gather and analyse the comprehensive data regarding all current and former staff of the National Gallery.

Senator WORTLEY—I take it that that would include the nine names that were put forward by staff.

Mr Froud—Indeed; the intention would be to try to make that completely comprehensive in respect of people who have previously worked at the Gallery.

Senator WORTLEY—In relation to the operation of your occupational health and safety committee, there was some misunderstanding last time as to how they came to their conclusion, and you said you would address that.

Mr Froud—I think we have clarified that issue. Certainly the reporting in the press was an accurate reporting of the minutes of the meeting; however, it appears that what actually happened was that a report that was provided to the meeting was not as complete as it could have and should have been. That was then clarified with the committee once that issue had been identified. We have obviously moved on from that. We have attempted to be very open and transparent in all of the issues associated with this. We have established on the Gallery website some information about this issue. We have established a steering committee with

representation from staff, unions that represent staff interests and management that will provide oversight of the work of the consultants and be a point of reference for the consultants should they require that. The intention is that, as reports are received or as relevant information arises, it will be posted onto that website. So we will be trying to provide everybody, whether they are staff within the organisation or any interested person who wants to log onto our website, with up-to-date information as well.

Senator WORTLEY—It looks as though the issues are finally being addressed.

Mr Froud—We hope so.

Senator WORTLEY—Will the information received from the cancer registers be included in a report within the next 12 months? Is that what you are saying?

Mr Froud—Yes. The initial report will address the issues that have been raised by staff, but the medical information that the cancer registries have will take some time to access and then some time to analyse.

Senator WORTLEY—But that process has been started?

Mr Froud—Correct, and the expectation is that that will be in the final report. The consultants have been careful to ensure we do not misunderstand that it will take some time, and their best guess is about the middle of next year.

Senator WORTLEY—Thank you.

Senator LUNDY—I understand a number of the European Masters have been loaned to interstate art galleries. When did this take place?

Mr Radford—They have been lent. As you know, we lend a lot of our collection. We have lent the 20 Old Masters between Adelaide, Sydney and Melbourne, which have extensive Old Master collections. The works requested by Melbourne—they requested certain works—are already on display in Melbourne. In Adelaide and Sydney, they are soon to be on display.

Senator LUNDY—When did that take place?

Mr Radford—The launching of the Melbourne works was several months ago, and the launching of the Sydney and Adelaide works will be very soon—although one Old Master was already lent to Sydney for an exhibition, and they just kept it. That was the Rubens self-portrait. They kept it for their new display.

Senator LUNDY—I am just trying to get an idea of when they left the National Gallery and how much time will have elapsed before they will be in the public eye again.

Mr Radford—The Rubens is already on display in Sydney, and I understand that literally in the next month or so they will be on display in Sydney and Adelaide. They have already been on display for several months in Melbourne.

Senator LUNDY—Would you be able to provide the committee with a detailed list of which works have gone where?

Mr Radford—Yes. They were works that were requested by those galleries, so we are treating it very much as a loan, as we loan so many of our things. Yes, we know exactly what is—

Senator LUNDY—Do you have that information here?

Mr Radford—Yes.

Senator LUNDY—If you could run through it or even table that document, that would be useful.

Mr Radford—I think we will just table the document. Is that all right?

Senator LUNDY—Thank you. What is the average length of time for the works to be on loan?

Mr Radford—This is a three-year loan.

Senator LUNDY—That is a long time, isn't it? It seems to me to be a long time.

Mr Radford—We have had loans of some of our Arthur Boyd material for much longer than that.

Senator LUNDY—Is this part of a plan? I think I read somewhere that this was part of a plan to shift the focus of the Gallery to Indigenous arts and have more of that regional influence over the collections. Is that right?

Mr Radford—It is partly that. It is also very much part of a plan to do what we do well. Of our 140,000 objects, the 20 Old Masters were not of great consequence together, but we feel that, in lending them to Melbourne, Sydney and Adelaide, which have had a long commitment to Old Masters, they may make more sense and tell a better story. What we are trying to do is to do what we do well. I suppose our Old Masters collection would be the seventh largest in Australasia, and the seventh largest in Australasia is about as small as you can go in the world. We are trying to do what we do well—that is, international, European and Australian late nineteenth and early twentieth century art; Australian art, including Indigenous art; and of course the art of our region: South-East Asia, India and the Pacific. Those areas we do extremely well. Apart from Australian art, they are not areas that are done well in other galleries.

We are trying to complement what is being done by the state galleries and to not rival them; for example, with our nearest neighbours—India and South-East Asia—it is an obvious thing for us to acquire from and work in that area, but in other galleries North Asia, China and Japan are better represented. So we are not on their turf. One of our aims is to have the best collection of Indian art outside India and the best collection of South-East Asian art outside South-East Asia. Pacific arts are not shown in many art galleries, and we believe they should be. So we are trying to do what others do not do and to do what we do do well.

Senator LUNDY—Just going back to the Old Masters on loan, is there any reciprocal arrangement whereby the galleries to which you have loaned the Old Masters are able to return the favour with items that complement your vision for the gallery?

Mr Radford—We want to be seen to be generous—and we are generous—and we are not specifically asking for loans back, but we have some exhibitions coming up which require substantial loans from Melbourne, Sydney and Adelaide. Melbourne was a very extensive lender to our very successful John Constable exhibition. They lent four very important works for that exhibition.

Senator LUNDY—How many did you lend them?

Mr Radford—In painting and sculpture, something like eight or nine.

Senator LUNDY—Do you score heaps of brownie points?

Mr Radford—I hope so, because there was a time when it was seen that the National Gallery was in rivalry with the older state institutions. Having been a state director, I have tried to make sure that no longer seems the case—that we complement what they do; we do not rival what they do—and we try to help them in every way because we are the national collection and have a national role to play.

Senator LUNDY—Are there any plans to make these permanent loans?

Mr Radford—No.

Senator LUNDY—What policies or regulations or even law governs your management of these works? It is obviously within your capacity to make a loan. Are there any conditions attached to that or is there anything preventing it from becoming a permanent loan? Just describe the constraints, please.

Mr Radford—An example of some of the constraints: if we want to borrow them back for a temporary exhibition, we can do so at short notice. Also, if there are major exhibitions within Australia—or the world—that need to borrow those works we, not them, get to decide where they go. At short notice, we can lend those works to major exhibitions around the world or within Australia. It is our decision. It is their responsibility to insure them—to pay for the insurance.

Senator LUNDY—Are you currently paying for the insurance?

Mr Radford—No.

Senator LUNDY—So the minute they arrive at that loan institution, that is when they start covering the insurance.

Mr Radford—I believe that is correct.

Senator LUNDY—Are all of them for three years?

Mr Radford—Yes.

Senator LUNDY—How long are your loans from them?

Mr Radford—It varies. With the John Constable show it was for something like eight months for the two venues, and it will vary from time to time.

Senator LUNDY—I understand it is part of your role and your plan as executive director of the National Gallery to oversee an improvement in the number of people attending the gallery. How is that going? What measures are you using to assess improved attendance?

Mr Radford—Numbers are one thing, and the numbers have steadily increased over the last three years. The measure we are using is to have a blockbuster every year. As you know, Constable was the blockbuster earlier this year. This financial year it will be the Egyptian show, which opens in three weeks. We hope that will get numbers up.

Senator LUNDY—I do not have my invitation for that yet.

Mr Radford—That is because they have not been sent out.

Senator LUNDY—That is all right, then. I was just checking. I am a bit suspicious because of Senator Kemp's political playing.

Senator Kemp—If Senator Lundy is not asked anywhere, I get a call and I intervene.

Senator LUNDY—Anywhere I want to go.

Senator Kemp—I cannot, of course, direct the gallery. If they do not want to ask you, Senator, I cannot direct them except in writing, but I will suggest that they should.

Senator LUNDY—I think a lot of people are looking forward to it.

Mr Radford—Of course you will get an invitation. To fully answer your question, it is not only exhibitions. You will also be getting an invitation soon, Senator Lundy, to the reopening of our international collections. It is a very new way of looking at our international collections, which includes for the first time all media, prints, drawings, photographs and decorative arts, as well as paintings and sculptures—and Australian art as well. That will open in about three weeks, just days after the opening of the Egyptian show. That is to refocus our collections. You would know that we have already reinstalled our Indian and South-East Asian galleries on a different floor.

We think the improvement of the appearance and improvement of the lighting and wall texts is helping to increase the audience and also the diversity of the audience. We have had for the first time in the gallery so many people from the Indian subcontinent coming specially to see that area of the collection which we have not had before. It is the same with South-East Asia, which we opened just last week. We are hoping the new look and very popular international hang will attract people beyond just our temporary exhibitions.

Senator LUNDY—Going back to my question, how are attendances going? You have described the events you are using to drive attendances, but how are they comparing to previous figures?

Mr Radford—To improve the collection displays, but also to advertise these collections or displays as you would advertise an exhibition—advertising events that surround each of the openings of the new displays, as well as events and advertising for the exhibition program. We always count attendances of our extensive temporary exhibition program, which is the most extensive in Australia. Shortly we will be celebrating our seventh million visitor to our exhibition program since the program began in 1988.

We also count loans—touching on what you were saying about the older masters. We lend pictures. If you count the number of works that have seen the National Gallery—pictures around the world and Australia—3½ million people have viewed the National Gallery of Australia works. We regard that as a pretty important sort of figure to share the national collections with the rest of Australia and, to some extent, the world.

Senator LUNDY—Are you able to measure the number of people you have had through the doors?

Mr Radford—Yes.

Senator LUNDY—Can you compare from the way the gallery was managed previously and with your new focus? Is that possible yet?

Mr Radford—We need to get more data from our education section. We have had more people since we have done the new collection displays, from schools particularly, wanting to see the Indian and Asian displays—and also Imants Tiller’s exhibition and the Michael Riley exhibition. We have had a tremendous increase in schoolchildren visiting specific collection displays and temporary exhibitions.

Senator LUNDY—Are you able to provide the committee with a graph showing attendances over, say, the last three years?

Mr Radford—Yes.

Senator LUNDY—Would you like to take that on notice.

Mr Froud—That would normally be included as an appendix to our annual report, which is due to be tabled in the next few days.

Senator LUNDY—No wonder my office cannot find it.

Senator Kemp—It will be tabled in the next few days.

Senator LUNDY—That is pretty slack. You are supposed to have them out by this round of estimates, aren’t you? Is it the minister’s fault or your fault?

Senator Kemp—Before you say, ‘That is pretty slack,’ you should actually be aware of what the requirements are—

Senator LUNDY—I know what your accountability requirements are.

Senator Kemp—and, having determined whether there was a cause to say that, you can then ask what the delay is.

Senator LUNDY—Tell me what the delay is.

Senator Kemp—I am not sure that there is a delay. I would have imagined that it was delivered on time.

Senator LUNDY—There is, because we are supposed to have it by additional estimates.

Senator Kemp—Just hold on, Senator. You have had your say. I am now going to ask Mr Froud.

Mr Froud—My understanding, Minister, is that there is an obligation to table annual reports by the end of October, and I understand that the material has been provided to the parliament.

Senator LUNDY—It is the department’s fault?

Mr Froud—No, to the parliament.

Senator Kemp—I have written a letter.

Senator LUNDY—So it is the parliament’s fault?

Senator Kemp—I have cleared the report. The report is not in my office.

Senator LUNDY—When did you clear it, Minister? Yesterday?

Senator Kemp—I would have cleared it, I think, last week.

Ms Williams—Senator Lundy, they were due to be tabled by COB today, I gather.

Senator LUNDY—It is outrageous.

Senator Kemp—Hold on. We are meeting our requirements, so could you please apologise to the officials here for calling them slack, Senator.

Senator LUNDY—No, because as a member of parliament I am supposed to be able to refer to the annual report for this round of estimates.

Senator Kemp—Yes, but if the parliament says that we are to table by the end of October and we tabled by the end of October—

Senator LUNDY—No, for the additional estimates.

Senator Kemp—nobody can say that we have been slack, and I think that these very hardworking officers should now receive a formal apology from you.

Senator LUNDY—I do not think that the gallery has been slack. I will reserve my position on you.

Senator Kemp—You do not have to reserve your position on me; I know exactly what you think, Senator! But I am not worried about me; I can defend myself.

Senator LUNDY—No, you can cope.

Senator Kemp—I am worried about the officers, who are doing their best to keep you happy.

Senator LUNDY—Thank you, Minister. What opportunity do you provide for people attending the gallery to give you feedback on the changes that you have made? Do you provide any?

Mr Froud—We do have a service charter process, and in fact we invite comment and feedback from the public. So, whether it be on that particular issue or any issue relating to the gallery's operations, we certainly encourage it, and the public takes that opportunity.

Senator LUNDY—Do you have a little form?

Mr Froud—Yes, we do. We have a form and—

Senator LUNDY—And how proactively do you push that out amongst attendees?

Mr Froud—It is at the front desk. I suppose, if anybody has a concern, usually that would manifest itself in somebody expressing their displeasure or concern to a member of staff, perhaps a security officer or the information officer at the front desk, so they are obviously directed to that procedure at that point. But it is certainly also presented in a visible manner, and we would want to encourage people to know about it and use it. Where we can, we make reference to it in the annual report, and we try to give it some visibility.

Senator LUNDY—There is a Friends of the National Gallery, isn't there?

Mr Froud—There is.

Senator LUNDY—Have you got some feedback from that group?

Mr Radford—Yes, feedback from them and also the education section of the gallery, where it has been very positive indeed. There is excitement amongst the membership, which is over 20,000 around Australia, at the just-opened displays and the new forthcoming displays, and a bit of excitement also about the Egyptian show from the Louvre.

Senator LUNDY—Thank you for that. What is the latest update on the issues about the physical changes to the building and the proposals for the capital works—that I know have been to government?

Mr Radford—While we have been doing the new displays, we have been doing a whole new lighting system with an expert from America. We are relighting the entire collections, which gives us greater versatility. Also, it uses less electricity. So the lighting system is being completely updated. We have just recently totally cleaned the outside of the building for the first time. And, talking of maintenance, we have just completed a report on the garden, which we are restoring. It has lost a lot of its understorey. So, as well as refurbishing for the new displays, we are actually improving the building.

We are just about to absolutely restore the sculpture gallery, which was abandoned as a sculpture gallery in 1990. We are replacing the floor with a similar material, uncladding and relighting the wall and reinstalling sculpture. That should be ready by the end of February as part of the refurbishment of the building; so that continues. Next year we are doing a small new Pacific Island gallery. Then we will be making minor changes to the 19th century Australian galleries, which we did already a year ago but we are going to expand them. We want to have all this ready for our 25th birthday next year.

Senator LUNDY—What happened to the plans to expand the gallery and change the entrance way?

Mr Radford—That is still in additional estimates.

Senator LUNDY—So you have not got the funding for it?

Senator Kemp—A proposal is with the government to consider.

Senator LUNDY—When are you going to make a decision, Minister, or have you already?

Senator Kemp—A decision has not been made on it. When a decision is made it will be determined by people infinitely more senior than me.

Senator LUNDY—It is out of your hands then?

Senator Kemp—I do not think Mr Radford would be worried about my support for this. We will have to wait and see.

Senator LUNDY—Is it still the same proposal that we discussed previously?

Mr Radford—Yes.

Senator LUNDY—So two stages?

Mr Radford—No, it is just stage one that is up for additional estimates.

Senator LUNDY—I vaguely recall seeing yet another article about the concerns of the original architect. How is that consultation proceeding?

Mr Radford—He might have said in that article that there had been less consultation than has happened. Since 2002—

Senator LUNDY—I think we have all of this on record.

Mr Radford—No, not what I am about to tell you.

Senator LUNDY—I am sorry keep going.

Mr Radford—Since 2002 we have consulted with the architect 22 times; we have that on the record. I consulted with him and his associates personally over a period of five full days over several months.

Proceedings suspended from 3.44 pm to 4.07 pm

ACTING CHAIR (Senator Ronaldson)—I gather that greatness has finally fallen upon me after a long wait and I am the Acting Chairman for a while. It is a matter of great excitement, Minister.

Senator Kemp—I know that you will be fair and balanced Senator Ronaldson, like Senator Eggleston.

ACTING CHAIR—I will do my very best Minister. I think Senator Lundy has some questions.

Senator LUNDY—Thank you very much Mr Acting Chair. Mr Radford you were talking about the consultations you have had with the architect: 22 times, five whole days. Where is it currently at? Are you still in dispute with the architect with respect to your plans for changing the entrance way and other physical changes to the building?

Mr Radford—I hope not.

Senator LUNDY—Do you know?

Mr Radford—The architect has been very much involved with the planning and the plans for stage 1 would be very different without the contribution of Mr Madigan. He has already helped us design it. I would hope when the time comes that he would endorse it as well. I know also, because I have been communicating with him, that he is thrilled with how we are restoring the ground floor galleries. I have sent him photographs and he has been full of praise.

Senator WORTLEY—Has the Royal Australian Institute of Architects been consulted on the new design?

Mr Radford—Yes, there have been discussions.

Senator WORTLEY—What do you mean when you say there have been discussions? Have you sat down with them? Have they looked at the design?

Mr Radford—Yes, Andrew Anderson of PTW Architects has seen the plans.

Senator WORTLEY—Sorry, I just jumped in there.

Senator LUNDY—That is all right. I am just trying to get a bit of a feel about where it is at. Do you see these concerns as they are expressed as a barrier or a potential problem in having government approval or funding made available for the proposed changes? Is it at that point, or are you beyond that?

Mr Radford—No, I do not think so. I think it is beyond that.

Senator Kemp—I think it is a matter to be resolved by Mr Madigan and the gallery. He has written to me on that issue. My strong view is that it is a matter that should be dealt with directly by the gallery. I was very encouraged by Mr Radford's comments.

Senator WORTLEY—I understand that Mr Madigan said that more work needs to be work done on it.

Mr Radford—I did not know that.

Senator WORTLEY—An article on ABC online states:

The original architect, Colin Madigan, says it needs more work.

“There's not a great deal of difference between what he wants and what I want,” he said.

“The thing that worries me is that he doesn't present it ... his aesthetics is not in sympathy with the old building.”

Mr Radford—He helped design stage 1, so I hope that he would finally approve it. We have paid him to work with us, and he has been working with us.

Senator WORTLEY—Have you seen this article?

Mr Radford—What is the article? Who is it by?

Senator WORTLEY—It is an article on ABC online on 25 September 2006.

Mr Radford—Who wrote it?

Senator WORTLEY—It does not say.

Mr Radford—There have been lots of articles. I cannot remember which one that is, but I do know that in some of the articles both me and Mr Madigan have been misquoted. I do not know whether that was one of them.

Senator Kemp—That must be a first for the ABC.

Senator LUNDY—I recently attended a breakfast function. Caterers used the space previously used by the Mirrabook restaurant. What are the future plans for that area? Will it continue to be used as a casual space for functions when booked?

Mr Radford—We have great plans for it. We have initiated happy hours on Friday night. We now serve brunches on the weekend, and we hope to be able to heat it so that we can use it more regularly at night. We would eventually like to have a properly designed, very low and invisible permanent construction rather than a tent.

Senator LUNDY—Yes, what a good idea.

Mr Radford—It is a very popular venue. The caterers now serve very good meals. In the future, we want to make better use of it than we are able to now. I am not disagreeing with you.

Senator LUNDY—Do you have any resources or funding available in your existing budget or are you trying to get additional money to fix it up? It just seems such a shame. The tent is getting a little tatty, and I know how popular that spot is for all sorts of functions.

Mr Radford—I am not sure that you have been there since we have replaced the tent. That was done fairly recently, and we are about to do new lighting for it. We are still thinking about replacing the tent. It is only a temporary thing. Our resources will go firstly towards maintaining the building and then to stage 1. That area would be next after that.

Senator LUNDY—Is it a nice little earner for the gallery or does the revenue from renting it out not have a great impact?

Mr Radford—Yes there is some income, particularly at times when there are major exhibitions but we, like you, feel that we can take greater advantage of it in the future when we can improve it further.

Senator LUNDY—I will take that as a sign of strong intent. What do you think, Minister? Do you think it is worth a bit of investment?

Senator Kemp—I am always keen to support further important initiatives at the gallery—it is a very important institution—but there are government processes that have to be gone through.

Senator LUNDY—What about that particular spot? Do you know where we are talking about?

Senator Kemp—I think I know; I have been in that area. I did not notice that it was tatty.

Senator LUNDY—It has apparently been fixed up but I think it was a fair comment to say it was getting a little tatty.

Senator Kemp—Maybe I was there at night and I did not quite focus on the decor.

Mr Radford—At the opening of the Constable.

Senator LUNDY—It is an immensely popular spot; the proximity of the Mist sculpture and the floating heads. I think it is widely recognised and very dear to the hearts of lots of people.

Senator Kemp—You, Senator, would have been very pleased with the very strong support that we have given to the collecting institutions, particularly during my term as the minister for the arts.

Senator LUNDY—Indeed, Minister. I shall send you a gold star.

Senator Kemp—That is exceedingly good of you. Will you personally sign it?

Senator LUNDY—We will see what the next budget looks like first. Are you going to be here for the next budget? Are we going to have the pleasure of your company at the next round of estimates?

Senator Kemp—You and I, Senator, are both at the mercy of our leaders, aren't we?

Senator LUNDY—We are indeed.

Senator Kemp—You have been dumped before and I have had to make comments on that.

Senator LUNDY—Merciless.

Senator Kemp—Because of a provocative question I had to draw on a bit of history. Senator, both you and I are at the mercy of our leaders.

Senator LUNDY—These might be your last estimates.

Senator Kemp—Live in hope, Senator! You have been saying that for quite a few years.

Senator LUNDY—I know and I have been living in hope too, don't worry.

Senator Kemp—As far as you are concerned I have been on the way out for the last eight years.

Senator WORTLEY—Mr Radford, would you provide the committee with some information on the National Gallery's decision to cease offering a prize in sculpture?

Mr Radford—We decided after we had finished the three-exhibition contract that we had to look at areas other than sculpture. We were being told by other media—media like painting, prints, drawings, Indigenous art and photography—that perhaps we should look at other areas. At the time we embarked on this sculpture was very much a Cinderella and we were hoping that these prize exhibitions would raise the profile of contemporary sculpture. We believe they have done so. There are now a number of prizes and exhibitions of sculpture around the nation. So we want to embark on another contemporary area after that, particularly since we have been reinstating the sculpture gallery since 1990. We are going to expand the sculpture garden. Eighty per cent of our Indian and South-east Asia collection is sculpture. We do not want to be labelled as the national gallery of sculpture exclusively so we hope to have a different initiative.

Senator WORTLEY—Has the last prize in sculpture been presented?

Mr Radford—Yes, it has.

Senator WORTLEY—Have you made a decision regarding the medium and the presentation of prizes?

Mr Radford—We are in discussion with sponsors and we feel we will have an outcome soon.

Senator WORTLEY—Is it the sponsors who determine where the prize will be awarded?

Mr Radford—Absolutely not. That is the whole point. Sponsors do not determine that.

Senator WORTLEY—So who determines where the prize will be awarded—to which medium?

Mr Radford—We decide. Did you say to whom it will be awarded?

Senator WORTLEY—No, not the individual award but whether it is going to be in painting or what other media.

Mr Radford—We are not dictated to by sponsors. We make those decisions.

Senator WORTLEY—And when you say 'we'?

Mr Radford—We, the National Gallery.

Senator WORTLEY—Have those discussions been had yet? Are you ready to announce what the new—

Mr Radford—No, we are not. I can say that it will not be sculpture and it will be in another area and it will be next year.

Senator WORTLEY—When will the first prize be awarded? Will the announcement will be next year?

Mr Radford—No, you are assuming it is a prize. It will not be a prize; it will be a contemporary exhibition in a certain area, a survey exhibition.

Senator WORTLEY—So it will be an exhibition?

Mr Radford—A contemporary survey exhibition in a certain area.

Senator WORTLEY—Still to be decided?

Mr Radford—Still to be announced.

Senator WORTLEY—So it has been decided; it just has to be announced?

Mr Radford—No. It is still being negotiated.

Senator WORTLEY—Negotiated, when the National Gallery is the one that makes the decision? So who are you negotiating with?

Mr Radford—We negotiate with ourselves sometimes.

Senator WORTLEY—When will the outcome of those negotiations be known?

Mr Radford—Probably at the beginning of next year.

Senator WORTLEY—Who are the people who are involved—you and—

Mr Radford—The board and senior staff.

Senator WORTLEY—The board and senior staff?

Mr Radford—Council and senior staff.

Senator WORTLEY—Thank you.

Senator Kemp—Can I just thank Mr Radford and Mr Froud and for their comments. I have been coming to these estimates for five years—

Senator LUNDY—Is that all?

Senator Kemp—as Minister for the Arts and Sport, and this is the first time we have had a discussion that has ranged far wider than issues like occupational health and safety and varying staffing issues—as important as they are. I am not being patronising, but I do think that is entirely appropriate.

Senator LUNDY—Yes, you are.

Senator Kemp—It might sound that way.

Senator LUNDY—Actually, you are.

Senator Kemp—I have been critical in the past that we do not seem to focus on collections, policy and the general plans of the National Gallery, and I thought that was very interesting.

Mr Radford—And I am grateful for the questions to be focused on arts. I am very pleased to have questions on arts, thank you.

Senator LUNDY—We will make a note of that, and you will know next time which way we made the note.

Senator Kemp—You have revealed your hand.

Senator LUNDY—You should not be too appreciative. We do not want you to have too much of a good time.

[4.22 pm]

National Library of Australia

ACTING CHAIR—I would now like to welcome officers from the National Library of Australia.

Senator LUNDY—What is happening with the storage facility?

Mr Linehan—The storage facility was officially opened in early August, and we are now in the process of completing the book move from the old warehouse and for some of the items from within the existing building. That will be finished before the end of November.

Senator LUNDY—What capacity does the storage facility in Hume have for future needs, anticipating completion of that task?

Mr Linehan—We believe it will meet our storage requirements until 2013.

Senator LUNDY—That is not very far away?

Mr Linehan—No. There were two parts to this facility. One was about collection growth and the other was about removing some of the existing material from an old warehouse into this warehouse.

Senator LUNDY—Do you have long-term plans for expanding this storage facility, given you will outgrow it in 2013?

Mr Linehan—There is capacity to build a further warehouse on the site. That would be subject to relevant government approval, but that is a little bit down the track in terms of our thinking at the moment.

Senator LUNDY—One step at a time. Did it come in on budget and on time?

Mr Linehan—We came in within 0.5 percent of budget.

Senator LUNDY—Over half?

Mr Linehan—It may be slightly over at this stage.

Senator LUNDY—You would have bragged about it if it were under budget.

Mr Linehan—Yes, putting it in a positive way. With the timing factor, we had originally hoped to complete the book move by June. There has been a delay to November. A lot of that was to do with the approval process with the land and the actual design of the building.

Senator LUNDY—That was dealing with APLA?

Mr Linehan—Yes, different agencies.

Senator LUNDY—Yes, ACT. I also understand that there will be some podium upgrading at the National Library. Can you outline those capital works and the cost?

Mr Linehan—We are replacing the membrane on the podium. We expect the cost to be in the order of \$9.8 million. We are hoping the project will start in February next year and be completed by June 2008.

Senator LUNDY—How come it takes so long? What does the work involve?

Mr Linehan—The podium itself is the area outside the ground floor. It is about the size of three-quarters of a rugby field, so it is a very large project and is something that we have to manage in stages as we go round. Of course part of the key aspect of the project is to try to make sure it does not interrupt normal library operations.

Senator LUNDY—How do you propose to do that and what impact will it have on the aesthetic of the National Library?

Mr Linehan—We are currently going through a tender process at the moment. We will have an absolute idea of what that will entail once we finish that tender process, but we envisage that we will do it in six different stages, replacing different segments at a time. For part of it there will need to be covers over the work area—firstly, to protect the work area; and, secondly, to make sure no water leaks through into the areas underneath. I think the inevitable consequence is that it will impact on the aesthetic aspect of the building, but we are trying to keep that impact as minimal as possible.

Senator LUNDY—Does the \$9.8 million include the replacement of the surface, or are you going to recycle the slate?

Mr Linehan—We are hoping to keep about 90 per cent of the existing slate.

Senator LUNDY—Is there a heritage issue there for you?

Mr Linehan—Yes, we have already been through the heritage side and had approval for the works.

Senator LUNDY—Was part of the heritage requirement to retain the slate, or is that what the Library wanted to do anyway?

Mr Linehan—I think that would have been part of the heritage requirement and a clear National Library desire as well.

Senator LUNDY—Just following up from last time: I know the National Library is always leaping ahead with a range of initiatives, particularly in the online area, and, as usual, I would like to give you the opportunity to update us on any recent developments in the area of digital storage and the online services that you make available to the citizens of Australia and other institutions.

Ms Fullerton—Our online services are being very heavily used. There was an increase in use in the last financial year of nearly 60 per cent.

Senator LUNDY—Sixty per cent?

Ms Fullerton—Yes. We have over 100 million page views of our online services, so they are very successful. We hope to embark on a major project for the digitisation of Australian newspapers later this financial year. That will make a lot of information very readily accessible to people. We are experimenting with new technologies like blogs and wikies to have a more direct relationship with our users and to be able to operate in the digital world

more in the way the digital world is operating itself. That is a little bit cryptic, but we are looking at the way people function now.

Senator LUNDY—So the whole sort of web 2.0 changes and interactivity?

Ms Fullerton—Yes, community networking is a bit issue for us. We have some quite modest initiatives to test these new technologies, and we will proceed when we discover how successful they are. We want to do some rapid prototyping to move along into the new world of technology.

Senator LUNDY—Are you doing that in-house or are you engaging other services?

Ms Fullerton—We do a lot of it in-house and a lot of our projects are deliberately intended to be small so we can go fast without investing a large amount of money in them before we determine their success. Our particularly ambitious project is to capture the whole of domain Australian website. We have now done two captures of the whole website. We do not make that generally accessible at the moment because of copyright considerations, but we will be able to preserve it for posterity. We will look at ways of progressively making parts of it publicly accessible.

Senator LUNDY—I presume the newspaper program is for newspapers out of copyright.

Ms Fullerton—Out of copyright, yes.

Senator LUNDY—How far does that go?

Ms Fullerton—Into the 1950s.

Senator LUNDY—Does the National Library have any temporary exhibitions planned for the forthcoming financial year?

Ms Fullerton—Yes. We are going to open the Donald Friend exhibition—Donald Friend, artist and diarist. That will be opening in the next couple of weeks. Our Treasures exhibition is still travelling through Australia. It is due to open in Brisbane on 17 November.

Senator LUNDY—How much longer does that have to go?

Ms Fullerton—It is about halfway through. It still has to go to the rest of the states—South Australia, Western Australia and the Northern Territory.

Senator LUNDY—When does that wrap up?

Ms Fullerton—It goes until the end of next year.

Senator LUNDY—Thank you.

[4.31 pm]

National Museum of Australia

ACTING CHAIR—I welcome Mr Morton and Mr Smart.

Senator LUNDY—In a previous question on notice, Senator Ludwig asked what sums of money were spent on external legal services. The museum responded with a total of \$150,678, including GST, for the 2005-06 year to date. What was that on?

Mr Morton—It was mainly for contractual advice. We do not have a list of the particular contracts that we went out for advice on, but we can certainly provide you with that list.

Senator LUNDY—Are you currently engaged in any litigation?

Mr Morton—Not to my knowledge. No, we are not.

Senator LUNDY—It is always reassuring. Could you take on notice to provide a further breakdown.

Mr Morton—I will.

Senator LUNDY—What strategies is the National Museum undertaking to keep your grounds lush and healthy in the context of the drought? What requirements, if any, has the NCA placed on you in terms of water management?

Mr Morton—The NCA is responsible for our grounds and the maintenance of the grounds. We are responsible for very limited parts of the site. I am not aware of any specific restrictions that the NCA has put on us. No, we have not had any restrictions put on us. If you take the whole of the Acton Peninsula site, the NCA is responsible for a large majority of it.

Senator LUNDY—Are you happy with the quality of the maintenance of the landscaping that the NCA is responsible for?

Mr Morton—Yes. I cannot think of anything which springs to mind as being ineffective. You will remember that the design plan for a large part of the peninsula required dryland grass rather than irrigated grass, and that is what we have. That conforms to the way the precinct was planned. So, we do not have a problem with that.

Senator LUNDY—Because there are no irrigation systems for the dryland grass area, are you concerned that even that is going to die off, given the drought?

Mr Morton—It is not something that we have contemplated. I believe that the National Capital Authority are aware of the requirements there and they are looking after it.

Senator LUNDY—I would like to ask some questions about your human resources system at the National Museum. There was a recent article in the *Australian* titled ‘Museum gives old system the boot’ that discusses the revamp of your human resources system. Can you outline those changes to the committee and what impact they have had on staff rostering?

Ms Watson—We have replaced our previous human resource information system with a new one that we went to tender for. The process involved a large element of business requirement analysis as to what we needed the system for, a review of the market and then a changeover of the old system to the new system, including a migration of the data that we were able and thought relevant to do.

Senator LUNDY—What is the new system?

Ms Watson—It is Aurion.

Senator LUNDY—Is that developed in Australia or is it an existing product on the market?

Ms Watson—It is an existing product on the market?

Senator LUNDY—Do you know if it is Australian?

Ms Watson—I would have to check that for you.

Senator LUNDY—Thanks, if you could. The article also talks about a web based recruitment process. It says that applicants will be able to apply online and the information will go into the system straight away. Can you describe that process and why you have moved to an online recruitment process?

Ms Watson—It is an efficiency identification. Currently we do not have the ability to accept people's applications online. They can certainly email it through with a covering letter and so on through to the recruitment contact, but at the moment they cannot lodge it online. So what it means from an internal process point of view is that, even if it is emailed across, we need to then undertake the recruitment process, copy all those and send them out in a paper form to the selection committee and so on. We are trying to digitise that process.

Senator LUNDY—When you went out to tender for this system, did you use the list provided by DOFA for approved companies, or did you go out to an open tender?

Ms Watson—We did an open tender.

Senator LUNDY—Do you know if the company that is providing this system is on the DOFA approved list?

Ms Watson—I would have to—

Mr Smart—Senator, are you referring to the OGIT list?

Senator LUNDY—Sorry?

Mr Smart—Are you referring to the OGIT panel that goes back to about 1997-98?

Senator LUNDY—Yes.

Mr Smart—That panel has ceased. There was a five- to six-year contract and that panel period has ceased.

Senator LUNDY—Are you saying that DOFA does not provide a panel anymore?

Mr Smart—That is correct.

Senator LUNDY—Then my logical conclusion is that you cannot be expected to comply with it. What has the impact been on staff rostering? Has it changed, or has it just been that management efficiencies have emerged from this exercise?

Ms Watson—We are actually still in the implementation phase of the system. The rostering element is one of the later phases.

Senator LUNDY—Can you report back on visitation rates at the National Museum and how that has been going lately?

Mr Morton—Yes I can. Our visitation rates last financial year were up substantially on the previous year, so we built back up to 775,000 in 2005-06. Our visitation rates across the categories this financial year are about the same or ahead of last year. So, yes, visitation is very good; we are very pleased with it.

Senator LUNDY—How did you go with the Cook exhibition?

Mr Morton—We got just over 27,000 people in 10 weeks, so we were very happy with the outcome of that.

Senator LUNDY—How did that compare to previous temporary exhibitions?

Mr Morton—On a per weekly basis and as a paying exhibition, it compared very well indeed. Our Captivating and Curious exhibition, our 25th anniversary exhibition earlier in the year, probably had more visitors on a per week basis, but that was a free exhibition. In terms of visitation, in terms of the scholarly activity that was associated with the Cook exhibition and in terms of the international recognition, if you like, that the Cook exhibition received in the academic press, we were very pleased with it.

Senator LUNDY—What about the Friends of the National Museum of Australia group? What level of resourcing do you provide to that group?

Mr Morton—It is around \$235,000 a year, and that provides a significant part of their income. Part of it is used for things that help us, such as the friends journal, which acts as a museum journal.

Senator LUNDY—What is the membership of the friends group?

Mr Morton—It is about 3,000.

Senator Kemp—I think I may be a member of the friends group?

Mr Morton—I am sure you would be, Minister.

Senator LUNDY—Very good, Minister.

Senator Kemp—The resourcing I would pay would be in the order of \$30, I think.

Senator LUNDY—I think that is all I have for the National Museum.

[4.43 pm]

Department of Communications, Information Technology and the Arts

ACTING CHAIR (Senator Ronaldson)—I would like to welcome officers from the department.

Senator LUNDY—I would like to ask a couple of general questions in relation to the National Film and Sound Archive. They are questions specifically to the Minister for the Arts and Sport. Is the minister aware of the document titled *Independent Statutory Authority Status for the National Film and Sound Archive*, which was released by the Australian Society of Archivists, the Archive Forum, the Friends of the National Film and Sound Archive and the Australian Historical Association?

Senator Kemp—I think I have seen that. It would have been some time ago, from memory.

Senator LUNDY—Have you made any effort to address the points raised in the document?

Senator Kemp—I think a lot of the issues that have been raised are those which have been very extensively canvassed. They have been extensively canvassed in the parliament; in Senate estimates and in other debates. I think the government's position was pretty clear. We are very happy to continue to work with all groups. I think even you would say that I am a very consultative minister—one who is happy to meet with people and to listen to people. At the end of the day the government made a decision, initially supported by you, and then there

was a backflip by the Labor Party. I am always happy to talk to groups, and I think I am pretty well aware of their views. From time to time I meet with former Senator Puplick, who also takes a pretty active role in lobbying on behalf of the archive. I am not sure I can add too much more.

Senator LUNDY—Can I help you to be more specific: how does the government intend to fulfil its promise of protecting the National Film and Sound Archive's identity, budget and institutional integrity?

Senator Kemp—Can you quote some examples where you feel that commitment has not been fulfilled?

Senator LUNDY—Certainly this organisation, the Archive Forum, feel that their identity is being subsumed. I know this is a longstanding discussion we have, but I thought it was time to go there again.

Senator Kemp—They may feel that. If there are serious issues I am always happy to look at them. They have a particular position and they are entitled to their position. It is not one that I fully accept, but if people have queries about the continuing management of the archive, then I am happy to look at those issues. Generalised comments like that are a bit hard to respond to. If you have some examples, we can respond to them.

Senator LUNDY—I refer you back to that document.

Senator Kemp—As I said, you did not tell me that you were going to raise this issue. If you had, I might have had a copy of the document.

Senator LUNDY—Could you take on notice to respond to the points raised in that document.

Senator Kemp—I will refresh my memory and then I will decide what to do. But I am not sure that I can keep having correspondence about essentially the same issues; in the end, you have to draw a line. They have a particular view on where the archive should be located. It was not a view which I held and it was not a view which the government held. Having said there is this difference, we are always happy to listen to people. Where there are real issues, we will try to address them.

Senator LUNDY—Very specifically, I think the archive group would really appreciate it if you responded to the resolution from their 2004 annual general meeting that was sent to you back then. That is still outstanding.

Senator Kemp—They could have phoned my office.

Senator LUNDY—I think they wrote to you.

Senator Kemp—They could have done that.

Senator LUNDY—I think it is just a matter of courtesy.

Senator Kemp—I will revisit the material. I do not want to prejudge what my response would be. My feeling is that these issues have been very extensively canvassed. I think that sometimes you just have to say that we will have to agree to differ. That is not to say we ignore them but, at the end of the day, governments have to make decisions. The government made a decision and they did not agree with it.

Senator LUNDY—I appreciate that that is your view, and I think that is well known. I think what this group is looking for are some responses to its correspondence to you. I think it is seeking your reaction to its call for a scrapping of the original directions plan. Obviously many things have changed since all of that went under the bridge.

Senator Kemp—We had that debate a long time ago.

Senator LUNDY—I appreciate that, but I think it is now a matter of respecting this organisation and their views by honouring them with a response. It is down to respect, really.

Senator Kemp—I will dig out the correspondence, but very few people say that I do not treat them with courtesy. Certainly in relation to this debate, I would be surprised if they felt that they had not been treated with courtesy. If people feel like that, I will revisit it. That directions plan was such a long time ago. There was a big debate in Canberra. Gary Humphries played a very useful role, if I remember rightly, in relation to that.

Senator LUNDY—I can give you the actual date. The Society of Archivists called on the minister to respond to the resolution from a meeting in 2004. That correspondence was sent to you on 20 September 2004.

Senator Kemp—I will have a look at that issue. Are you aware that they have recently contacted me?

Senator LUNDY—I am following up information that I have had for quite some time. I do not believe this was followed up, otherwise I would have been advised. If you could give me an undertaking to follow it up, then that would be terrific.

Senator Kemp—Will I give you an undertaking? I will look at that material and then I will decide what to do. But if it means just revisiting a lot of issues which have been really extensively canvassed then people of goodwill will have to agree to differ—I think that is where it may have to lie. I do not think that anyone complains that we have cut funding to the archive. If there are particular management issues, people are always entitled to raise them with me. I think people would have a general view that I am fairly responsive when real issues are raised.

Senator LUNDY—I hope you would treat the Archive Forum and the Society of Archivists with the respect they deserve.

Senator Kemp—As I said, I am a person who has a name for treating people with respect.

Senator LUNDY—I want to turn to the issue of the review of government film funding. We covered a fair bit of this before in terms of the time frame but I just want to recap specifically the timing of the review—Minister, I think you did a bit of that—and whether the submissions to the review are publicly available?

Senator Kemp—I have indicated to the department that in principle I am happy to make them publicly available. We have had this discussion, and perhaps Mr Cameron can refresh my memory about what the agreement was, but in principle I am happy to do that. We were just looking at what was the appropriate time in which these should be made available.

Mr Cameron—The submissions to the review—other than those where the submitter indicated that they were confidential—are available on our website now. In terms of the timing of the review, I am sure you are aware that an issues paper was released on 12 July this

year. In response to that issues paper over 80 submissions were received and, as the minister indicated, the review is in its final stages of being completed and put forward to the minister.

Senator LUNDY—What about the status of the review of the refundable tax offset? Has that been completed?

Mr Cameron—Yes, that review has been completed. A report of that review will be tabled in the near future.

Senator LUNDY—Tabled in parliament?

Mr Cameron—That is correct.

Senator LUNDY—Will that be next week or in the final sitting period or will it be tabled out of sitting?

Mr Cameron—At this stage I cannot give you an exact date. I expect it would be tabled during a sitting period, but I am not able to say whether it will be next week or not.

Senator LUNDY—Minister, can you give us a better insight?

Senator Kemp—To be quite frank I was otherwise distracted, as you noted. That was a very cute trick on your part.

Senator LUNDY—I try and do it all the time—the refundable tax offset review.

Senator Kemp—Now that I have been fully briefed on this issue, my advice is it will be tabled shortly and if I can give you more precise information, I will. This is one of those reviews which form part of our wider consideration of the film industry and I can understand your interest.

Senator LUNDY—The information on the department's website said that the refundable tax offset review was to be completed before 4 September 2006. Why has there been a delay?

Mr Cameron—The review exercise was completed in that time frame. Since that date the department has been preparing the report of the review which, as I say, will be tabled in the near future.

Senator Kemp—Senator Lundy, while you are reflecting on this, my ever efficient office has brought to my attention that the Australian Society of Archivists wrote to me on 26 October 2005 regarding the resolution on the National Film and Sound Archive. My correspondence here shows that I replied on 7 December 2005.

Senator LUNDY—7 December. Could you provide that correspondence to the committee?

Senator Kemp—I will read it first and make sure it is appropriate.

Senator LUNDY—Thank you.

Senator Kemp—I do not normally share my correspondence with the committee, but let me have a read of it and I will make a decision.

Senator LUNDY—Yes, it might prompt me to ask more questions, so it would be very useful.

Senator Kemp—Therefore I might make a decision late in the piece.

Senator LUNDY—Don't be so tight. I obviously was not aware of that correspondence, so I would be very interested to have a look at it.

Senator Kemp—All right. If you show me your letters, I'll show you mine.

Senator LUNDY—I am going to ignore that. The next questions I have are in relation to additional funding for the Australian Business Arts Foundation. I believe the minister received advice on a variety of options for the allocation of the training package to help visual artists work more closely with the commercial arts market. Can you give the committee the detail of this advice and the range of options that were offered? I am referring to answers to questions on notice.

Senator Kemp—This is advice to the minister and, to be quite frank, I do not think this is appropriate to be shared with the committee. I think my words will have to stand. I normally do not provide details on advice to the minister—in line, I might say, with every Labor minister who ever sat in this chair and in line with the practice of my colleagues.

Senator LUNDY—Can I ask the department the names of the organisations they collated for the minister's decision that would be in a position to provide a training package to help visual artists work more closely with the commercial arts market?

Senator Kemp—I think you can rest assured that they covered the full ambit. The department are very assiduous on these issues. If anyone in the department doubts what I am saying they had better correct me, but I think that it is correct that the full range of options were considered and the department provided some advice to me. I do not normally say this, but I will share this with you: I accepted the department's advice. I do not always do that but this time I did.

Senator LUNDY—Interesting that you say that now, Minister.

Senator Kemp—You asked me the question.

Senator LUNDY—You are anticipating my questions very well.

Senator Kemp—I have been around for a long time.

Senator LUNDY—Was there an option to grant funding to an established industry body such as NAVA? Were they on the list?

Senator Kemp—Again, I do not want to go into the detail. I think my comments rest. The department canvassed the full range of options available. I do not plan to go into this detail, because this is advice to the minister.

Senator LUNDY—All right. I will ask questions about process to the department.

Senator Kemp—Yes, sure.

Senator LUNDY—What industry bodies were consulted in the lead-up to the granting of this funding which, for the purposes of interested parties, was granted to ABAF? That question was to the department.

Ms Bean—There were a number of submissions—letters, actually; I would not necessarily put them as high as submissions—received from various organisations. I do not have the full list of all of the correspondence received with me.

Senator LUNDY—What were those letters or submissions responding to?

Ms Bean—They were responding to the budget announcement.

Senator LUNDY—So not to a specific invitation from the department?

Ms Bean—No.

Senator LUNDY—Did the department make any effort to actively contact or seek a submission from industry bodies who may be in a position to perform this role?

Ms Bean—No, we did not; there was no tender process.

Senator LUNDY—Who made the decision not to enter into an open tender process and why?

Ms Bean—That was a ministerial decision on the advice of the department.

Senator LUNDY—On what basis did the department advise the minister not to have an open tender process?

Senator Kemp—No, I do not—

Senator LUNDY—I am not asking about advice that you considered. I want to know the department's rationale, because they just said it was their decision to tell you that.

Senator Kemp—You are getting dangerously close to starting to canvas advice to a minister. The department has reasonably gone as far as it can go. I know there are people who are disappointed; they made their views known to me and they made their views known to others. They have obviously made their views known to you and they are entitled to do that. We do not object to that; this is a free society and people can make their views known. But in the end governments have to make decisions.

ACTING CHAIR—I think that is reasonable. If you have other lines to pursue, feel free to do so.

Senator LUNDY—Was there ever a commitment, either verbally or in writing, to any industry body, including obviously NAVA, that there would be an open tender process, or is there anything that you can point to that would have allowed them to reasonably understand that to be the case—that is, prompting their concerns now?

Senator Kemp—I understand that those claims have been made. I am aware of their concerns. People have made their concerns available to me. I re-read the advice that I got from the department. I am happy with the advice that I got. We are not going to please everybody. If you ever get into this seat, Senator, you will find that you cannot please everybody. In the end you have to make a decision and you try to make what seems to be the best decision. Obviously, I would prefer people felt that they had had a fair hearing. I have looked carefully at the advice given to me by the department and I am satisfied and I have received assurances from the department that all reasonable and appropriate options were considered. In the end I had to make a decision and I did.

Senator LUNDY—Minister, were you aware when you made that decision of NAVA's proposal for a training and resource strategy?

Senator Kemp—I do not plan to go into what I was or was not aware of. All I am saying is—

Senator LUNDY—I think that is a reasonable question.

Senator Kemp—All I am saying is that I received advice from the department that the department had canvassed a variety of options. I am satisfied with the outcome. NAVA are not satisfied with the outcome; I understand that. I accept that they are not happy with the outcome, but sometimes you get what you want and sometimes you do not. I think NAVA overall is pretty delighted with the way this government has given a high priority to the visual arts. In fact, they have even put out supportive press statements, if I remember correctly, on various things I have done. So the truth is you win some, you lose some. I am sorry NAVA feels this way.

Senator LUNDY—I think their funding is dependant on it, isn't it?

Senator Kemp—What we have delivered is very important. I have worked closely with NAVA over quite a long period of time and I am sure I will work closely with NAVA again.

Senator LUNDY—Minister, are you able to tell the committee if you were at least aware of their proposal at the time you made the decision?

Senator Kemp—I am not prepared to go into the advice. Of course, I am aware that there were groups who were putting forward views, but I am not going further. I do not believe the department acted in a capricious or careless way.

Senator LUNDY—I am not suggesting they are. I am just trying to understand the process.

Senator Kemp—The process is that the department sees that the government has made a budget decision, canvasses a range of options and then gives advice to the minister. A minister has to decide whether or not to accept that advice, and I accepted it. But I do think it is time we moved on. We have had this debate; we have had it extensively. I accept that NAVA are not happy with the outcome. NAVA were very happy with the outcome of the Myer report and with a number of other things I have been able to do for them. I am sure in the future they will be very happy with things I am able to do, but on this occasion I was not able to reach a decision which suited NAVA. That is what happens. My relations with NAVA continue to be entirely satisfactory, as far as I am aware, and I will continue to work with them.

ACTING CHAIR—Senator Lundy, I suspect the minister is not going to canvass this any further.

Senator LUNDY—No, I appreciate that.

ACTING CHAIR—It might be worthwhile moving on.

Senator LUNDY—I want to ask the department one more question on this. Why did the department reject NAVA's proposal?

Senator Kemp—I think that is going—

Senator LUNDY—No, it is not, because this is prior to their recommendation to you. It is a reasonable question and I want to know their criteria and the reasoning why.

Senator Kemp—I think this is going to the nub of the issue that we canvassed 15 minutes ago. I do not think it is appropriate for the department to get into those discussions. If any officer really feels they have to say something, they should say it; but that is my view.

Senator LUNDY—Can I say in response to that that you started off this discussion by making it very clear that you took the department's advice on this issue—and I appreciate that—and that you are not going to tell me anything else about how you considered the issue. But, because you have put that on the record and it is very clear that the department put advice to you that you accepted that, it is a reasonable question for me now to ask the officers of the department what their criteria was for rejecting the NAVA proposal.

Senator Kemp—I think that is—

Senator LUNDY—In a way you set them up for this because you already said they—

Senator Kemp—I did not set anybody up.

Senator LUNDY—Not like that but—

Senator Kemp—I have set nobody up.

Senator LUNDY—You opened the door for this question to be asked quite reasonably to the department.

Senator Kemp—I think that is a half clever line, but it is coming at exactly the issue which I discussed before. I think we should move on. I accept that NAVA are disappointed with the decision. I accept that. It is not surprising because of the way the decision went. It in no way affects my relations with NAVA, whom I have worked with over a long period of time. I think it is time we all moved on. That is my view. I am satisfied with the decision that has been made and, since it has been made, I continue to be satisfied with it.

Senator LUNDY—Are you directing the department not to answer my question?

Senator Kemp—We are dealing with very senior public servants. If they feel they need to say something to clear their position, they are perfectly entitled to say so. I am indicating to the department that I think this is probably treading into an area where you are starting to canvass advice to ministers, and I do not believe this is a subject for consideration by this committee. That is what I think.

Senator LUNDY—Do the department officers have anything they would like to add?

Ms Williams—I really do not think it is appropriate.

Senator LUNDY—I will place the question on notice and then invite the department to respond to it.

Senator Kemp—Sure.

Senator LUNDY—If they do not want to then they can provide all the appropriate reasons.

Senator Kemp—Then you can nail me at the next Senate estimates.

Senator LUNDY—You will not be here.

Senator Kemp—If I am here. I have been here for eight years.

Senator LUNDY—Ms Williams will be here, Ms Bean will be here and Mr Cameron will be here. You will not be here, though.

Senator Kemp—You might find there is someone in this chair who is less helpful than me.

Senator LUNDY—I doubt that.

ACTING CHAIR—Senator Lundy, over the last four years you have been making these comments.

Senator Kemp—Next issue.

Senator LUNDY—Let us move along. Was the review of the funding model for major performing arts companies tabled at the recent Cultural Ministers Council and, if not, why not?

Senator Kemp—There was discussion of the funding review and there has been discussion with individual states about the requests that were made under the funding review. Each state has been briefed as far as it relates to its own budgetary considerations about the funding review. The document itself was not tabled. However, the states themselves are well aware of what the review showed. Subject to anything my officers may say, consultation is continuing with the states to determine whether they are prepared to support the findings of the review.

Senator LUNDY—So you did not present collectively to them. You went to them individually and said, ‘This is what we can do for you.’

Senator Kemp—I think that was accepted by the state Labor ministers. I think they felt that was an appropriate way to deal with it. The officer has just indicated to me that consultation at the officer level by the Australia Council with the various states has occurred. My impression was—others may have a different view—was that Labor ministers were happy with that process because they did not want to be locked into anything that could be seen to be a public position. My judgement was that they preferred to deal with it in this way. That was my view as well. We will have to see. The truth is that some states will be very supportive of the review. There will be some who will not be enthusiastic perhaps but will go along with it, and there will be one or two who will not be supportive. We will have to work out what to do with those states. I think New South Wales is very sticky, indeed, on some of these issues.

Senator LUNDY—Very what?

Senator Kemp—Sticky. I make no judgement in relation to this review, because that would not be fair; but, in relation to some other art issues we have had with New South Wales, they have been less than forthcoming. I hope that that will not be shown in relation to this funding review.

Senator LUNDY—Can you provide details to this committee about the nature of the briefing that was provided to each of the states?

Senator Kemp—No, I do not have that.

Senator LUNDY—That is, what the outcome of the review was.

Senator Kemp—No, I do not think I will actually. I will just wait until we finalise the position with each of the state governments. The review is feeding into the government’s

budgetary considerations. This is a really, I think, a budget document, so I do not propose at this stage to share the findings of the review with this committee.

Senator LUNDY—Have the major performing arts companies met the criteria of artistic vibrancy, sustainability and current and future challenges for the industry?

Senator Kemp—I think there has been a huge improvement. One of the things the review showed is the important gains that had been made since the Nugent initiative. It also indicated that, in some areas, some of the companies were under some pressures, and that is the issue that we have to deal with. Overall, and particularly post-Strong with the orchestras, the companies' financial position is typically stronger than it was before the Nugent review. I think everyone who is involved can take some pride in that. The companies themselves, of course, and what they have produced, the Australia Council and their administration of that and the generally sound advice one gets from the department. Even ministers may be able to take sound credit. Who knows?

Senator LUNDY—Are you trying to pat yourself on the back, Minister?

Senator Kemp—Yes, I am actually. I was trying to subtly give myself a pat on the back.

Senator LUNDY—It is not very subtle.

ACTING CHAIR—A very understated pat!

Senator Kemp—It has been a significant achievement. The Nugent review of the major performing arts companies and the Strong review, which fed into that with orchestras, have meant that some very considerable advances have been made with those major performing arts companies. Yes, there are issues that we have to deal with and that the companies themselves have to deal with, but hopefully the outcomes of the funding review model will allow those issues to be addressed. What has happened there in the last six years has been very important for arts in Australia.

Senator LUNDY—Minister, as a result of this review, are you able to guarantee that all major performing arts companies will retain, at minimum, their existing funding?

Senator Kemp—The issue is not so much their existing funding, it is whether some of the funding can be increased. That is the issue.

Senator LUNDY—It certainly is, but I am looking for a benchmark here.

Senator Kemp—It depends a bit on the states.

Senator LUNDY—No, I am talking about the federal allocation.

Senator Kemp—There is a funding ratio and typically it is 80-20. The states have got to come to the party. It is a partnership. The ratios were settled at the time of the Nugent review and those ratios remain in place. For example, the New South Wales government decided not to fully fund some of the initiatives under the Strong review of orchestras, so the SSO missed out on some of those benefits. We thought that was an odd decision by the New South Wales government, but nonetheless that was the decision they made and, therefore, if state money was not going to be forthcoming under various strong initiatives, federal money was not going to become available.

Senator LUNDY—Just going back to the organisations meeting the criteria, are you able to tell the committee how the criteria were evaluated with each organisation? Was it by the department? Did you engage consultants? Did they fill out a questionnaire? What was the process?

Senator Kemp—This is really the Australia Council's area and they have now departed on an early flight out.

Senator LUNDY—Lucky them.

Senator Kemp—I am not sure I can add too much at this stage; I do not have the material in front of me.

Senator LUNDY—I will place that question on notice for the Australia Council.

Senator Kemp—That would be all right.

Senator LUNDY—Is the department involved in any way in evaluating the organisations against the criteria? Stop looking at the clock, Minister.

Senator Kemp—It seems to me—

Senator LUNDY—Only 45 minutes to go.

Senator Kemp—I think it moves slowly if you do not look at it. I think it moves quicker if you keep on willing it forward. It has been a long day.

Senator LUNDY—Very enjoyable.

Ms Bean—There was very marginal involvement with the department. Obviously we have ongoing discussions with the Australia Council about all manner of issues that are of interest to both agencies. But in terms of actually engaging the consultants undertaking the review, that entire process was managed by the Council.

Senator LUNDY—Did you have any formal input into the review?

Ms Bean—No.

Senator LUNDY—The communique from the ministers' council stated:

... that an evaluation of the Visual Arts and Craft Strategy confirmed the success of the Australian, state and territory governments' joint investment in the contemporary visual arts and craft sector.

What was the basis for that statement?

Ms Bean—There was an evaluation undertaken.

Senator LUNDY—Can you provide the background to that evaluation and how that evaluation was conducted?

Ms Bean—That was undertaken by the department in consultation with the Australia Council. It was a lapsing program review done in the budget context.

Senator LUNDY—To what extent did the department assess the sector against I presume some criteria and allow you to draw that conclusion?

Ms Bean—Sorry, Senator; I am a little wary here because much of this material is budget in confidence. What I can say though is that client groups, for want of a better word, did have

an opportunity to submit information, and information was gathered by us and by the Australia Council.

Senator LUNDY—Does that mean that this evaluation will inform the government's budget considerations?

Ms Bean—Yes.

Senator LUNDY—Fine. So why was this statement issued as part of the cultural minister's review if it is a federal government budget matter?

Ms Bean—This is another example where there is Commonwealth and state funding involved in the program. It is very similar to the major performing arts organisations where there is a funding ratio and the states put in money and we put in money.

Senator LUNDY—Has the review of the Collections Council of Australia started yet?

Mr Cameron—That review is under way.

Senator LUNDY—When is it due to conclude?

Mr Cameron—I understand it is due to conclude early in the new year.

Senator LUNDY—Is that review also for the purposes of budget considerations?

Mr Cameron—No.

Senator LUNDY—My next questions relate to Old Parliament House.

Senator Kemp—I have got a great idea, Mr Acting Chairman. Why don't we finish early?

ACTING CHAIR—I was just thinking exactly the same thing, Minister.

Senator LUNDY—We might well.

Senator Kemp—One way for you to get a lot of credit—

Senator LUNDY—If you keep talking we might not.

Senator Kemp—is to indicate that that finishes the estimates.

Senator LUNDY—Before you all run away—

Senator Kemp—What have you done, Senator?

Senator LUNDY—Senator Wortley has just brought to my attention a remaining element of my brief. Can you describe the current operations of the department's indemnity scheme for major exhibitions?

Senator Kemp—The indemnity scheme is a very important initiative and it is administered by two institutions, the National Gallery of Australia and also a body called Art Exhibitions Australia. This indemnity scheme has allowed many of the exhibitions which have created such public interest, many coming from offshore—Picasso was the most recent one and the Dutch Masters was another one we had in Melbourne. The exhibition I will be opening and you be coming to in three weeks time at the National Gallery of Australia, I think it is under—

Ms Bean—I do not believe it is.

Senator Kemp—I have just been corrected. Luckily you have helped me avoid misleading the Senate committee. Specifically, what is your question?

Senator LUNDY—Can you describe any changes that have been made to the operation of the scheme in the last five years, particularly in relation to the safety and security arrangements that the department now demands of exhibition organisers?

Senator Kemp—It does seem to be a rather technical question. I know that these things are constantly reviewed to make sure that it operates at the highest possible standards. Are you able to enlighten us?

Ms Bean—I would be rather concerned about talking in a public forum about security issues, because obviously one of the key factors about this scheme is that you are dealing with extremely valuable works and security is very tight around the movement of those works. I think it is probably unwise to canvass this.

Senator LUNDY—I do not really want to go into the specifics of the procedures per se. My question is: have there been any changes? The implication there is have you upgraded the security and safety treatment?

Ms Bean—Certainly security is always under review, and it is always a key issue for us.

Senator LUNDY—Has that been upgraded? It is okay to say ‘yes’.

Ms Bean—I am trying to be helpful.

Senator LUNDY—It is better than saying ‘no’ or ‘no, we’ve downgraded’.

Ms Bean—That is true.

Senator Kemp—Can we offer you a private briefing? It is fairly technical and it is a scheme which, I hope I am not—

Senator LUNDY—I certainly do not want to compromise the security. I am just trying to get a feel for where I am heading with my questions, Minister, and this might assist.

Senator Kemp—Perhaps if you got to where you are heading, and then we can work backwards and see what we can do.

Senator LUNDY—Concern about the growing cost of compliance and also the use of commercial insurance rather than this scheme because it was cheaper, so it actually is starting to affect the viability of mounting certain exhibitions.

Senator Kemp—One of the challenges we have had is to keep the value of the exhibitions within the ceiling of the scheme. Sometimes when exhibitions are not within the ceiling—I am looking at my officers to make sure I am heading in the right direction—we do sometimes encourage people to get additional commercial insurance. Has anyone got any views they want to share with Senator Lundy?

Senator LUNDY—One specific question which might assist you: are you aware of any instance where an exhibition organiser, while eligible to access this scheme, has instead sought commercial insurance because it was cheaper or for any other reason?

Ms Bean—Certainly on some occasions the exhibition organisers do choose not to access indemnity. It can be for a variety of reasons.

Senator LUNDY—Does that concern you?

Ms Bean—Not really, because there are a number of significant exhibitions still utilising indemnity and at some points through the year we do reach the cap.

Senator Kemp—And that cap is set by the department of finance essentially, isn't it?

Ms Bean—By the government.

Senator LUNDY—Would it be of concern to the department if it were to be demonstrated that commercial insurance was cheaper and that that was the reason, given the purpose of this was to facilitate it?

Ms Bean—This is a complex area and it is difficult to answer on a superficial basis. There are always a number of reasons going on in there, and it is not something that—I think a decision not to take indemnity would not generally be as simple as just the cost. There are all sorts of different complexities in there.

Senator Kemp—Because of the value involved sometimes people might find our requirements, from their point of view, too onerous, and they are entitled to feel that. This is a scheme which remains very important and the fact is that at times we tend to have problems with the cap. Some suggest that the scheme is still being very useful and in demand. I was a little bit critical of the Labor policy in the last election to allow a significantly wider group of people to administer the program. I thought that was a very dangerous policy and my judgement is that I would invite you to reconsider that.

Senator LUNDY—People are not even bothering to use it under your management. It is cheaper to get it elsewhere.

Senator Kemp—How can we have problems with the cap if people are not bothering to use it? The truth is, as one of the officers said, that sometimes in the course of the year we have trouble as the exhibitions insured are starting to press on the cap that we are allowed to by the government. It is just not correct. People are using the scheme. We do not object. To be quite frank, if people feel they can get a better deal out of commercial insurance, we do not object to that. It is not a matter that we would dispute with them.

Senator LUNDY—At what point will you scrap the scheme, if people are using commercial alternatives?

Senator Kemp—I keep making this point: from time to time the cap itself in the scheme is under pressure, which suggests it is still a very popular scheme. The underlying assumption in your question is wrong. If people want to have commercial insurance, we do not object to that. We have been telling the states that they should upgrade their schemes, particularly Victoria. I think their indemnity scheme was falling behind what other state governments were offering. They have recently upgraded their indemnity scheme, which is a good thing and which we supported. I think there was a bit of an issue with your policy at the last election. I would certainly invite Peter Garrett to look closely at that policy. I think it was a very unwise policy. I am surprised you did it actually.

Senator LUNDY—I will place some further questions on notice in relation to that. It is not my intention to add to the vulnerabilities on the security front. I am sure the department will answer them wisely.

Senator Kemp—If at any time you would like a briefing on that, we are very happy to do that. We are very happy to brief you or Mr Garrett or staff. We would be very happy to do that.

Senator LUNDY—I am happy to move on now to the Old Parliament House. Old Parliament House, welcome. Can you update the committee of the developments with respect to the Gallery of Australian Democracy.

Ms Anderson—You will recall in the May budget we received quite significant funding over four years—\$31.5 million—to establish a Gallery of Australian Democracy in Old Parliament House. An element of that is also the Australian Prime Ministers Centre. Our priority for this year is to establish stage 1 of the Prime Ministers Centre, and planning is well underway for that. Our long-term planning is for the Gallery of Australian Democracy, and that will be established in the current areas occupied by the National Portrait Gallery in Old Parliament House ready for when they depart at the end of 2008.

Senator LUNDY—What educational programs will be offered to school and community groups?

Ms Anderson—You would be aware that we already offer a range of educational and outreach activities, especially to school groups, and of course we will continue to do that. We will certainly expand that program in light of the Gallery of Australian Democracy.

Senator LUNDY—Can you provide some description as to what areas will need to be refurbished and how you will preserve their character, particularly in the context of the listing of the building.

Ms Anderson—The national heritage listing?

Senator LUNDY—Yes. I have the Prime Minister's press statement: 'National Heritage Listing for Old Parliament House'. How do you reconcile that, which I presume upgrades substantially the preservation of the building, and the work that needs to occur for the Gallery of Australian Democracy.

Ms Anderson—We have been working on our heritage management plan which is in line with that national heritage listing. We are currently at the draft stage with that. We are refining that draft at the moment with some informal consultations and we expect to be able to submit our draft heritage management plan to the Department of Environment and Heritage for further consultation quite shortly. We expect that to be finalised early next year. That plan will assist us in interpreting and working out the appropriate use of the building to fit with that plan. We are quite confident that that is what we are working towards. The priority for this year is our planning for the refurbishment for the Australian Prime Ministers Centre stage 1. We have to do some slight refurbishment in the south-west wing on the Senate side. Planning for that is underway.

Our long term planning in the capital works side of things is for the House of Representatives wing, which requires quite substantial refurbishment—we certainly received funding for that for the next four years—and some refurbishment to the National Portrait Gallery area.

Senator LUNDY—You mentioned stage 1 and various stages. Can you characterise what each stage will involve?

Ms Anderson—Stage 1 of the Australia Prime Ministers Centre will comprise a small exhibition area on Australian Prime Ministers, a reference area and an area for more serious research. The first area would probably be more appropriate for school children, and there will be an area for more advanced research as well. That is only the initial stage 1 because, as I said, it will be in the Senate wing. We are also planning for the permanent Australian Prime Ministers Centre, which will move to the House of Representatives side when we do the long-term planning.

Senator LUNDY—Why are you doing the Prime Ministers Centre temporarily first up in stage 1 rather than making the refurbishment of the House of Representatives stage 1? Wouldn't that be more efficient?

Ms Anderson—No, because the refurbishment of the House of Representatives is a very long term capital works program. We can do something as an initial phase to get a program up and running quite easily, and that is what we are doing in this current year.

Senator LUNDY—So what is stage 2?

Ms Anderson—Stage 2 will be a much more permanent focus on Australian Prime Ministers, and what we learn from stage 1 will certainly assist us in that long-term planning.

Senator LUNDY—But stage 2 will have to be the House of Representatives refurbishment—is that stage 1?

Ms Anderson—Stage 1 of an Australian Prime Ministers Centre is purely where we will have an initial Prime Ministers Centre in the Senate wing. By the end of 2008, early 2009, we will move over to a refurbished area in the House of Representatives side.

Senator LUNDY—The refurbishment of the House of Representatives will be concurrent to stage 1?

Ms Anderson—Yes. Stage 1 will be established quite soon, but in the meantime we do our capital works, which is a long-term capital works program over the next three years.

Senator LUNDY—Thanks. Sorry I interrupted. Stage 2 is the permanent Prime Ministers Centre.

Ms Anderson—Yes, and the Australian Prime Ministers Centre is only an element of that Gallery of Australian Democracy.

Senator LUNDY—Certainly. So when do we see other elements of the Gallery of Australian Democracy?

Ms Anderson—Not until towards the end of 2008, early 2009. They are planned to coincide with the departure of the National Portrait Gallery to its new building.

Senator LUNDY—Is that all that stage 2 is?

Ms Anderson—Stage 2 of the Australian Prime Ministers Centre—yes. But the Gallery of Australian Democracy is a very long-term focus.

Senator LUNDY—So what happens by the end of 2008 or early 2009?

Ms Anderson—We will by then have established a permanent Gallery of Australian Democracy and a permanent Australian Prime Ministers Centre within Old Parliament House, and the National Portrait Gallery will be in their new building.

Senator LUNDY—I have got a few questions for the National Portrait Gallery as well.

Ms Anderson—I might ask Andrew Sayers to join us.

Senator LUNDY—I have a few other issues I want to raise with you about Old Parliament House, but by all means, come to the table. I want to get updated as to what is happening with the sponsorship of the roses in the Old Parliament House gardens. I have got some feedback—

Ms Anderson—That is not Old Parliament House's area.

Senator LUNDY—Who manages that?

Ms Anderson—The National Capital Authority. We do not manage the rose gardens at all.

Senator LUNDY—You do not have anything to do with the rose gardens.

Ms Anderson—No.

Senator LUNDY—I will raise that issue with them. Do you get any feedback from visitors about the gardens?

Ms Anderson—Our visitors often wander over to the gardens, and that feedback is always quite positive. We certainly take a great interest in the gardens, but they do not come under our responsibility.

Senator LUNDY—I have one more question about the refurbishment of Old Parliament House. Are there any external refurbishment works planned?

Ms Anderson—I am not aware of any external works. Part of our planning in our normal life cycle cost planning is to look at the render of the building and the roof. That is the actual building—but certainly not, apart from that.

Senator LUNDY—How are the plans for construction of the National Portrait Gallery proceeding?

Mr Sayers—Plans are proceeding to a very detailed stage. Construction will commence on the site some time in November—this coming month. We have spent the last few months working on the detail of the building. The plans are at a very detailed stage of development. The contractor to build the building was formally brought on as the contractor on 23 October—last week.

Senator LUNDY—Who is that?

Mr Sayers—That is John Holland. Of course, the contract is being managed by the Department of Finance and Administration, not by our department.

Senator LUNDY—Are you still on track for the programmed move of the gallery from Old Parliament House to the new site?

Mr Sayers—Yes.

Senator LUNDY—Has anything changed from what was anticipated in the time frame previously, now that the contract has been signed?

Mr Sayers—No. The program we currently have is the same program that we have been working to for quite some months. It is the program which has the building opening in December 2008. That means that the building needs to be practically complete by September 2008. That is the current program. That fits in with our move from Old Parliament House. Exhibitions in Old Parliament House will cease at the end of March 2008. That will give us time to effect the move, establish all the displays and commission the building. So the time frame is as previously advised.

ACTING CHAIR—What is the cost of the project?

Mr Sayers—The cost of the project is \$73.6 million.

Senator LUNDY—How many companies were in the final stages of the tender process?

Mr Sayers—The tender process was actually managed by the Department of Finance and Administration. That is a question you would have to address to them.

Senator LUNDY—But you must know.

Mr Sayers—It was not a tender process that we ran.

Senator LUNDY—I will place questions on notice. Is it helpful if I put the questions on notice to you?

Mr Sayers—Yes.

Senator LUNDY—And then you can get the information.

Mr Sayers—The questions should really go to the Department of Finance and Administration. They are responsible for all of the contractual matters—tendering and construction.

Senator LUNDY—What involvement does the Portrait Gallery and/or the department have in the management of that contract?

Mr Sayers—Essentially our key interest is in the building that is delivered and its functionality and capacity to operate as a National Portrait Gallery. We work very closely on the design detail and all of the aspects of the building that are going to be delivered as a National Portrait Gallery, and the Department of Finance and Administration are responsible for actually managing all of the tenders, the contracting and so on. We work very closely to ensure that the time frame and what is being delivered at the end are what we require.

Senator LUNDY—What about the annex down at Commonwealth Place?

Mr Sayers—The Commonwealth Place annex that we currently use as an exhibition space is in fact a space that belongs to the National Capital Authority. It is a part of Commonwealth Place. We have a memorandum of understanding with the National Capital Authority to use that space as an exhibition space and that ceases at the end of March 2008, after which time the National Capital Authority will resume its use and it will be up to them as to what they will do with it, but all of the National Portrait Gallery exhibitions will be under the one roof.

Senator LUNDY—Have you experienced any problems with that physical space at Commonwealth Place?

Mr Sayers—The space at Commonwealth Place has been a very valuable space for us to display particularly the contemporary end of the collection. The Commonwealth Place space was not designed as an exhibition space and so it is not designed to the highest qualities of light control in particular. However, for exhibitions of contemporary photography, for example, and exhibitions of the secondary school students' work that we have there at the moment it is ideal. We did, in fact, have the Kylie exhibition there, for which we had to work with the space design wise to make it work as an exhibition, and it worked very well. There were 31,000 visitors through that exhibition. It has been a space that we have worked with to make it into an exhibition space, though it was not designed as that originally.

Senator LUNDY—How have visitor numbers been to the National Portrait Gallery in Old Parliament House?

Mr Sayers—Because of the fact that the portrait gallery is in fact an integral part of Old Parliament House, we do not distinguish between visitors into the National Portrait Gallery and Old Parliament House. We treat the figure as a whole, and figures have remained very good.

Ms Anderson—I have more detail on that. Certainly, our visitor figures in Old Parliament House, which include the National Portrait Gallery component, have been increasing.

Senator LUNDY—Do you distinguish between them?

Ms Anderson—No, we do not. We distinguish between the National Portrait Gallery and Commonwealth Place, but we do not distinguish between Old Parliament House and the National Portrait Gallery. The figures have certainly been increasing over the years, and our growth for this year is still improving.

Mr Sayers—Commonwealth Place has maintained a fairly consistent visitor number. It is weather dependent because it is so close to the lake, and it ranges from 18,800 a month to up into the 20,000s in Commonwealth Place, so there is a consistent visitation there.

Senator LUNDY—Do you get a lot of passing traffic there or is it mainly driven by promotion of events there?

Mr Sayers—There is a combination. Clearly, something like the Kylie show, which was a very popular exhibition with a lot of attractive promotion, did bring extra visitors. I think one of the great things about Commonwealth Place is that when we first took up the offer of an exhibition space there people thought it was a bit of a godforsaken part of Canberra, but you could see with the development of that part of the foreshore that it was really going to become a boulevard, really, and that is essentially what has happened. Lots of people drop in and that is a great thing because, if they drop in, they then discover something they were not intending to discover and are often surprised at how much they enjoy the experience. It always great to capture new visitation in that way.

Senator LUNDY—In the period post the Portrait Gallery in Old Parliament House, what are Old Parliament House's strategies for visitation and maintaining that general interest in old houses of parliament and institutions?

Ms Anderson—We are actually undertaking some planning at the moment to look at that and do some research on our visitors and where we see our market.

Senator Kemp—I think what we are planning with the Gallery of Australian Democracy is going to help attract visitors.

Ms Anderson—Certainly.

Senator Kemp—I am very keen to have what I describe as a ‘must see’ exhibition at Old Parliament House, a bit like some of the exhibitions at the War Memorial. ‘G for George’ is a must see exhibition and I think it would be a good thing if we could develop something like that for Old Parliament House. It is to make sure that people say, ‘You have been to Canberra if have you been to Old Parliament House.’ I can assure you we are very ambitious to maintain and increase those numbers to Old Parliament House.

Senator LUNDY—I have not been there lately but I understand the commercial establishment in Old Parliament House does reasonably well.

Ms Anderson—Yes, it does.

Senator LUNDY—How long is their lease?

Ms Anderson—The current lease expires next year, and has a five-year option.

Senator LUNDY—Are there any plans once the Portrait Gallery leaves and changes take place to dispense with that, or are your plans to keep the commercial establishment there?

Ms Anderson—I would say that we plan to keep a commercial establishment there. The patrons are certainly increasing in that area as well.

Senator Kemp—Which is great.

Senator LUNDY—And the function room, particularly the old dining room out the back, how are the usage rates of that?

Ms Anderson—That is also increasing. Last year we had 9,600-odd patrons to the Ginger Room; functions was 40,000; and the cafe 137,000. Indications for this year are that it will certainly exceed that.

Senator LUNDY—So it is trending upwards in terms of utilisation?

Ms Anderson—Yes, certainly. And the same with our own visitors and our students. We are already seeing at least a 20 per cent increase in our student bookings for next year already.

Senator LUNDY—Thank you very much. That is all I have.

ACTING CHAIR—I just have one question. There was a proposal several years ago to merge the National Portrait Gallery with the National Gallery of Australia. What would be your view on that proposal?

Senator Kemp—I think that was ALP policy, if I remember rightly. It certainly was not our policy.

ACTING CHAIR—I thank the minister, Ms Williams, Ms Bean and officers of the department and the various agencies for their attendance and assistance.

Proceedings suspended from 5.54 pm to 7.05 pm

ENVIRONMENT AND HERITAGE PORTFOLIO**In Attendance**

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

Department of the Environment and Heritage**Executive**

Mr David Borthwick, Secretary
Ms Anthea Tinney, Deputy Secretary
Dr Conall O'Connell, Deputy Secretary
Mr Howard Bamsey, Deputy Secretary

Approvals and Wildlife Division

Mr Gerard Early, First Assistant Secretary
Mr Mark Flanagan, Assistant Secretary, Policy and Compliance
Mr Wayne Fletcher, Director, Legal Policy Section, Policy Compliance

Bureau of Meteorology

Dr Neville Smith, Chief Research Scientist
Dr Geoff Love, Director

Corporate Strategies Division

Mr David Anderson, First Assistant Secretary, Corporate Strategies Division
Mr Matthew Kelly, Director, Budget and Finance Section

Environment Quality Division

Ms Mary Harwood, First Assistant Secretary

Great Barrier Reef Marine Park Authority

The Hon. Virginia Chadwick, Chairman
Mr Hugh Yorkston, Acting Executive Director
Mr John Barrett, Director, Corporate Services
Mr James Innes, Acting Director, Parliamentary and Ministerial Liaison

Heritage Division

Mr Peter Burnett, First Assistant Secretary
Mr Terry Bailey, Assistant Secretary, Heritage Assessment Branch

Industry, Communities and Energy Division

Mr Barry Sterland, First Assistant Secretary

International Land and Analysis Division

Mr Ian Carruthers, First Assistant Secretary

Land, Water and Coasts Division, Coasts and Water

Mr Tony Slatyer, First Assistant Secretary, Land, Water and Coasts Division

Marine Division

Ms Donna Petrachenko, First Assistant Secretary
Mr Andrew McNee, Assistant Secretary, Marine Environment
Mr Stephen Oxley, Assistant Secretary, Marine Conservation

Natural Resource Management Programmes Division

Mr Malcolm Forbes, First Assistant Secretary

Ms Kelly Pearce, Assistant Secretary, Australian Government Natural Resource Management Team

Ms Mary Colreavy, Acting Assistant Secretary, Australian Government Natural Resource Management Team

Office of the Renewable Energy Regulator

Mr David Rossiter, Assistant Secretary

Mr Chris Branson, Manager

Policy Coordination Protection Division

Mr Mark Tucker, First Assistant Secretary

Mr Luka Grey, Budget Manager, Policy Development Branch

Ms Cassie Browne, Budgets Officer, Budget Strategies Section

CHAIR (Senator Eggleston)—I welcome Senator the Hon. Ian Campbell, Minister for the Environment and Heritage, and I also welcome portfolio officers who are appearing today.

Senator CARR—Minister, I watched the Prime Minister at question time today. He referred to a new Kyoto—

Senator Ian Campbell—It might be news to the Australian Labor Party but within the conference of the parties within the United Nations Framework Convention on Climate Change, there are three particular processes that are required under the Kyoto protocol. One of them is a negotiation for the second commitment period. There is a requirement to commence the negotiation and I think some people in the world are calling that post-Kyoto. Some people are calling it beyond Kyoto, some people are calling it Kyoto 2. I think it would be entirely appropriate to call it new Kyoto.

Secondly, there is a requirement under the protocol to have a review of the Kyoto protocol and its effectiveness, for example. I might say that both for the negotiation of the second commitment period and for the review, there are a lot of countries in the world who are resisting even commencing a negotiation, let alone defining when the negotiation should end. Also, there are a lot of nations trying to resist a review of the Kyoto protocol, all for their own different national interest reasons, I would imagine.

The third process under the UN Framework Convention is the dialogue on future long-term actions, which is co-chaired by the Deputy Secretary of the Environment Department in Australia, Mr Howard Bamsey, and co-chaired by his South African counterpart. Again, that is looking at long-term cooperative action, future action, on climate change and is very much designed to bridge the gap between the developing and developed countries and bring together a range of other bilateral, plurilateral and multilateral partnerships on climate change and seek to build higher levels of cooperation and to assist in the design of what could be quite accurately called a new Kyoto.

It may well be news to the Australian Labor Party but all of those processes are going on. They are all designed to create something effective to come in the post 2008-12 world, which we now know is very important. We have always known it is very important. It should not be news to Labor because we always welcome Labor's spokesman on the environment to come to UNFCCC meetings. We extended that invitation, at his request, to Anthony Albanese last year and again today I have written to Mr Albanese inviting him and approving his travel to Nairobi in 10 days time. So he may well be aware of these processes.

Senator CARR—He may well be aware of them but I am just wondering how many countries have joined the Prime Minister's new Kyoto?

CHAIR—Senator Carr, before you go on, do you mind if I just read through the protocol, which I have to do?

Senator CARR—Of course you can.

CHAIR—As I said, I welcome Senator Campbell and portfolio officers here today. Before we move to questions, I note that, under standing order 26, the committee must take all evidence in public session. This includes answers to questions on notice. I also remind all witnesses that in giving evidence to the committee, they are protected by parliamentary privilege. I remind officers that the Senate has resolved there are no areas in connection with the expenditure of public funds where any person has a discretion to withhold explanations from the parliament or its committees, unless the parliament has expressly provided otherwise.

The Senate has also resolved that an officer of a department of the Commonwealth or of a state shall not be asked to give opinions on matters of policy and shall be given reasonable opportunity to refer questions asked of the officer to superior officers or to a minister. May I say the committee has set a deadline of the close of business tomorrow for questions on notice and the committee has set a deadline for the return of answers to questions placed on notice as the close of business, Friday, 15 December 2006. Please proceed, Senator Carr.

Senator CARR—Thank you. Minister, could you tell me how many countries have joined the Prime Minister's new Kyoto?

Senator Ian Campbell—It is not the Prime Minister's. It is the United Nations Framework Convention on Climate Change and, as Sir Nicholas Stern has said, what the world needs is a comprehensive and effective agreement in the post-Kyoto period and Australia has, as we did in the lead-up to Montreal, taken a very constructive leadership approach in trying to move the world to something that is comprehensive and effective and that includes more countries. That is one of the reasons why I pushed for the dialogue process, to try to bridge that gap, try to get people talking, try to find some effective mechanisms that could seek to overcome some of the quite deep flaws in the Kyoto protocol as it stands at the moment.

Senator CARR—The Prime Minister did speak of it several times today, so I presumed that he had taken credit for it. Does he see this in the context of the Asia-Pacific climate pact?

Senator Ian Campbell—Interestingly, if you ever have the time to read Sir Nicholas Stern's report, you will notice—

Senator CARR—I am sure you have studied it from cover to cover.

Senator Ian Campbell—No, I have not had time yet, but I do have it with me and I will be reading it during lulls in the questioning.

Senator CARR—During the estimates?

Senator Ian Campbell—Yes, I will. That is what you do. But I have gone through a number of key sections of it and Sir Nicholas was very interested in the Asia-Pacific partnership. He certainly sought briefings from not only the Australian government and the Australian government's Greenhouse Office but also other partners. He specifically refers to

the Asia-Pacific partnership as one of the very constructive models for the sort of technology transfer and industry and government-to-government cooperation which will certainly be a part of the future that Sir Nicholas has, I think very cogently, argued needs to be the way forward for the world if we are to address climate change.

He also makes the point, which I think should be a very big lesson to policymakers in Australia at the state and federal levels—and it is interesting the media have not picked up on this yet, but I hope they will—that one of the things we need to do is address policy and political impediments to bringing on existing low-emission technologies—for example, nuclear. He goes in some detail to the political and policy impediments that existed in the fifties, sixties and seventies in relation to bringing nuclear energy on. He makes it very clear that those sorts of policy and political impediments to expanding the provision of nuclear energy would be very counterproductive to addressing climate change. It might be a good cause for you to take on in the Labor Party to try to get rid of some of the ideological baggage that stands between the Labor Party and the embracing of nuclear energy.

Senator CARR—Has the Prime Minister discussed his new Kyoto with the United States government?

Senator Ian Campbell—We have been involved in discussions about what happens post-Kyoto for at least two or three years. In fact, I would not wish it upon you but if you read our election policy from 2004, you will see that it is very much aimed at building bilateral, plurilateral and multilateral discussions, dialogues and action partnerships around building an effective beyond Kyoto regime; and that is all about new Kyoto. It is probably a revelation for the Labor Party.

Senator CARR—It is.

Senator Ian Campbell—But while you are talking about signing up to Kyoto 1, the old Kyoto, the rest of the world has actually been trying to design a new Kyoto. I will continue to invite Anthony Albanese to come to these meetings in different parts of the world so that he will, hopefully, one day come back from one of the meetings and brief his comrades on what is happening in the rest of the world rather than keeping Mr Beazley and you and others in a deep fog.

Senator CARR—So the Prime Minister has used this term ‘new Kyoto’ when he has discussed this matter with the United States, has he?

Senator Ian Campbell—The world has been talking about post-Kyoto, beyond Kyoto, what happens post-Kyoto.

Senator CARR—I have heard this new term today. I readily confess that it is a new term to me from the Prime Minister. I heard it today for the first time. It may well be that he has used it elsewhere. That is what I am trying to establish. In these discussions that he has had for some years, you are telling me, with the United States—

Senator Ian Campbell—That we have—we have had discussions and the foreign minister has.

Senator CARR—So the term ‘new Kyoto’ has been used in discussions.

Senator Ian Campbell—We have a group of senior ministers who focus and have continued to focus on action on climate change over a number of years. That involves building world-leading domestic policies, such as the Solar Cities program, the Low Emissions Technology Demonstration Fund, the Renewable Energy Development Initiative and the Photovoltaic Rebate Program. All of these are world-leading programs, so we focus as a group of ministers and as a Sustainable Environmental Committee of Cabinet on good domestic policy.

We also focus heavily and are world leaders in terms of international action. That is one of the reasons why Howard Bamsey, the deputy secretary of the department, has been made a co-chair of this key United Nations framework convention. We have international discussions at the foreign minister level and at the environment minister level. We have seemingly endless discussions internationally—bilaterally, plurilaterally and multilaterally. We have discussions at the prime ministerial level and we have discussions at the energy minister and industry minister level.

For example, Ian Macfarlane represented Australia at the invitation of the United Kingdom's Prime Minister Tony Blair at a G8-plus meeting in Mexico a few weeks ago, and he would have engaged in discussions about what the world should design to replace or supplement or surpass Kyoto in the post-Kyoto era. This is something that Tony Blair has been working on. That is why he set up the G8 process. That is why he took on the challenge of trying to find something effective to replace Kyoto, through his presidency of the G8 last year, and we were very honoured as a country to be invited by Tony Blair to participate in that process.

Senator CARR—So the minister for industry used the term 'new Kyoto' in these discussions in Mexico, did he?

Senator Ian Campbell—Labor is preoccupied with slogans. We are preoccupied with designing a global system that reduces greenhouse gas emissions through cooperative action by all nations, and the concept of a new Kyoto, post-Kyoto, beyond Kyoto—something that is better than Kyoto, something that is more effective than Kyoto—is nothing new to the Australian government. But it does not surprise me that the Labor Party, with many of its policies focusing back on 1950 style solutions in industrial relations and a range of other policy areas, would not be up to speed with what is happening internationally, let alone domestically.

Senator CARR—So are you now saying that you are in lock step with the British government on carbon trading and Kyoto?

Senator Ian Campbell—What Nicholas Stern says in his report about needing to ensure that carbon trading is across the maximum number of emitters across the globe is very much in step with the Commonwealth's policy enunciated quite clearly in June of 2004 in the energy white paper.

Senator CARR—So you will respond positively to the British Chancellor of the Exchequer Gordon Brown's call for Australia to join the European Union in a global market for trading in carbon emissions?

Senator Ian Campbell—No, because we think there are many aspects of the European trading scheme that would have adverse environment impacts on Australia and the world. But we share the view of Gordon Brown and Mr Blair and Sir Nicholas Stern that, if you want to have an effective carbon pricing process and carbon trading system, you need a majority of the world's emitters in it. I think that is what Mr Brown, Mr Blair and Sir Nicholas Stern are all aiming at, and that is very much in tune with the thinking of this government.

Senator CARR—Wouldn't it be fair to say, Minister, that in recent days—in fact, in the run-up to the release of the Stern report—we have seen a desperate scramble by the government to catch up on this issue and that there has been acknowledgment in the government that the whole approach it has taken on global warming has been demonstrated in the international community to have failed and you are now desperately seeking to align yourself with the British government and, hence, the talk of a new Kyoto? That would be a fairer summary of events, wouldn't it?

Senator Ian Campbell—That is how I would expect a left-wing Labor politician from Victoria to describe it. But if you read our policy that was published in the last election; if you read our policies since then; if you look at the engagement that we have had with Mr Blair on climate change issues and with a range of other nations on climate change issues; and if you look at the budget commitments of billions of dollars of investment in the technologies that are needed to transform the way energy is produced and used in Australia, you would realise that our policies are, in fact, very practical. Yours are very weak and are very out of date.

Sir Nicholas Stern was commissioned by Gordon Brown to do this report that has created a lot of attention on climate change policy in Australia, which I welcome and I am happy for a bright spotlight to be shone on Australian government policies and the paucity of alternatives from the opposition. Sir Nicholas Stern not only gives substantial support to the concept of the Asia-Pacific clean development partnership but he also gives substantial support to the policies of the Australian government in terms of investing large amounts of taxpayers' money on fast-tracking the technologies needed to address this issue.

We welcome the Stern report. It shows that the Labor Party's policies are very shallow, very out of date, lacking in substance and have no funding behind them. You do not have a fund to support any of the sort of work that Sir Nicholas Stern says the world needs. We are spending real money doing real projects in partnership with the Queensland government, with the Victorian government and with a range of other governments doing real work to address climate change. I am happy for the focus to be on our policies and the implementation of our policies, both domestically and internationally, and for there to be a close focus and scrutiny of your own policies.

You talk about this national emissions trading scheme. You need to start telling people how you are going to get Western Australia and Queensland to sign up. They have already pulled the pin on it, so you have a national emissions trading scheme that misses the two growth states. I want the media to quiz you on that every day between now and the election.

Senator CARR—Minister, given this sort of desperation that you are exhibiting to associate yourself with the British government now—I take it that this 'new Kyoto' is part of the process—what guarantee can you give this committee that the Australian government, if it

gets seriously involved in negotiations on this, will not walk away from them as they did with the last Kyoto negotiations?

Senator Ian Campbell—The government's credentials in helping to find a way forward for the world are substantial. They are there to be seen. I think the work that I did in Montreal with Stefan Dion, the former environment minister of Canada, who was the president of the conference of the parties, and the work I did with Margaret Beckett, the former environment minister of the UK, who is now the Foreign Secretary for the UK, to get a constructive outcome in Montreal which will lead us down a very tough path towards a new post-Kyoto arrangement is a demonstration of our credentials. We are well respected internationally.

I know the Labor Party enjoys going around the world and talking Australia down consistently, but luckily the rest of the world judges Australia on our actions and on our substantial investments. The world is crying out for large-scale solar projects, and Australia is about to build the biggest solar power plant anywhere on the planet Earth. That is substantial. It is recognised internationally. We are about to build some of the largest clean coal projects anywhere on the planet. That is something the world has been crying out for and it is something that Nicholas Stern's report cries out for.

We are doing real things while the Labor Party is sloganeering. That is how we are judged internationally. Anyone who looks at what Australia is doing is generally impressed. You would not expect a Labor Party opposition that has not come up with a single new policy idea on this issue for a decade to be impressed, because you are not serious about it. As long as the media lets you get away with slogans, you will be lazy. You will get fat and lazy in opposition and you will not come up with new policy news, but that suits my purposes. Stay at it! Stay in bed!

Senator CARR—Minister, I read in the *Bulletin* recently that you are no longer a global warming sceptic. When did you change your mind?

Senator Ian Campbell—I do not think I have ever been a sceptic, have I?

Senator CARR—So the report was wrong?

Senator Ian Campbell—Which report was that?

Senator CARR—In the *Bulletin*—

Senator Ian Campbell—I think I was focused on the issue.

Senator CARR—just three weeks ago.

Senator Ian Campbell—I do not think it said that.

Senator CARR—It quoted you, saying that you were a global warming sceptic, and I am wondering when you changed your mind.

Senator Ian Campbell—If you pull the quote out, it does not say that.

Senator CARR—Perhaps we will pull it out. You talk of actions, and I am just wondering, given that these new Kyoto arrangements that are in place—

Senator Ian Campbell—I am very sceptical about the Labor Party.

Senator CARR—how does Australia propose, under these new code arrangements, to include the developing countries with low per capita emissions, such as China and India, in this new code when the developing countries with high per capita emissions, such as Australia, do not seem to show any leadership in reducing emissions?

Senator Ian Campbell—Firstly, Australia is showing leadership. We have, through policy measures across Australia, reduced our emissions profile by 85 million tonnes through a series of policy measures that are generally world leading, so there is leadership. In relation to China, the Chinese describe their bilateral relationship with Australia as one of the most effective, if not the most effective, in the world. They are very interested in working cooperatively with Australia because they perceive Australia as a nation that gets on and does things.

China is very interested in getting on and doing things. They are an energy-hungry country. They are desperately trying to lift about 300 million of their citizens out of poverty. They know that they need masses of new energy, new buildings and new industrial opportunities to do that. They see in Australia a country that has the intellectual property, the know-how and the track record to be able to deliver results in renewable energy and energy efficiency in a range of low-emission technologies. They see Australia as an incredibly reliable partner. That is the sort of practical action that we get through the Australia-China climate change action partnership and it is very much the sort of template that we are using in designing the work plans under the Asia-Pacific partnership, which brings in not only China but also Korea, Japan, India and the United States.

Senator CARR—You referred to the question of nuclear power in your previous answers, and the Prime Minister has referred to it today. What is your expectation of when nuclear power will be viable for Australia?

Senator Ian Campbell—The reason we have commissioned Ziggy Switkowski and an eminent group of Australians to look at Australia's role in the nuclear fuel cycle is that we need to have a well-informed answer to that question and Mr Switkowski will be releasing his report during the month of November for the public to see. All of the submissions are being released so that they will inform the debate on the role nuclear energy will play in the world in terms of the abatement task, which is to deliver substantially larger amounts of energy to an energy-hungry world over the next 35, 40 or 50 years but to do so at a time when we all know that we must substantially reduce greenhouse gas emissions.

People who do not have an ideological or quasi-religious objection to low-emission technologies like nuclear know that nuclear will be part of the solution. It cannot and will not be the only part of the solution. It has the capacity, if you believe the Princeton University's studies on this, to perform a role in the future energy needs of the world—as will renewables, energy efficiency, transportation efficiency, deforestation and land use practices, and carbon capture and storage, for example. All of those technologies will play a role. It is likely that any technology involved in the production of energy or the use of energy and which is more expensive than the energy that is being produced or used at the moment will require some form of subsidy, as wind energy does, as solar does, as a range of energy options do.

The challenge for the world is to find a way to create subsidies to bring on those low-emission and zero-emission technologies in a way that is the most environmentally and

economically effective. That is what Sir Nicholas Stern is struggling with. That is what the United Nations Framework Convention on Climate Change is struggling with. Mr Switkowski's report will again be a valuable insight into that, and I think that not just Australian citizens will meet that report in a constructive way—I know many members of the left in the Labor Party will not—but the rest of the world will, and it will be a valuable contribution to the debate in Australia and around the world.

Senator CARR—Have you had an opportunity to counsel Senator Minchin on this question, given that he clearly has a very different view on the question of the viability of nuclear power in Australia?

Senator Ian Campbell—Senator Minchin has a very clear understanding of the costs associated with all of the different power options.

Senator CARR—He suggested that some time in the next century might be a viable option. Did you agree with that assessment?

Senator Ian Campbell—It entirely depends on prices and subsidies. The interesting thing is that the Labor Party's emissions trading scheme would be the biggest single boost to nuclear energy in Australia. If you created the sort of trading system that you have in Europe, you would possibly make nuclear power viable immediately.

Senator CARR—Would you agree with Mr Macfarlane's claim that there could be a nuclear power station some time in the next 15 years in Australia?

Senator Ian Campbell—It all depends on the subsidies. What I am saying is that the Labor Party's policy on a national emissions trading scheme, if you can find a way to bring Western Australia and Queensland back into it—it will be interesting to see how you explain to the Australian people that the fundamental foundation of your entire greenhouse policy is based on a system that excludes the growth states of Queensland and Western Australia. You need to explain to the people how you are going to get them back on board, and I look forward to you explaining that at some stage in the next few weeks, but that policy would be the full and necessary underpinning of a nuclear industry that would create the subsidies required.

You may have to bring in a scheme that excludes certain technologies if you have an ideological or religious opposition to a technology. You might have to bring in a trading scheme that says, 'We would allow trading to occur, but not bring on certain sorts of low-emission technologies and therefore make the task of Australia shouldering its burden of confronting the global greenhouse gas and climate change challenge that much tougher.'

Senator CARR—Since your thinking is so advanced on this question, Minister, I am wondering if you could tell us when exactly we will see our first nuclear power station in Australia.

Senator Ian Campbell—I said to you that, without subsidies, I suspect we may never see it. But with the sorts of subsidies you have under Labor's policy—you may get elected next year; bring in a national emissions trading scheme and you could make it viable next year.

Senator CARR—It is all a bit of a smoke and mirrors exercise, isn't it?

Senator Ian Campbell—No. It is an exercise to create a committee of very highly qualified Australians with an important set of skills to analyse Australia's role in the nuclear fuel cycle, because we know that nuclear energy will be a substantial part of the global response to climate change. Sir Nicholas Stern knows that, Tony Blair knows that, David Miliband knows that, Gordon Brown knows that. The policymakers in Sweden, Norway, Germany, France—

Senator CARR—Which one of those have—

Senator Ian Campbell—All of those countries and the people in the US know that if you applied the Labor Party's policy to the United States you would be closing down ageing nuclear facilities in the US and replacing them with coal-fired or oil-fired power stations. That is the absolute idiocy of the Labor position: because of the factional and ideological contortions that the Labor Party pushes itself through, it demonstrates that the Labor Party is simply not serious about climate changes.

Senator CARR—Which of these international leaders has advised you that a nuclear power station will be viable in Australia in the foreseeable future?

Senator Ian Campbell—I have told Mr Chairman and the committee that nuclear power is only likely to be viable anywhere in the world with subsidies and it will depend on the level of the subsidies entirely as to when a nuclear power plant will be built anywhere in the world, but if you want to bring it on quicker in Australia you will set up Labor's national emissions trading scheme. The single, most important policy measure you could put in place to make nuclear viable in Australia is a national emissions trading scheme. That demonstrates the confusion and the contortions in Labor.

The longer you get away with saying, 'We will sign up to the old Kyoto and we will have a national emissions trading scheme even though WA and Queensland will not be part of it,' the longer you get away with that lazy policy, the longer you get away with not explaining your policy, the worse it will be for good policy outcomes in Australia—very lazy, very confused. I genuinely say to the serious players in the Australian Labor Party, 'It's time you got serious about climate change.'

CHAIR—Senator McLucas, would you like us to call the Bureau of Meteorology?

Senator McLUCAS—Yes, I would like to speak with the bureau very briefly.

[7.35 pm]

Bureau of Meteorology

Senator McLUCAS—Dr Love, we have talked before about tidal gauges in the Torres Strait. Have there been any changes since our discussion, which I think was in February? Do we have any tidal gauges in the Torres Strait now?

Dr Love—The bureau does not operate any tide gauges in the Torres Strait. The nearest gauge would be on Groote Eylandt, which is some distance.

Senator McLUCAS—Has there been any request for the installation of a tidal gauge since then?

Dr Love—Not to me.

Senator McLUCAS—What would it require to install a tidal gauge in the Torres Strait?

Dr Love—I might defer that question to Dr Smith, who is the chief scientist of the Bureau of Meteorology and who also happens to be an oceanographer and has a marine background.

Dr Smith—The issue with some of these remote locations is always finding a suitable site. I think the challenge for the Torres Strait will be finding a suitable site so that it can be maintained to the high quality that we need. It is also unique oceanographically, so we may well be able to infer sea level from other gauges in nearby locations. We would have to really examine whether it would add any extra value by putting one in Torres Strait as compared to using some of the existing gauges.

Senator McLUCAS—You say it is a complex area of ocean. Is it possible to infer tidal movement, say from Groote across to the Torres Strait, including all of those internal variations that you have within the strait?

Dr Smith—It will depend on the application that we are looking at. If we want to infer tides, it can be modelled very well with the gauges that we have already. If you want to look at climate change, it is probably not a very good location to look at sea level for climate change. Again, it depends on the application that people would have in mind.

Senator McLUCAS—You are saying that the Groote tidal gauge would not be useful to monitor sea levels in terms of climate change in the Torres Strait. Is that what you are saying?

Dr Smith—No. I am saying that, with the Groote one, we could use models for tidal signals. That one we could probably use to make sure that we tune models. It could be that we will not get any extra value by putting an extra gauge in there and, because of the logistics, it can sometimes be very difficult to maintain them. There are some technical issues to look at as well as scientific issues.

Senator McLUCAS—What sort of monitoring do they need?

Dr Smith—For?

Senator McLUCAS—Sorry. What sort of maintenance do they need?

Dr Smith—They have to have regular site visits. You have to find a location that, for example, will not be subject to vandalism; that there is someone nearby that can make sure that it is not vandalised or, when it goes out of action, that it can be immediately repaired. We need good communications into it. All of these are soluble, given sufficient resources.

Senator McLUCAS—What would be the cost? What is the cost of maintaining the Groote tidal gauge? We are talking ballpark.

Dr Love—Let me try. I do not have the breakdown. You are looking at real-time communications. We use tidal gauges for three purposes: sea-level monitoring for climate change, tidal predictions for marine purposes and tsunami warning. Depending on which purpose, which application, we would have a different instrument, different calibration, and probably a different maintenance regime. I would assume that tsunamis are not an issue up there, so we are probably not looking at a real-time data feed necessarily, but delayed mode.

We are probably looking at six-monthly inspections, plus somebody there on the ground keeping an eye on it and doing the security aspects. It would be built into our normal

maintenance program of the network that we run, so it would be an incremental cost—maybe another half a person or quarter of a person built in incrementally. We run these things on an accrual lifetime of about 10 to 12 years. For a \$100,000 to \$150,000 installation cost you are looking at \$10,000 to \$15,000 depreciation a year, plus maybe another \$5,000 or \$8,000 in maintenance costs. You may be looking at a \$20,000 a year lifetime annual thing. That is a top-of-the-head guess from a variety of systems.

Senator McLUCAS—Thanks. That gives me an indication of what we would be looking at. Are you aware of current media discussions around the issue of climate change in the Torres Strait and the whole question of whether or not tide gauges are a required piece of data collection that we do not have?

Dr Love—Yes. To follow on from Dr Smith's comments, there are a number of tools to monitor the sea level globally, and in quite small areas like the Torres Strait and Gulf of Carpentaria and down the Queensland coast. There are satellite systems which give us an integrated view of sea level, and the Americans and other countries—the Europeans—fund those satellite systems and give us free access to the data. We can use those data streams in combination with the sea-level gauges to give us an integrated picture. When Dr Smith says, 'The models are informed by a global satellite view in situ data from gauges and the modelling capability to integrate all of that data together,' that gives us a view of places where we do not have gauges, and a very good view, because the satellites are observing in all of those places. As Dr Smith says, you do not need a gauge everywhere necessarily to get an integrated view of sea-level rise from something like climate change.

Senator McLUCAS—Are you aware of a risk assessment piece of analysis that has been commissioned by the Torres Strait Regional Authority, which identifies that we need a total survey of the Torres Strait—both the land and the sea—before we can make any assessment about inundation or erosion that is being experienced at the moment?

Dr Love—I am not aware of that study, but I will make every effort to get hold of a copy.

Senator McLUCAS—Thank you Dr Love and Dr Smith. That is all I required.

CHAIR—Thank you very much.

[7.43 pm]

Great Barrier Reef Marine Park Authority

CHAIR—We have a number of Queenslanders around the table, so I am sure you are going to get some questions.

Senator McLUCAS—I always ask questions about staffing, and I think you would be disappointed if I did not. Do you have an update on the staffing for the committee, please, Ms Chadwick?

Ms Chadwick—A little while ago, Mr Barrett and I were concerned that you may foil us by not asking this question or a question about Reef HQ, given we felt that we were so well prepared. I can tell you that our current staffing level is 190.43.

Senator McLUCAS—My recollection is that that is slightly up. Is that correct?

Ms Chadwick—It is indeed. I think it is 1¼ or 1¾ persons, or thereabouts. Last time it was 188-point something.

Senator McLUCAS—The location of those staff generally reflects last estimates?

Ms Chadwick—Yes, they are largely Townsville based. With such a minor variation, as you could imagine, it is basically a few vacancies being filled, balanced by a few people going on leave and so forth.

Senator McLUCAS—How is Reef HQ travelling?

Ms Chadwick—Given the work that has been done by Mr Barrett I will defer to him, if that is acceptable to the committee.

Mr Barrett—The aquarium is functioning very well at the moment. Our results for the first quarter of this year are eight per cent up on revenue compared to last year, and we are currently tracking very well.

Senator McLUCAS—That is good. You will provide us with a hand-up document that reflects that?

Mr Barrett—Of visitor numbers? Certainly.

Senator McLUCAS—Given that we do not have a lot of time, I really only have two issues that I want to canvass. Mr Borthwick might be able to help with this as well. This is following the tabling of the review of the operations of the authority. Two of the issues that I would like to ask some questions about this evening are the recommendation that the Great Barrier Reef Marine Park Authority Act aligns with the EPBC Act. It is probably a question to you, Mr Borthwick. How do you see that happening? I know that we legislated change, but what will happen as a result of that aligning of the two acts?

Mr Borthwick—That is something to be examined and we did not address the detail of that in our report. It basically came out of the observation that the Great Barrier Reef Marine Park Authority Act was 30 years old. The Environment Protection and Biodiversity Conservation Act came into being in 1999. When the authority's act came into being it did not envisage the EPBC Act, so at the moment you can have overlaps between the two pieces of legislation when it comes to scrutinising a major development within a marine park authority; a requirement to look at it under the Great Barrier Reef Marine Park Act and under the EPBC Act.

One of the things that we propose, which the government accepted, is that the EPBC Act should have dominance, if that is the right word, in looking at major proposals. It would be up to the minister to either delegate that to the authority to look at in terms of the EPBC Act or to have the department look at it. For example, if it raised major cross jurisdictional issues, or if it raised issues that extended beyond the boundaries of the marine park, it might be the department that does that, but that was left open. So it is from those broader issues to aligning some of the descriptions in the GBRMPA Act with the EPBC Act in terms of, say, the precautionary principle which was a later concept introduced in the EPBC Act, right through to looking at alignment of compliance activities and the like. But as we get more detail on that it is something that we will be working through very closely with the Great Barrier Reef

Marine Park Authority to see exactly what legislation changes are needed, either to their act or to the EPBC Act.

Senator McLUCAS—I want to go to the question of compliance, Mr Borthwick, and why it was seen by your review as more effective. I understand your need for streamlining, but it is the question of the effectiveness of the two acts in terms of compliance and enforcement.

Mr Borthwick—We very much had in mind in our review that the Commonwealth is going to look at compliance and enforcement and the relevant levels of fines, or those sorts of things, as part of a general look at Commonwealth legislation and we wanted to make an alignment with that as it happens. That is not to preclude there being interim changes in terms of compliance and enforcement activity which the authority can pursue in the interim period, for which I know Ms Chadwick has been looking at options.

Senator McLUCAS—Ms Chadwick, did you have some comments about compliance and how this will work under a harmonised, if that is the right word, EPBC Act and Great Barrier Reef Marine Park Act?

Ms Chadwick—I would have to reiterate the words of the secretary. If there is some way that we can further ensure that there is consistency in a whole-of-government approach to the issue of compliance, then I would certainly welcome that because in the last few years we have worked very hard to develop what I think is a pretty good surveillance and compliance system. But that has actually meant that we have been working with the Navy, Coastwatch, Queensland Boating and Fisheries Patrol, EPA, our day-to-day management programs, federal police and DPP. So we are already engaged, sometimes contractually, but we are certainly engaged with a vast array of Commonwealth and state agencies to develop the program we have now. So I am not anxious in any way at the thought of any further tweaking or alignment that can be done from a whole-of-government approach.

But we have, I hope, been attuned to the views of the community. Last week I think it was—the 24th of this month—there were some minor changes that were regulated and, in fact, introduced into our compliance regime and that effected some changes to some offences in conservation or yellow zones. We have now had encouragement from the minister to respond to community concerns in relation to issues to do with some fishing offences in green zones. We will be effecting some regulatory change there. So, as the secretary said, as issues emerge or in terms of the overall compliance in the GBR, as opportunities for further partnerships emerge, we will be seizing those opportunities. I would hope that it is in that sort of open spirit that we can approach any further alignment to achieve consistency from a whole-of-government approach.

Senator McLUCAS—Just using the example of last week's change to the yellow zone compliance regime, what is being proposed under the new system? How would that work?

Mr Borthwick—There is a range of things, if my recollection of our report is right. In some areas the penalties under the Great Barrier Reef Marine Park Act are less than the penalties under the EPBC Act. In some cases it might be better to have civil penalties which are not envisaged—I think I am right—in terms of the Great Barrier Reef Marine Park Act rather than the criminal route. But these were options that we proposed that we develop with GBRMPA in consultation with the Attorney-General's Department, because that department is

looking at the broad sweep of penalty regimes across all sorts of legislative instruments to make sure that we have like with like across various regulatory regimes.

Senator McLUCAS—So you see it, Mr Borthwick, as being simply a matter of setting penalty levels at a comparable level?

Mr Borthwick—No, that was just one aspect that we looked at. GBRMPA has a very active enforcement, compliance, intelligence regime which we did not really comment on in our report, largely because we thought their targeting had improved to a large degree over the years, and the intelligence they were acting on was pretty good.

Senator McLUCAS—So are you saying, Mr Borthwick, that the management of the compliance regime—the things that Ms Chadwick has just talked about, dealing with the various agencies that deliver compliance—will happen as it currently does?

Mr Borthwick—As it currently happens.

Senator McLUCAS—What will be different, then, in terms of compliance after the GBRMPA Act and the EPBC are harmonised? What is going to be the difference in terms of compliance?

Mr Borthwick—I would envisage that GBRMPA would do what they currently do in terms of working with Coastwatch, the Federal Police and the Queensland authorities. That would continue, because in our judgment it was a very effective relationship.

Senator Ian Campbell—It is really just clearer lines, isn't it?

Mr Borthwick—Yes.

Senator McLUCAS—I am trying to understand what will change. It was a point in your report.

Mr Borthwick—Yes.

Senator McLUCAS—You have made the point about compliance this evening. What is going to change, other than that the penalties are going to be brought into line with the rest of our penalty regime?

Mr Borthwick—That was our main focus.

Senator McLUCAS—That is simply it?

Mr Borthwick—We did not go in our report to the cooperative arrangements that GBRMPA had with the other agencies, because we saw that as working pretty well.

Senator Ian Campbell—I think it is really bringing the legislative scheme in line with what is practice. It will be a clearer legislative definition of what actually occurs in practice.

Senator McLUCAS—You also mention, Mr Borthwick, actions that had happened outside the marine park, and currently the Great Barrier Reef Marine Park Act does allow the authority to not regulate but make comment on, particularly, section 66(2)(e), which prohibits activities outside the marine park that may impact on the plants and the animals inside the marine park.

Mr Borthwick—Yes.

Senator McLUCAS—That currently exists, the right to—

Mr Borthwick—We were not proposing any change to that provision.

Senator McLUCAS—There will be no change to that?

Mr Borthwick—No.

Senator McLUCAS—In terms of alignment with the EPBC, what is proposed there?

Mr Borthwick—What I mentioned is that for major projects, if it comes to things like moorings, I envisage the normal arrangements that GBRMPA apply under their act would still apply, but if it comes to major development proposals, such as a floating hotel or something—

Senator McLUCAS—Let us talk about an oil rig.

Mr Borthwick—That is prohibited.

Senator McLUCAS—No, I am talking about off-site impacts.

Mr Borthwick—Outside the jurisdiction of the park?

Senator McLUCAS—Yes, outside the marine park area.

Mr Borthwick—I guess it would be treated under the EPBC Act as a development like that would be treated. In other words, if it raised a matter of national environmental significance it would trigger the EPBC Act and would be subject to close scrutiny, as an oil or gas development would be, either onshore or offshore, anywhere else in Australia.

Senator McLUCAS—What about the current legislative position under the current authority that allows for prohibited activities outside the marine park that may impact on the plants and animals in the marine park?

Mr Borthwick—Those arrangements would still apply, and we consult very closely with GBRMPA to make sure that any consequential effects on the marine park and the greater World Heritage area which extends beyond the boundaries of the marine park were fully considered in that assessment.

Senator McLUCAS—I am trying to understand what this harmonisation of the two acts is really going to do. When an application comes, how will it be dealt with?

Mr Borthwick—For a major development within the park, we are proposing that it would be handled under the EPBC Act.

Senator McLUCAS—And, therefore, managed in the Department of Environment and Heritage.

Mr Borthwick—No. It would be entirely a choice for the minister whether he delegated that to GBRMPA or left it with the department. Our recommendation was open. It would involve a case-by-case example, and what I mentioned earlier is that, if it were a project that was within the park that had, hypothetically, cross-jurisdictional interest, it might well be the department or, if it were confined, it might be GBRMPA which would be delegated that authority. Either way, we and GBRMPA would work hand in glove, but it would be a choice for the minister.

Senator McLUCAS—But it would be a choice for the minister whether to ask the authority or the department to manage the process of approval?

Mr Borthwick—Yes.

Senator McLUCAS—On what basis would the minister make that decision?

Mr Borthwick—That is what I was trying to suggest. One factor the minister would consider would be whether it was a broader issue. Let me give you a hypothetical example. There are 17 commercial fisheries within the park. Those fisheries are currently all managed by Queensland. The Commonwealth gets involved in oversighting those fisheries through the EPBC Act. There could be actions impacting on those fisheries which are beyond the remit, in a formal sense, of the Great Barrier Reef Marine Park Authority. At the moment, when it comes to us looking at the EPBC implications of Queensland's management of those fisheries, we work very closely with and get inputs from the authority and we work very closely with the Queensland government, and it is essential that we get input from GBRMPA. But there is an example where currently it is performed within the department under the EPBC Act, and I would not envisage that that situation would change.

Senator McLUCAS—I think the term 'the devil is in the detail' has been used to describe your report, and I think tonight's discussion confirms that. I am still unclear, Mr Borthwick—but I am very cognisant of time—how day-to-day operations will change and how we deal with the application for significant developments, both in park and off park. But that is a statement; you do not need to comment on that. I thank you for coming down all the way from Townsville. They are all the questions I have.

Senator BARTLETT—I want to pursue a little bit further that theme of what things might change as a result of the review. Firstly I should put on the record that I am very pleased to see that one thing that will not change is the maintenance of a presence in North Queensland and the on-the-ground role. I gained the impression from the review that one aspect that was going to be tweaked somewhat was the policy role—not the on-the-ground day-to-day management side of things but more the policy side of things within the department. Is that a reasonable summary?

Mr Borthwick—Our report set out some principles which meant that GBRMPA would largely continue to have authority for day-to-day management—everything that they currently do in terms of the day-to-day operations of the management of the park, which they do in tandem with the Queensland government. We propose that where there are issues—and I will use the fisheries example which I used—which involve the Commonwealth, Queensland and GBRMPA, we have a whole-of-portfolio approach. If it involves an issue which involves more than the portfolio, we have a whole-of-government approach to it. So we set out principles, and I do not see those principles as any different from how we operate in practice at the moment. It was just articulating the principles as to when GBRMPA can do something themselves, when we and they need to work with Queensland, or when we also need to get in other agencies—for example, Defence or whoever it might be.

It was just making that very clear and trying to get other arrangements like the operation of the ministerial council and other things in alignment, because the thing that occurred to us is that, if you look at the challenges for the reef, more so in the future than today, it will be influenced by things that are beyond the boundaries of the park—for example, the water quality issues flowing into the reef lagoon. We already have an agreement between the Premier and the Prime Minister on a raft of issues to tackle that. The head of the Premier's Department is involved in that. GBRMPA is involved in that and I am involved in it from the

Commonwealth point of view. It is clearly something that GBRMPA needs to inform, but it involves a cross-jurisdictional issue. It cannot be an issue that GBRMPA can possibly solve themselves, but they need to have an important input. That is another example. We could mention other things in terms of climate change and other things.

Senator BARTLETT—I know Senator McLucas has gone over this to some extent, and I do not want to chew up mountains more time on the same thing, but it is the same question mark I have myself. In your explaining it, you have basically said you are just setting out the principles for how things operate now. My understanding in regard to how things operate now is that that is already the case, because with water quality and climate change—

Mr Borthwick—We wanted to be explicit in this because a lot of the submissions, and the people we spoke to up and down the reef, did not have a clear idea in terms of who did what, who was responsible for what and how Queensland, the Commonwealth and the Commonwealth through GBRMPA and Queensland work together. We wanted to articulate what the arrangements are and to formalise them. That will be one of the things we will be doing in terms of discussing a revised memorandum of understanding to replace the Emerald agreement with Queensland, because it is an out-of-date agreement.

Senator BARTLETT—I found, in reading the report, that some of the language was suggesting that the laying-out of these principles represented a change, whereas you are basically saying it is not so much a change as a clarification?

Mr Borthwick—It is a clarification, yes.

Senator BARTLETT—Not that I am suggesting there should be a change, because I think the authority does quite a good job, although there is always room for improvement. It is a clarification, in effect?

Mr Borthwick—It is a clarification and it does stem from that Emerald agreement. What is called the Emerald agreement, which gave substance to the authority in the operation, is, if you look at, about a page and a half long. It was actually a briefing note that was done for Prime Minister Fraser for the purpose of a meeting with the then Queensland Premier. It is not a contemporary arrangement that should define how we should address cross-jurisdictional issues, so this is a matter that we will work through with Queensland and come up with a state-of-the-art, transparent agreement which will set these things out. But we deliberately did not want to be very prescriptive at this stage, because it is something that we will have to work through with Queensland and the authority.

Senator BARTLETT—That is fine. That is as much as I need now. I know the authority is continuing to do work with consulting and engaging with traditional owners—Indigenous groups on the coast. Could you give me an update on some of the work that is happening there because, whilst I have been up in the region a few times in recent times, I know there have been a few meetings going on around me.

Ms Chadwick—We have been working with a number of Indigenous communities as we try to progress the second and third TUMRAs—traditional use of marine resource agreements. As you know, last December we signed a TUMRA with the Giringun people that represent most of the Hinchinbrook-Cardwell area. That has been a source of great pride both to the Giringun and to ourselves. In more recent times, as well as our usual liaison with the

70 identified clan groups up and down the coast, we have been working very closely with the Mamu clans that you may know, Senator, are up in the Innisfail-Babinda area.

It is my hope that, at the marine park authority board meeting that is coming up in a week or so, we may be in a position to ask the board to consider a TUMRA with the Mamu. There is one sticking point, as there often is in these sorts of engagements, but it is my profound hope that that can be resolved in time for the board to consider that. While it does seem slow, as I keep reminding my Indigenous liaison unit, that will have the mighty pace of basically one TUMRA a year and only 68 groups to go. I do not say that lightly because, as you know, it is a very tortuous, difficult and challenging area in which to negotiate and seek agreement from often disparate groups. We have also been working very closely with some of the groups to the south, in particular the Darumbal people, but I would have to say I am pinning my hopes on the Mamu for our next TUMRA.

Senator BARTLETT—Is that basically the goal of a whole series of individual agreements with individual groups?

Ms Chadwick—Yes, and while I said—and it is true—that there are 70 identified clans, in the case of say the Girringun agreement, there are in fact, from memory, six identified groups that form part of the Girringun. In many ways, the fiercest negotiation was within the Girringun groups themselves as to what terms they would—

Senator BARTLETT—So when you say there are six, there are not 68 to go; there are 63?

Ms Chadwick—No; I was being a little flippant there.

Senator BARTLETT—Is there potential there for regional group agreements where internal agreements can be reached within the clan groups?

Ms Chadwick—I would not purport to be an expert in this often very challenging area, but we have liaised, discussed and negotiated sufficiently with the Indigenous groups for them to fall into natural groupings. Whether there would be sufficient agreement to form a regional understanding, I personally doubt; but it would certainly make the life of the authority and the people who work in it a little easier.

But, having spoken of the TUMRA, can I say that is not our only work. We are working with Indigenous communities in the hope that we can develop self-supporting, independent Indigenous tourism operations. We are working with the tourism industry to encourage them to have a greater Indigenous involvement and character in some of their operations, and talking to both about the possibility of joint ventures. So there are a range of other issues, as well as our notification to them of all permit applications, because under native title they have 28 days minimum to consider any permit application where there is a native title claim. So our involvement is quite wide-ranging and extensive.

Senator JOYCE—You have gone from 188 up to 190 staff. That is correct, is it?

Ms Chadwick—Yes.

Senator JOYCE—The workload is increasing, is it?

Ms Chadwick—As I explained to Senator McLucas, that minor variation is largely explained by the changing of staff dynamics in the organisation, where we have had some people leave and vacancies not be filled and other vacancies that existed when we last

reported to estimates have been filled. It is a minor variation, rather than a significant increase in staffing based on workload.

Senator JOYCE—How many of them would be in policing roles, monitoring and checking?

Ms Chadwick—I could give you the breakdown. We have available a list of the areas in which those people reside as members of staff, and I can easily make that available. If you wish to ask about particular categories, I would be happy, with the minister's agreement, to provide you with a more detailed breakdown.

Senator JOYCE—The monitoring of fishing, the policing of fishing and checking whether people are breaking the law as it now stands.

Ms Chadwick—I am happy to do that but, as I explained to Senator McLucas, that is an activity that currently involves many other agencies. For example, most potential sightings and apprehensions of people doing the wrong thing come, in fact, from Coastwatch.

Senator JOYCE—I was more interested in how many of the 190 staff that you have are involved in that role or have that as part of their job description.

Ms Chadwick—I am happy to provide that information.

Senator JOYCE—What are the key performance indicators now for the 190 staff at the Great Barrier Reef Marine Park Authority? Is your belief in the status quo? Is your belief in the expansion of the park?

Ms Chadwick—No. I, as the chairman and the CEO of GBRMPA, have suppressed all expansionist aspirations. I am an extraordinarily modest person and I do not envisage an expansion of the boundaries.

Senator JOYCE—How is your relationship with the fishing industry now, commercial and recreational?

Ms Chadwick—On an organisational basis—and by that I am talking about the head office of Sunfish and the head office of QSIA—it is difficult, and there is no other way of expressing it. That is not to say that we do not communicate and that is not to say that discussions do not occur, but is the relationship positive, solid and as good as I would like to see it? I would have to say, frankly, no. On a port by port basis and on a branch by branch basis, it is variable up and down the coast, for both commercial and recreational, but it is improving. In Bowen and Mackay quite recently there have been joint field days and joint activities. I am very pleased to say that we are working at it, but I accept that it will take time. Where there has been goodwill on both sides, we have seen some solid improvements in relationships.

Senator JOYCE—How many of those 190 staff are exclusively devoted to liaising with recreational and commercial fishing groups?

Ms Chadwick—I would regard it as everybody's job, including my own.

Senator JOYCE—But for how many of them is that their task?

Ms Chadwick—There is a fisheries interest group, and that would be part of their core responsibility.

Senator JOYCE—How many would there be?

Ms Chadwick—There are 4.73 people in FIG.

Senator JOYCE—Of the 190, there are five staff involved exclusively in liaising with commercial and recreational fishing.

Ms Chadwick—However, that is a misrepresentation of the situation, because we have four regional offices and obviously recreational and commercial fishing are key activities in those areas. So it is a key responsibility of the two staff at each office and the three in Cairns. For those people, it is part of their core responsibility.

Senator JOYCE—How many have we got now?

Senator Ian Campbell—You also have the enforcement people on the reef and on a day-to-day basis they are liaising with both recreational and commercial fishermen. Sometimes they issue them with infringements, but more often and not they go and talk to them, and that is part of it. I think that Mrs Chadwick makes a very important point. The staff live in Townsville or in the other four regional areas or they go up and down the coast in their boats. We want the authority to be actively engaged at all levels, from the chairman right down to the tea lady, in liaising with the local community and local stakeholders.

Senator JOYCE—How many people do we have involved with policing and how many people do we have exclusively involved with building up a relationship with these people? I know that there is an issue with them, because they contact our office all the time, so I want to see the comparison of numbers. How many do we have dealing with the big stick and how many do we have dealing with the carrot?

Senator Ian Campbell—I do not think it is fair to describe the people who are doing the policing as people with a big stick. A lot of their work is actually talking to recreational and commercial fishermen. It is a total misrepresentation of the role of the enforcement officers out there on the reef in the marine park to say that they are the bad guys and the liaison guys are the good guys. They are all doing their job. They are all charged with the responsibility of liaising with users of the park, be they recreational and commercial fishermen or anyone else. That liaison role on the policing side of it is just as important as the people who are sitting in reef headquarters.

Senator JOYCE—How are the issues that are brought up by commercial and recreational fishermen dealt with? Do you have the ability to meet any of their requests or to find a common ground?

Ms Chadwick—Absolutely. If I could build on the minister's comments, while I have said that I am more than happy, with the minister's support, to provide you with a breakdown of staff and their responsibilities, it would be completely inappropriate and wrong to talk about the people who work in compliance and enforcement as the ones holding a big stick as opposed to the ones liaising because, of all the tens of thousands of people who use the reef year by year, there have only, in fact, been 200 people apprehended. Of those, 112 got an advisory letter. So the prospect of a great big stick and people being involved in enforcement as opposed to educating, liaising and talking with people is completely incorrect. So I would urge you to look at it in that context.

Senator JOYCE—Thank you for your advice.

Ms Chadwick—It was more of a plea, Senator.

Senator JOYCE—In relation to Indigenous fishing rights, what exactly are they fishing?

Ms Chadwick—There are rights under the Native Title Act that we must follow, and that is an issue that is—

Senator JOYCE—But what are they fishing? Can you give me an example.

Ms Chadwick—Yes. They are fishing for the same sorts of things that most of us would go fishing for, whether it is fish, crabs, prawns or whatever.

Senator JOYCE—Do they fish for dugong?

Ms Chadwick—In some communities they do. I was speaking a little earlier about the Girringun TUMRA that we entered into 12 months ago. Although they have native title rights, in the Girringun TUMRA they have agreed that they will not hunt dugong.

Senator JOYCE—How do you monitor that?

Ms Chadwick—In the same way that we would monitor any other activity in the park and often, particularly in the far north, with great difficulty.

Senator JOYCE—How do you distinguish between an Indigenous person who has rights and a recreational fisherman who does not?

Ms Chadwick—That is a challenge, and it has been a challenge for the courts for many years.

Senator JOYCE—But how do you do it?

Ms Chadwick—Thankfully, I am not the DPP and I am not a magistrate.

Senator JOYCE—But you administer people who have to make that judgement.

Ms Chadwick—I do not administer magistrates or the DPP or the Federal Police.

Senator JOYCE—Is there no-one in your 190 staff that has to make that judgement?

Ms Chadwick—In terms of an Indigenous person, it is whether the clan or group—the traditional owners—recognise them as a traditional owner. That is one of the reasons that we have been trying to develop these traditional use agreements, because one thing that has happened that has bedevilled the system is Indigenous people claiming Indigenous rights and the traditional owners of a particular area then saying, ‘They may be Indigenous but they’re not traditional to my area.’

Senator JOYCE—How do you deal with that? For instance, how do you stop me going up and getting myself a dugong and saying that I am an Indigenous person? How would you stop that?

Ms Chadwick—An officer could charge you and it is then up to the courts to decide because, frankly, it is not my job to determine whether you are a traditional owner or not.

Senator JOYCE—An officer from where?

Ms Chadwick—It could be an officer from Boating and Fishing Patrol. It could be an officer of GBRMPA.

Senator JOYCE—How is he going to make that call as to whether I am Indigenous or not?

Ms Chadwick—Through knowledge and experience. If it is determined that a charge will be laid, it is then up to the courts to decide.

Senator JOYCE—That is a value judgement on the day, is it?

Ms Chadwick—Yes. Equally, I would have to say that the courts have not shown themselves particularly willing to make those calls. It is very rare indeed that the matter is resolved against the Indigenous person.

Senator JOYCE—How many of the 190 staff are involved in dealing with Indigenous issues?

Ms Chadwick—Within our Indigenous liaison unit—I do not have the numbers in front of me, but I am more than happy to provide you with that information; and hasten to add that it is not just the people in that Indigenous liaison unit who deal with Indigenous people. There are many people, including me.

Senator JOYCE—Can you give me in your own words what you think would be the major issues of both the recreational and commercial fishing industry with GBRMPA; what their current issues would be, seeing that you have a close liaison with them? If you were to encapsulate their issues, what would you say they are?

Ms Chadwick—I would say the biggest issue for the fishing industry, whether recreational or commercial in North Queensland, is the sustainability of the fishery of whatever type, so that in a commercial sense there is a livelihood for current and future generations of commercial fishers; and in the case of recreational fishers that there is sustainability so that kids and grandkids can enjoy the privileges and pleasures of the current generation.

Senator JOYCE—You think that would be the major issue? That is the biggest issue that they have communicated to you?

Ms Chadwick—I believe it is one issue where we have something in common on which we can build for the future.

CHAIR—Thanks, Senator Joyce. Senator Ian Macdonald now has a question.

Senator IAN MACDONALD—Good evening. Talking about the Indigenous people reminds me of that wonderful ceremony about a month ago with the Indigenous people from the Ingham area. How is that agreement? What was the agreement called?

Ms Chadwick—That was the Girringun. We have been talking about it a little earlier, Senator.

Senator IAN MACDONALD—Yes, but what was the name?

Ms Chadwick—The TUMRA.

Senator IAN MACDONALD—How is that going?

Ms Chadwick—It is going very well. I thank you for your encouragement and support, not only with the Girringun TUMRA but also with the Wappaburra.

Senator IAN MACDONALD—That is right.

Ms Chadwick—And not so long ago. Each of those interactions show not just the support for the work in Indigenous communities that the GBRMPA is undertaking but I know that it indicates to the Indigenous people involved that the government is interested in what is happening. It has meant a lot in terms of our future interactions, not just with the Giringun and the Wappaburra but with many other Indigenous communities.

Senator IAN MACDONALD—As I understand the TUMRA, that was to get the Indigenous people themselves to—'police' is the wrong word, but to manage the fish stocks so that the dugong would not be taken any more.

Ms Chadwick—Absolutely. In the case of the Giringun TUMRA, the Giringun clans themselves determined that they would agree not to take dugong. That is an enormous step forward, but to go to the heart of what Senator Joyce was concerned about, the reality is that now if an Indigenous person in that area took a dugong we would have a greater likelihood of success in both apprehension and conviction because we could argue that it is (1) an Indigenous person who is not of the Giringun and hence out of their area, or secondly, that they have taken it in breach of an accredited agreement. Because it is accredited under our regulations, it gives us the capacity to have a strong prosecution there. I agree that it is a very vexed area but a TUMRA, tortuous though their development may be, is one way of trying to slowly move forward.

Senator IAN MACDONALD—It is a pity that we have much further to go in the Torres Strait, I have to say. That is a bit out of your area, unfortunately. Does the thought of imported raw prawn, that might have the white spot syndrome, being used as bait along the Barrier Reef something GBRMPA is conscious of or has looked into or can give me any thoughts on?

Ms Chadwick—Yes, I can. It is pertinent that you raise that in light of some of the questions of Senator Joyce because it is an area where we have worked very recently and positively with the commercial fishing industry. They, for a range of reasons—not the least being the very low price and quantity of imported prawns flooding the Australian market—are very concerned for their own industry, and rightly so. Equally, they are concerned about white spot and other viruses that might be there and the effect that would have on native species.

Our concern is not to argue the case on quarantine. That is well outside our area of responsibility. The reality is that we do have a mutual interest in exotic diseases, pests and viruses and the like escaping into the marine park. Working with Neil Green of QSIA we issued a press release not so very long ago, urging fishermen—particularly recreational fishermen in the marine park—not to use imported green prawns as bait. That has been fairly widely reported and positively so by the commercial industry.

Senator IAN MACDONALD—In another Estimates committee before dinner I was having the same discussion with Biosecurity Australia. I was pointing out that under environment legislation you have this precautionary principle where, if there is any doubt, you do not; whereas unfortunately Biosecurity Australia, as I understand it—and I do not want to say that I understand the mysterious ways they work—seem to have a less rigid approach to things like that than organisations such as yourself. Do you interact with Biosecurity Australia in dealing with these issues?

Ms Chadwick—No. Maybe we should, but we do not. If there is any interaction it is minimal and in this white spot-raw prawn situation, we were at great pains to make sure that nobody believed that we were entering into a field that was not our own in relation to our right to import what goods and in what quantity. We stayed on the issue of, ‘Please do not use green, imported prawns as bait in the marine park because of the potential for disease.’ It is a big issue in the fishing community, recreational and commercial, and in fact is on the agenda of our fisheries advisory committee that meets with commercial and recreational fishers amongst their groups in Townsville tomorrow.

Senator IAN MACDONALD—It is a big issue for the fishing industry, which, on their behalf, is why I have been taking it up with Biosecurity Australia. I have to say that if it destroys the prawn farming or raw prawn industry in Australia, it will be an enormous financial loss to Australia, but if it destroys the Great Barrier Reef it will be a financial loss about 10 times that, I would imagine, if you add tourism and everything into it. Perhaps it is something that organisations such as yourselves, MAMS and the new Reef CRC should be a bit more proactive in.

Ms Chadwick—As well as going to the fisheries advisory group tomorrow, God willing, I am going to the CRC meeting the day after at Hinchinbrook, so I will raise it with Russell Reichelt then.

Senator IAN MACDONALD—How did you end up with—what is it called?

Ms Chadwick—The MTSRF.

Senator IAN MACDONALD—How did you end up with that? Did you end up giving them all your money for research, or how much?

Ms Chadwick—Sadly, not all our money.

Senator IAN MACDONALD—Sadly for them, and for me, who was advocating for them.

Ms Chadwick—As I mentioned at the last Senate estimates, there is in fact a multimillion-dollar in-kind investment. We are finalising arrangements for a cash co-investment in some projects and as it stands that is in the order of about \$533,000. That does not include the research investments that we have in areas outside the MTSRF.

Senator IAN MACDONALD—At that TUMRA gathering, I raised with you publicly and privately the issue of the sponge farming on Palm Island. The Palm Islanders had indicated to me that there was some hold-up from GBRMPA, although someone told me in the last couple of days that that is all full steam ahead. Do you know the current position with that?

Ms Chadwick—I hesitate to say this but, while we have had lengthy discussions with the Australian Institute of Marine Science and with some of the communities over on Palm, the last time I checked—I will put it no stronger than that—I do not recall that we had a formal application. I am advised by Mr Yorkston, who has obviously checked more recently than I have, that we do not have a formal application; so it is hard to imagine that we are holding up the processing of something that has not landed on our desk yet.

Senator IAN MACDONALD—The advice that I was given that it was all full steam ahead cannot be right, then, if they have not applied. They would need some sort of a—

Ms Chadwick—They would certainly need a permit, and, because it will require public consultation, the sooner they get their application in the better. The reason that I know it will take a lot of public consultation is that, as you might recall, there was a dispute over a proposed pearl farm which was disallowed in that area, and there are some people who are asking how there can be so many hectares of sponges if you could not have a pearl farm. So there will be considerable public interest and public input into the application.

Senator IAN MACDONALD—Thanks very much.

CHAIR—Senator Carr?

Senator CARR—Thank you. I will just work through the program.

CHAIR—Office of the Renewable Energy Regulator, then?

Senator CARR—Yes. Thank you.

CHAIR—Thank you very much, Great Barrier Reef Marine Park Authority.

[8.38 pm]

Office of the Renewable Energy Regulator

Senator CARR—Minister, what is the current status of MRET? How many gigawatt hours are currently expended in renewable electricity generation?

Mr Rossiter—I might answer that. Are you asking for the current installed capacity?

Senator CARR—Yes.

Mr Rossiter—It is about 6,400 gigawatt hours, based on what the applicants have said to us they will generate.

Senator CARR—What percentage of total electricity generation is currently provided by renewable energy?

Mr Rossiter—We do not keep full statistics, so we cannot get that sort of information directly.

Senator Ian Campbell—It is approximately 11 per cent.

Senator CARR—How do you know that, Minister?

Senator Ian Campbell—I just sought advice from the department.

Senator CARR—The office does not know, but the department does?

Senator Ian Campbell—The office runs the mandatory renewable energy target program, which seeks to raise the renewable energy supplied under that program to 9,500 gigawatt hours, and that is the job of Mr Rossiter and his office. The Australian energy mix is roughly 11 per cent renewable, which is obviously a substantial amount.

Senator CARR—So what is the target for 2010 and 2020?

Senator Ian Campbell—For Australia's renewable energy?

Senator CARR—Yes.

Senator Ian Campbell—For 2010-11? I can tell you what it is likely to be. We do not have a target for that. We have a target for renewable energy under the MRET program and we are on track to meet that.

Senator CARR—And what is the target?

Senator Ian Campbell—Nine and half thousand gigawatt hours.

Senator CARR—What is the target figure for 2020?

Mr Rossiter—For 2020 it is 9,500 as well.

Senator CARR—Nine and half thousand for 2020?

Mr Rossiter—Yes.

Senator CARR—Does it remain 9,500?

Mr Rossiter—It remains flat.

Senator CARR—I see. It does not actually go up at all. What measures, Minister, are being planned by the government to keep the investment in development of renewable energy flowing?

Senator Ian Campbell—There is the renewable energy development initiative, which is a \$100 million program. There is the Solar Cities program, which is \$75 million. There is the Photovoltaic Rebate Program.

Senator CARR—That is going, isn't it?

Senator Ian Campbell—The Photovoltaic Rebate Program is an extension of a program that is coming up to its sixth year now. I think it is on track to deliver about 12,000 photovoltaic cells onto Australian houses and schools. I think we have actually rolled out around 400 schools. I am happy to be corrected.

Senator CARR—But that funding is due to end, is it not?

Senator Ian Campbell—It is like all programs; it has got a time on it. But the government have flagged very clearly that we are interested in evaluating the program, and, most importantly, I gave a commitment to a recent meeting of the Business Council for Sustainable Energy. One of the problems that is perceived with the program is that because the mainstream photovoltaic solar cell units are very expensive, although the grant is around a third of the—

Senator CARR—Sorry, Minister, but I am having trouble hearing you because of the racket down this end of the table.

Senator Ian Campbell—I would say my colleagues are finding this intervention by me incredibly boring and are chatting amongst themselves, which I fully understand! A typical photovoltaic unit costs in the order of \$12,000—it can be \$10,000 or it can be \$15,000. The Australian government subsidy is of the order of \$4,000, so close to a third of it. It is still a very large amount of money for a typical Australian family to find, and so you do find that it is taken up by schools—many hundreds of schools across Australia have taken it up—but, otherwise, relatively well-off families. I have made it quite clear to the world, through the conference of the Business Council for Sustainable Energy, that I think it is very desirable that

any successor program to PVRP would look at supporting solar systems that are far more affordable for average middle-income Australians. I have made it quite clear, as has the Treasurer and other ministers that have been asked about this, that that is the sort of program that I am working on to become a successor to the PVRP.

Senator CARR—So you can confirm that that will in fact be established, rather than it just being worked on?

Senator Ian Campbell—No. As with all of our climate change programs, all \$2 billion worth of them, sensible policy makers will roll out a program, evaluate its success and look at whether it should be improved or extended. That is what we did with the PVRP two years ago, and I went to cabinet and suggested some amendments and had it extended. We looked at the mandatory renewable energy target program. In fact, I think we had former senator Grant Tambling do an evaluation and review of that. We looked at that review and we decided against extending that because we thought that we could introduce other policy measures that would be more effective in relation to combating climate change. That is why we are pursuing a range of other actions which are incredibly beneficial to the renewables industry in Australia and have, quite frankly, seen that industry grow to a very mature industry which is now able to compete internationally and create significant export income by providing renewable energy and energy efficiency solutions—for example, into China.

Senator CARR—In regard to the Solar Cities program you mentioned, how many towns or cities or households would be covered by this project?

Senator Ian Campbell—We expect to announce at least four solar cities. We have of course announced the Adelaide and Townsville consortia to have been successful. We expect to announce at least two and I think there is still a possibility of a third, a fourth and possibly a fifth. We are working on that at the moment and over the coming weeks.

The number of houses that will be covered will depend on who the successful applicants are, because we attracted something in excess of 25 initial proposals from around Australia. We whittled that down to a shortlist of 11 from memory and either four or five will be successful.

Barry, do you have an estimate of the number of roofs? It is not the outcome that we are measuring this by, but I think it is a line that resonates. One of the objectives of this program is to take what has traditionally been the sort of incentive structure we have had under the Photovoltaic Rebate Program, which rolls out single units on single houses, to actually look at rolling out solar energy as a mainstream solution across a large scale, trying to integrate it successfully into the grid, apply smart metering technology, a range of other solar and energy efficiency measures on a large scale, and quite frankly on a scale that has never been attempted anywhere else in the world before. But in terms of the number of roofs that are likely to have PV cells attached to them, Mr Sterland may want to hazard an informed guess, but it will of course depend on how many cities we roll out in the end.

Mr Sterland—You are asking in particular about solar installation in these two solar cities?

Senator CARR—Yes.

Mr Sterland—Of the two that have been announced to date, the North Adelaide consortium is around 1,700 homes. The Townsville one has at least 500 in the Magnetic Island part of it and more on the mainland, I think. I will just look those stats up. No, the Townsville one is 500. Of course, Solar Cities is broader than that so there are lot of other households affected by some of the other measures.

Senator CARR—So you don't have a total aggregate number?

Mr Sterland—No, that depends on final announcements.

Senator CARR—I see.

Senator Ian Campbell—I should also add, to complete the question on renewable support, that there is also substantial support under the Low Emissions Technology Development Fund. We have just announced \$75 million for the biggest solar energy plant ever built in the world, which will be built near Mildura. We have also funded a further \$100 million, of which \$25 million has been reserved under the Asia-Pacific Partnership on Clean Development. They are very substantial Commonwealth investments in making sure that we maintain our leading position as one of the international community's leading renewable energy research, development and deployment nations, and certainly working on our substantial comparative advantage in solar technology development and deployment.

Senator CARR—I just want to be clear about the Photovoltaic Rebate Program. You are saying you will continue it beyond July 2007?

Senator Ian Campbell—It will be subject to evaluation and subject to cabinet making a decision on any new program that I bring forward. That is only a natural process. But I have sent very clear signals to the renewables community and the broader community that we regard that as a program that has been very useful at developing the renewables industry in Australia.

I had a conversation with the head of BP Solar, an Australian company making solar cells at Homebush, in China 10 days ago where BP Solar have been responsible for installing the largest solar photovoltaic installation anywhere in Asia—in Xinjiang Province in China. I asked what was the role of Australian government support for renewables in creating BP Solar's business in Australia and ultimately seeing it go global, and into China in particular. He said that it could not have happened without the Australian government support for the solar industry in this country.

He very strongly made the point that the Australian government's renewable energy programs had created a substantial business. They expect, for example, in the new BP Solar-SunOasis partnership—I was honoured to be asked to open their new office in China 10 days ago—to import into China \$300 million worth a year of solar cells from Homebush to be deployed in China and other parts of Asia. It is a really fantastic achievement for an Australian company which started from scratch only a few years ago, with very solid support from the Howard government's world-leading renewable energy policies.

Senator CARR—Since you have raised the China visit—and I know it is in another program—it is true, is it not, that that project in China was funded under the clean development mechanism of Kyoto. Is that right?

Senator Ian Campbell—Which project?

Senator CARR—The one that you referred to. The one you opened in China.

Senator Ian Campbell—I opened, I think, at least half a dozen projects when I was in China. You would need to refer to which one. We did energy efficiency projects, we did a wind turbine project, we did some solar energy projects, and we did a project designed at retro-fitting an entire environmental protection agency building in China—and a range of other ones.

Senator CARR—The one you have just referred to.

Senator Ian Campbell—The one I have just referred to was the opening of the office of the joint venture between BP Solar and SunOasis.

Senator CARR—Yes.

Senator Ian Campbell—That is basically a manufacturing facility that brings solar cells from Homebush in Sydney. I think about 70 per cent of the components are imported from Australia and about 30 per cent of the value-add is made within this factory in China, and then deployed within China but also throughout the rest of Asia. Whether any of the deployments that come from that get support under the clean development mechanism would be a project by project matter.

Senator CARR—You are not aware that that is the case?

Senator Ian Campbell—Again, Mr Albanese could probably brief you on this. Clean development mechanisms relate to specific projects. What I opened was an office and a factory which are to design and construct photovoltaic cells and systems for deployment throughout China and Asia, either on a household by household basis or, for example, when it came to the Xinjiang project, the biggest individual photovoltaic installation anywhere in Asia. Now, it may well be the Xinjiang project did benefit from CDM. I could certainly get back to you on that.

Senator CARR—Would you, please, because I understood that BP's involvement with it actually allowed it to have access to the clean development mechanism funding. Is that the case or not?

Senator Ian Campbell—Any Australian company can get access to CDM support.

Senator CARR—Any Australian company?

Senator Ian Campbell—Yes. It is another misleading piece of propaganda that Labor puts out—that somehow Australian companies are not able to access the CDM process. It is sad because there are huge opportunities in China for Australian companies. Australian companies using Australian technology and intellectual property can make a substantial difference to climate change in the world. To have a major political party actually saying to Australian companies, 'You can't go to China and benefit from CDM,' really shows that Labor is not serious about climate change. You should be telling the truth and saying, 'Australian companies can benefit from CDM and it's a good idea to go there.'

Senator CARR—Are you aware of the comments that were made by Roaring 40s, in halting its wind farm developments in Tasmania and South Australian, made on 11 May,

where they specifically said that the decision was a product of the Howard government's decision not to increase the mandatory renewable energy targets?

Senator Ian Campbell—Yes, I am well aware. AGL recently stopped a wind project in Dollar in Victoria. Companies make commercial judgments about whether to go ahead with developments in Australia or elsewhere based on a range of measures. Roaring 40s would love to have seen a mandated requirement to provide more of their wind turbines in Australia. The Victorian government have recently said that they are going to bring in a renewable energy target program and, clearly, Roaring 40s will make judgments about whether they enter the Victorian market. But they have done a joint venture in China with the Datang Corporation and have built a wind farm up there, which I was happy to open for them the week before last.

Senator CARR—Minister, having seen these remarks, did you or any of your officers have discussions with the Roaring 40s after those remarks were made?

Senator Ian Campbell—We have discussions, and I have discussions, with the renewable energy industry on a very frequent basis. I have certainly had discussions with the Roaring 40s. But we know that they would like a subsidy for their business. It is not at all unusual that a business that is receiving subsidies would want those subsidies to be increased or extended. We have made our policy position very clear—we believe that there are other ways to assist the development of renewable energies in Australia which can be at least as effective, if not more effective, than the mandatory renewable energy target program. But I know that Roaring 40s would love to see it extended. They are disappointed that it is not. That is not unusual.

Senator CARR—You have made no effort to advise the Roaring 40s of forthcoming government initiatives that might meet their concerns?

Senator Ian Campbell—The Roaring 40s is one of many renewable energy companies that we have in this country. I met with one of the representatives of Roaring 40s only a couple of hours ago. We have very open communications.

Senator CARR—So you discussed with them their particular concerns about the mandatory renewable energy targets?

Senator Ian Campbell—Most of them have actually moved on from that and recognised that the government has a policy that does not include an extension of that, and they are now working on future alternatives. Are they upset about it?

Senator CARR—That is not my question. Did you raise with them—

Senator Ian Campbell—Did I raise with them?

Senator CARR—Yes. Did you raise with them their particular concerns as to—

Senator Ian Campbell—They do not have a particular concern. They have the concern of all players in that industry segment that they have been receiving a subsidy under a government program that is not going to be extended. They want it extended because they make money out of a policy arrangement that forces a subsidy onto that particular technology. Are they upset that that subsidy is no longer to be there? Of course they are.

Senator CARR—Have any of your officers discussed with them government initiatives that might meet their concerns?

Senator Ian Campbell—Their specific concern is that MRET is not being extended.

Senator CARR—So you or your officers have not discussed those questions with the company?

Senator Ian Campbell—Sorry. I have said that we have regular discussions with them.

Senator CARR—On this particular matter.

Senator Ian Campbell—On the particular matter of the extension of MRET?

Senator CARR—Yes.

Senator Ian Campbell—I have had discussions with them on multiple occasions.

Senator CARR—Is it the intention of the government to increase the MRET targets?

Senator Ian Campbell—Our policy has been very clear on that since June 2004. The players in that industry know that, and most people in the industry have moved on. Labor obviously has not. You are stuck in the past, as usual.

Senator CARR—With regard to your claims that CDMA funding can be made available to Australian based companies, do you wish to stick to that position, Minister?

Senator Ian Campbell—Yes, I do.

Senator CARR—Have you been made aware of why Pacific Solar based itself in Fiji?

Senator Ian Campbell—Just before I went to China, we funded a book on sustainable energy, published by the Business Council, which explains to all renewable companies and others in Australia exactly how you access CDM. The law in China is that anyone who wants to do business in China can own no more than 49 per cent of a venture. The broad rule under CDM is that you need to have around about 50 per cent, or less than 50 per cent, so the law in China is very similar to the CDM laws. But I have been advised that in fact there are Australian companies accessing CDM that have much more substantial stakes in ventures in China. One that I have had referred to me was, in fact, up to 70 per cent, and another company might have even owned 100 per cent.

Senator CARR—So Roaring 40s and BP Solar have not put submissions to you in regard to the reasons that they are doing business in Asia through these particular programs—the CDMA?

Senator Ian Campbell—It is not CDMA. It is called the clean development mechanism.

Senator CARR—Have they not put recommendations to you in relation to the failure of the Australian government on this matter?

Senator Ian Campbell—There is not a failure of the Australian government. We funded, with the support of those companies and their industry association, a substantial book on how to do business in renewable energy in China, which went to great lengths to explain to renewable energy companies the benefits of accessing CDM under the rules that exist within the Kyoto protocol and under the law of China, and I would be happy to table a copy of that book.

Senator CARR—Yes, I am sure you would. I think you may have already done that, haven't you?

Senator Ian Campbell—No, I have not. I have released it publicly but I am happy to have it tabled at this Senate hearing.

CHAIR—We thank the Office of the Renewable Energy Regulator for appearing. We now move on to the Department of the Environment and Heritage, beginning with Approvals and Wildlife. Do you have questions for them?

[9.02 pm]

Senator CARR—At previous estimates I sought advice as to the specific research that was being undertaken—

CHAIR—This is in Approvals and Wildlife?

Senator CARR—I do not really give a damn where it is, but since the minister manages to skate across about four programs every time he answers a question—

CHAIR—That is all right. I am just trying to get some system, Senator Carr.

Senator CARR—It would be fascinating to get some system.

CHAIR—I am sure the relevant officers are sitting out the back there.

Senator CARR—I have some general questions to begin with for the department. Minister, following that previous discussion, could you name any of the Australian companies that have actually accessed the CDM funding?

Senator Ian Campbell—I am certain that Roaring 40s are.

Senator CARR—That is because of the work in China.

Senator Ian Campbell—We are talking about China.

Senator CARR—All right. Which Australian companies are—

Senator Ian Campbell—Are accessing CDM in China?

Senator CARR—Yes.

Senator Ian Campbell—I guess we could get that information.

Senator CARR—Could you do that regarding the Australian companies?

Senator Ian Campbell—I would probably ask the industry association and the Renewable Energy Generators Association.

Senator CARR—Mr Early, at the previous estimates in February, I asked questions concerning research or policy work that is being undertaken with regard to rising sea levels in the Torres Strait Islands. Has there been any work commissioned since then?

Senator Ian Campbell—I think that Senator McLucas has been asking about that.

Senator CARR—I thought I might ask as well.

Senator Ian Campbell—The Bureau of Meteorology was the right place to ask those questions.

Senator CARR—So the department does not undertake research in those areas?

Mr Borthwick—The minister is right. Senator McLucas asked a whole sequence of questions of the Bureau of Meteorology about sea level rises in the Torres Strait.

Senator CARR—I understand that. But I am asking whether the department, not the bureau, has undertaken any research or commissioned any research on sea level rises.

Senator Ian Campbell—In the Torres Strait?

Senator CARR—The Torres Strait.

Senator Ian Campbell—The bureau is actually part of the department. It does our sea level work. It does the daily tides. It also houses the Pacific Island Sea Level Network.

Senator CARR—I will put that on notice, because it is quite clear—

Senator Ian Campbell—Do we have other research associated with sea level rise? I am sure we do.

Senator CARR—We are going around in circles if that is the case, if you cannot tell me whether or not you have commissioned any research. The secretary cannot tell me that?

Mr Borthwick—It is a matter, in terms of sea level rises, that is left to the Bureau of Meteorology.

Senator CARR—Mr Early, this is perhaps more directly related to your area of responsibility: can you confirm that there is not a single reference to climate change in the Environment Protection and Biodiversity Conservation Act 1999?

Mr Early—Yes.

Senator CARR—In terms of the proposed amendment bill, are there any references to climate change, and why is that?

Mr Early—It is a matter of government policy.

Senator CARR—Minister, why is that? Why is it government policy not to—

Senator Ian Campbell—We are reforming the Environment Protection and Biodiversity Conservation Act to achieve a range of objectives. We have a climate change policy that is delivered through a whole series of programs, many of which I have already outlined. The EPBC deals with a whole range of threats to Australian flora, fauna and ecosystems. Climate change is one of many threats to those species, and the Environment Protection and Biodiversity Conservation Act puts in place a range of regulatory processes and other processes to deal with a whole range of threats. Climate change is but one of those threats.

For example, when it comes to the protection of the Great Barrier Reef, we use the EPBC to protect that reef from a whole range of threats. There are threats, for example, from what were previously unsustainable levels of fishing, threats from tourism, threats from water quality, nutrient inflows from the hinterland into the reef lagoon, threats from climate change due to warming of the ocean and the potential enhancement of the threat of coral bleaching. The EPBC puts in place a whole framework of measures to address those threats. Climate change is one of those, as it is to alpine regions and as it is to coastal regions. It is one of the threats that obviously any environmental assessment process that comes under the EPBC will have to address.

Senator CARR—What is the reason for your thinking on the rejection of the notion of a climate change trigger under this particular act?

Senator Ian Campbell—We looked very closely at that. We do not believe it is an appropriate regulatory tool at this stage to address climate change. I notice that the Labor Party has put in a private member's bill to achieve that. I think one of the things that would achieve would be to give a future minister the approval power, I presume under the external affairs power of the Constitution, to take control of any greenhouse emitting installation anywhere in Australia, so it would remove planning control from the states in relation to any industrial facility that emitted greenhouse gases and bring that power under, I guess, a future Labor government in Canberra. We think that working cooperatively with the states through a range of measures, but primarily multibillion dollar funding of greenhouse gas abatement, mitigation and adaptation measures is a more sensible way to achieve serious climate change outcomes.

Senator CARR—When did the work on this particular amendment bill commence? Mr Early, can you tell me that?

Mr Early—It has been a work in progress since the act was brought in.

Senator CARR—Since 1999?

Mr Early—In terms of us having issues where we were thinking we could improve things; but in terms of the serious consideration of an amending bill, probably this year effectively.

Senator CARR—I was wondering, if it goes back beyond this year, whether or not it went back to the period when the minister was a climate change sceptic. I referred to this earlier. Would that be influencing the minister's thinking on this question?

Mr Early—I think the serious development of the bill only started this year.

Senator CARR—Minister, I did refer to this earlier and you questioned whether or not I had that right. I refer to a *Bulletin* article which said, in quotation marks—so I presume it refers to something you have said:

... Campbell was what he calls a "constructive sceptic" on climate change and global warming.

That follows an interview that you did with Barry Cassidy back in 2004 when you took on the job. You said you were a sceptic on global warming, but you were not any more. I am wondering at what point you think you changed your view?

Senator Ian Campbell—It is a fair question.

Senator CARR—It is important to the discussion.

Senator Ian Campbell—I think, as I said very candidly to Barry Cassidy and the other people on the panel, I was exposed to reams of information, scientific studies and papers, and I read them diligently—as much as I could possibly devour in the number of hours I had to read them over a period.

Senator CARR—I am just wondering when this period was? That is what I am trying to get to the bottom of. It is a remarkable conversion and very important to this estimates.

Senator Ian Campbell—It is a fair question.

Senator CARR—The question it goes to here is the attitude of the minister and the government in the context of global warming. It is a major issue. The minister has acknowledged that he was a sceptic on global warming and he is no longer that. I am

interested to know what the evolution of the government's thinking was on this particular matter.

Senator Ian Campbell—I think it is fair to say that while I was Minister for Local Government, Territories and Roads, I spent a lot of time developing good policies to deliver, for example, the Roads to Recovery program, which Labor was going to get rid of, and make sure that we had sound funding for local government in place and had good policies on the territories, and I probably did not spend a lot of time reading about climate change. When I was Parliamentary Secretary to the Treasurer, reforming Australia's Corporations Law, looking at international accounting standards and bringing in high-quality corporate governance, generally with very little help from the Australian Labor Party, I did not pay a lot of attention to climate change.

But shortly after the Prime Minister rang me up and said he would like me to be the new environment minister for Australia, it was quite natural that I would turn my attention to these matters and spend a lot of time reading. For me it did not take a lot of briefing from the head of the Australian Greenhouse Office, Mr Bamsey, or from Mr Borthwick or other people who have spent much of their lives—Mr Bamsey has probably spent a substantial part of his adult life—working on this issue, to make information available to me which convinced me very quickly that greenhouse was a very serious issue.

And I said on Barry Cassidy's program, I think about a week after I became minister, I thought this was the most substantial environmental issue challenging the globe. If I recall my words correctly, I also said that spending \$3 billion on flora and fauna recovery programs—as we have done through a range of programs; the most substantial investments in the environment in Australian history by four or fivefold over the pathetic efforts that the previous Labor government had in place—would all be for naught if we did not address climate change.

I am happy to admit that I thoroughly examined this issue and have continued to do so and, if I was sceptical about it in the past before I had studied it, I certainly was not within a few days of reading the material—and I read, quite frankly, material from eminent scientists from around the world. I also read material from sceptics. I read both sides. Whenever a sceptic put up an argument in that period of intensive briefing that I undertook, I would always seek to try to find answers for it. So I went through a process, and I think most people who look closely at the science will come to the same view.

Senator CARR—You indicated in that interview with Barry Cassidy—

Senator Ian Campbell—But I think that if you look seriously at climate change and look seriously at the solutions, you will ultimately come to the view that nuclear power will be an incredibly important part of the world's response to this. I think Al Gore has said that, Bill Clinton has said that, Tony Blair has said that, and most of the climate change scientists in the world have said that. Sooner or later, if you are fair dinkum about climate change, you will recognise that nuclear power has a substantial and serious role to play. In the meantime, you are a sceptic on that. I respect the fact that you have not read carefully enough about the contribution nuclear power can make to this, as can a number of other technologies. You probably need to do more reading and more research, and then you will no doubt come to that view.

Senator CARR—You said in your interview that this—

Senator Ian Campbell—Do you think that is right? Do you think you will come to that view?

Senator CARR—What I do think is right is that I should encourage you to talk for as long as possible, because while you are doing it our vote continues to grow. You indicated that you thought your change of heart came about as a result of intensive briefings from the department across the portfolio. Has the department given you equally intensive briefings about the benefits of nuclear power?

Senator Ian Campbell—The department knows that nuclear is part of the solution. Have they given me intensive briefings about it? No, I would not call them intensive.

Senator CARR—No, I wouldn't either!

Senator Ian Campbell—I think anyone who is serious about climate change knows that there are a series of technologies that the world will have to pursue, that nuclear will be part of that and that, if nuclear is not pursued as part of a comprehensive portfolio based approach to global energy requirements and climate change action, you simply will not solve the problem.

Senator CARR—I am interested in the opinions of your colleagues. As you know, I listen carefully to them. I referred earlier to the point that Senator Minchin made. He said:

I cannot see how nuclear power could possibly be viable in this country for at least 100 years.

When I asked a question about the opinions of Mr Macfarlane, Senator Minchin said:

In the light of the difficulty that this nation has had in coming to any agreement on the site for a low-level radioactive waste repository for the products of the research reactor at Lucas Heights, I suspect that my good friend Mr Macfarlane is being somewhat optimistic. I envy him his optimism but I suspect, given my experience on this question and the history of this country, that it could take a little longer before such a nuclear power station could be contemplated.

He was speaking of a period of 10 years before one could begin to be planned. Where do you fit within that program? Do you think the 10-year time line is appropriate?

Senator Ian Campbell—I have seen the sort of mindless, inane scare campaign that people like you run on low-level nuclear waste. This is primarily the material that comes from nuclear medicine, which provides a range of life-saving therapies to Australians around the country. I have seen the mindless, pathetic, puerile political campaign that you wage over low-level nuclear waste. From your comments tonight, saying, 'I'm happy, Senator Campbell, for you to keep talking because our vote goes up,' you care about your political skin. Some of us actually care about people getting the benefit of radiation therapy and dealing with the low-level nuclear waste that comes from it and dealing with it in a sensible way. You do not! You do not care about that. You will take all the upside and pretend there is no downside and not deal with it because you are a short-term political opportunist.

We also, unlike you, take climate change seriously. We are spending serious money on it, and the Prime Minister believes that we need a serious debate about all of the energy options for the world for the next 50 years. We fully expect that an opportunistic short-term political

Labor Party opposition that has not come up with a new policy on climate change for 10 years will run a scare campaign on nuclear. What is your next politically opportunistic question?

Senator CARR—You would acknowledge the difference between a research reactor at Lucas Heights and a nuclear power station, would you not?

Senator Ian Campbell—I acknowledge that there is a link between the sort of puerile, inane political opportunist campaign that you ran on low-level nuclear waste and what you will run on nuclear. You will run a scare campaign if it helps your skin. If it helps to get you into a ministerial position, we know you will run it. We happen to take seriously the need to provide the medical benefits of nuclear science to Australians, and we also take seriously the issue of climate change. We know that we will need renewable energy to be substantially increased in the world; we know that we will need to massively increase energy efficiency measures across the world; we know that we will have to stop deforestation across the world and massively replant forests that have been cut down in the last 100 years; we know that we will have to transform the way that the world does agriculture to minimise tillage across the world; and we know that we will have to transform transport fleets across the world to massively improve the efficiency of transport.

We also know that we will have to capture all of the carbon from the burning of fossil fuels and stop it going into the atmosphere. We also know that there will have to be a substantial increase in the amount of energy that flows from nuclear energy. All of those things will have to be done, but because of the ideological 1950s and 1960s hang-ups that people like you have, you will say, ‘No, we can’t do that, we don’t care about climate change seriously and we’ll run a scare campaign here in Australia for some short-term political votes to help Labor to get into power.’ We expect that to take place because you have a short-term view of the world.

Senator CARR—If you actually knew anything about what my position was, you would know that I am on the public record in terms of the nuclear research question.

Senator Ian Campbell—I am talking about nuclear energy.

Senator CARR—I do not want to confuse you with any facts. I know how difficult that is.

Senator Ian Campbell—We know that you support uranium coming from three mines but not four mines. There is good uranium and bad uranium, Comrade, and we know that. It is a confused policy but it is from a confused political party and a confused mind.

Senator CARR—What I would like you to do, if you would not mind, Minister, is answer a simple proposition: when did you seek advice from your department on the uses of nuclear power in Australia?

Senator Ian Campbell—I do not think I have sought advice from my department on nuclear power in Australia. The Prime Minister has set up a very public inquiry into Australia’s role in the nuclear fuel cycle.

Senator CARR—Yes, but you have not sought advice from your department?

Senator Ian Campbell—No, I do not think I have.

Senator CARR—Can you tell me when you sought advice from your department on the use of nuclear reactors in Australia?

Senator Ian Campbell—No.

Senator CARR—You have not?

Senator Ian Campbell—No, I cannot tell you.

Senator CARR—You cannot tell me or you have not sought advice?

Senator Ian Campbell—I doubt that I have asked about that. I have taken a close interest in the work of Ziggy Switkowski's committee because I think it is a very important piece of work that will help inform a very important debate on how to address climate change.

Senator CARR—Has your department made a submission to Ziggy Switkowski's inquiry?

Mr Borthwick—Yes, we did. I recall that we have provided evidence at various times to at least one parliamentary committee I can think of in terms of estimates of the likely costs of nuclear power generation from a range of overseas studies, and there is quite a band. When the minister says he has not asked us for specific advice, that is true, but we did provide a submission to the Switkowski review and we have commented before parliamentary inquiries on that.

Senator CARR—Are we able to get a copy of that submission?

Mr Borthwick—I would need to check. I am told I wrote him a letter.

Senator CARR—That is the submission? A letter?

Mr Borthwick—It was a letter that I wrote to the committee pointing out some considerations.

Senator CARR—Can we have a copy of that letter?

Mr Borthwick—I would have to speak to the committee in terms of what the protocols are for that. I will take it on notice.

Senator CARR—Thank you. We would appreciate that. Is it a long letter?

Mr Borthwick—If I can recall the gist of it, it was pointing out what the department's role is in nuclear in terms of the role of the Office of the Supervising Scientist for the Alligator Rivers region, that nuclear matters are a trigger under the EPBC Act and suggesting various aspects that might be pertinent to the review's deliberations.

Senator CARR—It went to the legal or machinery of government questions of the responsibilities of the department?

Mr Borthwick—I am reminded by Mr Early that we attached the submissions we had made, which were on the public record, to those parliamentary inquiries that I suggested. So it was probably not a formal submission; it was just drawing to his attention how our legislation works and what we have previously put on the public record.

Senator CARR—You have undertaken some research into the cost of nuclear power. Did I hear you say that?

Mr Borthwick—No. I would not call it research; it was referring to various international studies putting estimates on the costs. It was not work that we had undertaken.

Senator CARR—Does the department have any current estimates of the cost of nuclear power generation as far as Australia is concerned?

Mr Borthwick—No, we do not.

Senator CARR—Minister, have you sought any advice on the use of water in nuclear reactors?

Senator Ian Campbell—These are all the questions that Mr Switkowski is quite specifically looking at.

Senator CARR—I understand that. I am asking you a question. You have raised the issue. I am asking you a question about the advice that you have sought from the department on the use of water in nuclear reactors.

Senator Ian Campbell—Have I?

Senator CARR—Yes.

Senator Ian Campbell—No.

Senator CARR—Thank you. Mr Borthwick, did the letter you provided to Mr Switkowski go to the question of the environmental impacts of nuclear power?

Mr Borthwick—No, not specifically to that. It was really addressing the sort of regulatory regime that currently applies.

Senator CARR—I appreciate that. That was the thrust of what you were saying before. Have you any research materials available for this committee on the environmental impacts of nuclear power as they might apply to Australia?

Mr Borthwick—No.

Senator CARR—No studies have been commissioned?

Mr Borthwick—No, not by Environment and Heritage—

Senator CARR—By the department of environment; I am interested in the department.

Senator Ian Campbell—I might add, for the committee's benefit, that there were comments from the Queensland premier about the use of water by nuclear reactors. I am not sure what source he was quoting. I certainly read today that his information is wrong and that, in fact, the current nuclear reactors basically use water in a closed loop; they do not keep using water. So Mr Beattie's comments were entirely wrong.

Senator CARR—It does depend on the type of reactor though, doesn't it?

Senator Ian Campbell—It would, yes, but most modern reactors do not use water in the way that Mr Beattie said. He is some years out of date in relation to this information.

Senator CARR—Have you sought advice from your department on the location of nuclear reactors?

Senator Ian Campbell—Have I?

Senator CARR—Yes.

Senator Ian Campbell—No.

Senator CARR—I am probably just about done, I would say, Mr Early, since the minister has been so helpful to me. I have some questions that go to the Kyoto targets question. That is a matter for the Industry, Communities and Energy Division, is it not; or is that you, Mr Early?

Mr Early—No.

Senator CARR—I am hoping to get a productivity improvement here. We want the minister to speak at length in the period when people still have an interest in these committees. I would not want it to go too late.

CHAIR—Fair enough. We will move on.

Senator CARR—Could I have the officers from the Industry, Communities and Energy Division.

[9.29 pm]

Senator CARR—What is Australia's Kyoto target figure?

CHAIR—Whom are you asking, Senator Carr?

Senator CARR—I am asking Mr Sterland. I do not mind, just the officers from the division.

Mr Carruthers—The Australian government has committed to the Australian Kyoto target of 108 per cent of 1990 levels of greenhouse gas emissions.

Senator CARR—How far away are we from meeting that target?

Mr Carruthers—The most recent published projections of how Australia is tracking the target, through the combination of the National Greenhouse Gas Inventory and the forward projections, show Australia on track to meet its 108 per cent target.

Senator CARR—When was that target to be met by?

Mr Carruthers—That target relates to the level of emissions over the period 2008 to 2012. It is the average for the period.

Senator CARR—Where are we at the moment, if the period is to 2012?

Mr Carruthers—Our latest published inventory, which was released by the minister this year, shows Australia sitting at 102 per cent of 1990 levels.

Senator CARR—When John Howard says that we will meet or go very close to meeting Kyoto targets, what do you understand to be the position? Will we meet them or will we go very close to them?

Mr Carruthers—The best available analysis shows that Australia is on track to the 108 per cent target. But, given that this is a projection of a future position, as with many other projections in national life, there is inevitably a measure of uncertainty that one could overshoot or undershoot that projection. Certainly given the strong growth in the Australian economy that is continuing, that does put certain upward pressures.

Senator CARR—The reasons that we may not reach the target are the levels of economic activity in the country. Is that the proposition?

Mr Carruthers—I am suggesting that could be one pressure. We will only know how this plays out when we go through the real time of the years 2007 to 2008 and through to 2012.

Senator CARR—What other pressures do you think might inhibit us reaching that target?

Mr Carruthers—The emissions of greenhouse gases are associated with virtually every sector of economic activity—really, every part of Australian life—so there are many significant drivers at work, not just the rate of economic growth but, for example, what happens with oil prices, affecting transport emissions, and what happens with the intensity and duration of the drought, affecting the livestock numbers or the availability of hydro power. There are a number of influences which cannot be fully predicted. We do invest considerable analytical work in understanding what seems to be the most likely picture.

Senator CARR—Thank you. Have I understood correctly that the greenhouse program is underspent?

Mr Carruthers—Which program is that?

Senator CARR—What is the current status of the program, in terms of the spending for the current financial year?

Mr Carruthers—You mean the totality of the government's climate change—

Senator CARR—Yes. From 1998 to 2006. I understand that is how you measure it, isn't it? Is that the case?

Senator Ian Campbell—I think you need to be more specific. There was certainly a press release put out by an opposition spokesman that was totally misleading in relation to this so-called underspend on greenhouse programs.

Senator CARR—Who was misleading?

Senator Ian Campbell—The opposition spokesman—I think he was the previous environment spokesman—put out some wildly misleading stuff about underspends. If you want to get specific answers on spending on the multibillion-dollar greenhouse gas programs, then I think you should name the program. We have many programs that deal with greenhouse gas emissions and climate change.

Senator CARR—You don't have any aggregate amounts?

Senator Ian Campbell—If you want to ask about an aggregate amount, ask about a program. You have got all of the portfolio statements, you have got all of the spending over the previous years through the annual reports, you have got reams of information. I think you could perhaps just ask about a program or a number of programs, but at least tell us which program you are asking about.

Senator CARR—I would like to know what the current status is in terms of the spending this financial year on greenhouse programs. Are they on track in terms of expenditure?

Mr Sterland—You are asking for the current financial year.

Senator CARR—Yes.

Mr Sterland—Not a cumulative figure. From 1 July—

Senator CARR—Yes. I want to go back. Information has been provided by the Australian Greenhouse Office to the Parliamentary Library. I would like to have that information confirmed, and you may well be able to enlighten me in the process. The current situation is that you are on track in terms of current programs. You have some sort of budget targets for the year, do you?

Mr Sterland—For the current financial year, yes. We have an appropriation that is outlined in the budget documents.

Senator CARR—And presumably you have a month by month breakdown on that?

Mr Sterland—Yes, we track that as a department.

Senator CARR—I expect that would be on track at the moment.

Mr Sterland—At this time of year, early in the financial year, there are ons and offs. There would be some programs ahead, some temporarily behind. Last financial year, though, the spending was very close to what was outlined in additional estimates.

Senator CARR—It works on a quadrennium, does it? How do you allocate the program cycle?

Mr Sterland—There have been a number of statements over the years—policy statements and budget decisions. It is not a quadrennium in the sense that, say, some research agencies are funded. There was a four-year funding package that Mr Bamsey would recall more strongly than I, because he was part of the negotiations. The energy white paper added additional funding soon after that, and there would be measures that are still running out from earlier budget statements.

Senator CARR—It has been put to me that, based on material provided—and I acknowledge that there are 12 programs, or subprograms if you like, within the broader defined greenhouse gas programs—that if we go back from the period 1998-99 there is a 42 per cent underspend; 1999-2000, an eight per cent underspend; 2000-01, a 65 per cent underspend; 2001-02, a 64 per cent underspend; 2002-03, a 17 per cent underspend; 2003-04, a 13 per cent underspend; 2004-05, a 10 per cent underspend. Last year it was only two per cent, so I suppose you might say that you are getting closer to the mark. Can you confirm any of those figures?

Mr Sterland—We can take the percentages on notice. In one of my first estimates in this position, there was a question that covered much of this territory. I can give you the number.

Senator CARR—Would you do that, or perhaps give me a copy of it?

Mr Sterland—Yes.

Senator CARR—That might even improve my filing system no end.

Mr Sterland—It was submitted in November last year.

Senator CARR—Thank you.

Mr Sterland—It was, in dollar terms, not—

Senator CARR—Yes.

Mr Sterland—That was in terms of variations from budget. In almost all of those cases, funding was rephased and rescheduled.

Senator CARR—What I will do is: I have got a particular question on notice that goes to the spending for those 12 programs that I have mentioned. Could you have a look at that and provide me with advice on that and also on the matter I have just raised with you in terms of those particular figures that I have put to you.

Mr Sterland—We will take it on notice.

Senator CARR—Thank you very much. Minister, are you aware of the UN Framework Convention on Climate Change report that was published, I understand, yesterday and cited in the *Financial Review* on Tuesday, 31 October, that said:

Australia is producing greenhouse gases well beyond the levels it agreed to before it abandoned Kyoto. ... The report showed that in 2004 Australia's greenhouse gas emissions were 15.8 per cent higher than Canberra had promised that they would be by 2012.

Are you aware of that report?

Senator Ian Campbell—I am, yes.

Senator CARR—Can you indicate what the government position is on that report?

Senator Ian Campbell—That report is inaccurate. I think Mr Carruthers has accurately reported to the committee Australia's position under the Kyoto rules.

Senator CARR—How is it inaccurate, Mr Carruthers?

Mr Carruthers—The report is drawn up from the national greenhouse gas inventories submitted by the Annex 1 developed country parties, including Australia, but regrettably the report is selective in the use of information in national inventories in the sense that it only reports the emissions associated with some sectors in the national greenhouse gas inventories. Notably, it omits to include in the tallies and the analysis in that UN report the emissions associated with the land sectors—with land use change, or land clearing as we would generally know it, and in relation to forestry activities. Given the significance of the land sectors in the Australian context, that makes a very big difference to the picture presented.

Senator CARR—What would be the level of difference that you would expect?

Senator Ian Campbell—It is the difference between the 202 per cent I think that Mr Carruthers said and the 215 per cent that the UN said, so it is a difference of, on my mathematics, around 13 per cent. I am happy to have that corrected.

Mr Carruthers—The UN report basically says that in 2004 Australia's emissions were 125 per cent of the 1990 level. In fact, they were 102 per cent, as I indicated previously.

Senator CARR—What is the evidential base for that claim?

Mr Carruthers—For what claim?

Senator CARR—The claim that you have just made that the UN—

Senator Ian Campbell—We can table, Mr Chairman, either on notice or tonight, Australia's national report, if you want.

Mr Carruthers—I have that here, Senator.

Senator CARR—Thank you.

Mr Carruthers—And I would be quite happy to provide to you the UN report. Let us look at the first chart, which is repeated many times over.

Senator CARR—I have a copy of the UN report.

CHAIR—Let us have it tabled for the benefit of all the committee members, Senator Carr.

Mr Carruthers—If we take page 4, figure 1, as just the first of many examples in this report, the figure title is ‘Changes in GHG’—or greenhouse emissions—‘from individual annex 1 parties 1990 to 2004’, but when you then go to the subcaption, it says, ‘Changes in GHG emissions without LUCF’, and you will see that the whole report is laced with that. At a few places in the report, the report would lead the reader to believe, because it does not include that qualifier, that this is a complete picture of the emissions, and quite clearly it is not.

Senator CARR—Have you a position paper that you have prepared on the critique of this report?

Mr Carruthers—No, we have not prepared a critique. It only came out last night.

Senator CARR—I wondered whether or not there were any briefing papers that you have prepared.

Mr Carruthers—Of course, we have provided some advice to the minister’s office today, since it was a topical matter, Senator.

Senator Ian Campbell—Will we be sending something to the secretariat? Our annual letter, Mr Bamsey?

Mr Bamsey—I will be writing to the secretariat to put to them very clearly—

Senator CARR—The UN secretariat?

Mr Bamsey—The secretariat of the climate change convention—that this report has been very misleading.

Senator CARR—On what basis? You will put that in that letter, will you?

Mr Bamsey—On what basis? They have neglected to take into account a section of the inventory that we provided to them, while taking into account another section.

Senator CARR—Sure. This material was provided by the department. Is that right? And you are saying that the committee then ignored it?

Mr Bamsey—The secretariat have excluded it.

Senator CARR—Or ignored it.

Mr Bamsey—They excluded it because they made an annotation that it does not include that sector.

Senator CARR—What I am seeking from you is that critique.

Senator Ian Campbell—Mr Chairman, I am happy to have it on the record and happy to have Mr Bamsey include it in his letter to the secretariat. I have to say, on the day that Nick Stern is addressing deforestation globally as a vital part of the world solution and having it

included in the Kyoto rules where you get benefits for stopping deforestation and further benefits from doing plantations of forest—and we have Senator Macdonald in this room who has been personally responsible as a former minister for putting in place one of the most substantial timber plantation planting regimes anywhere in the world as well as a whole range of other policies which will drive historically high levels of plantations of new timber in Australia for sequester carbon and make a great contribution—that if the secretariat want to play games with the treatment of land use change, then they should have a good read of Sir Nicholas Stern's report and stop playing games with their own accounting rules.

Senator CARR—Right. Was the department provided with an exposure draft of this report?

Mr Bamsey—No, Senator, I do not believe so.

Mr Carruthers—I can confirm that. The secretariat has made a practice of putting out reports ahead of conference of parties sessions and we did make inquiries about whether there would be a report coming out on this occasion, but we were not given advice as to the content of the report or the timing of its release.

Senator CARR—So the first time you saw the report was today?

Mr Carruthers—In the media last night, Senator.

Senator CARR—You saw the media reports. Did you get a copy of the report last night?

Mr Carruthers—Yes, off the web site, as anybody else could.

Senator CARR—What I am seeking is the department's critique. Obviously if you are writing back to them, can we get a copy of that letter?

Senator Ian Campbell—What the committee can see, Mr Chairman, is Australia's national report which we put in annually, and it goes into comprehensive detail of emissions, right down to state level, sector by sector—forests in Victoria, power industry in Victoria, all of those. It goes down to incredibly fine detail. It is well worth anyone who is interested in climate change in Australia and the world looking at the national report because it gives you a good handle on where it all comes from—transportation sector, state by state. It is a very comprehensive document compiled under the Kyoto rules assiduously and given to the secretariat annually.

We will be doing that again next year, and the year after, and the year after that. I think it should be a bipartisan matter of concern that the secretariat of the UN framework convention, which is charged by the governments of the world with action on climate change to try to stabilise emissions and bring them down and to stop them getting to dangerous levels, should be equally diligent in reporting to the rest of the world the true state of affairs on emissions from member nations of the convention.

Senator CARR—Well, thanks for the sermon, Minister. I asked a question. Can we get a copy of—

Senator Ian Campbell—I just said, Mr Chairman, that you can have the full national emissions inventory which is the basis on which we make our claim.

Senator CARR—Thank you. I understand that.

Senator Ian Campbell—It is a public document.

Senator CARR—Yes, you have made that perfectly clear four times. I have asked for a copy of the department's response to this UN committee. What is your answer, Minister?

Senator Ian Campbell—Well, Mr Bamsey said that he is going to write to the secretariat and we may choose to provide a copy of that letter to the public.

Senator CARR—So you will take that on notice. Is that what you are saying?

Senator Ian Campbell—You are saying, will we do a critique. No, we are going to write a letter to the secretariat saying that they have stuffed up and to please get their house in order.

Senator CARR—That is not a critique, is it?

Senator Ian Campbell—No, it will be a letter that makes it quite clear that we are not happy—and nor could any country be happy—that the secretariat, charged with the responsibility of keeping the world's records on climate change, would make such a stupid mistake.

Senator CARR—I am not particularly—

Senator Ian Campbell—Do you want a copy of the letter? You can have it.

Senator CARR—That is exactly my question to you.

Senator Ian Campbell—Good. Why don't you get to the next question then, and stop wasting our time?

Senator CARR—So you have agreed.

Senator Ian Campbell—We have taken it on notice. I have said that.

Senator CARR—I thought you said we could have it.

Senator Ian Campbell—You can have it, yes.

Senator CARR—Right. Thank you. There is an article that appeared on AP this evening concerning a report of researchers Dr Joseph Smith and Prof David Schumann from the University of Adelaide, suggesting that law suits against governments and companies that may well be issued over their roles in global warming would have a good chance of success. Are you familiar with this report, Minister?

Senator Ian Campbell—No.

Senator CARR—Are any of the officers familiar with any work done on the question of legal liability in regard to global warming?

Mr Bamsey—Senator, I am not familiar with this report. For about a decade every so often though there is a story in the media, and sometimes in legal journals, of the prospects for litigation of that type.

Senator CARR—Yes.

Mr Bamsey—But I do not know this one.

Senator CARR—Thank you. I appreciate that you are not to know every piece of research that comes out of universities, but the point I am going to is this issue of legal liability. So the department have been monitoring this issue or the debate on legal liability?

Mr Bamsey—Not closely, Senator. I do not recall any work we have done or commissioned recently on that issue.

Senator CARR—Thank you. Has the department undertaken any studies on the actions by the state of California against six major car manufacturers?

Mr Bamsey—We have taken note of that but, to the best of my knowledge, that is what we have done: we are just observing the process.

Senator CARR—So there has been no approach made to overseas posts on this question?

Mr Bamsey—I am personally not aware of any.

Senator CARR—Is it the view of the department that such actions may well be taken in Australia under Australian law?

Mr Bamsey—We do not have a view on that.

Senator Ian Campbell—It would be good if those people in California took action against the Hollywood movie stars who are trying to stop LNG coming to California, which will transform the amount of greenhouse gas that gets produced in that state.

Senator CARR—I will put the rest of those questions on notice. Could I turn to the Heritage Division.

[9.54 pm]

Senator CARR—Mr Burnett, can you tell the committee how many sites are currently on the indicative list of possible nominations for World Heritage listing maintained by the department?

Mr Burnett—I did not quite catch the end of your question. How many places on the indicative list for World Heritage?

Senator CARR—I would like an indicative list of possible nominations for World Heritage listing. How many do you have on your list?

Mr Burnett—The indicative list is a list kept by the World Heritage Committee in Paris. The department as such does not have a different list to that, but the indicative list has two nominations.

Senator CARR—What are those two?

Mr Burnett—They are a serial listing of convict sites, a serial listing being a series of places.

Senator CARR—And that includes Norfolk Island?

Mr Burnett—The places are not specified. The sorts of places that are considered for such a list would include Norfolk Island, Fremantle jail, Port Arthur et cetera. The other item on the indicative list is the Sydney Opera House. The government has now formally submitted a nomination for the Sydney Opera House.

Senator CARR—The Sydney Opera House was the last one added to the list, was it?

Mr Burnett—The Sydney Opera House was the last nomination made by Australia. It was made in February this year.

Senator CARR—Since there are two sites, can you tell me when the convict sites were put on the list?

Mr Burnett—The convict sites were added to the tentative list some time ago. Mr Bailey may know the date. It is some years since that tentative list has been updated.

Mr Bailey—Senator, I would have to take the exact date on notice, but it was prior to 1999.

Senator CARR—Thank you. Have there been any sites taken off the list?

Mr Burnett—Off the tentative list?

Senator CARR—The indicative list, as I understand it.

Mr Burnett—No, Senator.

Senator CARR—None at all.

Mr Burnett—Not that I am aware of.

Senator CARR—I take it that, when a site is registered as a World Heritage site, it is taken off the indicative list?

Mr Burnett—I presume so. In the case of the Opera House, the World Heritage Committee will consider that nomination next year. Should the nomination be successful then I imagine it would be taken off the indicative list.

Senator CARR—When was the last time we had a site nominated for World Heritage?

Mr Burnett—The last nomination was Sydney Opera House.

Senator CARR—Sorry, successful nomination.

Mr Bailey—The Purnululu nomination, Senator: the Bungle Bungles in Western Australia.

Senator CARR—When was that?

Mr Bailey—Sorry, it is the Royal Exhibition Building in 2004.

Senator CARR—Therefore it would have come off the indicative list?

Mr Bailey—That is correct. It comes off the tentative list.

Senator CARR—And the Bungle Bungles in 2001?

Mr Bailey—That preceded the Royal Exhibition Building, yes.

Senator CARR—Any others that have been successful in the last 10 years?

Mr Bailey—Other successful World Heritage nominations include the Greater Blue Mountains World Heritage Area in 2000, from memory. I would have to check the late nineties and take that on notice in terms of the listing periods.

Senator CARR—Thank you. What I am interested to know is: when was the last time the list was reviewed with a view to adding sites?

Mr Burnett—It would be quite some years. We would have to take that on notice as to exactly when. It is quite common for countries to go for quite some years before reviewing their tentative list.

Senator CARR—I just notice that there has been a series of these. You have mentioned the Exhibition Building, the Bungle Bungles, the Blue Mountains and a number of other sites. When were they added to the list? They would have been nominated on the indicative list, or listed—

Mr Burnett—We are talking about back into the 1990s.

Senator CARR—That is what I am saying. There was a considerable number prior to 1996. How many since 1996 have been added to the list?

Mr Bailey—We would have to take that question on notice, and we would have to look at the approach. The approach from the World Heritage Committee has changed over the last period in terms of the use of the tentative list and using the tentative list more actively than it had previously been used.

Senator CARR—So the department does not have any criteria of its own when considering inclusions of sites on this what I call indicative list and you are calling a tentative list?

Mr Burnett—It is a matter for government decision. We do not have any criteria other than whether it is government policy to put the place forward.

Senator CARR—So the recommendations for inclusion on the list must come from government?

Mr Burnett—Yes, that is right.

Senator CARR—If the government nominates a site, what does the department do with it? How do you assess the site?

Mr Burnett—It is a two-stage process. The first stage is to put the site forward for the tentative list. At some later stage, a time of the government's choosing, it submits a formal nomination such as with the Sydney Opera House this year. The nomination addresses the criteria maintained by the World Heritage Committee. The World Heritage Committee appoints assessors and the process goes forward.

Senator CARR—So the assessors are from—

Senator Ian Campbell—The first step now, though, is that it has to be put on the National Heritage List first. Is that not right?

Mr Burnett—Yes, that is government policy.

Senator CARR—It has to be registered as an Australian heritage listing?

Mr Burnett—National Heritage, yes.

Mr Bailey—The National Heritage protocol which is agreed between the state, territory and Commonwealth governments has said that, as a principle, nominations to the World Heritage List will be drawn from the National Heritage List.

Senator CARR—In that process you mentioned, the World Heritage provides personnel to assess the site selection.

Mr Bailey—The nomination is submitted to the World Heritage Centre for consideration by the World Heritage Committee. The World Heritage Committee use expert advisers to

advise them, usually ICOMOS International for cultural heritage places and the IUCN for natural heritage places.

Senator CARR—They are the only two organisations that you consult?

Mr Bailey—We do not consult. That consultation and the assessment is—

Senator CARR—Independent of the department entirely?

Mr Bailey—That is right.

Senator CARR—So you do not have any on-site or field inspections of your own?

Mr Bailey—There is an inspection that is conducted by the advisory body on behalf of the World Heritage Committee and the World Heritage Centre in accordance with the nomination assessment process.

Senator CARR—We are at cross-purposes here. What I am interested to know is about sites that are going on the indicative list, whereas you are providing me with advice on what happens after they are on the indicative list. Can you explain to me how you get a site on the indicative list?

Mr Burnett—There is no set process for doing it. From time to time, the department would provide advice to government and the government would decide whether to put forward some places for the indicative list.

Senator CARR—You have indicated that to get on the list you have to have a nomination from government?

Mr Burnett—Yes.

Senator CARR—Does the department make recommendations to government or does it go round the other way: the government says, ‘What about this site?’ and then you provide advice?

Mr Burnett—As I was saying, from time to time the department would provide advice to the minister—

Senator CARR—What, independently?

Mr Burnett—and we might say—

Senator CARR—I just want to get that clear. This is a critical issue. Who initiates the advice?

Mr Burnett—It could be either. For example, the department could write a brief to the minister and say, ‘Minister, it has been some years since we updated the tentative list. You might like to consider the following options.’ Alternatively, the minister might ask the department for advice because it was a matter of government policy or it had been raised with him.

Senator CARR—When was the list last updated?

Mr Burnett—As I said, it goes back into the 1990s, I think. We will have to take it on notice.

Senator CARR—Has it occurred to the department that it might need to be updated in that time period?

Mr Burnett—Yes, it is something that we have been discussing internally in recent times, but as yet we have not provided any advice to the minister on the topic.

Senator CARR—So it is only in recent times that you have been discussing this?

Mr Burnett—In the last few months, yes.

Senator CARR—So there has been a 10-year gap and in the last few months you decided to have a look at it.

Mr Burnett—Or whatever, because, with the Sydney Opera House nomination having gone in and the convict serial list nomination well under development, it is obviously time to start looking forward, to whether the government might wish to consider updating the tentative list.

Senator CARR—I would have thought 10 years is probably long enough.

Mr Burnett—I am not saying it is exactly 10 years; I am just saying it has been some years. We will take it on notice.

Senator CARR—We will establish how far out I am on that, but I suspect not too far. So it is really an ad hoc process?

Mr Burnett—It is, but it depends: if you had a long tentative list, say with 10 places on it, there might a longer gap than if you had a short list.

Senator CARR—If you had a more active, more interested government.

Mr Burnett—I cannot comment on that. There have been a number of nominations over the years, successful nominations, by the Australian government.

Senator CARR—Does the Australian Heritage Council play any role in any of the nominations?

Mr Burnett—No.

Senator CARR—So they do not give any consideration of possible sites for tentative listing?

Mr Burnett—The role of the Heritage Council is confined to the national and Commonwealth heritage lists. They do not provide any advice specifically on World Heritage. However, as the minister pointed out, with the new National Heritage List in place and a general policy of places being on the National Heritage List before they go on the World Heritage List, or before they are considered for the World Heritage List, then indirectly the council is contributing to that by their advice on the national list.

Senator CARR—Yes, I see. But as a rule you would put much weight on the skills and experience that are available through the Australian Heritage Council.

Mr Burnett—It is not a matter specifically within the statutory charter of the Heritage Council.

Senator Ian Campbell—I would take a lot of notice of them.

Senator CARR—You would, yes. I take it that you would take a lot of notice of the Victorian Minister for Planning, who wrote to you five weeks ago seeking support for the World Heritage listing of the Central Victorian goldfields and, further, asking that the goldfields be placed on the indicative list as a necessary first step.

Senator Ian Campbell—He is not on the AHC.

Senator CARR—That is not my question, and you well know that it is not my question.

Senator Ian Campbell—You asked, ‘Would you take account of what the AHC said?’ and then you asked, ‘Would you take account of what Mr Hulls said?’

Senator CARR—Do you recall the letter?

Mr Burnett—No, I do not, but I think the goldfields are an incredibly important part of Australia’s heritage. I know that there are proposals to look at a serial listing of goldfield sites, and Victorian goldfields would clearly form a part of that.

Senator CARR—Is there someone here that could tell me where that letter is in the department? Five weeks is a fair while for it to actually get to the minister’s desk.

Mr Burnett—The department has prepared a draft reply for the minister’s consideration.

Senator CARR—But you have not actually seen the letter itself?

Senator Ian Campbell—I have not, but my in-tray is entirely up to date thanks to two days of sitting in estimates signing letters. I am sure it will be coming to me very shortly.

Senator CARR—When ministers write to you, as a rule you would normally have a draft reply—

Senator Ian Campbell—Especially to Mr Hulls, because he is so diligent in responding!

Senator CARR—before you read the letter?

Senator Ian Campbell—I ensure that I respond to Mr Hulls more diligently than he responds to me. I have had letters that I have written to Mr Hulls in relation to various issues outstanding for many months, but we have an interesting relationship. We do get on with some business. We have disagreements over a few things, like the alpine cattle grazing issue and the original Australian High Court building in Victoria that he wants to demolish and I would like to save.

Senator CARR—The William the Conqueror parrots—the thousand year parrots.

Senator Ian Campbell—He likes stopping wind farms when it suits him but he does not like it when I stop them, but we have a correspondence and I always try to diligently respond to Mr Hulls.

Senator CARR—I am pleased, if it has taken five weeks for you to actually see the letter.

Senator Ian Campbell—I tell you what, if I ever got a response from Mr Hulls in five weeks, I would chuck a party and I would even invite you, Senator Carr.

Senator CARR—What are the next steps in considering Mr Hulls’s request? I take it you have to actually read the letter. That will be the first big step forward.

Senator Ian Campbell—I will read the letter, I will read the departmental advice and then possibly sign it if the advice is up to the normal standard, and if there are no grammatical mistakes in the letter.

Senator CARR—Is there a process of evaluation—

Senator Ian Campbell—Since it is a caretaker period starting in about one or two hours in Victoria, I may decide to—

Senator CARR—You could duck back to your office and fix it up before then, surely.

Senator Ian Campbell—That is a possibility.

Senator CARR—What is the process that you will be using to evaluate this request?

Senator Ian Campbell—I think I will wait to read the file and be advised on it.

Senator CARR—We have heard that it is a ministerial prerogative. We have heard that you think this is extremely important. I am wondering how long it will take you to—

Senator Ian Campbell—I am absolutely aware, having read Geoffrey Blainey's book about the importance of gold in Australian history, that the goldfields are a vital part of our heritage and our history. I will have a biased view, since my own family went to Western Australia chasing gold in the eastern goldfields around Menzies and other places like that that Senator Eggleston knows well. I will pay very close attention to anything to do with the heritage listing of anything to do with gold in Australia.

Senator CARR—I look forward to the inclusion of the Central Victorian goldfields on the indicative list.

Senator Ian Campbell—I am glad that I can give you something to look forward to, Senator Carr.

Senator CARR—How long would it take?

Mr Bailey—Which question are you asking? How long would it take to be included in the tentative list?

Senator CARR—The indicative list.

Mr Bailey—It is on the National Heritage List.

Senator CARR—This is World Heritage listing we are looking at now.

Mr Bailey—In terms of the World Heritage listing, the process for us is to ensure that we have a credible nomination going forward, and there are some forms that we complete and submit to the World Heritage Centre for inclusion in the tentative list.

Senator CARR—I come back to my question: how long would it take for the inclusion of this site on the indicative list? I have already heard that the minister is very sympathetic to the request. How long will it take until you actually get it on the list?

Mr Bailey—I think there is a second aspect. What I am referring to here is the intergovernmental agreement on the environment, and schedule 8 of that agreement refers to the development of World Heritage nominations and a cooperative approach between the Commonwealth and the states.

Senator CARR—We have already established that.

Mr Bailey—Where a state puts forward a nomination under that agreement, it is the role of the state to prepare the documentation, with support from the Commonwealth.

Senator CARR—I see. Has Mr Hulls been made aware of that?

Mr Bailey—Correspondence will be addressed to Mr Hulls, and we certainly have discussions with officers from the Victorian government.

Senator CARR—Have you advised the Victorian government officers that that is the normal requirement?

Mr Burnett—They would be well aware of it. It is an agreement between all the jurisdictions.

Senator Ian Campbell—And they played, obviously, a constructive role in making sure the exhibition buildings were nominated under the same process.

Senator CARR—Given that history, how long did it take the exhibition buildings to get listed?

Mr Bailey—As a general rule of thumb, the preparation of a dossier is about 18 months to two years worth of work in its own right. If it is submitted by the due date of 1 February, it is about an 18-month process for the assessment to be conducted.

Senator CARR—So we could expect it at 18 months if it were submitted by 1 February next year?

Senator Ian Campbell—One of the aspects that the Commonwealth is looking at is a serial listing of goldfields, and not just in Australia. The opportunity may arise to look at the patterns of human settlement as affected by humankind chasing gold in places like California and even South Africa. So it could be a complex and lengthy process, but it could end up being a quite substantial step forward in the World Heritage process.

Senator CARR—Yes, but it could be years.

Senator Ian Campbell—It could well be, but I think it would certainly be a useful process to go through.

Mr Burnett—You are talking three years plus for a straightforward nomination and longer for a more complex one—the totality from the decision point to develop a nomination.

Senator CARR—Are all goldfields in Australia within this listing?

Senator Ian Campbell—I did not say all the goldfields. I referred to some goldfields in Australia—

Senator CARR—Which ones?

Senator Ian Campbell—and also goldfields in California and South Africa, potentially. But I think Mr Hulls will probably be excited by that prospect.

Senator CARR—I am sure he will be. I am sure he will be overwhelmed. Do you want to put California on his nomination as well?

Senator Ian Campbell—It is not his nomination.

Senator CARR—Thanks very much. I think I got the message.

CHAIR—Do you wish to call other agencies, Senator Carr?

Senator CARR—No, I have finished.

CHAIR—In that case, I thank all portfolio officers for being here. I thank the minister, Hansard, the secretariat and the senators who have participated in this session of estimates. I remind the senators that questions on notice must be in by the close of business tomorrow night and that responses are required by 15 December.

Committee adjourned at 10.15 pm