

The Senate

Environment, Communications
and the Arts
Legislation Committee

Additional estimates 2009–10

February 2010

© Commonwealth of Australia 2010

ISBN 978-1-74229-256-4

Membership of the Committee

Members:

Senator Anne McEwen (ALP, SA) (Chair)
Senator Mary Jo Fisher (LP, SA) (Deputy Chair)
Senator Scott Ludlam (AG, WA)
Senator Kate Lundy (ALP, ACT)
Senator the Hon Judith Troeth (LP, VIC)
Senator Dana Wortley (ALP, SA)

Committee Secretariat

Mr Stephen Palethorpe, Secretary
Ms Jacquie Hawkins, Research Officer

Committee Address

Senate Standing Committee on Environment, Communications and the Arts
PO Box 6100
Parliament House
Canberra ACT 2600

Tel: 02 6277 3526

Fax: 02 6277 5818

Email: eca.sen@aph.gov.au

Internet: www.aph.gov.au/senate/committee/eca_ctte/index.htm

Contents

Membership of the Committee	iii
Report to the Senate	
Introduction	1
Hearings	1
Questions on notice – date for response	1
Portfolio specific issues	2
Broadband, Communications and the Digital Economy portfolio	2
Environment, Water, Heritage and the Arts portfolio	4
Acknowledgements	9
Appendix 1 – Public hearings agenda	11
Appendix 2 – Documents tabled	15

Introduction

1.1 On 26 November 2009 the Senate referred the following documents to standing committees for examination and report:

- Particulars of proposed additional expenditure in respect of the year ending on 30 June 2010 [Appropriation Bill (No. 3) 2009–10],
- Particulars of certain proposed additional expenditure in respect of the year ending on 30 June 2010 [Appropriation Bill (No. 4) 2009–10], and
- Final Budget Outcome 2008–09 and the Issues from the advances to the annual Appropriation Acts for 2008–09.¹

1.2 Standing committees were required to report to the Senate on 23 February 2010.²

Hearings

1.3 The committee conducted public hearings on the Broadband, Communications and the Digital Economy portfolio on 8 February 2010 and on the Environment, Water, Heritage and the Arts portfolio on 8 and 9 February 2010.

1.4 Written answers and information provided to the committee in response to questions on notice arising from the hearings are tabled in the Senate and posted on the Committee's web page. The answers are also compiled as volumes of Additional Information.

1.5 Links to the transcripts of the public hearings and to answers and additional information are available on the Internet at:

www.aph.gov.au/senate/committee/eca_ctte/estimates/add_0910/index.htm

Questions on notice – date for response

1.6 In accordance with Standing Order 26(9)(a), the committee agreed that the date for the return of written answers or additional information in response to questions placed on notice be Friday, 26 March 2010.

1.7 As in previous estimates reports, the committee again expresses its concern about the time taken to receive answers to questions taken on notice.

1.8 The committee notes that it had set Friday, 11 December 2009 as the date for the return of answers to questions taken on notice during the Supplementary Budget

1 *Journals of the Senate*, No. 104, 26 November 2009, p. 2907.

2 *Journals of the Senate*, No. 94, 27 October 2009, p. 2633.

Estimates held in October 2009. However, at that date there were 99 answers outstanding from the Broadband, Communications and the Digital Economy portfolio and 80 answers outstanding from the Environment, Water, Heritage and the Arts portfolio.

1.9 Most of these late answers were submitted during the two days of Additional Estimates hearings and several senators expressed their concerns about their late arrival. The committee notes that as at 19 February 2010, there are still 3 outstanding responses from the Environment, Water, Heritage and the Arts portfolio.

1.10 The committee reiterates its expectation that answers to questions on notice will be provided to the committee by the due date.

Portfolio specific issues

Broadband, Communications and the Digital Economy portfolio

1.11 On the first day of its examination of the 2009–10 Additional Estimates, the committee called and examined officers from the Broadband, Communications and the Digital Economy portfolio.

1.12 The committee welcomed Senator the Hon Stephen Conroy, Minister for Broadband, Communications and the Digital Economy.

1.13 During its examination, the committee raised a range of matters which are noted below. The page references beside each matter refer to the proof transcript for Monday, 8 February 2010.

Outcome 1—Development of a vibrant, sustainable and internationally competitive broadband, broadcasting and communications sector, through policy development, advice and program delivery, which promotes the digital economy for all Australians

Australia Post

Matters raised included:

- the non-attendance of the newly appointed Managing Director and CEO, Mr Ahmed Fahour (pp 4–7, 8–9)
- performance of Post Logistics in 2008–09 (pp 7–8)
- Australia Post's use of surveillance equipment to monitor worker performance (pp 9, 15–17)
- cost of strike action pre-Christmas (pp 10, 21–22)
- employment conditions of Mr Fahour (p. 12)
- effect on contractors of the removal by the Queensland government of its fuel subsidy (pp 12–13)
- potential reassignment of the Koroit Post Office licence (pp 17–19)

-
- acquisition of Mercedes vans (pp 20–21)

Australian Broadcasting Corporation (ABC)

Matters raised included:

- TV coverage of the Hopman Cup in 2011 and beyond (pp 23–24)
- programs produced in Perth (pp 24–25)
- refusal to provide details of Kerry O'Brien's remuneration package (pp 26–29)
- on-air corrections (pp 29–31)
- overview of the 24/7 TV news channel (pp 34–36)
- resources for ABC International which includes Australia Network television and Radio Australia (pp 36–37)
- scheduled showing of *The 10 Conditions of Love* (p. 39)
- breaches of editorial policies on the *Breakfast* program, 936 ABC Hobart (pp 40–41)
- introduction of ABC Open (pp 41–43)
- progress of ABC3 (pp 43–44)
- allocations of free time to political parties (pp 44–45)

Special Broadcasting Service (SBS)

Matters raised included:

- strategic review of SBS activities (pp 45–46)

Australian Communications and Media Authority (ACMA)

Matters raised included:

- organisation restructure (p. 46)
- processing requests for LAP (local area plans) variations (pp 46–47)
- review of the TV code of practice (pp 48–51)
- administration of the black list used for internet filtering (pp 51–56)
- proposed amendments to the Do Not Call Register Act (pp 56–59)
- availability to minors of MA15+ movies via the iTunes online store using gift cards (pp 59–60)
- introduction of the Cybersmart websites to counter cyberbullying (pp 60–61, 64)
- status of review of the spectrum band predominantly used by emergency services (pp 62–63)
- review of arrangements for use of mobile phone jammers (pp 63–64)

NBN Co

Before questions commenced, Mr Quigley, Chief Executive Officer and Executive Chairman, made a statement about progress of the NBN project (pp 65–67).

Matters raised included:

- employment of Mr Mike Kaiser (pp 67–78)
- update of monthly payroll cost (p. 78)
- status of the implementation study (pp 79–80, 82, 83)

Program 1.1—Broadband and Communications Infrastructure

Matters raised included:

- ANAO report No 20 of 2009–10 on the original RFP for the fibre-to-the-node process (pp 84–87)
- Internet filtering (pp 87–91)
- upgrade of services to provide digital TV to regional viewers (pp 92–94)

Environment, Water, Heritage and the Arts portfolio

1.14 At the conclusion of its examination of the Broadband, Communications and the Digital Economy portfolio, the committee called and examined officers from the Environment, Water, Heritage and the Arts portfolio in relation to Outcome 5—Australia's culture and heritage.

1.15 The committee welcomed Senator the Hon Stephen Conroy, Minister for Broadband and Communications, representing the Minister for the Environment, Heritage and the Arts.

Outcome 5—Participation in, and access to, Australia's culture and heritage through developing and supporting cultural expression, and protecting and conserving Australia's heritage

Australia Council

Matters raised included:

- reduction of funding for the *Quadrant* magazine (p. 98)
- vacancies on Council boards (pp 98–100)
- impact of the ongoing efficiency dividend (p. 100)

National Museum of Australia

Matters raised included:

- impact of the ongoing efficiency dividend (pp 101–102)
- Council vacancies (p. 102)
- joint history project, *Forgotten Australians*, with the NLA (pp 102–103)

National Gallery of Australia

Matters raised included:

- statistics for the Masterpieces from Paris exhibition (p. 103)
- impact of the ongoing efficiency dividend (p. 103)
- Council vacancies (p. 103)

National Library of Australia

Matters raised included:

- impact of the ongoing efficiency dividend (p. 104)
- progress of joint project with the NMA (p. 105)

Screen Australia

Matters raised included:

- funding for the organisation (p. 105)
- Producer Offset final certificates (p. 106)

Program 5.1—Arts and Cultural Development

Matters raised included:

- introduction of the resale royalty scheme for visual artists (pp 106–109)
- status of review of the current state of artists' incomes (p. 109)

Program 5.2—Conservation and Protection of Australia's Heritage

- progress of the Kokoda Development Program (p. 110)
- staffing of the heritage division (pp 110–111)
- progress report on the Jobs Fund (pp 111–112)
- recommendation from Hawke Review of the Environment Protection and Biodiversity Conservation (EPBC) Act concerning heritage matters (p. 114)
- funding of national trusts (pp 114–115)
- World Heritage listing of Cape York (pp 116–123 and pp 26–29, 9 February 2010)

1.16 On the second day of hearing the committee continued its examination of the Environment, Water, Heritage and the Arts portfolio, commencing with agencies and outputs under Outcome 1.

1.17 The page references beside each matter below refer to the proof transcript for Tuesday, 9 February 2010.

1.18 The committee welcomed Senator the Hon Penny Wong, Minister for Climate Change and Water, and representing the Minister for the Environment, Heritage and the Arts, and officers.

1.19 General questions were asked of the department about:

- Freedom of Information requests (pp 5–9)
- proposed advertising campaigns (p. 10)

Outcome 1—The conservation and protection of Australia's terrestrial and marine biodiversity and ecosystems through supporting research, developing information, supporting natural resource management, regulating matters of national environmental significance and managing Commonwealth protected areas

Office of Supervising Scientist

Matters raised included:

- Hawke review recommendations relating to the role of the Supervising Scientist (pp 10–11)
- Water quality monitoring of the Ranger tailings dam (pp 11–16)

Bureau of Meteorology (BoM)

Matters raised included:

- staffing numbers (pp 16–17, 19)
- number of weather stations at Darwin International Airport (pp 17–18)
- access statistics for the BoM website (p. 18)
- Bureau participation at Copenhagen climate change conference (pp 19–20)
- development of the National Water Account (pp 21–22)
- Bureau's response to recommendations in the Victorian Bushfires Royal Commission interim report (p. 22)
- purpose of Storm Spotters website (p. 22)

Great Barrier Reef Marine Park Authority (GBRMPA)

Matters raised included:

- coral bleaching on the reef (pp 23–24)
- funding for the Marine and Tropical Sciences Research Facility (MTSRF) (pp 26, 29–30)
- effect of tourism numbers on the environmental management charge (p. 31)

1.20 The chair welcomed Senator the Hon Mark Arbib, Minister Assisting the Prime Minister for Government Service Delivery to the table, representing Minister Wong to the midday break. Questioning continued.

Director of National Parks

Matters raised included:

- monitoring of bats and other species on Christmas Island (pp 32–33)
- funding for the crazy ant control program on Christmas Island (p. 33)
- the National Reserve System (pp 34–37)
- regulations under 12.24 of the EPBC Regulations about capturing images on Commonwealth properties (pp 37–39)
- introduction of entrance fees for Kakadu (pp 39–40)
- sustainable water supply for the Australian National Botanic Gardens (pp 40–41)

Program 1.1—Sustainable Management of Natural Resources and the Environment

Matters raised included:

- management of the Coral Sea Conservation Zone and the East Marine Bioregional Plan (pp 41–45)
- role of the stakeholder advisory group on activities displaced by marine protected areas (pp 46–47, 48)
- listing of mako sharks under the EPBC Act (pp 49–53)
- monitoring plan relating to the Montara oil spill (pp 53–55)
- progress of further diplomatic approach with Japan over the current whaling season, and with the IWC (International Whaling Commission) (pp 56–59)
- progress of the Reef Rescue program (pp 63–65)

Program 1.2—Environmental Regulation, Information and Research

Matters raised included:

- funding for the Marine and Tropical Sciences Research Facility (MTSRF) (pp 68–71)
- the TRaCK, Tropical Rivers and Coastal Knowledge, program (pp 71–72)
- the Fox Eradication Program in Tasmania (pp 72–74)
- overview of the Working on Country Indigenous rangers project (p. 74)
- public consultation process on fire regimes as a threatening process (p. 75)
- proposed re-location of grey headed flying fox from the Sydney Botanical Gardens (pp 75–76)
- timing for the government response to the Hawke review (pp 77–78)
- update on the strategic assessment of Tasmanian native grasslands (p. 78)
- review of the NSW government decision to list red gum forests (pp 78–79)
- Sugarloaf pipeline, audit of water savings (pp 79–80)

- progress report on the proposed temporary weir near Wellington, SA (p. 81)

Outcome 2—Improved capacity of Australian communities and industry to protect the environment by promoting energy efficiency, reducing carbon emissions, and regulating hazardous substances, wastes, pollutants, ozone depleting substances and synthetic greenhouse gases

Program 2.1—Energy Efficiency and Climate Change

Before commencement in relation to this program the departmental secretary, Ms Kruk, made a statement about the management and rollout of the Green Loans Program (p. 82-83).

Matters then raised included:

- the green loans program (pp 82–106)
- relationship between the department and Fieldforce (pp 91–95)
- training of assessors (pp 96–98, 102)
- home insulation program (pp 106–111)
- the National Solar Schools program (pp 111–112)
- the Solar Homes and Communities Plan (pp 112–114)
- progress of the solar power plan for Coober Pedy (p. 114)

Program 2.2—Management of Hazardous Wastes, Substances & Pollutants

Matters raised included:

- use of plastic bags (pp 115–116)

Outcome 4—Adaptation to climate change, wise water use, secure water supplies and improved health of rivers, waterways and freshwater ecosystems by supporting research, and reforming the management and use of water resources

National Water Commission

Matters raised included:

- research into stormwater runoff (p. 116)
- funding for stormwater harvesting research (pp 116–118)
- Auditor-General's report on the Water Smart program (p. 120)

Murray-Darling Basin Authority and officers in relation to **Program 4.1—Water Reform**

Matters raised included:

- potential inflows into the Menindee region (pp 121–124)
- progress report on securing Broken Hill's water supply (pp 124–125)

- impact of the December 2009–January 2010 rainfalls on the Darling and Murray systems (pp 126–128)
- decision-making process for environmental allocations (p. 129)
- progress in developing a definition for 'critical human water needs' (pp 131–132)

Acknowledgements

1.21 The committee thanks Senator the Hon Stephen Conroy, Minister for Broadband, Communications and the Digital Economy; and Senator the Hon Penny Wong, Minister for Climate Change and Water, and representing the Minister for the Environment, Heritage and Arts, the Hon Peter Garrett MP, and Senator the Hon Mark Arbib, Minister Assisting the Prime Minister for Government Service Delivery, representing the Minister for Climate Change and Water, along with officers from both portfolio departments and agencies, for their assistance during this additional estimates process.

Senator Anne McEwen
Chair

Appendix 1

The Senate BUSINESS OF COMMITTEES

This document is issued as a guide to Senators
Business listed is subject to change

It should be noted that times allocated for the consideration of outcomes, items and agencies within portfolios are indicative only.

Senators, staff and departments should liaise with secretariats on the progress of portfolios during the estimates process.

SENATE STANDING COMMITTEE ON THE ENVIRONMENT, COMMUNICATIONS AND THE ARTS

Public Hearings: **Additional Estimates 2009–10**
Monday, 8 and Tuesday, 9 February 2010

Committee Room 2S3
Parliament House
Canberra ACT

To be televised on Channel 11 and broadcast on Radio 91.1
<http://webcast.aph.gov.au>

AGENDA

MONDAY, 8 FEBRUARY 2010

	Broadband, Communications and the Digital Economy Portfolio
9.00 am	Department of Broadband, Communications and the Digital Economy (DBCDE)
	Outcome 1—Develop a vibrant, sustainable and internationally competitive broadband, broadcasting and communications sector, through policy development, advice and program delivery, which promotes the digital economy for all Australians
	Australia Post
	Australian Broadcasting Corporation
	Special Broadcasting Service
	Australian Communications and Media Authority
	NBN Co
	General questions of the department
	Program 1.1: Broadband and Communications Infrastructure

	Program 1.2: Telecommunications, Online and Postal Services
	Program 1.3: Broadcasting and Digital Television
7.00 pm	Environment, Water, Heritage and the Arts Portfolio
	Department of the Environment, Water, Heritage and the Arts (DEWHA)
	Outcome 5: Participation in, and access to, Australia's culture and heritage through developing and supporting cultural expression, and protecting and conserving Australia's heritage
	Australia Council
	National Museum of Australia
	National Gallery of Australia
	National Library of Australia
	Screen Australia
	Program 5.1: Arts and Cultural Development
	Program 5.2: Conservation and Protection of Australia's Heritage
11.00 pm	Adjournment

TUESDAY, 9 FEBRUARY 2010

	Environment, Water, Heritage and the Arts Portfolio
	Department of the Environment, Water, Heritage and the Arts (DEWHA)
9.00 am	General questions of the department
	Outcome 1—The conservation and protection of Australia's terrestrial and marine biodiversity and ecosystems through supporting research, developing information, supporting natural resource management, regulating matters of national environmental significance and managing Commonwealth protected areas
	Supervising Scientist
	Bureau of Meteorology
	Great Barrier Reef Marine Park Authority
	Director of National Parks
	Program 1.1: Sustainable Management of Natural Resources and the Environment
	Program 1.2: Environmental Regulation, Information and Research
	Outcome 2: Improved capacity of Australian communities and industry to protect the environment by promoting energy efficiency, reducing carbon emissions, and regulating hazardous substances, wastes, pollutants, ozone depleting substances and synthetic greenhouse gases
	Program 2.1: Energy Efficiency and Climate Change
	Program 2.2: Management of Hazardous Wastes, Substances & Pollutants
	Outcome 4: Adaptation to climate change, wise water use, secure water supplies and improved health of rivers, waterways and freshwater ecosystems by supporting research, and reforming the management and use of water resources
	Murray-Darling Basin Authority
	National Water Commission

	Program 4.1: Water Reform		
11.00 pm	Adjournment		
BREAKS	Morning tea	10.45 am approx	
	Lunch	1.00 pm	2.00 pm
	Afternoon tea	3.45 pm approx	
	Dinner	6.00 pm	7.00 pm
	Tea break	9.30 pm approx	

Committee Chair: Senator Anne McEwen
Contact: Jacquie Hawkins 02 6277 3528
Committee Room 2S3; Ph: 02 6277 5853

Appendix 2

Documents tabled

9 February 2010

Environment, Water, Heritage and the Arts portfolio

Murray-Darling Basin Authority:

Chart, Menindee Inflows