

**Senate Standing Committee on Environment, Communications and the Arts
Legislation Committee**

Answers to questions on notice

Environment, Water, Heritage and the Arts portfolio

Budget Estimates, May 2010

Outcome:	1	Question No:	1
Program:	1.1		
Division/Agency:	Australian Government Land and Coasts Division		
Topic:	Caring for Our Country Savings		
Hansard Page ECA:	67-68 (26/5/10)		

Senator SIEWERT asked:

Senator SIEWERT—It is a reduction in the size of the money, which is getting back to the issue that it is a reduction in the size of the money that is being allocated to NRM.

Ms Kruk—I think Mr Flanigan and Mr Early are also both clarifying that it is not a reduction in existing effort. It is my understanding—and I do not have the benefit of the background of this program as officers around the table do—that with a program of this size and length you would anticipate some efficiency in the life of the program. The onus is on us to have a look at how we can obtain that. I think Mr Cochrane has indicated that there is not too significant a concern in relation to targets. Mr Flanigan is no doubt undertaking a similar exercise, but I do want to stress that it is not a reduction of existing effort; it is a reduction in the additional funds that we would have got. Mr Early, am I correct? Without in any way claiming to be an accountant, this is my understanding.

Mr Early—Yes, as Mr Flanigan said, we actually have more money in the next three years than we currently have in this financial year.

Senator SIEWERT—It is not being indexed, so in actual fact the real value is going down.

Mr Early—I would have to do the maths. I am not sure.

Senator SIEWERT—That is what we were told on Monday.

Mr Early—I am not sure that is right.

Answer:

The following table provides details on the savings applied to Caring for our Country under the 2010-11 Federal Budget.

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	2009-10 (\$m)	2010-11 (\$m)	2011-12 (\$m)	2012-13 (\$m)	2013-14 (\$m)	Total (\$m)
Appropriation Before 2010-11 Budget	408.359	433.392	421.783	427.474	413.879	2,104.887
Environmental Stewardship Contracts			4.790*	4.492*	4.299*	13.581
Total Budget Before 2010-11 Budget	408.359	433.392	426.573	431.966	418.178	2,118.468
Total Budget After 2010-11 Budget	408.359	423.078	411.258	411.651	382.863	2,037.209
Difference	0	-10.314	-15.315	-20.315	-35.315	-81.259

*Environmental Stewardship Administered amounts identified (\$13.581m beyond 2010-11) are the minimum funds required from the Contingency Reserve to meet known commitments.

Please Note:

None of the funding sources for Caring for our Country are indexed.

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Outcome:	1	Question No:	2
Program:	1.1		
Division/Agency:	Australian Government Lands and Coasts Division		
Topic:	North Queensland ranger program		
Hansard Page ECA:	69-70 (26/5/2010)		

Senator BOSWELL asked:

Senator BOSWELL—How many rangers does the Commonwealth employ in the peninsula?

Ms Archer—We have 20 projects in Queensland and most of those are in the cape. I do not have the specific numbers of rangers in those programs here, but I could provide that on notice.

Senator BOSWELL—You have 20 projects?

Ms Archer—Twenty communities that we are working with.

Senator BOSWELL—Are they communities such as Doomadgee and Hope Vale?

Ms Archer—We certainly are funding rangers in Doomadgee, Hope Vale, Coen and Mossman—a number of areas—and going into the gulf.

Senator BOSWELL—How many rangers would you have there?

Ms Archer—I do not have the numbers, but I can provide them to you.

Senator BOSWELL—How many rangers would be in Queensland? Did you not mention 20?

Ms Archer—I said 20 projects. The teams of rangers range from three to 15. I could get you specific figures.

Senator BOSWELL—And then in addition to that there are wild rivers rangers?

Ms Archer—Yes.

Answer:

The Commonwealth does not directly employ Indigenous rangers in north Queensland. The Commonwealth does provide funding to organisations to employ Indigenous rangers to undertake environmental services on behalf of the Commonwealth. The works include feral animal and weed control, identifying and implementing sustainable management of dugong and turtle populations, fire management, researching and surveying significant coastal and marine habitats, cultural site maintenance, traditional knowledge management, seed collection and plant propagation. Currently there are approximately 70 Indigenous rangers employed through this arrangement in the Cape York region.

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The following communities/localities in Queensland have Indigenous land and sea management ranger groups based in them that are supported by the Commonwealth: Badu Island, Boigu Island, Erub Island, Iama Island, Inner Torres Strait Islands, Mer Island, Moa Island, Mabuiag Island, Burketown/Doomadgee, Mornington Island, Wellesley Island, Kowanyama, Napranum, Mapoon, Northern Peninsular Area, Wenlock and Pascoe Rivers, Lockhart River, Port Stewart, Coen, Archer Point, Mossman, East Trinity and Cardwell. There is no Commonwealth funded Indigenous ranger organisation currently operating in Hopevale.

Generally, Indigenous ranger groups funded under the Working on Country program have a complement of approximately 3 to 10 Indigenous rangers, the actual numbers vary from year to year depending on seasonal conditions, the environmental activities being undertaken and organisational capacity.

There are currently over 160 Indigenous rangers employed by organisations in Queensland funded under the Working on Country program.

The Wild River Rangers is a Queensland Government program and is not included in the above figures. The Commonwealth does, however, work closely and coordinate with the Queensland Government where co-investment exists.

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Outcome:	1	Question No:	3
Program:	1.1		
Division/Agency:	Australian Government Land and Coasts Division		
Topic:	Mount Lyell remediation – independent assessment		
Hansard Page ECA:	73-74 (26 May 2010)		

Senator SIEWERT asked:

Dr Zammit— Knowing that we had a raft of national policy objectives under Caring for Country, the advice then to the Natural Heritage Ministerial Board was to make a judgment, essentially, as to whether to reinvest in a project that for 10 years had not delivered anything very much or to reallocate the funds to an independent and parallel request from the state for investment in foxes. The ministers took the decision then, balancing the inherent risks remaining in the Mount Lyell project with the opportunities to tackle the fox problem in Tasmania, to invest in foxes. That was just last year.

...

Senator SIEWERT—Were the state consulted prior to the decision being made?

Mr Flanigan—We will take that on notice.

Answer:

A detailed chronology of events is provided in answer to Question on Notice 4, Budget Estimates May 2010.

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Outcome:	1	Question No:	4
Program:	1.1		
Division/Agency:	Australian Government Land and Coasts Division		
Topic:	Mount Lyell remediation – independent assessment		
Hansard Page ECA:	74 (26/5/2010)		

Senator SIEWERT asked:

Senator SIEWERT—You have told us about the independent assessment; you went to the effort of getting that done. Who in the state knew that you were doing that?

Mr Flanigan—The usual course of contract management is that, if the milestones are not met, the project is finished. It is a contractual arrangement to meet milestones to receive payments for delivery of activities as they go through. I will need to check our records, unless Dr Zammit has something additional in his detail.

Dr Zammit—I do not have the detail.

...

Senator SIEWERT—I will ask about one final issue. The decision was made around your taking an independent assessment and all those sorts of issues. Were those things done because the project was not meeting its milestones, prior to any consideration of the money being available for something else, such as funding for foxes? What is the time line regarding the application coming in for more money for foxes and the department acting on a project that was not meeting its milestones?

Dr Zammit—The independent assessment of the Mount Lyell project happened well before the request for foxes arrived.

Senator SIEWERT—If you could take on notice the actual timing of that and the consultation

Dr Zammit—Yes.

Answers:

The request for an extension to the Mt Lyell project Memorandum Of Understanding (MOU) was received from the Hon Michelle O'Byrne MP, then Tasmanian Minister for Parks, Heritage, Arts and the Environment, dated 20 June 2008. On 10 September 2008 the Hon Peter Garrett AM MP, then Minister for the Environment, Heritage and the Arts, agreed to consider the request subject to several conditions including an independent review of the project and a comprehensive technical assessment and advice on the long term feasibility of the proposed technology, to be completed by March 2009. On 7 November 2008 Ms O'Byrne agreed to the review and confirmed the milestones for the project had not been met. The Tasmanian Department of Parks, Heritage, Arts and the Environment organised and managed the tender for the review. On 2 June 2009 Ms O'Byrne provided to Mr Garrett the independent report (by GRD Minproc) and again sought an extension to the MOU.

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In a letter dated 19 January 2010 the Natural Heritage Ministerial Board advised Ms O'Byrne that the request for the extension would not be granted and that further expenditure of Australian Government funds could not be justified on the evidence and in a constrained budget climate. The project had not met its contract milestones, there remained unresolved technical issues, and any full scale production plant was considered increasingly costly to build and not commercially viable. This letter also advised that unspent Australian Government funds would be redirected to the Fox Eradication Program.

The Tasmanian Government has been seeking a long term annual commitment of at least \$2.5 million per year from the Australian Government for the Fox Eradication Program since 2006, when then Tasmanian Premier, the Hon Paul Lennon MP, wrote to then Prime Minister the Hon John Howard MP, requesting \$2.5 million per annum for 10 years. The Australian Government has provided funding on an annual basis since that time. This includes Caring for our Country funding of \$980 000 in 2008-09 and a further \$1 million in 2009-10. In March 2009, the Tasmanian Department of Primary Industries, Parks, Water and the Environment requested four year funding of \$2.8 million per year. In a letter dated 12 August 2009 the Hon David Llewellyn MP, Tasmanian Minister for Primary Industries and Water, reiterated the need for further funding for the Fox Eradication Program. Mr Garrett advised Mr Llewellyn that the Natural Heritage Board would consider future funding of the Fox Eradication Program in the light of an independent review of the Program that was underway. After considering the review report the Natural Heritage Ministerial Board agreed to provide ongoing funding, and in January 2010 the Natural Heritage Ministerial Board advised the Tasmanian Government that funds originally identified for Mt Lyell remediation of acid drainage would be redirected to the Fox Eradication Program, providing secure funding until 2013.

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Outcome:	1	Question No:	5
Program:	1.1		
Division/Agency:	Australian Government Land and Coasts Division		
Topic:	Mount Lyell remediation – independent assessment		
Hansard Page ECA:	74 (26/5/2010)		

Senator ABETZ asked:

Senator ABETZ—But when was the state government advised that the contract was deemed to be at an end?

Dr Zammit—The contract lapsed in June 2008 and at that time—

Senator ABETZ—No. The question is: when was the state government advised of the federal view that the contract had lapsed? You might have struck a view at a particular time, but was that ever communicated and, if so, when?

Mr Flanigan—I will take that on notice. I just do not have the records here of that particular communication with the state.

Answer:

The Mt Lyell contract was a fixed term contract commencing in 2004-05 with agreed milestone reporting requirements, and a completion date no later than 30 June 2008. Both the Commonwealth and the Tasmanian Government were aware of the conditions of the contract.

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Outcome:	1	Question No:	6
Program:	1.1		
Division/Agency:	Australian Government Land and Coasts Division		
Topic:	Mount Lyell remediation – independent assessment		
Hansard Page ECA:	75-76 (26/5/2010)		

Senator COLBECK asked:

Senator COLBECK—This is a statement by the Tasmanian minister Ms O’Byrne that she had made a request in May, and we have those two things lining up for the federal government to extend the agreement. We have established that was post the lapsing of the contract. Was the review completed by the time the request to extend had been received?

Dr Zammit—The review was completed—

Senator Wong—Can I just stop you there? Obviously a range of discussions may have occurred between the federal and state governments on this issue—

Senator COLBECK—I have two questions to go. I just want to know the answer to that and another question.

Senator Wong—I have taken the issue on notice. I think you want to put to us a sequence of events and I am happy to hear you out and take it on notice, but I would rather that the minister have the opportunity to consider the totality of those requests.

...

Senator COLBECK—I am not trying to trip anyone up; I am not trying to do anything except establish what occurred and, effectively, who did what, particularly the Tasmanian government. Back to Ms O’Byrne’s statement where she said that she had forwarded the request in May—and we have established that is the case—to extend agreement with the state government. That was declined in January 2010 and advice was received that the federal government funding would be reallocated to the fox eradication effort. So I will put that on the record and ask you to confirm that. But the advice from Ms O’Byrne, the Tasmanian minister, is that the Commonwealth responded in January 2010 with advice that the funding was to be reallocated.

Answers:

On 10 September 2008 the Hon Peter Garrett AM MP, then Minister for the Environment, Heritage and the Arts, advised the Hon Michelle O’Byrne MP, then Tasmanian Minister for Parks, Heritage, Arts and the Environment, that he would consider her request for an extension to the Memorandum of Understanding (MOU) subject to several conditions, including an independent review of the project. The request for an extension to the Mt Lyell project MOU had been received from Ms O’Byrne, dated 20 June 2008. On 7 November 2008 Ms O’Byrne agreed to the review and confirmed the milestones for the project had not

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been met. The Tasmanian Department of Parks, Heritage, Arts and the Environment organised and managed the tender for the review. On 2 June 2009 Ms O'Byrne provided to Mr Garrett the independent report (by GRD Minproc) and again sought an extension to the MOU.

In a letter dated 19 January 2010 the Natural Heritage Ministerial Board advised Ms O'Byrne that the request for the extension would not be granted and that further expenditure of Australian Government funds could not be justified on the evidence and in a constrained budget climate. The project had not met its contract milestones, there remained unresolved technical issues, and any full scale production plant was considered increasingly costly to build and not commercially viable. This letter also advised that unspent Australian Government funds would be redirected to the Fox Eradication Program.

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Outcome:	1	Question No:	7
Program:	1.1		
Division/Agency:	Australian Government Lands and Coasts Division		
Topic:	Wandering Trad – Biological Controls		
Hansard Page ECA:	Written Question on Notice		

Senator BIRMINGHAM asked:

Is there any funding currently in place to develop a biological control for Wandering Trad, in the Dandenong Ranges or elsewhere?

Answer:

There is no Australian Government funding in place at this time to specifically develop a biological control for Wandering Trad, in the Dandenong Ranges or elsewhere.

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Outcome: 1 **Question No:** 8
Program: 1.1
Division/Agency: Australian Government Land and
Coasts Division
Topic: Caring for our Country – Landcare
and Natural Heritage Trust Cuts
Hansard Page ECA: Written Question on Notice

Senator FISHER asked:

1. Please provide details as to how, where and why these cuts will be achieved?
 - a. Which programs have been identified for cuts?
2. Please provide a full list with details of programs funded under Caring for Country in 2009-2010 and to be funded, as best known, in 2010-2011
3. Why then has the Government cut funding to Landcare?
4. What was the basis of this decision?
 - a. Did the Government receive advice?
 - i. If so, what was the advice?
5. How many jobs will be lost?
6. What will replace this program?

Answers:

1. Savings to the Caring for our Country initiatives will be achieved through administrative efficiencies and modest adjustments to the program. The savings are being made from two appropriations within Caring for our Country: \$10.889 million over four years from the Landcare appropriation; and \$70.372 million over four years from the Special Account. The cuts have been brought about due to the current tough economic conditions and the Australian Government's desire to return the Budget to surplus as quickly as possible. These budget savings are not unique to Caring for our Country, as all Australian Government initiatives are endeavouring to more efficiently control expenditure in the current economic environment.
 - a. The following table provides details of the savings applied to Caring for our Country under the 2010-11 Federal Budget:

Appropriation	2010-11 (\$ million)	2011-12 (\$ million)	2012-13 (\$ million)	2013-14 (\$ million)	Total (\$ million)
Landcare	-1.492	-2.427	-3.245	-3.724	-10.888
Special Account	-8.822	-12.888	-17.070	-31.591	-70.371
Total	-10.314	-15.315	-20.315	-35.315	-81.259

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2. The table below outlines funding by Caring for our Country appropriations following the 2010-11 Federal Budget. The new budget profile maintains an annual budget that is higher than the 2009-10 budget. The allocation of the budget to particular activities within the Caring for our Country initiative is a matter for the Ministerial Board. Allocations in 2010-11 are expected to meet the commitments expensed in the 2010-11 Business Plan.

Appropriation	2009-10 (\$ million)	2010-11 (\$ million)	2011-12 (\$ million)	2012-13 (\$ million)	2013-14 (\$ million)
Special Account	216.600	218.778	216.712	217.530	331.009
Treasury	138.000	138.000	138.000	138.000	-
Landcare	35.119	36.147	39.024	38.857	38.378
Working on Country	5.700	12.619	12.619	12.619	12.619
Envl. Stewardship	12.940	17.466	4.790*	4.492*	4.299*
Total	408.359	423.010	411.145	411.498	386.305

* Environmental Stewardship Administered amounts identified (\$13.581m beyond 2010-11) are the minimum funds required from the Contingency Reserve to meet known commitments.

3. The budget savings have been brought about due to the current tough economic conditions and the Australian Government's desire to return the Budget to surplus as quickly as possible. The savings to Landcare were part of a Whole of Government exercise to achieve this objective. Whilst savings have been applied to Landcare, the funds available on an annual basis are greater than the Landcare budget in 2009-10.
4. The decision to cut funding to any program was made after a rigorous review by central agencies based on commitments and obligations held at a point in time. Departments provided input into the process.
- a. The decision was taken within the normal process for developing the Federal Budget.
5. The savings are designed to minimise the impact on the program, with savings through administrative efficiencies being sought to further minimise any reduction in funding available for grants. Current levels of activity will be able to be maintained as future Caring for our Country annual budgets will be comparable to the funds available in 2009-10. Significantly the funding committed to regional natural resource management organisations and Landcare facilitators will not be reduced.
6. The Government's commitment to natural resource management remains unchanged. The total annual budget for the program in future years is comparable to the funds available in 2009-10 despite the savings being made within the initiative.

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Outcome:	1	Question No:	9
Program:	1.1		
Division/Agency:	Policy and Communication Division		
Topic:	Caring for our Country – departmental program support		
Hansard Page ECA:	72 (26/5/10)		

Senator BIRMINGHAM asked:

Senator BIRMINGHAM—I do not want to take up any more of the committee’s time on this. I am always delighted to hear of efficiencies, always delighted to think that a department can manage to get the same outcomes or better outcomes with less administrative cost. That is what we all like to hear. You have not come remotely close to explaining to me what this line item entails, though. Specifically for the line on page 35 of the PBS described as annual departmental expenses, departmental program support, can you provide on notice a breakdown of how the \$88,297,000 in the 2009-10 revised budget has been expended, what components it is made up of and so on, and what decisions, if any, have been taken as to how you are going to meet the forward projections, ultimately to slice more than \$25 million off that figure by 2013-14, which is integral to your plans to keep Caring for Country on track and of course the government’s projected surplus.

Ms Kruk—We will do so.

Answer:

The \$88.297 million has three components relating to the Land and Coasts Division (LCD); the Director of National Parks (DNP); and Corporate Overheads for the Outcome.

The LCD portion is \$33.178 million and funds have been expended on implementation of the Caring for our Country initiative, winding up of the Community Water Grants program, management of the Working on Country program and other Natural Resource Management activities with the division.

The DNP portion is \$50.540 million and funds have been expended on: Booderee, Kakadu and Uluru-Kata Tjuta National Parks, which are each jointly managed with their Aboriginal traditional owners; national parks in the remote Australian territories of Norfolk, Christmas and Cocos-Keeling Islands; and the Australian National Botanic Gardens. This includes salaries, repairs and maintenance and costs relating to the general day to day running of parks and reserves.

The Corporate Overhead component for the Outcome is \$4.579 million and relates to the attribution for corporate costs such as Information Technology, Human Resources, Finance and Budget, Property, Legal, Governance, etc.

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The decrease in annual departmental expenses, departmental program support, from \$88.297 million in 2009–10 to \$53.557 million in 2013–14 is largely due to the non-inclusion of approximately \$18.0 million in 2013–14 for Caring for our Country staffing and administration costs. The Caring for our Country administration budgets beyond 2012–13 are yet to be determined and therefore estimates are not provided for 2013–14.

The following measures/decisions account for the remaining reduction in funding between 2009–10 and 2013–14:

- planned reduction of Caring for our Country implementation costs;
- termination of the Community Water Grants program 2010–11;
- core funding for the Biodiversity Branch not continuing beyond 2009–10;
- merging of divisional support areas to achieve better processes and efficiencies;
- reduction in funding for the management of Calperum/Taylorville;
- reduction in the ongoing supplementation for park use fees and funding for a lapsing measure relating to uranium mine rehabilitation; and
- reduction in some ongoing repairs and maintenance funding for the Director National Parks and funding for a terminating measure relating to Crazy Ants on Christmas Island.