SENATE STANDING COMMITTEE ON ECONOMICS QUESTION

(Supplementary Budget Estimates 20 October – 21 October)

Question: SBT 168

Topic: Promotion of the OECD national

contact point overseas

Senator Ludlam asked:

Senator LUDLAM—Okay. This next one is an issue that I raised last time—and you do not have the transcript in front of you; that is fine. It is the fact that we do not appear to promote the existence of the national contact point in areas where Australian multinational companies might be operating. If you are in Malawi, for example, and a company has turned up and just spoiled your backyard—and that is probably a little bit of an aggressive example to pick—what are Australian companies operating abroad or the Australian government doing to notify host communities that there even is a national contact point, a phone number and some resources available?

Mr Di Giorgio—I know that the Australian national contact point is referred to in the annual report.

Senator LUDLAM—In what?

Mr Di Giorgio—In the annual report of the Foreign Investment Review Board.

Senator LUDLAM—Are we handing out copies of the annual report to host communities?

Mr Di Giorgio—I do not believe so.

Senator LUDLAM—No. So what are we doing to promote the existence of the NCP anywhere where its existence might be relevant, such as to host communities where Australian companies are operating?

Mr Di Giorgio—To the best of my knowledge, there is no active promotion.

Senator LUDLAM—Is that something that we could change? Would it seem sensible to advertise the existence of this office, since we are resourcing it?

Mr Di Giorgio—That would be an issue for the government to consider.

Senator LUDLAM—Okay. Minister, can I park that one with you?

Senator Sherry—I take your point, Senator. I will take it on notice. I am sure one of the Treasury officers can raise it with the Assistant Treasurer or maybe the Treasurer. We will come back with a response on notice to you.

Senator LUDLAM—I know I have been raising it with a sense of irony; it is actually quite a serious issue. **Senator Sherry**—I agree.

Senator LUDLAM—A condition of membership of the OECD was that we establish this office. We did. It has been around for a long while and is meant to help resource local communities if they are impacted on by Australian companies operating overseas. The office, to my knowledge, is not actually an office. I am not sure that it is staffed. It does not appear to have a direct phone number, and we do not advertise or promote its existence, in any way, to anyone who might care.

Senator Sherry—I take your point, but an office can be an office in title—as distinct from an office physically.

Senator LUDLAM—That is what we seem to have, yes.

Senator Sherry—That, I think, is the context in which it is used. But I take your point. I will take it on notice and ask one of the officers to discuss with the Assistant Treasurer or Treasurer what is appropriate, to ensure there is broader knowledge so that the office, if need be, can be put to use.

Senator LUDLAM—As we have just traversed, it is not necessarily an adversarial forum to which you would take a fight, but if a company is going into a host community and advertising its presence, and consulting on a proposed development, one of the things that they might inform communities of is that this office exists, and for a very good reason.

Senator Sherry—Your point is taken. I will take it on notice and see what can be progressed.

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates 20 – 21 October 2010

Answer:

As a member of the OECD, the Australian Government is committed to promoting the Guidelines to multinational enterprises operating in or from Australia.

The Australian Government has established a website (www.ausncp.gov.au) which establishes an initial contact point. In addition, Heads of Australian Missions overseas are briefed, in conjunction with the Department of Foreign Affairs and Trade, Austrade and EFIC, on Australia's commitment to the OECD Guidelines for Multinational Enterprises. Following the establishment of the Guidelines in 2000, the Australian National Contact Point has also conducted annual briefing sessions for interested business representatives, non-government organisations, academics, and others on the Guidelines.