

Question 1

Outcome 1, Output 1.1.1

Topic: Taiwan—official visits

Written question

Senator Stott Despoja asked on 04/11/2005:

- (1) What guidelines or policies do the Department use in relation to contact or dealings with high ranking Taiwanese officials?
- (2) Given Taiwan's importance to Australia, why have there been no official visits to Taiwan by Australian federal ministers for nearly five years?
- (3) Is Mr Gary Hardgrave still planning an official visit to Taiwan before Christmas?
 - (a) If no, why not?
- (4) Are there any plans for future ministerial visits to Taiwan?
- (5) What is the Department's response to Chinese Government criticism of Australian ministerial visits to Taiwan?
- (6) What are the reasons Taiwanese high-ranking officials are barred from making transit stops in Australia?

Answer:

- (1) Contact with Taiwan takes place in line with Australia's one-China policy. The Government's policy is based on the Joint Communiqué of 21 December 1972. The Communiqué states that Australia recognises the Government of the People's Republic of China as the sole legal government of China and acknowledges the position of the Chinese Government that Taiwan is a province of the People's Republic of China. This means that Australia does not accept that the authorities in Taiwan have the status of a national government. Accordingly, the Government can have no official dealings with Taiwan. All Australian Governments since 1972 have adhered to this one-China policy.

Within the framework of this policy, the Government strongly supports the development, on an unofficial basis, of economic, cultural and people-to-people contacts between Australia and Taiwan.
- (2) Within the framework of Australia's one-China policy, Ministers visit Taiwan, on an unofficial basis, as the need and opportunities arise to advance Australian economic, cultural and people-to-people interests. The last visit to Taiwan by a member of the Ministry was by Senator the Hon Ron Boswell in October 2003.
- (3) Mr Hardgrave will make an unofficial visit, in line with Australia's one-China policy, from 15 to 19 December 2005.
 - (a) Not applicable.
- (4) No. Visits are arranged as the need and opportunities arise to advance Australian interests, and not according to set timetables.
- (5) The Department responds that Australia adheres firmly to its one-China policy and that consistent with this, the Government strongly supports the development,

on an unofficial basis, of economic, cultural and people-to-people contacts with Taiwan.

- (6) Taiwanese officials are not barred from making transit stops in Australia.

Question 2

Outcome 1, Output 1.1.2

Topic: Indonesia

Written question

Senator Stott Despoja asked on 04/11/2005:

- (1) There have been credible and widely quoted allegations of the misuse by the Indonesian Government of the Australian funds as part of the Special Autonomy international aid package for West Papua. It has been alleged by many, including the Baptist Church, that this has been used to fund the creation of militia groups by the TNI in West Papua. What action is the Australian Government taking to verify the truth or otherwise of these allegations and prevent this from happening?
- (2) Can the Department guarantee that no Australian supplied weapons or explosives have ever been utilised in any human rights abuse anywhere in Indonesia, and what mechanisms are in place to ensure that Australian supplied products are not utilised in any such manner?
- (3) In light of the allegations by President Wahid and others over a connection between the TNI and JI, what guarantees can the Department make that there was absolutely no involvement, from plot to execution, in any of the Bali bombs, of figures and/or personnel from any TNI or POLRI unit or linkages and that no individuals from any of these agencies, either currently or formerly serving, have received any training from the ADF or AFP?
- (4) Can the Department guarantee that the TNI have not allowed terrorism to occur at any time, including specifically in Poso, Sulawesi, and the Christmas 2000 church bombing campaign; and that no TNI or POLRI personnel were involved in the commission of these or any other acts of terrorism?
- (5) What intelligence has been held about the 1978 formation of JI, and the involvement of Brigadier General Ali Murtopo of the Strategic Intelligence Unit of KOPASSUS?
- (6) Can the Department guarantee that there have been no relationships between Nurdin Top and General Mahidin Simbolon, and specifically guarantee that they have not ever been seen in each others company?
- (7) The indicted former police chief (now retired) in East Timor, and West Papua, Timbul Silaen, has a documented relationship with Amrozi¹ and has been also linked by the UN Serious Crimes unit to the genocide in East Timor through his friendship with Euricio Guterres. He also hosted Guterres' time in Wamena and Timika in West Papua during 2003/2004. What guarantees can the Department

¹ "The smiling Assassin and his mate the General", Daily Telegraph, November 16, 2002.

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give that this Australian trained indicted War criminal has not been involved in any attempt to create any more militia or WANRA (People's armed resistance) groups anywhere inside or outside Indonesia since 1999?

- (8) Australia is a signatory to the ICC and the international conventions against genocide, and as such has obligations to these conventions. In light of the Sydney University report "Genocide in West Papua" as well as a similar report from Yale University, what steps are being taken to investigate the human rights situation in West Papua?
 - (a) If no steps are being taken, why not?
- (9) Is the Department aware of any concerns in relation to the TNI troop build-up on the PNG border, and the identified increase in Indonesian Produced weaponry being smuggled across the border in PNG?
 - (a) Have any steps been taken to verify these allegations?
- (10) What steps have been taken to ensure that Special Autonomy in West Papua is working and that it is accepted by a majority of indigenous West Papuans?
- (11) Law No. 21/2001, Special Autonomy Law for Papua, requires two thirds of the 42 Members of the Papuan People's Assembly (MRP) to be directly elected by the Indigenous Papuans and one third to be appointed by Papuan religious authorities. The creation of the MRP is a central tenet of the implementation of Special Autonomy which the Australian Government has an official commitment to. Is the Department aware that the central government has contravened Law 21/2001 by failing to allow direct election of the MRP and instead appointed all members of the assembly including the religious representatives without input from the relevant religious authorities?
 - (a) If yes what is the Department's response?
- (12) Earlier this year Australia and Indonesia signed a joint declaration. The third line of that declaration reads: "Australia does not support separatist movements in any part of Indonesia". What does this mean for those West Papuans living in Australia committed to peacefully supporting self-determination for West Papua?
- (13) Will the Australian Government share information about the activities and identities of West Papuans in Australian or Australian West Papua support groups, with the Indonesian Government or military?

Answer:

- (1) The Australian aid program does not provide funding either to the Indonesian budget or Special Autonomy funds for the provinces of Papua.
- (2) The export of weapons or explosives are regulated and managed by the Department of Defence.
- (3) It is not the Department's role to provide guarantees on the action of others.
- (4) It is not the Department's role to provide guarantees on the action of others.
- (5) It is the Government's policy not to comment on intelligence matters.
- (6) It is not the Department's role to provide guarantees on the action of others.

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- (7) It is not the Department's role to provide guarantees on the action of others.
- (8) The Australian Government is not responsible for the investigations of human rights abuses in Indonesia.
- (9) Yes. This is a matter for Indonesia and Papua New Guinea.
- (10) This is a question for Indonesia.
- (11) This is a legal question for Indonesia.
- (12) Nothing.
- (13) This is a hypothetical question.

Question 3

Outcome 1, Output 1.1.4

Topic: Australian Wheat Board (AWB)

Questions taken on notice (Senate Hansard page number indicated after question)

Senator(s) Faulkner, Hogg, Heffernan and Johnston asked on 3/11/2005:

- (1) Senator Faulkner asked about the dates of the 41 AWB contracts listed in the Volcker Report (page 7).
- (2) Senator Faulkner asked if the UN approvals for the contracts were reported by cable (page 9).
- (3) Senator Faulkner asked when a contract was submitted by fax, was it accompanied by a cable (page 10).
- (4) Senator Faulkner asked if the department could provide a list of the material provided to the Volcker investigation (page 13).
- (5) Senator Faulkner asked if the Volcker investigators examined electronic files (page 13).
- (6) Senator Hogg asked what knowledge DFAT had of the problems confronting the AWB prior to receiving AWB's letter of 30 October 2000, and what action was taken (page 24).
- (7) Sen Heffernan asked if Cotecna was operating when the AWB letter was written (page 25).
- (8) Sen Heffernan asked if the trucks being used now for US wheat were owned by a US company (page 25).
- (9) Sen Heffernan asked if other countries exporting wheat to Iraq had trouble getting trucks to unload (page 28).
- (10) Senator Faulkner asked at what level in the Australian mission in New York, Felicity Johnston, chief customs expert UNOIP, raised concerns about irregular payments to Iraq, and whether the Ambassador was informed (page 30).

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- (11) Senator Faulkner asked who was on the distribution for the cable sent from New York reporting on the meeting with Ms Johnston and, whether the cable could be tabled (pp. 31, 35).
- (12) Senator Faulkner asked who authorised the cable from Canberra that conveyed the AWB's denial of the Canadian allegations, and what level they were (pp 32-33, 36).
- (13) Senator Faulkner asked what DFAT did to put officials in a position to provide AWB's categorical denial to the UN OIP (page 32).
- (a) Who from DFAT spoke to the AWB about the Canadian/UN OIP concerns? (pp. 33, 36).
- (b) What records (paper trail) of these exchanges had DFAT maintained (page 36).
- (14) Senator Johnston asked what form the communication between DFAT and AWB on the Canadian concerns took (page 34).

Answer:

- (1) 19/12/96, 22/01/97, 02/02/97, 29/04/97, 06/08/97, 26/08/97, 09/09/97, 24/09/97, 24/01/98, 25/01/98, 28/01/98, 25/06/98, 25/06/98, 25/06/98, 24/12/98, 24/12/98, 24/12/98, 24/12/98, 24/12/98, 14/07/99, 14/07/99, 14/07/99, 14/10/99, 14/10/99, 20/01/00, 20/01/00, 20/01/00, 16/07/00, 16/07/00, 16/07/00, 02/11/00, 02/02/01, 02/02/01, 13/06/01, 13/06/01, 20/12/01, 20/12/01, 15/07/02, 11/12/02, 11/12/02.
- (2) That was not general practice.
- (3) That was not general practice.
- (4) No.
- (5) No.
- (6) We have no other documentary record relating to the AWB's 30 October letter.
- (7) Yes.
- (8) DFAT has no information on this issue.
- (9) DFAT has no information on this issue.
- (10) Counsellor. We are not aware if the Ambassador was specifically informed.
- (11) Distribution on the cable includes the Department of Foreign Affairs and Trade, Prime Minister's Office, Foreign Minister's Office, Trade Minister's Office, Defence Minister's Office, Department of Defence, AusAID, Department of the Prime Minister and Cabinet, Attorney-General's Department, Office of National Assessment, and the Defence Intelligence Office; No.
- (12) Cable was sent by the Director of the Middle East Section.

(13)

- (a) We understand it was the Director of the Middle East Section.
- (b) Records of this contact are through cable exchange.

(14) We understand it was by telephone.

Question 4

Outcome 1, Output 1.1.4

Topic: PNG—ECP

Written question

Senator Evans asked on 4/11/2005:

- (1) Did the Government receive any legal advice on the constitutional status of the Enhanced Cooperation Program (ECP) before the PNG High Court challenge? If so, who provided that further advice and at what cost?
- (2) Did that advice suggest that there may be a constitutional issue relating to the issue of immunity for Australian police operating under the ECP? If so, what was the nature of that advice?
- (3) If the Government was not made aware of the unconstitutional nature of the ECP immunity issue in the advice it received, is this a matter it is seeking compensation for?

Answer:

- (1) It has been a long standing practice accepted by successive Australian governments not to disclose legal advice which has been provided to government.
- (2) As above.
- (3) As above.

Question 5

Outcome 1, Output 1.1.6

Topic: APEC

Questions taken on notice (Senate Hansard page number indicated after question)

Senator Hogg asked on 3/11/2005:

- (1) Who is responsible for taking the report from the APEC senior officials meeting, held in Brisbane, 31 October to 1 November, forward to the APEC leaders meeting to be held on 18 and 19 November (page 42).

Answer:

- (1) As Chair of the APEC Meeting on Avian Influenza and Human Pandemic Preparedness, Australia's Senior Official and Ambassador to APEC prepared a Chair's Report, which was tabled and considered at the Concluding Senior Officials' Meeting (CSOM) in Busan, Korea, on 12 November 2005. The report was subsequently recommended by APEC Senior Officials to the APEC Ministerial Meeting, which noted "with particular satisfaction" the outcomes of the Brisbane meeting. Ministers endorsed the report and recommended it to Leaders. The key conclusions and recommendations were endorsed by Leaders. Statements by Ministers and Leaders, including on avian influenza and human pandemic preparedness, are available on the APEC website (www.apec.org).

Question 6

Outcome 1, Output 1.2

Topic: Information technology expenditure

Written question for DFAT (includes ACIAR, AJF, EFIC).

[Austrade and AusAID to provide answers separately.]

Senator Conroy asked on 04/11/2005:

- (1) Please provide details of total departmental/organisational spending on Information and Communications Technology products and services during the last 12 months.
- (2) Please break down this spending by ICT function (eg communications, security, private network, websites).
- (3) Was this spending in line with budget forecasts for this 12 month period? If not, please provide details of:
 - (a) the extent that ICT spending exceeded budget forecasts for this 12 month period;
 - (b) details of on specific ICT contracts which resulted in department/organisation spending in excess of budget forecasts for this 12 month period;
 - (c) the reasons ICT spending exceeded budget forecasts for this 12 month period.
- (4) Please provide details of any ICT projects that have been commissioned by the Department/organisation during the past 12 months that have failed to meet designated project time frames (i.e. have failed to satisfy agreed milestones by agreed dates). For such projects that were not completed on schedule, please provide details of:
 - (a) the extent of any delay;
 - (b) the reasons these projects were not completed on time;

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- (c) any contractual remedies sought by the Department/organisation as a result of these delays (eg penalty payments).
- (5) Please provide details of any ICT projects delivered in the past 12 months that have materially failed to satisfy project specifications.
- (6) Please provide details of any ICT projects that were abandoned by the Department/organisation within the last 12 months before the delivery of all project specifications outlined at the time the project was commissioned. For such abandoned projects, please provide details of:
 - (a) any contractual remedies sought by the Department as a result of the abandonment of these projects.
 - (b) any costs of re-tendering the ICT project.

Answer: DFAT

(As supplying figures for the twelve-month period to 4 November would place a significant burden on departmental resources, we have provided details for the last standard accounting period which was the financial year 2004–05.)

- (1) The department does not have a single consolidated budget for all Information and Communications Technology (ICT) products and services, incurring ICT expenditure across over 90 posts and state and territory offices. Providing details of the expenditure for each of these posts and offices would require a major commitment of resources. Our response therefore provides details of ICT expenditure for Information and Communication Technology Branch (ICB), which is responsible for the primary expenditure on ICT products and services within the department, the Office of Trade Negotiations (OTN), the Consular Operations Branch (CNB), the Passports Branch (PTB) and the Financial Management Branch (FMB), which also have minor budgets for ICT expenditure.

In 2004–05, the department's total budget allocation in these areas was \$21.4 million capital and \$29.7 million operating, and actual expenditure for 2004–05 was \$19.1 million in capital and \$25.3 million in operating. The department budgets and manages the depreciation for ICT assets centrally, and we have not included this amount in the figures provided. Please refer to the tables below that detail the budget compared with actual for both operating and capital expenditure by the main areas of the department incurring ICT related expenditure.

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Operating

Branch	2004–05 Budget \$ million	2004–05 Actual \$ million
Information and Communication Technology Branch	16.5	14.0
Consular Operations Branch	0.1	0.1
Passports Branch	10.0	9.0
Financial Management Branch	3.0	2.1
Office of Trade Negotiations	0.1	0.1
Total Operating	29.7	25.3

Capital

Branch	2004–05 Budget \$ million	2004–05 Actual \$ million
Information and Communication Technology Branch	18.9	17.1
Consular Operations Branch	0.8	0.8
Passports Branch	1.4	0.8
Financial Management Branch	0.3	0.4
Office of Trade Negotiations	0.0	0.0
Total Capital	21.4	19.1

(2) We have categorised these figures to correspond to the major ICT functions used in the department's 2004–05 ICT Strategic Plan.

Operating

ICT Function	2004–05 Budget \$ million	2004–05 Actual \$ million
Telecommunications	2.8	2.7
Regional Support	0.9	1.0
Network Operations	1.4	1.3
Maintenance and support of the Standard Operating	2.3	1.9

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ICT Function	2004–05 Budget \$ million	2004–05 Actual \$ million
Environment		
Printing	0.7	0.8
Help Desk	1.3	1.4
Voice	1.4	1.5
IT Training	0.8	0.7
Other Client Services	0.0	(1.9)*
Software Licences	1.7	1.8
Logistics	0.6	0.7
ICB Corporate Operations	2.3	2.1
Total ICB Operating	16.5	14.0
Consular Operations Branch	0.1	0.1
Passports Branch	10.0	9.0
Financial Management Branch	3.0	2.1
Office of Trade Negotiations	0.1	0.1
Total Operating	29.7	25.3

** The negative amount detailed for Other Client Services was for the cost recovery of expenditure incurred on behalf of other government agencies that was not directly distributed against expenditure incurred.*

Capital

ICT Function	2004–05 Budget \$ million	2004–05 Actual \$ million
Telecommunications and Network Infrastructure	8.8	8.3
Server and Desktop Infrastructure	1.8	1.3
Support Systems	0.3	0.1
Applications	2.1	1.9
Maintenance and support of the Standard Operating Environment	4.1	3.8
Other Client Services	0.4	0.4

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ICT Function	2004–05 Budget \$ million	2004–05 Actual \$ million
ICB Corporate Operations	0.4	0.4
Projects Commenced in Prior Financial Years and Completed in 2004-2005	1.1	1.0
Total ICB Capital	18.9	17.1
Consular Operations Branch	0.8	0.8
Passports Branch	1.4	0.8
Financial Management Branch	0.3	0.4
Office of Trade Negotiations	0.0	0.0
Total Capital	21.4	19.1

Please note: there are some differences if columns are manually added compared to the totals displayed due to rounding.

- (3) Actual ICT expenditure for the period 2004-05 financial year did not materially exceed the allocated ICT budget. Overall ICT expenditure for this period came in under the allocated budget.
- (4) The redirection of project resources to support consular services during several crises delayed the CMLIS Project (designed to extend the department's Consular Case Management System to consulates operated by Austrade). Because the department directed its resources to work on support activities, this did not adversely affect funding for the project, as we carried the allocated funds into the current financial year (2005–06). There were no other projects commissioned with the 2004-05 financial year that failed to meet designated schedule.
- (5) There were no ICT projects delivered within the 2004–05 financial year that failed to satisfy project specifications.
- (6) There were no ICT projects that were abandoned within the 2004–05 financial year prior to the project specifications being met.

Question 6

Answer: Australian Centre for International Agricultural Research (ACIAR)

- (1) 2004-05 total expenditure on ICT products and services: \$600,572.
- (2) 2004-05 expenditure on ICT products and services by function:

Software licences/maintenance	\$108,023
Software development	\$133,035
Hardware	\$108,561
Website	\$19,965
Internet	\$36,821
Telecommunications	\$77,967
(including overseas posts)	
IT Charges – DFAT	\$92,860
(overseas posts)	
Other	\$23,340
- (3) No areas exceeded budget.
- (4) All project timeframes met.
- (5) All project specifications met.
- (6) No projects abandoned.

Question 6

Answer: Australia–Japan Foundation (AJF)

- (1) 2004-05 total expenditure on ICT products and services: \$62,184
In addition, other communication and information technology was supplied by DFAT as resources free of charge.
- (2) 2004-05 expenditure on ICT products and services by function:

Content management/production of website	\$18,864
Website hosting	\$15,000
IT support costs	\$28,320
- (3) Yes
- (4) None
- (5) None
- (6) None

Question 6

Answer: Export Finance and Insurance Corporation (EFIC)

- (1) 2004-05 total expenditure on ICT products and services: \$416,289.
- (2) 2004-05 expenditure on ICT products and services by function:

Web related	\$4,105
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Consumables	\$16,423
Communications	\$41,163
Computer Services	\$265,851
Disaster recovery	\$33,577
Consultancy	\$49,868
Training	\$5,302

- (3) Yes, with the following being the only material exception.
- (a) Consultancy - \$23,868 in excess of budget.
- (b) & (c).Development for changes to EFIC's Customer Relationship Management (CRM) system, which was not foreseen when budgets were set.
- (4) Nil return.
- (5) Nil return.
- (6) Nil return.

Question 7

Outcome 1, Output 1.2

Topic: Currawong Childcare Centre (CCC)

Questions taken on notice (Senate Hansard page number indicated after question)

Senators Johnston, Heffernan and Hogg asked on 3/11/2005:

- (1) Senator Johnston asked how often does the AFP Protective Service conduct walk around patrols in the vicinity of the CCC (page 47).
- (2) Senator Johnston asked how many CCTV cameras monitor the external area outside the CCC (page 47).
- (3) Senator Heffernan asked how do you cancel the CCC alarm when it has been activated (page 48).
- (4) Senator Heffernan asked who owned the computer that was stolen from the CCC and was it a laptop (page 50).
- (5) Senator Hogg asked how much is spent on the protection of the building itself and the CCC per annum (page 50).
- (6) Senator Hogg asked, as a result of the break-in at the CCC on 15 September 2005, has the pattern of the foot patrols been changed (page 51).

Answer:

- (1) The AFP Protective Service (PS) conducts a foot patrol of the area at least three times each night between 7.00 pm and 7.00 am.
- (2) The RG Casey Building has three Pan, Tilt and Zoom (PTZ) CCTV cameras that can be used to provide surveillance of the Currawong Childcare Centre.
- (3) A visual and audible indication of a sensor activation is displayed on the security console in the Main Security Office of the RG Casey Building. The alarm indication is then acknowledged by the on-watch AFP PS officer and the

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immediate area is checked on the CCTV system. The roving AFP PS officer is then sent to do a physical inspection of the alarm area.

- (4) At Page 47 Mr McKinnon said "there was a small amount of goods taken—I think maybe a laptop computer and a few smaller things." Later (page 50) when questioned again about the laptop Mr McKinnon said, "I think a laptop was missing. That was the first report. I do not want to make too much of that. I will come back to you on that point when I find out whose computer it was and whether it was indeed a laptop".

After checking we can confirm that while a laptop had been thrown onto the floor during the break-in no laptop was actually stolen. The offenders stole \$100 in various denominations and a Fuji brand digital video recorder, estimated value \$1500, which belonged to the Currawong Child Care Centre Incorporated.

- (5) The department's budget for building security is \$ 1,773,591.80, comprising:
- AFP PS Guarding: \$1,486,443.60
 - Alarm system: \$273,862.20
 - Closed Circuit Television: \$13,286.00
- (6) The foot patrol pattern has not been altered since the break-in. A patrol is conducted after lockup at 7.00 pm, and then two other random patrols are carried out during the night.

Question 8

Outcome 4, Output 4.1

Topic: AHC London residence

Questions taken on notice (Senate Hansard page number indicated after question)

Senator Faulkner asked on 3/11/2005:

- (1) How much was spent on replacement of floor coverings at the High Commissioner's residence in London programmed prior to his arrival in post in February 2005 (page 45).
- (2) How much has been spent on renovations at the above residence in the past 24 months (page 45).
- (3) What is the figure for the total property management budget in London (page 46).

Answer:

- (1) The amount spent on replacement of the floor coverings was \$72,691.
- (2) The amount spent on programmed maintenance and renovation of the residence in the past 24 months was \$384,984. Major items included external and internal painting (November 2004 and February 2005—\$149,427), replacement of floor coverings (February 2005—\$72,691), bathroom refurbishment (February 2005—\$19,514), paving and driveway repairs (October 2004 and April 2005—\$45,996) and sewer culvert works (April and June 2005—\$76,435).

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- (3) Expenditure on owned estate property in London—Australia House and three owned residences—in 2004–05 was \$2,081,135. Expenditure forecast for 2005–06 is \$1,401,119.

Question 9

Outcome, Output: Enabling Services

Topic: Airfares

Written question for DFAT portfolio (includes Austrade, AusAID, ACIAR, AJF, EFIC)

Senator Steve Fielding asked on 03/11/2005:

- (1) How much money has the portfolio spent on domestic airfares for each of the last three financial years?
- (2) How much money has the portfolio spent on overseas airfares for each of the last three financial years?
- (3) How much money has the portfolio spent on economy class domestic airfares for each of the last three financial years?
- (4) How much money has the portfolio spent on business class domestic airfares for each of the last three financial years?
- (5) How much has the portfolio spent on first class domestic airfares for each of the last three financial years?
- (6) What would be the estimated financial year dollar saving if all public servants in the portfolio travelled economy class for flights of less than one and a half hours duration?

Answer: DFAT

- (1) Domestic airfares

F/Y 2002–03: \$1,080,625 (as per QON 3454);
F/Y 2003–04: \$1,725,304 (as per QON 329 & 331);
F/Y 2004–05: \$2,767,149.

- (2) Overseas airfares

F/Y 2002–03: \$9,357,332 (as per QON 3454);
F/Y 2003–04: \$10,478,674 (as per QON 329 & 331);
F/Y 2004–05: \$11,258,920.

Amounts apply to travel originating in Australia. Currently, there is no cost effective means to collect information for travel originated by DFAT's overseas posts, nor would it be possible to collect such information in the available timeframe.

- (3) Economy class domestic airfares

F/Y 2002–03: \$797,570 (as per QON 3454);
F/Y 2003–04: \$1,227,209 (as per QON 329 & 331);
F/Y 2004–05: \$1,901,988.

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- (4) Business class domestic airfares
F/Y 2002–03: \$283,055 (as per QON 3454);
F/Y 2003–04: \$498,095 (as per QON 329 & 331);
F/Y 2004–05: \$865,161.
- (5) Nil. First class is not available on Australian domestic carriers.
- (6) By using economy class for all domestic flights under one and a half hours duration we estimate that the change in the 2004-05 travel budget would have been no more than \$210,000. Under current DFAT terms and conditions of employment, only SES officers are entitled to travel business class on domestic itineraries.

Question 9

Answer: Austrade

- (1) Domestic airfares
F/Y 2002–03: \$761,987;
F/Y 2003–04: \$971,079;
F/Y 2004–05: \$1,228,388.
- (2) Overseas airfares
F/Y 2002–03: \$337,263;
F/Y 2003–04: \$512,552;
F/Y 2004–05: \$739,976.
- (3) Economy class domestic airfares
F/Y 2002–03: \$675,218;
F/Y 2003–04: \$892,271;
F/Y 2004–05: \$1,089,936.
- (4) Business class domestic airfares
F/Y 2002–03: \$86,769;
F/Y 2003–04: \$78,808;
F/Y 2004–05: \$138,452.

These figures include travel by Austrade Board members, who are entitled to business class travel under Remuneration Tribunal policies.

- (5) NIL all three years.
- (6) Austrade policy is for personnel (other than Austrade Board members) to travel economy class for all flights of less than 3 hours duration. Therefore savings would be negligible.

Amounts apply to travel originating in Australia only. There is no cost effective means to collect information for travel originated by Austrade's overseas posts, nor would it be possible to collect such information in the available timeframe.

Question 9

Answer: AusAID

- (1) Domestic airfares
F/Y 2002–03: \$684,114;
F/Y 2003–04: \$716,104;
F/Y 2004–05: \$718,660.
- (2) Overseas airfares
F/Y 2002–03: \$3,034,293;
F/Y 2003–04: \$3,192,972;
F/Y 2004–05: \$3,568,717.
- (3) Economy class domestic airfares
F/Y 2002–03: \$618,960;
F/Y 2003–04: \$589,613;
F/Y 2004–05: \$496,991.
- (4) Business class domestic airfares
F/Y 2002–03: \$65,154;
F/Y 2003–04: \$126,491;
F/Y 2004–05: \$221,669.

The increased expenditure partially reflects travel by AusAID officers in respect of initiatives; such as training in State capitals for new information technology applications, and PNG and Pacific Program planning meetings held in Australia.

- (5) NIL all three years.
- (6) \$7,855.

Overall, the estimated savings for flights of less than 1.5 hours is around 1.1% of the total domestic spend.

Question 9

Answer: Australian Centre for International Agricultural Research (ACIAR)

- (1) Domestic airfares
F/Y 2002–03: \$65,000;
F/Y 2003–04: \$48,000;
F/Y 2004–05: \$51,000.
- (2) Overseas airfares
F/Y 2002–03: \$373,000;
F/Y 2003–04: \$470,000;
F/Y 2004–05: \$395,000.
- (3) Economy class domestic airfares
F/Y 2002–03: \$65,000;
F/Y 2003–04: \$48,000;
F/Y 2004–05: \$51,000.
- (4) Nil response.

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(5) Nil response.

(6) Nil response.

Question 9

Answer: Australia–Japan Foundation (AJP)

(1) Domestic airfares

F/Y 2002–2003: \$14,700;

F/Y 2003–2004: \$12,907;

F/Y 2004–2005: \$21,146.

(2) Overseas airfares

F/Y 2002–2003: \$19,542;

F/Y 2003–2004: \$10,350;

F/Y 2004–2005: \$ 9,777.

(3) Economy class domestic airfares

F/Y 2002–2003: \$13,687;

F/Y 2003–2004: \$10,351;

F/Y 2004–2005: \$13,956.

(4) Business class domestic airfares

F/Y 2002–2003: \$1,013;

F/Y 2003–2004: \$2,555;

F/Y 2004–2005: \$7,190.

(5) None.

(6) None. Public servants working for the Foundation travel economy class on domestic routes.

Question 9

Answer: Export Finance and Insurance Corporation (EFIC)

(1) Domestic airfares

F/Y 2002–2003: \$109,391;

F/Y 2003–2004: \$121,631;

F/Y 2004–2005: \$119,930.

(2) Overseas airfares

F/Y 2002–2003: \$226,673;

F/Y 2003–2004: \$496,735;

F/Y 2004–2005: \$ 531,294.

(3) Economy class domestic airfares

F/Y 2002–2003: \$53,569;

F/Y 2003–2004: \$68,504;

F/Y 2004–2005: \$70,626.

(4) Business class domestic airfares

F/Y 2002–2003: \$55,822;

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F/Y 2003–2004: \$53,127;

F/Y 2004–2005: \$49,304.

- (5) Not applicable—no first class tickets.
- (6) 100% of the expenditure on domestic business class air fares related to travel by EFIC's Board of Directors and flights from the east coast to Perth. The Board's entitlement to business class travel is determined by the Remuneration Tribunal. EFIC employees travel in economy class on domestic flights, except for trips in excess of 3 hours in flight duration. EFIC employees are not employed under the Public Service Act 1999.

Question 10

Outcome/Output: Enabling Services

Topic: Contract negotiations

Written question for DFAT (includes ACIAR, AJF, EFIC).

[Austrade and AusAID to provide answers separately.]

Senator Murray asked on 04/11/2005:

- (1) What guidance is provided to staff with responsibilities for contract negotiations specifically about the requirements of the Senate Order? If relevant guidance is not provided, please explain why this is the case.
- (2) What training and awareness sessions are provided, either in-house or through other training providers (e.g. DOFA, APS Commission or private firms) in respect of the Order? Please provide a list of the dates, the identity of the training providers and the content of the training that staff attended in 2005. If training and awareness sessions are not provided, please explain why this is the case.
- (3) Has the department/agency revised its procurement guidelines to incorporate the new Commonwealth Procurement Guidelines that took effect from 1 January 2005, particularly with respect to the confidentiality elements contained in those guidelines? If so, when did this occur and can a copy be provided? If not, what is the cause of the delay and when will the revision occur?
- (4) ANAO audits for the last three years have revealed a consistently low level of compliance across most agencies with DOFA confidentiality criteria (February 2003) for determining whether commercial information should be protected as confidential. The ANAO's latest report on the Order (No.11 2005–2006, September 2005) states that departments and agencies need to give higher priority with this important requirement of the Senate Order.
 - (a) what specific measures have been or will be taken to address this problem, give it higher priority and raise compliance levels?
 - (b) what guidance and training are provided to staff about the confidentiality criteria and the four tests employed to determine whether information should be protected?

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- (c) what internal auditing or checking is performed to test compliance in this area? If none is performed, why not and is the agency considering the adoption of internal controls and checks?
- (5) What problems, if any, has the agency and/or relevant staff experienced in complying with the Senate Order? What is the nature and cause of any problems? What measures have been, or could be, adopted to address these concerns?

Answer: DFAT

- (1) The department's Procurement Manual includes sections from the Commonwealth Procurement Guidelines on confidentiality obligations. It also includes a section on the Senate Order.
- (2) The department conducts an in-house Tenders and Contract workshop. In 2005 this course was held on 23 February, 14 June, 7 September and 30 November conducted by Major Training Services. The course included segments under the headings: identify the need to contract; procurement process; and managing the contract.
- (3) Yes. A DFAT Administrative Circular was issued on 21 April 2005 outlining changes to the Commonwealth Procurement Guidelines. The department also issued an updated version of the Procurement Manual (copy forwarded to Secretariat). The Procurement Manual includes sections from the Commonwealth Procurement Guidelines on confidentiality obligations.
- (4)
- (a) The department's Contracts & Procurement Advisory Unit (CPU) is responsible for advising departmental officers on the Commonwealth Procurement Guidelines and related legislation. The CPU provides all departmental reports on contracts in compliance with Agency obligations.
- (b) Training is provided as specified in question (2). This training includes a compulsory unit on confidentiality of information in contracts and compliance with the Senate Order. Ongoing guidance and advice is provided by the CPU as specified in question (4) (a).
- (c) The department ensures ongoing compliance to government contract policy through its CPU (refer question (4) (a)). The Audit Committee within the department has governance responsibility for internal and external audit. The committee guides and reviews the department's audit program to ensure we maintain an effective internal control framework, thus complying with legislative and other obligations.
- (5) The department has not experienced any problems in complying with the Senate Order.

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Question 10

Answer: Australian Centre for International Agricultural Research (ACIAR)

- (1) There is no specific guidance provided to staff responsible for contract negotiations. The details of the contracts reported on, are generated automatically from our contract register and project database. ACIAR refers to the DOFA publication *Guidance on the Listing of Contract Details on the Internet (Meeting the Senate Order on Departmental and Agency Contracts)*, and the DOFA website provides suggested templates.
- (2) ACIAR does not provide in-house training and awareness sessions in respect of the Order. ACIAR is a small agency and the management of the Order is handled centrally. ACIAR periodically receives advice from DOFA and DFAT via email or formal correspondence.
- (3) The Chief Executive Instructions (CEI) on Procurement were revised in January 2005 to incorporate the new Commonwealth Procurement Guidelines. The CEI is accessible to staff on the ACIAR intranet and provides a link to the CPG and other reference material. A copy is available on request. ACIAR’s Standard Conditions for Project Agreements and ACIAR’s standard Contract for Services contain provisions relating to disclosure of information (“The [contractor] shall not, without prior written approval of ACIAR, disclose to any person other than ACIAR, any Confidential Information of ACIAR. In giving written approval, ACIAR may impose such terms and conditions as it thinks fit.”). No contract contains provisions requiring the parties to maintain confidentiality of any of its provisions. No provisions of any of the contracts are regarded by the parties as confidential.
- (4) Not applicable; see (3).
- (5) The following problems were experienced in complying with the Senate Order:

TABLING DATE	NON-COMPLIANCE	RESPONSE
September 2002	Minister’s letter not tabled in Parliament by due date Value of contract not entered	Letter tabled out-of-session by DFAT Oversight by ACIAR—now corrected
September 2003	Minister’s letter not tabled in Parliament by due date	Was not handled until after the due date in the Senate President’s sub-office.
February 2004	Relevant reporting period not included Statement of reasons not included	Advice relating to the latest amendment to the Senate Order was not received from DOFA. Advised DOFA that all future correspondence is to be addressed to the Director of ACIAR. Advised the ANAO that the statement of reasons is covered in the confidentiality clause. This was accepted by the ANAO.
September 2004	Statement of reasons not included	As above.

Question 10

Answer: Australia-Japan Foundation (AJP)

- (1) Guidance, including on the requirements of the Senate Order, is provided to the Foundation by the Department of Foreign Affairs and Trade's (DFAT) Procurement Manual and DFAT's Contracts and Procurement Advisory Unit.
- (2) The Foundation's staff member responsible for procurement attended DFAT's Tenders and Contracts course that was conducted by Major Training Services on 7 September 2005. Course content included identifying the need for a contract, the procurement process and contract management.
- (3) The Foundation uses DFAT's Procurement Manual which has been updated to reflect the new Commonwealth Procurement Guidelines, including on confidentiality criteria, that came into effect on 1 January 2005.
- (4)
 - (a) The Foundation will continue to seek advice and guidance from DFAT's Contracts and Procurement Advisory Unit on the Commonwealth Procurement Guidelines and related legislation.
 - (b) Foundation staff receive training as specified in (2). This training includes a compulsory unit on confidentiality of information in contracts and compliance with the Senate Order. Ongoing guidance and advice is provided as specified in (4) (a).
 - (c) The Foundation ensures ongoing compliance to government contract policy through consultation with DFAT's Contracts and Procurement Advisory Unit as specified in (4) (a).
- (5) The Foundation has not experienced any problems in complying with the Senate Order.

Question 10

Answer: Export Finance and Insurance Corporation (EFIC)

- (1) Not applicable to EFIC.
- (2) Not applicable to EFIC.
- (3) Yes, the changes reflect the fact that EFIC is subject to the CAC Act procurement thresholds defined in the CPG's. Given the infrequency of covered procurements at EFIC, internal procurement guidelines do not refer to specific confidentiality elements of the CPG's, but rather, provide the necessary CPG references and links for compliance.

Changes to EFIC's purchasing policy occurred in January 2005 and are reproduced as follows:

3.0 Commonwealth Procurement Guidelines

The Finance Minister's (CAC Act Procurement) Directions 2004 require EFIC to comply with the Commonwealth Procurement Guidelines (CPG's) for all procurement activities in which the procurement value is above the following thresholds:

- \$400,000 for property or services other than construction services, and
- \$6,000,000 for construction services.

Following are links to both the CPG's and the Minister's Directions:

- http://www.finance.gov.au/ctc/docs/Commonwealth_Procurement_Guidelines_-_January_2005.pdf
- http://www.finance.gov.au/ctc/docs/Directions_Final_Version_15.12.2004.pdf

The Manager, Administration and Property should be contacted in the first instance should the estimated contract value of a proposed procurement seem likely to exceed these thresholds.

Procurements need to be valued in accordance with Division 2, Clauses 8.7 – 8.12 of the CPG's to determine whether they exceed the above thresholds.

The estimated procurement value must include all forms of remuneration provided for in a proposed purchase contract, including any options, as well as GST.

Where a procurement is to be conducted in multiple parts with contracts awarded either at the same time or over a period of time, with one or more suppliers, the estimated value of the property or services being procured must include the estimated total maximum value of all of the contracts.

Procurements must not be divided into separate parts for the purpose of avoiding a procurement threshold.

Procurement activities exempted from the CPG's are listed in Appendix B of the CPG's.

For further information about compliance with the CPG's for covered procurements, see section 7.0 in the Procedure section below.

7.0 Compliance with Commonwealth Procurement Guidelines (CPG's)

The Manager, Administration and Property should be contacted in the first instance should the estimated contract value of a proposed procurement seem likely to exceed the thresholds in policy clause 3.0 above. *Procurements exceeding the thresholds are defined in the CPG's as 'covered procurements'.*

Given the infrequency of covered procurements at EFIC, the assistance of the Procurement Agency Advice Branch within the Department of Finance and Administration should be sought in the event of a proposed covered procurement.

The Procurement Policy Framework and Mandatory Procurement Procedures in Divisions 1 & 2 of the CPG's must be applied when conducting covered procurements.

7.1 Mandatory Procurement Procedures – Division 2 of the CPG’s.

The Division 2 procedures compliment both EFIC’s and the Commonwealth’s general purchasing principles as outlined in Division 1 of the CPG’s and clause 4.0 of this policy. The procedures specify compliance measures for covered procurements in relation to:

- *approaching the market in either an open or select manner,*
- *imposition of conditions for supplier participation in a procurement,*
- *tender request documentation, technical specifications, and time limits,*
- *receipt of tender submissions,*
- *awarding of contracts, and*
- *use of Supplier Panels and Multi-use Lists.*

7.2 Procurement Policy Framework – Division 1 of the CPG’s.

The Division 1 policy framework sets out the core principles underpinning procurement. These principles include value for money, encouraging competition, efficient, effective and ethical use of resources, and accountability and transparency in the purchasing process.

The principle of accountability and transparency in Clause 7 of the CPG’s requires specific actioning for covered procurements in respect of the following compliance measures:

- *Publication on AusTender, by July 1 each year, of an Annual Procurement Plan, containing a short strategic procurement outlook supported by details of any planned procurements. Should there be no planned covered procurements in the period, a nil return will be required.*
- *Publication of details of all purchasing contracts with an estimated contract value exceeding the procurement thresholds in policy clause 3.0 above, in accordance with the requirements set out in the Guidance on Procurement Publishing Obligations, within 6 weeks of entering into the agreement.*

- (4) Not applicable to EFIC.
- (5) Not applicable to EFIC.