

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 01

Division/Agency: Territories and Local Government

Topic: Ownership of Googong Dam Infrastructure

Hansard Page: 114 (15/02/07)

Senator Lundy asked:

Senator LUNDY—In the extrapolation of that legislative right of the ACT to be able to access that water, is the infrastructure to get the H₂O from the dam to Canberra now being claimed as a Commonwealth asset to be retained by the Commonwealth?

Mr Angley—No. I do not think you can go that far.

Senator LUNDY—I did not think I could either, but that is how I am interpreting what you are telling me.

Mr Angley—No. We are saying two things. I do not know that you can go that far, but really it is an issue that is still in discussion between the Department of finance and the ACT Government. We are not involved in that discussion.

Senator LUNDY—My understanding of the discussion, based on the evidence of DOFA the other night, is that we are, in fact, only talking about the land and we are not talking about the water infrastructure or the equipment that is out there that allows it to be a dam and allows the water to be moved. Could I ask you to clarify that? Perhaps take it on notice in conjunction with consulting with DOFA or whatever you need to do to try and get me an answer on that.

Ms Page—To the extent to which it falls within our responsibility.

Answer:

The Commonwealth holds title to the land on which Googong Dam is located. The Department of Finance and Administration has commenced negotiations with the ACT Government to find a suitable resolution to the ownership and management of the fixed assets of the Googong Dam.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 02

Division/Agency: Territories and Local Government

Topic: Management of Googong Dam Land

Hansard Page: 115 (15/02/07)

Senator Lundy asked:

Senator LUNDY—Yes. I want to turn to the question of the land. Who manages that Commonwealth land around Googong?

Ms Page—Again, we are not certain of the precise arrangements.

Senator LUNDY—But it is Commonwealth.

Mr Angley—Certainly, the ACT manages the improvements and the water, but I am not sure about the land. It is Commonwealth land. We will take that on notice. I assume it is the ACT managing it as a project manager, but it is certainly owned by the Commonwealth.

Answer:

The Googong Dam Area comprises 5000 hectares of land including the Dam and its foreshores. The ACT Government manages the land on behalf of the Commonwealth.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 03

Division/Agency: Territories and Local Government

Topic: Decision to Transfer Googong Dam Land – Briefing of Minister Lloyd

Hansard Page: 116 (15/02/07)

Senator Lundy asked:

Senator LUNDY—Two days ago, the Department of finance told Senator Sherry in another Committee that they recently formed the view that the Commonwealth had never intended to transfer the land to the ACT. The Department of Finance and Administration said they had briefed their Minister, Senator Minchin, in June 2006. When was Minister Lloyd briefed on this recently formed view?

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

Senator LUNDY—Was it before then?

Senator Ian Campbell—We will take it on notice and when we get the answer you will know the answer.

Senator LUNDY—Is the situation that Minister Lloyd ignored advice from Senator Minchin on this issue when he signed these documents, which clearly express the intent to transfer the Googong land to the ACT, after we now know Senator Minchin was briefed in June of 2006? I think that is one for you, Minister.

Ms Page—I cannot speculate, Senator, on the Minister's motivation at the time and, as I have indicated, we would need to provide you with advice on when Minister Lloyd was briefed on the Finance view.

Senator LUNDY—I think the natural observation for me to make was that Minister Lloyd was either kept out of the loop or out on a limb and not advised of decisions or determinations by other cabinet Ministers with respect to his portfolio—

Senator Ian Campbell—I suspect that is highly unlikely.

Senator LUNDY—or that Minister Lloyd ignored advice or a view presented by Senator Minchin on this issue when he deliberately and specifically signed that MOU, which clearly expresses the intent to transfer—

Senator Ian Campbell—Two people can read two different documents and find totally different angles in them. We have taken on notice the bits that we cannot answer.

Senator LUNDY—I appreciate that but I also want to make it clear that I am not extrapolating any meaning or interpreting meaning in that passage that I read out. That is printed in the document.

Senator Ian Campbell—I do not doubt it.

Senator LUNDY—Can anyone advise me or the Committee when Minister Lloyd did become aware of the Government's decision to effectively welsh on the deal, the 20-year-old deal, to transfer the Googong Dam land to the ACT?

Senator Ian Campbell—I think you have asked the question: when was Minister Lloyd—you said, 'When was he briefed on the Finance position?'

Senator LUNDY—If you could take that question on notice, Minister.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Answer:

The Hon Jim Lloyd MP, Minister for Local Government, Territories and Roads, was verbally briefed by the Department of Transport and Regional Services about the results of the Department of Finance and Administration's examination of archived material into the transfer of the Googong Dam on 8 May 2006.

On 16 June 2006, Minister Lloyd received a copy of a letter from Senator the Hon Richard Colbeck, Parliamentary Secretary to the Minister for Finance and Administration, to the Hon John Howard MP, Prime Minister. The letter advised the Prime Minister that *'no Commonwealth intention to transfer the land at Googong Dam to the ACT Government in 1988-89 can be located'*.

On 1 December 2006, Minister Lloyd received a copy of a letter to Senator Colbeck, from the Hon Mark Vaile MP, the Acting Prime Minister. The Acting Prime Minister supported Senator Colbeck's view that the ACT Government should be *'informed promptly of the Commonwealth Government's position, that we intend to retain ownership of Googong Dam'*.

On 24 January 2007, Minister Lloyd was informed that Senator Colbeck had called the ACT Chief Minister, Mr Jon Stanhope MLA, on 23 January 2007 and informed him of the Australian Government's view on the transfer of the Googong Dam.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 04

Division/Agency: Territories and Local Government

Topic: Communication between DOFA and DOTARS about Googong Dam

Hansard Page: 117 (15/02/07)

Senator Lundy asked:

Ms Page—The Department of Finance I think advised us last year of its view in relation to the Googong Dam.

Senator LUNDY—When was that?

Ms Page—I would need to take that on notice. There may well not be a formal record of the initial contact. They may well have started that contact through telephone calls.

Senator LUNDY—If you could take on notice to provide the Committee with any records of the contact between DOFA and Territories in any way related to Googong Dam.

Ms Page—To the extent that we have written records on that, we will do that.

Answer:

The Department of Transport and Regional Services (DOTARS) file records indicate that the Department was initially contacted by the Department of Finance and Administration (DOFA) on 25 January 2006 concerning the legal status of the ownership of Googong Dam.

There was further contact during 2006 as DOFA sought to provide advice to Government on issues relating to the ownership of Googong Dam. Generally, that contact involved DOTARS commenting on legal advice and draft correspondence prepared by DOFA and the Department of Prime Minister and Cabinet.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 05

Division/Agency: Territories and Local Government

Topic: Communication between DOFA and DOTARS about Googong Dam

Hansard Page: 118 (15/02/07)

Senator Lundy asked:

Senator LUNDY—Could I ask officers then if they have had those conversations or contact with DOFA before or after August 2006.

Ms Page—We will have to take that on notice, Senator.

Answer:

See answer to TLG 04.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 06

Division/Agency: Territories and Local Government

Topic: Norfolk Island Education Budget

Hansard Page: 119 (15/02/07)

Senator Lundy asked:

Senator LUNDY—Can you advise the Committee on whether or not a shortfall exists within the education budget on Norfolk Island?

Ms Page—I have indicated that, to the best of our knowledge, the Government has no outstanding arrears.

Senator LUNDY—What was that conclusion based on?

Ms Page—That is based on the monthly financial indicators, I think, that are tabled within the Norfolk Island Government for the month of December.

Senator LUNDY—Could you provide those to the Committee.

Ms Page—We can.

Senator LUNDY—Thank you. Could you provide an explanation about the shortfall as it was previously identified and how you have reached your conclusion that it has now been fulfilled.

Ms Page—We can do that, yes.

Answer:

The ‘shortfall’ discussed during the October 2006 Senate Estimates hearings arose from notes to the Norfolk Island Government’s September 2006 financial indicators. The notes stated that there was a liability to the NSW Department of Education of \$1.396 million of which \$0.902 million was for an overdue account for the period 1 January to 30 June 2006. An amount of \$0.494 million was accrued liability from 1 July to 30 September 2006.

The Hon Neville Christian, MLA, the Norfolk Island Government Minister for Finance, stated in the Norfolk Island Legislative Assembly on 18/26 October 2006 that the NSW Department of Education invoice for the supply of education services on Norfolk Island is normally paid in December each year. An extract of the Hansard record is at **Attachment A**.

The Norfolk Island Government’s December 2006 financial indicators show no liabilities outstanding to the NSW Department of Education. An account of \$0.988 million was rendered for the period 1 July to 31 December 2006 and was due for payment by 31 January 2007.

[TLG 06 attachments A & B]

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 07

Division/Agency: Territories and Local Government

Topic: Correspondence with Chief Minister

Hansard Page: 121 (15/02/07)

Senator Lundy asked:

Ms Page—As he flagged on this occasion, the Minister indicated that he had suggestions that could assist the Norfolk Island Government in its efforts to improve accountability and transparency and ensure that the Norfolk Island community has an equivalent level of protection and recourse as that available to other Australians, and he has since written to the Chief Minister outlining issues that he would like the Norfolk Island Government to pursue.

Senator LUNDY—Could you provide that correspondence to the Committee?

Ms Page—Yes, we will take that on notice.

Answer:

Copy of correspondence with Chief Minister is attached.

[TLG 07 attachment]

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 08

Division/Agency: Territories and Local Government

Topic: Cyclone Larry Relief Appeal

Hansard Page: Written Question

Senator O'Brien asked:

For the Prime Minister's and Premier's Cyclone Larry Relief Appeal, which sits under Output 2, provide expense/revenue and cash estimates that are not obligated or forward committed for administered and departmental payments for each of:

- (a) 2005-06 (outcome versus final budget estimate) and;
- (b) current forward estimates for 2006-07, 2007-08, 2008-09 and 2009-10.

Answer:

- (a) \$1million
- (b) Nil.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 09

Division/Agency: Territories and Local Government

Topic: Wind Turbines on Cocos (Keeling) Islands

Hansard Page: Written Question

Senator Crossin asked:

In answer to question TLG 44 from Estimates last October, DOTARS said the Cocos wind turbines on Home Island had been having some problems with water getting in the inverters and a problem with the winch used to furl the tail. These problems were well advanced with being fixed - the question is, were repairs and modifications completed, are the turbines all back in operation and have there been any further problems?

Answer:

The inverter problem has been rectified. Due to an accident involving a Water Corporation employee operating a winch on one of the wind turbines, the Department has sought legal advice regarding the manufacturer's obligations on the operation of the winches. While legal advice is sought, all four wind turbines have been removed from operation, pending an investigation and implementation of preventative measures.

The Department will work with the manufacturer to re-commission the wind turbines as soon as a safe resolution can be agreed.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 10

Division/Agency: Territories and Local Government

Topic: Cocos Island Desalination Plant

Hansard Page: Written Question

Senator Crossin asked:

In answer to question TLG 46 of October 2006, it was said that a temporary water desalination plant would be operational in December on Cocos Home Island. Has it been necessary to install this plant and if so is it in fact operational and is it performing satisfactorily?

Answer:

Yes. The temporary desalination plant was installed on 6 December 2006 and has operated satisfactorily over the summer period to supplement the Home Island water supply. The plant has operated 24 hours a day with a half hour shutdown per day for filter maintenance. The plant was temporarily taken off line from 10 to 15 December while a part was sourced to address a pump failure. The continued operation of the temporary plant is currently being reviewed given recent rainfall has assisted in recharging the water lenses.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 11

Division/Agency: Territories and Local Government

Topic: Cocos Island Hovercraft Project

Hansard Page: Written Question

Senator Crossin asked:

In answer to question TLG 49, you said the hovercraft project at Cocos Island had been dropped and plans were being drawn up for yet another version of infrastructure to provide marine services to Cocos Islands. Where is this at now?

Answer:

The Government is investigating options for a port facility to address passenger transfers, freight handling and fuelling on West Island. A decision on a preferred option is expected in the 2007/08 financial year.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 12

Division/Agency: Territories and Local Government

Topic: Cocos Island Mammography Service

Hansard Page: Written Question

Senator Crossin asked:

In the answer to question TLG 38, you said that a mammography service similar to that on Christmas Island would be established on Cocos Island. This is great news but do you have a timeline for this as yet?

Answer:

The Department of Transport and Regional Services (DOTARS) is in discussions with the WA Department of Health regarding the purchase of a suitable mammography machine for the Cocos (Keeling) Islands. DOTARS is also in discussions with BreastScreen WA regarding service provision to Cocos.

Subject to these discussions, we anticipate a machine will be installed in the second half of 2007.

In the interim, initial breast screening services are available on Cocos in the form of breast examinations performed by the local doctor on-island. Where a mammogram is clinically indicated as necessary, the patient is sent to Perth under the Patient Assisted Travel Scheme.

In addition, the Indian Ocean Territories Health Service runs promotional activities, including community information sessions to encourage women to self-examine. The Health Service also encourages Cocos women over 40 years of age to have routine breast screening when off-island.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 13

Division/Agency: Territories and Local Government

Topic: Christmas Island Crane

Hansard Page: Written Question

Senator Crossin asked:

In answer to TLG 22, you told of ongoing problems with the crane at Flying Fish Cove on Christmas Island. An independent expert was to be engaged to assess the crane and its maintenance regimes and operation. This assessment was due to begin in early December 2006. Was this done? Is it completed? And what is the outcome?

Answer:

The independent expert completed an assessment of the crane in late December 2006 and made a number of recommendations for additional training to be provided to local stevedores, which is scheduled to take place over a two-week period from 12 March through to 23 March 2007.

The report also made a number of recommendations in relation to refurbishment work in order to prolong the life of the crane and quotes for this work are currently being sought by Toll Ports Pty Ltd.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 14

Division/Agency: Territories and Local Government

Topic: Christmas Island Crane

Hansard Page: Written Question

Senator Crossin asked:

Is the crane at present safe and useable?

Answer:

The crane is currently safe for use and in service.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 15

Division/Agency: Territories and Local Government

Topic: Indian Ocean Territories Health Service

Hansard Page: Written Question

Senator Crossin asked:

In December, Minister Lloyd announced that management of the Indian Ocean Territories Health Service would remain with the communities rather than being outsourced. Since this announcement, have any meetings been held with the respective communities to plan any future directions?

Answer:

On 8 to 11 December 2006, DOTARS officers visited Christmas Island and met with staff of the Indian Ocean Territories Health Service (IOTHS), the Shire and the Union of Christmas Island Workers. This meeting explained the outcome, heard the views of these groups and explained that there will be ongoing consultation with the communities.

On 2 to 5 February 2007, a DOTARS officer met with staff of the IOTHS and representatives from the Home Island and West Island communities, to explain the outcome, to hear the views of these groups and to explain that there will be ongoing consultation with the communities.

The response from both Territories was positive.

In January 2007, the Administrator called for expressions of interest for membership of two Health Consultative Groups, one for Christmas Island and one for Cocos (Keeling) Islands. It is intended that these Groups, once established, will be the forum for consultation on the future directions of the IOTHS.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 16

Division/Agency: Territories and Local Government

Topic: Indian Ocean Territories Health Service

Hansard Page: Written Question

Senator Crossin asked:

Does the decision not to outsource the health service mean that market testing and outsourcing has not been the success hoped for and that no further such steps are planned?

Answer

The purpose of the market testing was to determine if health services could be provided more efficiently and effectively by an alternative provider. The outcome of the market testing, in this case, was that services could not be provided more efficiently and effectively by another provider. This is a successful outcome to the process.

The operation of the ports was outsourced in August 2003. The operation of the airports was outsourced in June 2004. In both cases the outsourcing has proved to be successful. The Department has no current plans to market test other services in the Indian Ocean Territories.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 17

Division/Agency: Territories and Local Government

Topic: Indian Ocean Territories Airports

Hansard Page: Written Question

Senator Crossin asked:

Is it planned to continue private management of the airports or might these revert back to local management?

Answer:

Yes, the Department will continue the current arrangements for the management of the Indian Ocean Territories (IOTs) airports. The Department recently completed a review of the effectiveness of the current contractual arrangements for the management of the two airports on behalf of the Australian Government. The review concluded that:

- Commonwealth and community stakeholders appeared satisfied with the general performance of the contractor at the IOT airports;
- the contract adhered to the core principles of the Commonwealth Procurement Guidelines;
- the contractor is meeting minimum operational, maintenance and safety standards; and
- The contractor is complying with airport security requirements.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 18

Division/Agency: Territories and Local Government

Topic: Space Base Project (Asia Pacific Space Centre)

Hansard Page: Written Question

Senator Crossin asked:

Could you confirm that the space base project has now been terminated, and if so what will happen to any funds initially held against that or related projects, such as funds to upgrade the Christmas Island airport runway?

Answer:

The Asia Pacific Space Centre Pty Ltd (APSC) is proposing a commercial space launch facility on Christmas Island. The APSC is pursuing a licence from the Australian Government for a site on Christmas Island for this purpose.

In October 2001, the Government signed a Deed of Agreement with the APSC for a \$100 million Strategic Investment Incentive - \$31.4 million as a taxable cash grant and \$68.6 million through the Department of Transport and Regional Services (DOTARS) for Common Use Infrastructure on Christmas Island.

In April 2006, the Commonwealth terminated the Strategic Investment Incentive Deed without any of the cash grant component being expended.

From the Common Use Infrastructure funding managed by DOTARS, allocations have been made to build port infrastructure at Nui Nui (\$7.4 million) and upgrade Linkwater Road between the upper terraces and the new port (\$10 million).

In 2006, when the Strategic Investment Incentive Deed was terminated, Incentive funds not required to support the new Immigration Reception and Processing Centre were returned to consolidated revenue.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 19

Division/Agency: Territories and Local Government

Topic: Tourism Development Funds

Hansard Page: Written Question

Senator Crossin asked:

In *The Islander* of December 15th at page 6, Minister Lloyd informed the communities that additional funds were to be allocated to tourism development. Could you tell me how much additional?

Answer:

The 2006-07 Services to Indian Ocean Territories Administered Programme allocated \$239,450 to the Indian Ocean Territories tourism associations. This represents an increase of \$31,875 over the 2005-06 financial year.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 20

Division/Agency: Territories and Local Government

Topic: Tourism Development Funds

Hansard Page: Written Question

Senator Crossin asked:

Are these additional funds earmarked for any specific purpose or for use as local Committees see best?

Answer:

These additional funds are to assist the Indian Ocean Territories tourism associations in tourism promotion and development.

Senate Standing Committee on Rural and Regional Affairs and Transport

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2007

Transport and Regional Services

Question: TLG 21

Division/Agency: Territories and Local Government

Topic: Economic Development Committee Funding

Hansard Page: Written Question

Senator Crossin asked:

How much funding has been provided to the Economic Development Committee over each of the past 2 years?

Answer:

The Christmas Island Economic Development Committee Inc. and the Cocos (Keeling) Islands Economic Development Association Inc. are each allocated \$75,000 per annum.

Of this allocation —

- Christmas Island has accessed:
 - \$35,481 for the 2005-2006 financial year; and
 - \$32,500 for the 2004-2005 financial year.

- Cocos (Keeling) Islands have accessed:
 - \$57,200 for the 2005-2006 financial year; and
 - Nil for the 2004-2005 financial year.