

Chapter 3

Infrastructure, Transport, Regional Development and Local Government portfolio

Department of Infrastructure, Transport, Regional Development and Local Government

3.1 The committee heard evidence from the department on Tuesday 19 February 2008. The hearing was conducted in the following order:

- Corporate Services
- Bureau of Infrastructure, Transport and Regional Economics
- AusLink
- Maritime and Land Transport
- Australian Transport Safety Bureau
- Australian Maritime Safety Authority
- Aviation and Airports
- Civil Aviation Safety Authority
- Airservices Australia
- Regional Services
- Local Government
- Office of Transport Security
- Inspector of Transport Security

Corporate Services

3.2 The secretary opened proceedings by advising the committee that as a result of the reorganisation of certain portfolio responsibilities under the new government, and the department's consequential new responsibility for infrastructure, the department has taken on some staff from the department of industry. In addition, some staff from the territories and natural disaster management areas within the department have been transferred to the Attorney-General's Department, consistent with the transfer of responsibility for those areas.¹

1 *Estimates Hansard*, 19 February 2008, p. 3.

3.3 The committee asked the department how it intends to apply the required efficiency dividend. The secretary informed the committee that in the past efficiency dividends have been applied to the administrative departmental cost, not to programmes, and that the department will be looking for similar productivity improvements to facilitate the application of the additional efficiency dividend.²

3.4 The committee also sought information on the Australian National Audit Office (ANAO) report on the Regional Partnerships programme, and whether the department had implemented certain recommendations, particularly in relation to the provision of advice regarding ministerial obligations under the *Financial Management and Accountability Act* (FMA Act) when approving the payment of grants.³

3.5 The secretary was asked whether the committee could have confidence in the management of other programmes run by the department. The secretary noted that the ANAO report 'acknowledges the very extensive work that the current management of the department have undertaken in improving the Regional Partnerships management' and assured the committee that the department has a strong governance framework in place.⁴

Bureau of Infrastructure, Transport and Regional Economics

3.6 The committee held a brief discussion with officers of the Bureau of Infrastructure, Transport and Regional Economics (BITRE), regarding:

- regional research undertaken by BITRE and funding and staffing for these projects (*Estimates Hansard*, 19 February 2008, pp 11-12);
- research undertaken on transport statistics, particularly on freight and supply chains (pp 12-15);
- the interface between land planners and transport planners, with regards to the impact of the growth of rural towns on transport infrastructure (pp 16-17); and
- which oil price estimates BITRE uses in its modelling, and whether decisions taken on the basis of that modelling are reviewed if the oil price estimate changes significantly (pp 18-19).

AusLink

3.7 The committee raised concerns about the condition of branch rail lines in New South Wales (NSW) and their ability to cope with wheat freight. The department informed the committee that maintenance of the branch lines is the responsibility of the NSW Government, however, in recognition of the issues surrounding grain

2 *Estimates Hansard*, 19 February 2008, pp 3-8.

3 *Estimates Hansard*, 19 February 2008, pp 8-9.

4 *Estimates Hansard*, 19 February 2008, p. 9.

transport and infrastructure, the Commonwealth Government has committed to two grain rail studies, one in NSW and one in Western Australia.⁵

3.8 The committee also questioned officers of AusLink about:

- the government's election promises regarding road and rail projects (*Estimates Hansard*, 19 February 2008, pp 19-25 and 26-27);
- funding for and expenditure on the NSW F3 to Branxton road project, and the price escalation of the project (pp 25-26 and 29-30);
- whether states will be required to contribute to national network projects under AusLink 2 (p. 27);
- the government's commitment to continuing the Black Spot and Roads to Recovery programmes and funding for those programmes (pp 28 and 34);
- the ANAO report on the administration of grants to the Australian Rail Track Corporation (ARTC), and the process of approving grants (pp 28-29); and
- the status of, and funding for, various rail projects and studies (pp 30-31 and 34-35).

Maritime and Land Transport

3.9 The committee held a brief discussion with officers of the Maritime and Land Transport division regarding;

- the status of the National Transport Commission (NTC) heavy vehicle charges determination, and the process behind the development of the determination (*Estimates Hansard*, 19 February 2008, p. 36);
- work on harmonising the regulations for the operation of heavy vehicles across jurisdictions (pp 36-37);
- the status of the development of a national standard for commercial vessels (pp 37-38);
- the inquiry into the Tasmanian Freight Subsidy programme (p. 38); and
- the planned review of cabotage (pp 38-40).

Australian Transport Safety Bureau

3.10 The committee raised concerns about the veracity of the evidence provided to both the Senate committee and the Australian Transport Safety Bureau (ATSB) in the course of investigations into the cabin air quality of BAe 146 aircraft. These concerns arose out of certain documents, including compensation agreements, tabled in the Senate Chamber. The committee asked officers if the ATSB had investigated the

5 *Estimates Hansard*, 19 February 2008, pp 31-33.

nature of the evidence it had received in the course of its inquiry. The executive director informed the committee that the ATSB has not looked at the issue at this stage, but undertook to review the evidence which had been provided and consider if it would be appropriate to proceed with the matter.⁶

3.11 The committee also heard evidence on:

- the status of the seatbelts for school buses programme, and related funding (*Estimates Hansard*, 19 February 2008, pp 41-43);
- ATSB's investigation of a recent heavy landing in Darwin (p. 45);
- the report of the Queensland state coroner on the Lockhart River air tragedy (pp 45-46); and
- ATSB's report on the injury rates of Aboriginal and Torres Strait Islander people, and resultant programmes and recommendations (pp 47-48).

Australian Maritime Safety Authority

3.12 The committee pursued the following matters with officers of the Australian Maritime Safety Authority:

- progress on the development and implementation of a national standard for commercial vessels (*Estimates Hansard*, 19 February 2008, pp 48-50); and
- measures taken, following the *Malu Sara* incident, to ensure that Commonwealth owned vessels comply with the relevant standards and manning requirements (pp 50-51).

Aviation and Airports

3.13 The committee held a brief discussion with officers of the Aviation and Airports division on the following matters:

- the proposed east-west runway closure at Sydney airport (*Estimates Hansard*, 19 February 2008, pp 51-53); and
- proposed and current measures to manage the congestion and traffic-related issues at Perth airport (pp 54-55).

Civil Aviation Safety Authority

3.14 The committee questioned officers of the Civil Aviation Safety Authority (CASA) on the following issues:

6 *Estimates Hansard*, 19 February 2008, pp 43-45.

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- progress on the development of the Boomerang aircraft (*Estimates Hansard*, 19 February 2008, pp 55-56);
 - CASA's submission to the Queensland coronial inquiry into the Lockhart River air tragedy and the resultant coroner's report (pp 56-60);
 - whether CASA provided advice for a letter signed by the former Attorney-General (pp 59-60); and
 - the status of the mandatory drug and alcohol testing programme (p. 60).

Airservices Australia

3.15 The committee raised the following matters with officers of Airservices Australia:

- the process for appointing board members upon the expiry of current appointments (*Estimates Hansard*, 19 February 2008, pp 60-61); and
- the shortage of air traffic controllers, the implications of the shortage, and measures to address the shortage (pp 61-63).

Regional Services

3.16 The committee expressed its concern that officers of the Regional Services division appeared to have come under prepared to provide evidence at the estimates hearing. The committee noted that officers frequently claimed to be unable to answer what the committee considered to be reasonable questions, and took a significant number of questions on notice. The committee expects that this situation will prove to be an exception, and that the secretary of the department will ensure that officers are appropriately prepared to answer questions at future estimates hearings.

3.17 The committee asked a number of questions about the status of Regional Partnerships projects which had been signed and approved prior to the election. The department explained that projects 'are approved subject to completion of a satisfactory funding agreement by both parties.'⁷ The department advised that 116 projects had been approved but not contracted before the election, and that each of these projects were at different stages of negotiation. Some of the applicants have been offered a final contract, in which case finalisation is simply pending the applicant's signature. The remaining projects will not be finalised until the government concludes its review of the administrative arrangements pertaining to the programme, in light of the ANAO report.⁸

7 *Estimates Hansard*, 19 February 2008, p. 64.

8 *Estimates Hansard*, 19 February 2008, pp 63-75.

3.18 The committee also asked a series of questions regarding the ANAO report on the Regional Partnerships programme. Information was sought on:

- the process of implementing the new Regional Partnerships programme guidelines and their application to new project proposals (*Estimates Hansard*, 19 February 2008, pp 75-76); and
- the department's internal auditing processes (p. 76).

3.19 The committee also heard evidence on:

- the status of, and funding for, projects under the Better Regions programme (*Estimates Hansard*, 19 February 2008, pp 77-78);
- the application of regulation 9 of the FMA Act to all funding decisions of the government, and how this will be applied to the government's election promises (pp 78-80 and 82-83); and
- the status of the Barcaldine Tree of Knowledge project (pp 81-85).

Local Government

3.20 The committee held a brief discussion with officers of the Local Government division regarding assistance grants available to local governments to help them manage significant increases in population.⁹

Office of Transport Security

3.21 The committee pursued the following matters with officers of the Office of Transport Security:

- the frequency of incidents in which laser beams are directed at aircraft and the apprehension of perpetrators (*Estimates Hansard*, 19 February 2008, pp 85-87);
- the exemption of certain classes of people from screening procedures at airports during the Asia-Pacific Economic Cooperation (APEC) meeting in Australia (p. 87);
- the reprioritisation of funding for a regional maritime security capacity-building programme with Indonesia (pp 87-91); and
- results of the Closed Circuit Television (CCTV) system trials at regional airports (pp 92-93).

Inspector of the Office of Transport Security

3.22 The committee asked the Inspector whether he was aware of an operational risk assessment review for the Australian Federal Police. The Inspector responded that

9 *Estimates Hansard*, 19 February 2008, p. 85.

he was not aware of the review, and informed the committee that he only looks into matters as directed by the minister.¹⁰

Senator Glenn Sterle
Chair

10 *Estimates Hansard*, 19 February 2008, pp 93-94.

