

The Senate

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Standing Committee on  
Rural and Regional  
Affairs and Transport

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Additional estimates 2007–08

March 2008

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ISBN 978-0-642-71898-3

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## List of Abbreviations

ATSB	Australian Transport Safety Bureau
ANAO	Australian National Audit Office
APEC	Asia-Pacific Economic Cooperation
APVMA	Australian Pesticides and Veterinary Medicines Authority
AQIS	Australian Quarantine and Inspection Service
ARTC	Australian Rail Track Corporation
AWA	Australian Workplace Agreement
AWBI	Australian Wheat Board International
BITRE	Bureau of Infrastructure, Transport and Regional Economics
BRS	Bureau of Rural Sciences
BSE	Bovine Spongiform Encephalopathy
CASA	Civil Aviation Safety Authority
CCTV	Closed Circuit Television
CEO	Chief Executive Officer
DLO	Departmental Liaison Officer
EWC	Export Wheat Commission
FMA Act	<i>Financial Management and Accountability Act</i>
FTA	Free Trade Agreement
GM	Genetically Modified
GRDC	Grains Research and Development Corporation
IRA	Import Risk Analysis
MOU	Memorandum of Understanding
MRL	Maximum Residue Limit
NLIS	National Livestock Identification Scheme
NSW	New South Wales
NTC	National Transport Commission
PAES	Portfolio Additional Estimates Statements
SRM	Specified Risk Materials
WTO	World Trade Organisation





# Chapter 1

## Introduction

1.1 On 13 February 2008, the Senate referred the following documents to the Standing Committee on Rural and Regional Affairs and Transport (the committee) for examination and report in relation to the Agriculture, Fisheries and Forestry portfolio and the Infrastructure, Transport, Regional Development and Local Government portfolio:

- Particulars of proposed additional expenditure in respect of the year ending on 30 June 2008 [Appropriation Bill (No. 3) 2007-2008];
- Particulars of certain proposed additional expenditure in respect of the year ending on 30 June 2008 [Appropriation Bill (No. 4) 2007-2008];
- Final budget outcome 2006-07; and
- Issues from the Advance to the Finance Minister as a final charge for the year ended 30 June 2007.

1.2 The committee was required to report to the Senate on its consideration of 2007-2008 additional estimates on 18 March 2008.

1.3 The committee considered the Portfolio Additional Estimates Statements 2007-2008 for both portfolios at hearings on 18 and 19 February 2008. The hearings were conducted in accordance with the agreed agenda as follows:

- Monday 18 and Tuesday 19 February 2008 – Agriculture, Fisheries and Forestry portfolio;
- Tuesday 19 February 2008 – Infrastructure, Transport, Regional Development and Local Government portfolio.

1.4 The committee heard evidence from Senator the Hon Nick Sherry, Minister for Superannuation and Corporate Law, and Senator the Hon Jan McLucas, Parliamentary Secretary to the Minister for Health and Ageing, both representing the Minister for Agriculture, Fisheries and Forestry, and Senator the Hon Stephen Conroy, Minister for Broadband, Communications and the Digital Economy, representing the Minister for Infrastructure, Transport, Regional Development and Local Government. Evidence was also provided by Dr Conall O'Connell, Secretary of the Department of Agriculture, Fisheries and Forestry, Mr Mike Taylor, Secretary of the Department of Infrastructure, Transport, Regional Development and Local Government, and officers representing the departments and agencies covered by the estimates before the committee.

1.5 The committee thanks the ministers, departmental secretaries and officers for their assistance and cooperation during the hearings.

### **Questions on Notice**

1.6 In accordance with Standing Order 26, the committee is required to set a date for the lodgement of written answers and additional information. The committee requested that written answers and additional information be submitted by Wednesday 9 April 2008.

### **Additional information**

1.7 Answers to questions taken on notice at the committee's additional estimates hearings will be tabled in the Senate in separate volumes entitled 'Additional information relating to the examination of additional estimates 2007-2008 – February 2008 - Senate Standing Committee on Rural and Regional Affairs and Transport'. Documents not suitable for inclusion in the additional information volumes will be available on request from the committee secretariat.

1.8 Answers to questions on notice received from the departments will also be posted on the committee's website at a later date.

### **Note on references**

1.9 References to the Hansard transcript are to the proof Hansard: page numbers may vary between the proof and the official Hansard transcript.

## Chapter 2

### Agriculture, Fisheries and Forestry portfolio

#### Department of Agriculture, Fisheries and Forestry

2.1 The committee heard evidence from the department on Monday 18 February and Tuesday 19 February 2008. The hearings were conducted in the following order:

- Management Services
- Corporate Policy
- Product Integrity, Animal and Plant Health
  - Australian Pesticides and Veterinary Medicines Authority
- Grains Research and Development Corporation
- Australian Quarantine and Inspection Service
- Biosecurity Australia
- Meat and Livestock Australia
- International
- Food and Agriculture
  - Export Wheat Commission
- Australian Bureau of Agriculture and Resource Economics
- Bureau of Rural Sciences
- Rural Policy and Innovation
- Natural Resource Management
  - Land and Water Australia
- Fisheries and Forestry
  - Australian Fisheries Management Authority

#### Management Services

2.2 The department began proceedings with an explanation of corrections to the Portfolio Additional Estimates Statements (PAES) which had been tabled out of session on Friday, 15 February 2008. Departmental staff informed the committee that the corrections are all internal and they do not affect the department's 'bottom line.'<sup>1</sup>

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1 *Estimates Hansard*, 18 February 2008, pp 4-5.

2.3 The committee sought clarification of decreases in estimates listed in table 1.2 of the PAES, asking the department to explain which items related to savings due to underspending, and which items had decreased due to the incoming government's election commitments. Consequently, the department tabled the *Federal Parliamentary Labor Party's Costings of its Election Policy Promises* for the committee's information.<sup>2</sup>

2.4 The department further informed the committee that the majority of the additional funds were appropriated through supplementary additional estimates bills for additional drought assistance measures and the national response to equine influenza.<sup>3</sup>

2.5 The department's application of the efficiency dividend was also discussed at length. The department explained that the application of an efficiency dividend is part of the department's usual annual internal budgetary process, and is applied to the department as a whole, not to individual programmes. Officers further explained that the department looks to achieve its outcomes more efficiently through this process, not reduce its services, therefore the application of the efficiency dividend should not result in the loss of any outputs. The committee was informed that the application of the required 3.25 per cent efficiency dividend would result in a saving of \$1.676 million in the 2007-08 financial year.<sup>4</sup>

2.6 The committee raised the issue of answers to questions on notice from the May 2007 budget estimates, as 61 answers remained outstanding. The department noted that a significant number of answers had required redrafting after they had been sent to the previous minister's office in August 2007. A number of revised answers were provided back to the previous minister in early September 2007, however, they were not approved before caretaker period commenced, resulting in a significant delay. Officers advised the committee that the majority of outstanding answers had been appropriately reviewed and approved by the current minister, and they were provided to the committee later that morning.<sup>5</sup>

2.7 The committee also questioned officers on the following matters:

- the number of staff on Australian Workplace Agreements (AWA's), and the expected transition once current AWA's expire (*Estimates Hansard*, 18 February 2008, pp 15-16);
- current and projected consultancies (p. 17); and
- previous experience of current departmental liaison officers (DLO's) and the return of previous DLO's to the department (pp 17-19).

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2 *Estimates Hansard*, 18 February 2008, pp 7-8.

3 *Estimates Hansard*, 18 February 2008, pp 4-5.

4 *Estimates Hansard*, 18 February 2008, pp 9-15.

5 *Estimates Hansard*, 18 February 2008, pp 20-21.

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## Product Integrity, Animal and Plant Health

2.8 The committee raised concerns about pesticide and fungicide residue found on conventionally grown strawberries. The department explained that while residue levels were in excess of the maximum residue limit (MRL), the levels found did not necessarily present a food safety issue. The committee was informed that Strawberries Australia was considering whether further national testing in addition to the existing industry based testing may be required. The department noted that the director of the National Residue Survey, a voluntary Commonwealth residue testing programme, had also offered assistance to the industry. The committee expressed concern that the department did not appear to be adequately enforcing compliance. Officers explained that regulatory responsibility for food standards and codes resides with the states and territories, but assured the committee that the strawberry industry is taking the issue very seriously.<sup>6</sup>

2.9 The committee also sought information on:

- research being undertaken on the impact of climate change on the persistence and extent of certain pests and diseases (*Estimates Hansard*, 18 February 2008, pp 25-26);
- Australian bee exports and the current situation in the United States of America regarding bee die-off (pp 34-35);
- the implementation and funding of the National Livestock Identification Scheme (NLIS) (pp 35-37);
- the department's role in the Tasmanian devil programme regarding devil facial tumour disease (p. 37);
- research undertaken into the mulesing of sheep and possible alternatives, and the impact that the continuation of the practice may have on Australia's wool trade (pp 19 and 37-40);
- the department's position on an international campaign against mulesing and live exports (pp 40-42 and 88-90); and
- work on the proposition for mandatory removal of specified risk materials (SRMs) from slaughtered cattle as a precaution against the occurrence of bovine spongiform encephalopathy (BSE) (pp 42-43).

## Australian Pesticides and Veterinary Medicines Authority

2.10 The committee inquired whether any of the chemicals identified in residue testing on strawberries were currently under review by the Australian Pesticides and Veterinary Medicines Authority (APVMA). The chief executive officer (CEO) of APVMA confirmed that three of the chemicals detected are currently under review, but there is currently no indication from the assessments underway that the use of any

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6 *Estimates Hansard*, 18 February 2008, pp 23-24.

of those chemicals will need to be suspended. A review of another chemical which was identified in the residue testing was completed in 2007 and the use of that chemical on certain fruits and vegetables has since been suspended.<sup>7</sup>

2.11 The committee also sought information on the current review of the use of the herbicide atrazine. The department informed the committee that the 2004 draft report is currently being finalised. The label recommendations arising from this report, which are in addition to the 1997 recommendations, will now be implemented.<sup>8</sup>

2.12 The committee expressed some concern about the potential for misuse of chemicals, particularly atrazine. The CEO informed the committee that all regulatory decisions are made based on the proper use of chemicals, therefore APVMA registers chemicals on the expectation that users will follow the label instructions. The department further explained that misuse of the chemical is a compliance issue, and is the responsibility of the states and territories.<sup>9</sup>

2.13 The committee also heard evidence on:

- APVMA's chemical review process (*Estimates Hansard*, 18 February 2008, pp 26-34); and
- the process of applying for registration of a chemical (pp 27-28).

### **Grains Research and Development Corporation**

2.14 The committee discussed issues surrounding genetically modified (GM) canola at length, particularly:

- the onus of legal liability in the event of contamination of non-GM crops (*Estimates Hansard*, 18 February 2008, pp 44-45 and 48);
- research into the possibility of segregating GM and non-GM canola and associated costs (pp 45-48);
- the positions of the federal and state governments on GM canola (pp 46 and 48-49);
- funding of GM related research (pp 52-52); and
- international trials of drought tolerant crops (p. 53).

2.15 The following matters were also raised with officers of the Grains Research and Development Corporation (GRDC):

- the basis for calculating the GRDC wheat levy (*Estimates Hansard*, 18 February 2008, pp 50-51);

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7 *Estimates Hansard*, 18 February 2008, pp 26-27.

8 *Estimates Hansard*, 18 February 2008, pp 28-34.

9 *Estimates Hansard*, 18 February 2008, pp 28-34.

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- the GRDC's strategy to manage the risk posed by climate change and related research (pp 51-52); and
  - private grains research and associated funding (p. 54).

### **Australian Quarantine and Inspection Service**

2.16 The committee raised concerns about the adequacy of the current incoming passenger declaration cards issued to passengers entering Australia, as the information requested on the cards does not seem to reflect current biosecurity risks, particularly the present threat posed by the fresh water algae, didymo. The committee was particularly concerned that implementation of measures to inform the public about the risk of didymo did not appear to have progressed in a timely manner.<sup>10</sup>

2.17 The department detailed the action it had taken in this regard since its last discussion with the committee, and undertook to ensure that these measures had been appropriately implemented. Officers further informed the committee that revision of the incoming passenger card will take some time as a number of government agencies would be involved in the process, but indicated that work on reviewing the card had begun.<sup>11</sup>

2.18 The committee also pursued the following matters:

- the effectiveness of Australia's border control and how it is measured (*Estimates Hansard*, 18 February 2008, pp 55-56);
- the Ernst & Young report on the cost-effectiveness of the Australian Quarantine and Inspection Service (AQIS), particularly in relation to comments made regarding AQIS's effectiveness in the screening of sea containers and international mail (pp 58-61 and 82);
- quarantine facilities at the Torres Strait Island airport (p. 62);
- the Import Risk Analysis (IRA) for New Zealand apples, the development of the standard operating procedures, and the status of the case before the World Trade Organisation (WTO) (pp 63-67 and 81-82);
- responsibility for the enforcement of protocols implemented to manage equine influenza (pp 68-69);
- trends in the number of fatalities resulting from the live export trade and both current and proposed measures to reduce the mortality rate (pp 83-87);
- the outcome of the Emanuel Exports Pty Ltd court case (pp 86-87); and
- the progress of the Citrus Canker Eradication programme (pp 90-91).

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10 *Estimates Hansard*, 18 February 2008, pp 56-58.

11 *Estimates Hansard*, 18 February 2008, pp 56-58.

## **Biosecurity Australia**

2.19 The committee heard evidence on a number of issues from officers of Biosecurity Australia, including:

- the review of conditions for the import of taro (pp 69-70);
- the IRA for prawns, and progress with the testing of uncooked prawns against the recently tightened import conditions (pp 70-76);
- the current status of the abalone disease, viral ganglioneuritis, and measures put in place to manage the spread of the disease (pp 76-77);
- formal recognition of the regional difference of Western Australia (pp 82-83); and
- progress on the IRA for bananas (p. 83).

## **Meat and Livestock Australia**

2.20 The committee discussed the following matters with officers of Meat and Livestock Australia:

- concerns about the practice of substituting sheep and hogget for lamb (*Estimates Hansard*, 18 February 2008, pp 5-6 and 77-81); and
- the need for national harmonisation of meat standards (pp 5-6 and 77-81).

## **International**

2.21 The committee held a brief discussion with officers from the International division regarding:

- the negotiation of Memoranda of Understanding (MOUs) with Middle Eastern countries regarding the live export trade (*Estimates Hansard*, 18 February 2008, pp 86-87);
- the growth of the carcass trade with the Middle East (pp 87-88);
- funding for the free trade agreements (FTAs) with both China and Japan (pp 91-92);
- progress of negotiations to reopen stone fruit trade with Taiwan (pp 92-93); and
- the status of negotiations on the FTA with Chile (p. 93).

## **Export Wheat Commission**

2.22 As this was the Export Wheat Commission's (EWC's) first appearance at estimates, the chairman of the EWC began by explaining to the committee that the EWC had commenced on 1 October 2007, replacing the Wheat Export Authority. The chairman went on to outline the EWC's three functions:



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- to monitor the export performance of Australian Wheat Board International (AWBI) and report back to both the minister and growers;
  - to control bulk wheat exports; and
  - to administer the non-bulk wheat quality assurance scheme.<sup>12</sup>

2.23 The committee was also informed that the bulk export veto currently resides with the Minister for Agriculture, Fisheries and Forestry. The EWC makes recommendations to the minister on bulk export wheat applications and the minister then directs them to accept or reject applications.<sup>13</sup>

2.24 The department further noted the likelihood that the current wheat marketing arrangements, with AWBI as the sole exporter of wheat, will be replaced with a wheat export body which will issue export licences to various accredited exporters.<sup>14</sup>

2.25 The committee sought further information on the following matters:

- the criteria that will be instituted for granting an export licence (*Estimates Hansard*, 18 February 2008, pp 96-98);
- the number of export applications assessed and granted by EWC (pp 98-99);
- various issues arising from *The Growers Report 2007* (pp 101-103);
- the capacity of grain transport infrastructure (pp 103-109);
- EWC's criteria for assessing export applications (pp 110-111); and
- the role and operation of the Wheat Industry Export Group (pp 111-112).

### **Australian Bureau of Agriculture and Resource Economics**

2.26 The committee pursued the following issues with officers from the Australian Bureau of Agriculture and Resource Economics:

- current and previous projections of the future oil price and the reliability of such projections (*Estimates Hansard*, 18 February 2008, pp 113-114);
- carbon price and the impact of climate change as factors in modelling (pp 114-118);
- the coordination of research into climate change across departments and agencies (pp 118-119); and
- the price of fertiliser (pp 119-120).

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12 *Estimates Hansard*, 18 February 2008, p. 94.

13 *Estimates Hansard*, 18 February 2008, p. 94.

14 *Estimates Hansard*, 18 February 2008, pp 94-96.

## **Bureau of Rural Sciences**

2.27 The committee held a brief discussion with officers of the Bureau of Rural Sciences (BRS) regarding the research they undertake, and methods for creating public awareness of the information the BRS makes available.<sup>15</sup>

## **Rural Policy and Innovation**

2.28 The committee discussed various issues with officers from the Rural Policy and Innovation division, including:

- statistics on the number of people who have partaken in the FarmBis and FarmHelp programmes (*Estimates Hansard*, 18 February 2008, pp 124-127);
- the decision to close the FarmBis programme (p. 126);
- funding of, and demand for, re-establishment grants for farmers, and the operation of the grants programme (*Estimates Hansard*, 19 February 2008, pp 97-103);
- the reallocation of funding for the new industries development programme to new programmes (p. 103);
- climate change and drought assistance (pp 103-104); and
- funding for Heywire, a youth education programme (p. 106).

## **Natural Resource Management**

2.29 The committee pursued the following matters with officers of the Natural Resource Management division:

- funding for weeds programmes and related research (*Estimates Hansard*, 19 February 2008, pp 106-109); and
- the coordination of research into climate change across departments and agencies (pp 111-112).

## **Land and Water Australia**

2.30 The committee sought information on the research projects undertaken by Land and Water Australia, particularly projects relating to climate change.<sup>16</sup>

## **Australian Fisheries Management Authority**

2.31 The committee questioned officers of the Australian Fisheries Management Authority on the following matters:

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15 *Estimates Hansard*, 18 February 2008, pp 120-123.

16 *Estimates Hansard*, 19 February 2008, pp 110-111.

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- tenders received for the sale of the seized illegal fishing vessel, the *Taruman* (pp 112-113);
  - illegal foreign fishing activity and related apprehensions in Australia's northern waters (pp 113-114);
  - apprehension of illegal fishing vessels in the traditional MOU box area (pp 114-115);
  - patrols of the *Oceanic Viking* (pp 116-118); and
  - operation of the Western and Central Pacific Fisheries Commission and the Indian Ocean Tuna Commission (pp 123-125).

## **Fisheries and Forestry**

2.32 The committee sought information on the following issues from officers of the Fisheries and Forestry division:

- progress on the regional plan of action for responsible fisheries management (p. 115);
- the negotiation of protocols to manage the illegal fishing of tuna by the Japanese (pp 115-116);
- funding for the Recreational Fishing Community Grants programme (pp 118 and 123);
- status of, and funding for, the Securing Our Fishing Future programme (pp 118-120);
- funding for the Fisheries Structural Adjustment package, and the assessment of applications (pp 120-122);
- funding for the promotion of seafood (pp 122-123);
- Tasmanian Community Forest Agreement grants programmes, and the basis for assessing and approving grants (pp 125-128);
- logging operations in the Upper Florentine and Styx River Valleys (pp 129-132);
- research into greenhouse gas emissions as a result of logging operations (pp 133-134);
- the purpose of the Asia Pacific Forestry Skills and Capacity Building Programme and funding for the programme (pp 134-135); and
- the status of the Tasmanian Community Forest Agreement under the current government (pp 135-136).



## 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.<sup>1</sup>

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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.<sup>2</sup>

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.<sup>3</sup>

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.<sup>4</sup>

### **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

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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.

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

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

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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.<sup>6</sup>

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:

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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.'<sup>7</sup> 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.<sup>8</sup>

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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.<sup>9</sup>

### **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

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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.<sup>10</sup>

**Senator Glenn Sterle**  
**Chair**

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



# **Appendix 1**

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