

Chapter 3

Transport and Regional Services portfolio

Department of Transport and Regional Services

3.1 The committee heard evidence from the department on Thursday, 15 February 2007. The hearing was conducted in the following order:

- Corporate Services
- AusLink
- Portfolio Strategic Policy and Projects
- Maritime and Land Transport
- Australian Transport Safety Bureau
- Australian Maritime Safety Authority
- Aviation and Airports
- Civil Aviation Safety Authority
- Airservices Australia
- Inspector of Transport Security
- Office of Transport Security
- Regional Services
- National Capital Authority
- Territories and Local Government

Secretary's overview

3.2 The Secretary of the department, Mr Mike Taylor, opened proceedings with an overview of developments in the department. He went on to explain in some detail changes made to improve the operation of the Regional Partnerships program. The committee was told that a ministerial committee, consisting of 3 members, had been established to assess applications. In addition, a streamlined assessment process had been created to ensure consistency and to reduce the time taken to assess applications. A system of ongoing internal audits of both project files and funding arrangements has also been introduced. The committee was also informed that in cooperation with KPMG auditors, a new procedures manual is currently being drafted, to assist those administering programs. The changes outlined have improved the efficiency of processes, and this is particularly evident in the significant reduction in the time taken to assess projects.¹

1 *Estimates Hansard*, 15 February 2007, pp 3-4.

Corporate Services

3.3 The committee pursued the following issues with officers from Corporate Services:

- progress of the Australian National Audit Office (ANAO) inquiry into the Regional Partnerships program (*Estimates Hansard*, 15 February 2007, p. 5);
- the staffing and budget of various divisions within the department and of the department as a whole (pp 5-9);
- explanations for various items in the Portfolio Additional Estimates Statements (PAES) (pp 9-11); and
- the Secretary's terms of employment (pp 11-12).

AusLink

3.4 The committee showed interest in the funding allocation for national road network maintenance. The department informed the committee that the government has allocated \$300 million for each year of the five-year AusLink program as its contribution to maintenance of the AusLink national network. The department further noted that AusLink funding for maintenance was classified as a contribution, in recognition of the fact that states are also expected to contribute to maintenance.²

3.5 The committee requested updates on a series of projects, including:

- the Geelong bypass (*Estimates Hansard*, 15 February 2007, pp 12-13 and 15);
- the Ipswich Motorway (pp 29-30); and
- the Sydney northern (Port Botany) links (p. 30).

3.6 The committee also heard evidence about:

- the allocation of AusLink strategic funds and funding agreements for Strategic Projects (*Estimates Hansard*, 15 February 2007, pp 13-14);
- the performance of major AusLink projects and whether they have remained within budget (pp 15-17);
- the operation of the Roads to Recovery program, and methods for ensuring that local governments maintain their expenditure on roads (pp 22-23);
- the criteria for approval of grants and projects under the Strategic Regional program and the determination of funding from both local and federal government (pp 23-27 and 28-29); and

2 *Estimates Hansard*, 15 February 2007, pp 18-21.

- expenditure on Black Spot Program projects and membership of Black Spot committees (p. 29).

Portfolio Strategic Policy and Projects

3.7 The committee held a brief discussion with officers of the Portfolio Strategic Policy and Projects division on the following issues:

- staffing of the Bureau of Transport and Regional Economics (BTRE) (*Estimates Hansard*, 15 February 2007, p. 31); and
- research by BTRE into alternative fuels (pp 31-32).

Maritime and Land Transport

3.8 The committee raised the following issues with officers from the Maritime and Land Transport division:

- the extent to which the Australian Design Rules (ADR) have been harmonised with United Nations Economic Commission for Europe regulations (*Estimates Hansard*, 15 February 2007, p. 32);
- possible incorporation of measures into the ADRs to ensure safe use of mobile phones in vehicles (pp 32-33);
- importation of the Reva electric car and the conditions of the permit, including safety testing and compliance (pp 33-35);
- the current status of the heavy vehicle charges determination (pp 35-36);
- work being done on urban congestion (p. 36); and
- the current status of the fatigue package (p. 36).

Australian Transport Safety Bureau

3.9 The committee sought an update on the Novice Driver program, and was informed that the trial is intended to commence in New South Wales and Victoria in November 2007, and that 7,000 young people will be participating from each state.³

3.10 The committee also asked about progress on the final report into the Lockhart River air tragedy. The department explained that the draft report on the matter had been released on 15 December 2006, and directly involved parties had a 60 day period to comment on the report. The final report will be released once the comments made have been examined, and any further investigation as necessary has been carried out.⁴

3.11 Other matters raised included:

3 *Estimates Hansard*, 15 February 2007, pp 36-37.

4 *Estimates Hansard*, 15 February 2007, pp 40-41.

- The Australian Transport Safety Bureau's (ATSB) internal budget (*Estimates Hansard*, 15 February 2007, pp 37-38); and
- ATSB's investigation of various aviation fatalities, including the Strikemaster incident (pp 38-40).

Australian Maritime Safety Authority

3.12 The committee had a brief discussion with officers of the Australian Maritime Safety Authority on:

- the fire incident on board the *Baltimar Boreas* (*Estimates Hansard*, 15 February 2007, pp 42-44); and
- the status of the *Destiny Queen* under the *Navigation Act 1912* (pp 44-45).

Aviation and Airports

3.13 The committee pursued the issue of the construction of a brickworks facility on the Perth airport site. The committee was particularly concerned about the environmental impacts of the development. The department assured the committee that when making his decision, the minister had taken into account the report of the then Department of Environment and Heritage, and further that the Department of Transport and Regional Services had undertaken its own assessment of the proposed development with regard to various environmental considerations that were raised. As a result the minister's decision included 60 conditions which proponents must adhere to both prior to the development and during the operation of the facility.⁵

3.14 The committee also asked whether the department had requested information from the Western Australia Department of Planning and Infrastructure about possible alternative sites for the location of the brickworks. The department undertook to provide that information on notice.⁶

3.15 The committee also heard evidence about:

- why the Commonwealth does not recover airport lease administration costs (*Estimates Hansard*, 15 February 2007, p. 45);
- the current status of disagreements over rate equivalent payments to councils for non-aeronautical development and use of airport land (p. 46);
- the process for assessing airport development proposals (pp 46-47);
- the details of a proposal put forward by councils to make vacant airport land rateable (pp 46 and 54-55); and

5 *Estimates Hansard*, 15 February 2007, pp 47-54.

6 *Estimates Hansard*, 15 February 2007, pp 51-52.

- the process for the assessment of airport Master Development Plans and consideration of these plans by the minister (pp 55-57).

Civil Aviation Safety Authority

3.16 The committee enquired about the procedure in relation to the disclosure of enforcement actions, with particular regard to the actions taken in relation to the TransAir enforcement action. The department explained that the public is only notified of decisions that have effect. If the Civil Aviation Safety Authority (CASA) takes a decision which is stayed by a legislative prescription, the decision cannot be applied. CASA is of the opinion that if a decision is stayed, 'it is as though the decision was never taken' and therefore they do not publicly disclose the decision.⁷

3.17 Other matters of interest to the committee included:

- the contents of the Philip Leslie Mahlberg Enforceable Voluntary Undertaking (*Estimates Hansard*, 15 February 2007, pp 57-58);
- safety concerns about hardened cockpit doors (p. 58);
- progress regarding CASA's restructure (p. 58);
- concerns about CASA's limited ability to enforce compliance with operations manuals (pp 61-64);
- status of the Multi Pilot Licence project (MPL) and the composition and operation of the MPL industry panel and the MPL advisory board (pp 65-66); and
- considerations in setting and approving Extended-range Twin-engine Operations standards, particularly in relation to Qantas and Jetstar (pp 66-68).

Airservices Australia

3.18 The committee briefly discussed the following issues with officers from Airservices Australia:

- difficulties encountered in arranging payment for the Solomon Islands airspace management contract (*Estimates Hansard*, 15 February 2007, p. 69); and
- progress on, and the process of, integrating Defence Force air traffic control services into Airservices Australia (p. 70).

Inspector of Transport Security

3.19 The committee pursued the following matters with the Inspector of Transport Security:

⁷ *Estimates Hansard*, 15 February 2007, pp 58-61.

- the Inspector's achievements for the financial year (*Estimates Hansard*, 15 February 2007, p. 71);
- travel costs incurred by the Inspector (pp 71-72); and
- the internal budget of the office (p. 72).

Office of Transport Security

3.20 The committee raised the following issues with officers from the Office of Transport Security:

- the implementation and operation of the Maritime Crew Visa (*Estimates Hansard*, 15 February 2007, p. 73);
- the department's assessment of the threat of terrorism to rail transport and any action taken (pp 73-75);
- the inspection and operation of walk-through metal detectors in Australian airports (p. 75);
- applications for Aviation Security Identification Cards (ASIC) and the need to improve security in issuing ASICs (pp 75-77);
- current measures for the protection of resources and assets in the North West Shelf oil and gas projects (pp 77-79 and 81); and
- applications for, and the process of applying for, Maritime Security Identification Cards (pp 79-81).

Regional Services

3.21 The committee requested information on Minister Warren Truss's decision to begin appointing deputy chairs on Area Consultative Committees (ACC), and the process involved. The department explained that this was a policy decision, and that specific criteria were used to make these appointments. The minister consulted in writing with all ACC chairs as well as all members of parliament and senators as part of this process. While the Prime Minister was consulted regarding the policy decision, he was not involved in the process of appointing deputy chairs. The committee was told that the minister had made decisions on all appointments and that all members and senators would be provided with a full list of appointments in a matter of days.⁸

3.22 The committee asked about the effect of this policy decision on ACC constitutions. The department undertook to provide that information on notice.⁹

3.23 The committee sought an update on the progress of projects, including:

8 *Estimates Hansard*, 15 February 2007, pp 81-90.

9 *Estimates Hansard*, 15 February 2007, pp 83-84.

- the Mackay science and technology centre (*Estimates Hansard*, 15 February 2007, p. 89);
- the Mackay aquatic park (pp 89-90);
- the Blue Water Lagoon (p. 90);
- the Buchanan Park rodeo (pp 90-91);
- the Bert Hinkler Hall of Aviation (pp 91-92);
- the Dalby showgrounds (pp 92-93);
- the RM Williams Centre (p. 93);
- the Australian Equine and Livestock Centre in Tamworth (pp 93-94);
- the Stirling Library history and business centre (p. 94);
- the Kingscote Community Hall (pp 94-96);
- the Egg processing and layer plant (pp 96-97);
- Primary Energy's Gunnedah grains to ethanol project(pp 97-99)
- Year of the Outback (pp 101-102); and
- Bank@Post and rural transaction centres (pp 103-104).

3.24 The committee also raised the following issues:

- the assessment process for Regional Partnerships applications (*Estimates Hansard*, 15 February 2007, pp 99-100);
- the work of various Sustainable Regions committees (pp 100-102); and
- applications for the Rural Medical Infrastructure Fund (pp 102-103).

National Capital Authority

3.25 The committee discussed a number of matters with officers from the National Capital Authority, including:

- the proposed location of amenities on Anzac Parade (*Estimates Hansard*, 15 February 2007, pp 104-107);
- the staffing of the Authority (pp 107-108);
- the status of the development application for State Circle, and how the Authority is ensuring the provision of adequate car parking spaces (pp 108-110); and
- progress on the development control plan for Adelaide Avenue (pp 110-111).

Territories and Local Government

3.26 The committee discussed issues surrounding the ownership and management of the land, infrastructure and water of Googong dam at length. The department

confirmed that they differentiate between three separate assets in terms of Googong dam: the land, the infrastructure, and the water. The department explained that the land is considered Commonwealth land, the ownership of the dam infrastructure is currently under negotiation, and that under the *Canberra Water Supply (Googong Dam) Act 1974* the water belongs to the Australian Capital Territory. The committee was told that a number of their queries regarding the management and ownership of the land surrounding the dam were matters that needed to be addressed to the Department of Finance and Administration.¹⁰

3.27 Other matters raised by the committee included:

- progress of rehabilitation trials on Christmas Island (*Estimates Hansard*, 15 February 2007, p. 112);
- approval for mining of a revegetated area inhabited by the critically endangered pipistrelle bat (pp 112-113);
- the stabilisation of the financial situation on Norfolk Island (pp 119-121);
- the PricewaterhouseCoopers report into national financial sustainability of local government and the proposal for an infrastructure renewal fund for local governments (pp 121-122); and
- The recommendation of the *Productivity Commission draft report into waste management 2006* to take waste services away from local government (pp 122-124).

Senator the Hon. Bill Heffernan
Chair

10 *Estimates Hansard*, 15 February 2007, pp 113-119.