

The Senate

Rural and Regional Affairs and
Transport Legislation Committee

Additional budget estimates 2021-22

March 2022

© Commonwealth of Australia

ISBN 978-1-76093-381-4 (Printed Version)

ISBN 978-1-76093-381-4 (HTML Version)

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Chapter 1

Introduction

- 1.1 On 10 February 2022, the Senate referred the following documents to the Senate Rural and Regional Affairs and Transport Legislation Committee (the committee) for examination and report:
- Particulars of proposed additional expenditure in respect of the year ending on 30 June 2022; and
 - Particulars of certain proposed additional expenditure in respect of the year ending on 30 June 2022.¹
- 1.2 The committee is required to examine the 2021–22 budget estimates contained in these documents in relation to the Infrastructure, Transport, Regional Development and Communications portfolio and the Agriculture, Water and the Environment portfolio. Following examination, a reporting date of Tuesday, 29 March 2022 was set for the committee to report on its consideration of the 2021-22 Budget estimates.²

Hearings

- 1.3 The committee examined witnesses from the Infrastructure, Transport, Regional Development and Communications portfolio on 14 February 2022, and witnesses from the Agriculture, Water and the Environment portfolio on 15 February 2022. In addition, the committee conducted a cross-portfolio Murray-Darling Basin Plan matters estimates hearing on 18 February 2022 in accordance with a Senate motion of 1 December 2021.³
- 1.4 The committee heard evidence from the following Ministers:
- Senator the Hon Bridget McKenzie, Minister for Emergency Management and National Recovery and Resilience and Minister for Regionalisation, Regional Communications and Regional Education;
 - Senator the Hon Jonathon Duniam, Assistant Minister for Forestry and Fisheries and Assistant Minister for Industry Development;
 - Senator the Hon Jane Hume, Minister for Superannuation, Financial Services and the Digital Economy and Minister for Women's Economic Security;
 - Senator the Hon Richard Colbeck, Minister for Senior Australians and Aged Care Services and Minister for Sport; and

¹ *Journals of the Senate*, No. 136, 10 February 2022, pp. 4551–4552.

² *Journals of the Senate*, No. 132, 1 December 2021, pp. 4405–4406.

³ *Journals of the Senate*, No. 132, 1 December 2021, pp. 4405–4406.

- Senator the Hon Anne Ruston, Minister for Families and Social Services and Minister for Women's Safety.

1.5 Evidence was also provided by:

- Mr Simon Atkinson, Secretary of the Department of Infrastructure, Transport, Regional Development and Communications;
- Mr Andrew Metcalfe AO, Secretary of the Department of Agriculture, Water and the Environment; and
- officers representing the departments and agencies covered by the portfolios before the committee.

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

Questions on notice and Hansard transcript

1.7 In accordance with standing order 26(9)(a), the committee set Friday, 25 March 2022 as the date for the return of written answers or additional information in response to questions placed on notice prior to Friday, 25 February 2022. For questions provided after Friday, 25 February 2022, the committee set Friday, 22 April 2022 as the date for the return of written answers or additional information.

1.8 Written answers and information provided to the committee in response to questions on notice arising from the hearings are tabled in the Senate and posted on the committee's webpage. Links to the Hansard transcripts of these public hearings, and to answers and additional information are also available on the committee webpage at: https://www.aph.gov.au/Parliamentary_Business/Senate_Estimates/rrat.

Record of proceedings

1.9 This report does not attempt to analyse the evidence presented during the hearings. However, it does provide a summary of some of the key issues that were covered by the committee for each portfolio.

Answers to questions on notice – supplementary estimates 2021–22

1.10 The committee undertook supplementary estimates hearings on 25 and 26 October 2021 for the Infrastructure, Transport, Regional Development and Communications portfolio and the Agriculture, Water and the Environment portfolio. On 29 October 2021, the committee examined cross-portfolio Murray-Darling Basin Plan matters. The committee set 10 December 2021 as the deadline for return of answers to questions taken on notice.

1.11 The Infrastructure, Transport, Regional Development and Communications portfolio took 193 questions on notice. The Agriculture, Water and the Environment portfolio took 121 questions on notice.

Timeliness of answers to questions on notice

- 1.12 The Infrastructure, Transport, Regional Development and Communications portfolio submitted 104 responses to questions by the deadline. All responses have since been provided.
- 1.13 The Agriculture, Water and the Environment portfolio submitted all responses by the deadline.

Note on references

- 1.14 References to the Hansard transcript are to the proof Hansard; page numbers may vary between the proof and the official Hansard transcripts.

Chapter 2

Infrastructure, Transport, Regional Development and Communications portfolio (excluding communications)

- 2.1 This chapter outlines some of the key issues discussed during the hearing for the Infrastructure, Transport, Regional Development and Communications portfolio on 14 February 2022.
- 2.2 The committee heard from the following areas of the Department of Infrastructure, Transport, Regional Development and Communications (the department) and portfolio agencies:
- Department of Infrastructure, Transport, Regional Development and Communications Corporate Matters Divisions (People, Governance, Parliamentary and Communication; and Legal Divisions);
 - Department of Infrastructure, Transport, Regional Development and Communications Infrastructure Divisions (Infrastructure Investment, and Major Transport and Infrastructure Projects Divisions);
 - Department of Infrastructure, Transport, Regional Development and Communications Transport Divisions (Domestic Aviation and Reform; International Aviation, Technology and Services; and Surface Transport Policy Divisions);
 - Department of Infrastructure, Transport, Regional Development and Communications Regional Divisions (Regional Development, Local Government and Regional Recovery; Territories; and Cities Divisions);
 - Civil Aviation Safety Authority;
 - Australian Rail Track Corporation;
 - Australian Maritime Safety Authority; and
 - Airservices Australia.

Corporate Matters

- 2.3 Mr Simon Atkinson, Secretary of the Department of Infrastructure, Transport, Regional Development and Communications, read a short statement detailing some of the recent achievements of the department including:
- delivery of more than 130 programs and \$10.8 billion towards infrastructure projects;
 - the department's largest ever total transport infrastructure investment of \$12.8 billion;
 - release of the aviation recovery framework to aid Australia's aviation sector in recovery from the COVID-19 pandemic;

- commencement of the third phase of the Local Roads and Community Infrastructure Program; and
- the transition of responsibility as state service provider for Norfolk Island from New South Wales to Queensland.

2.4 Topics discussed with the committee for the Corporate Divisions included:

- funding for projects that have been decided but not yet announced;
- impact of skills shortages on project delivery; and
- advertising budget for the department.¹

Infrastructure

2.5 Topics discussed with the Infrastructure Divisions of the department included:

- unallocated budget in the Commuter Car Park Fund;
- Tasmanian infrastructure projects including the Bridgewater Bridge, northern transit rail line, and the Hobart Airport interchange;
- funding and progress on roads of strategic importance;
- progression on congestion-busting projects under the Urban Congestion Fund;
- oversight of Queensland rail projects; and
- Infrastructure Australia board appointments.²

Transport

2.6 Questioning of the Transport Divisions centred primarily on the following topics:

- road safety and the national road freight network;
- Brisbane Airport noise issues;
- regional airport security; and
- flight paths around the Western Sydney Airport.³

Regional

2.7 Committee members had questions for the Regional Divisions across a range of projects and City Deals including:

- Hobart City Deal projects;
- redevelopment of Albert Hall in Launceston;
- the river health action plan in the Launceston City Deal;
- updates on prospective city deals in Melbourne;
- progress on the Barkley Regional Deal; and
- the Rockhampton Stadium project.⁴

¹ *Proof Hansard*, 14 February 2022, pp. 4–12.

² *Proof Hansard*, 14 February 2022, pp. 12–56.

³ *Proof Hansard*, 14 February 2022, pp. 56–68.

Civil Aviation Safety Authority

2.8 The committee heard evidence from the Civil Aviation Safety Authority on a range of topics including:

- regulatory burdens on regional aircraft operators;
- culture issues within the aviation industry; and
- potential effects of regulatory changes on search and rescue aircraft.⁵

Australian Rail Track Corporation

2.9 The committee received updates on various aspects of the rail industry including:

- repairs to rail lines damaged by flooding in South Australia;
- resilience modelling for natural disasters;
- consultation on the business case for an extension of Inland Rail from Toowoomba to Gladstone;
- alignment of the Inland Rail;
- new railway bridge in Euroa; and
- appointment process for the agency's new Chief Executive Officer.⁶

Australian Maritime Safety Authority

2.10 Discussion with the Australian Maritime Safety Authority canvassed several topics including:

- bullying and harassment training;
- staff access to TOIL and other arrangements;
- work to combat plastic pollution in the ocean; and
- deployment of oil spill recovery equipment.⁷

Airservices Australia

2.11 The committee received an update on several activities of the agency including:

- noise monitors around Brisbane Airport;
- task resource analysis to establish minimum staffing levels required for airport rescue and firefighting services; and
- measures taken to combat bullying and harassment in the agency.⁸

⁴ *Proof Hansard*, 14 February 2022, pp. 68–95.

⁵ *Proof Hansard*, 14 February 2022, pp. 95–105.

⁶ *Proof Hansard*, 14 February 2022, pp. 105–117.

⁷ *Proof Hansard*, 14 February 2022, pp. 117–124.

⁸ *Proof Hansard*, 14 February 2022, pp. 124–129.

Chapter 3

Agriculture, Water and the Environment portfolio (excluding the environment)

- 3.1 This chapter considers the key issues discussed during the hearing for the Agriculture, Water and the Environment portfolio on 15 February 2022.
- 3.2 The committee heard from divisions of the Department of Agriculture, Water and the Environment (the department) and portfolio agencies in the following order:
- Department of Agriculture, Water and the Environment Corporate Matters (Corporate and Business Services; Finance; Information Services; People; and Legal Divisions);
 - Department of Agriculture, Water and the Environment Outcome Three (AGVET Chemicals, Fisheries, Forestry and Engagement; Agricultural Policy; Drought and Farm Resilience; Portfolio Strategy; Australian Bureau of Agricultural and Resource Economics and Sciences; Water; and Trade, Market Access and International Divisions);
 - Department of Agriculture and Water Resources Outcome Four (Biosecurity Animal; Biosecurity Operations; Biosecurity Strategy and Reform; Biosecurity Plant; Compliance and Enforcement; Exports and Veterinary Services; Plant and Live Animal Exports; Digital Trade Initiatives; and Trade Reform Divisions);
 - Inspector-General for Biosecurity;
 - Grains Research and Development Corporation;
 - Australian Pesticides and Veterinary Medicines Authority;
 - Dairy Australia;
 - Meat and Livestock Australia;
 - Horticulture Innovation Australia;
 - Australian Fisheries Management Authority;
 - Fisheries Research and Development Corporation; and
 - Australian Wool Innovation Limited.

Corporate Matters

- 3.3 Mr Andrew Metcalfe AO, Secretary of the Department of Agriculture, Water and the Environment, read a short statement detailing some highlights and challenges facing the department including:
- the department's work from home arrangements and productivity during the COVID-19 pandemic;
 - response to the ongoing mouse plague;
 - regionalisation of the department's workforce; and

- progress on the department's Reconciliation Action Plan.¹

Outcome Three

3.4 Topics discussed under Outcome Three include:

- agricultural labour shortages;
- consultation with states and territories on animal welfare standards and guidelines;
- agriculture worker visas;
- measures under the Agriculture Biodiversity Stewardship package;
- disruptions to supply chains as a result of the COVID-19 pandemic;
- Victorian regional forest agreements and regeneration of native forests;
- timber availability and shortages; and
- the pledge to plant one billion trees.²

Outcome Four

3.5 Topics discussed under Outcome Four include:

- live export and animal welfare matters including a review of heat stress, shearing requirements and cost recovery measures;
- investment into horse traceability arrangements;
- number and locations of biosecurity detector dogs;
- new funding allocated to the eradication of pests and weeds;
- biosecurity concerns around the importation of flowers from overseas destinations; and
- implementation of recommendations made by the Inspector-General of Biosecurity.³

Inspector-General for Biosecurity

3.6 Questioning from the committee centred on the December 2021 report titled *Accountable implementation of Inspectors-General of Biosecurity review recommendations (2015–2021)*. In particular, committee members sought information on the implementation of recommendations made by the Inspector-General and the costs of doing so. Mr Rob Delane, Inspector-General for Biosecurity, noted that the Department of Agriculture, Water and the Environment had been supportive of his work. He gave evidence that the nature of his role is 'rear-view' and that his job is not to promote work that is being done today, but to instead find areas of improvement.⁴ Mr Delane also stood by comments made in the report, saying that 'if the pretty simple

¹ *Proof Hansard*, 15 February 2022, pp. 5–13.

² *Proof Hansard*, 15 February 2022, pp. 13–49.

³ *Proof Hansard*, 15 February 2022, pp. 49–74.

⁴ *Proof Hansard*, 15 February 2022, p. 75.

governance changes that I've recommended are made and if they had been made back in, let's say, 2016, which was the scope of my review, then no further reviews would have been necessary'.⁵

Grains Research and Development Corporation

3.7 The committee heard evidence from the Grains Research and Development Corporation on development of perennial grains in northern Queensland. Mr John Woods, Chair of the Grains Research and Development Corporation, told the committee that although this is not a priority for the agency right now, there have been discrete initiatives to look at what might be possible. Mr Woods said that perennial wheat in the north has not been deemed a priority by growers as part of the current research and development plan but that consultations are always ongoing to investigate opportunities that are available.⁶

Australian Pesticides and Veterinary Medicines Authority

3.8 The committee heard evidence from the Australian Pesticides and Veterinary Medicines Authority on a range of topics including:

- permits and guidelines for poison use in fruit baits;
- safety assessments of chemical mixtures that are present in a single product;
- assessment process and adverse event reports related to the chemical Bixlozone; and
- processing times for permit approvals.⁷

Dairy Australia

3.9 The committee received updates from Dairy Australia including:

- exploration of alternative revenue sources for Dairy Australia outside of levies;
- skilled worker shortages in the dairy industry; and
- Woolworths' phasing out of the 10 cent drought levy.⁸

Meat and Livestock Australia

3.10 Discussion with Meat and Livestock Australia briefly canvassed a variety of topics including:

- the agencies spending on marketing;
- broad-scale use and investment into the Numb Nuts product; and
- measures to address the workforce shortage across the red meat sector.⁹

⁵ *Proof Hansard*, 15 February 2022, p. 76.

⁶ *Proof Hansard*, 15 February 2022, pp. 77–78.

⁷ *Proof Hansard*, 15 February 2022, pp. 78–82.

⁸ *Proof Hansard*, 15 February 2022, pp. 82–86.

Horticulture Innovation Australia

3.11 The committee predominantly received updates on corporate matters within Horticulture Australia including:

- staff turnover rates;
- appointment process for a new Chief Executive Officer; and
- number of registered members and communication with members in the lead up to the agency's Annual General Meeting.¹⁰

Australian Fisheries Management Authority and the Fisheries Research and Development Corporation

3.12 The committee heard jointly from the Australian Fisheries Management Authority and Fisheries Research and Development Corporation on a range of topics including:

- negotiations between the Australian Fisheries Management Authority and the oil and gas industry for compensation of commercial fishers for seismic testing;
- trials for fin fish aquaculture; and
- funding for the control of invasive urchins.¹¹

Australian Wool Innovation Limited

3.13 The session with Australian Wool Innovation included discussion on the following:

- shearing technology research to be undertaken at Falkiner Research Station;
- costs and usage of WoolQ; and
- potential audit of the agency by the Australian National Audit Office.¹²

⁹ *Proof Hansard*, 15 February 2022, pp. 87–88.

¹⁰ *Proof Hansard*, 15 February 2022, pp. 88–90.

¹¹ *Proof Hansard*, 15 February 2022, pp. 90–97.

¹² *Proof Hansard*, 15 February 2022, pp. 97–101.

Chapter 4

Cross-Portfolio Murray-Darling Basin Plan Matters

- 4.1 This chapter highlights some of the key issues discussed during the hearing on cross-portfolio Murray-Darling Basin Plan matters on 18 February 2022.
- 4.2 The committee heard from the following divisions and portfolio agencies of the Department of Agriculture, Water and the Environment (the department):
- Water Division;
 - Commonwealth Environmental Water Office;
 - Commonwealth Environmental Water Holder;
 - Murray Darling-Basin Authority; and
 - Inspector-General of Water Compliance.
- 4.3 The committee also heard from the National Water Grid Authority from the Department of Infrastructure, Transport, Regional Development and Communications.
- 4.4 Mr Andrew Metcalfe AO, Secretary of the Department of Agriculture, Water and the Environment, gave a short opening statement touching on:
- overall basin water storage levels of 92 per cent, up from 51 per cent at the same time the previous year;
 - forecasts for record agricultural production of over \$78 billion this year; and
 - the retirement of Mr Phillip Glyde as Chief Executive Officer of the Murray-Darling Basin Authority.¹
- 4.5 Topics discussed during the hearing include:
- potential amendments to the Murray Darling Basin Plan;
 - 1500GL cap on Commonwealth water buybacks;
 - progress on projects towards the sustainable diversion limit adjustment of 605GL;
 - studies on the management of water in the Barmah Choke;
 - agreements with irrigation infrastructure operators to enhance delivery of environmental water;
 - basin river model planning;
 - cost-benefit analysis of off-farm efficiency programs;
 - implementation of recommendations made by the ACCC;
 - indigenous water entitlements; and

¹ *Proof Hansard*, 18 February 2022, p. 4.

- the Inspector-General of Water Compliance's review of metering and compliance.²

Senator Susan McDonald
Chair

² *Proof Hansard*, 18 February 2022, pp. 2–62.

Appendix 1

Documents Tabled

Infrastructure, Transport, Regional Development and Communications portfolio

- Tabled Document No. 1: Documents tabled in response to a request from Senator Glenn Sterle, tabled by Mr Simon Atkinson, Secretary, Department of Infrastructure, Transport, Regional Development and Communications, on 14 February 2022.
- Tabled Document No. 2: Opening statement, tabled by Mr Simon Atkinson, Secretary, Department of Infrastructure, Transport, Regional Development and Communications, on 14 February 2022.
- Tabled Document No. 3: Summary of total transport infrastructure investment including equity and concessional loans, tabled by Mr Simon Atkinson, Secretary, Department of Infrastructure, Transport, Regional Development and Communications, on 14 February 2022.
- Tabled Document No. 4: Correspondence from Minister Paul Fletcher MP to Counsellor Margaret Esakoff, Glen Eira City Council, tabled by Senator Tony Sheldon, on 14 February 2022.
- Tabled Document No. 5: Correspondence from Minister Paul Fletcher MP to Counsellor Laurence Evans OAM, City of Bayside, tabled by Senator Tony Sheldon, on 14 February 2022.

Agriculture, Water and the Environment portfolio

- Tabled Document No. 1: Report titled *After the Logging*, tabled by Senator Janet Rice, on 15 February 2022.
- Tabled Document No. 2: ABC article titled *The disappearing forests*, tabled by Senator Janet Rice, on 15 February 2022.
- Tabled Document No. 3: Map of proposed area for trialling aquaculture in Commonwealth waters, tabled by Ms Rosemary Deininger, Deputy Secretary, Agriculture Policy, Research, and Portfolio Strategy Group, Department of Agriculture, Water and the Environment, on 15 February 2022.

Cross-portfolio Murray-Darling Basin Plan matters

- Tabled Document No. 1: ABC article titled *South Australian irrigators welcome proposed changes to carryover water policy*, tabled by Senator Perin Davey, on 18 February 2022.
- Tabled Document No. 2: ABC article titled *Basin states agree to support ACCC Murray-Darling Basin water market reforms to regulate brokers and market behaviour*, tabled by Senator Malcolm Roberts, on 18 February 2022.

- Tabled Document No. 3: News Weekly article titled *Murray-Darling Basin Plan ruining the Edward River*, tabled by Senator Malcolm Roberts, on 18 February 2022.
- Tabled Document No. 4: Plan for delivering 450GL by 2024, tabled by Mr Andrew Metcalfe AO, Secretary, Department of Agriculture, Water and the Environment, on 18 February 2022.
- Tabled Document No. 5: Statement on progress towards 450GL target, tabled by Senator Jonathon Duniam, on 18 February 2022.