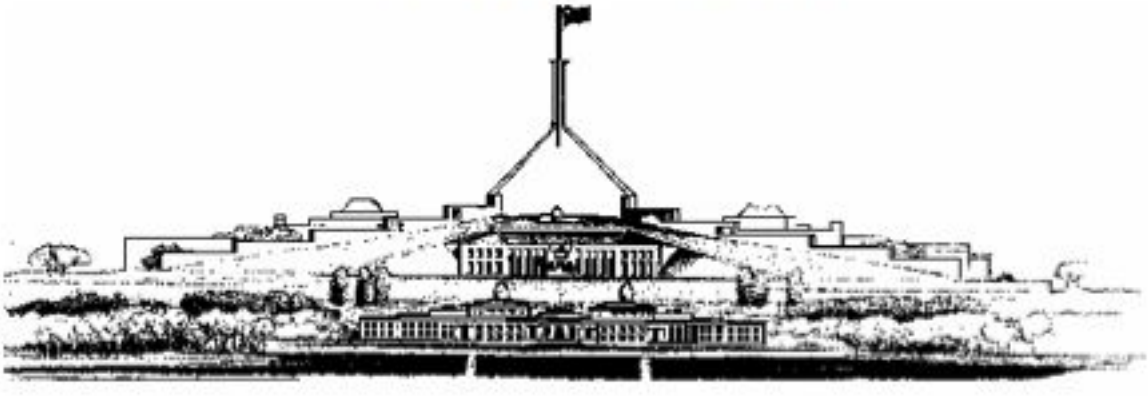
COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



THE SENATE

DOCUMENTS

Tabling

PROCEDURAL TEXT

Thursday, 10 May 2012

BY AUTHORITY OF THE SENATE

PROCEDURAL TEXT

Date	Thursday, 10 May 2012	**Source**	Senate
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Tabling

The PRESIDENT: Pursuant to standing orders, I present documents listed on today's *Order of Business* at item 18 which were presented to the President, the Deputy President and temporary chairs of committees after the Senate adjourned on 22 March 2012. In accordance with the terms of the standing orders, the publication of the documents was authorised.

The list read as follows—

(a) Committee reports

1. Legal and Constitutional Affairs Legislation Committee—Report, together with the Hansard record of proceedings and documents presented to the committee—Access to Justice (Federal Jurisdiction) Amendment Bill 2011 [Provisions] *(received 29 March 2012)*

2. Community Affairs Legislation Committee—Report, together with the Hansard record of proceedings and documents presented to the committee—2011-12 additional estimates *(received 29 March 2012)*

3. Joint Select Committee on Australia's Immigration Detention Network—Final report *(received 30 March 2012)*

4. Legal and Constitutional Affairs Legislation Committee—Report, together with the Hansard record of proceedings and documents presented to the committee—Crimes Amendment (Fairness for Minors) Bill 2011 *(received 4 April 2012)*

5. Legal and Constitutional Affairs Legislation Committee—Report, together with the Hansard record of proceedings and documents presented to the committee—Migration Amendment (Removal of Mandatory Minimum Penalties) Bill 2012 *(received 4 April 2012)*

6. Rural and Regional Affairs and Transport References Committee—Report—Australia's biosecurity and quarantine arrangements—

Interim *(received 4 April 2012)*

Interim *(received 5 April 2012)*

Final, together with the Hansard record of proceedings and documents presented to the committee *(received 16 April 2012)*

7. Rural and Regional Affairs and Transport References Committee—Report—Operational issues in export grain networks—

Interim *(received 12 April 2012)*

Final, together with the Hansard record of proceedings and documents presented to the committee *(received 16 April 2012)*

8. Education, Employment and Workplace Relations Legislation Committee—Report—Coastal Trading (Revitalising Australian Shipping) Bill 2012 and related bills [Provisions] *(received 24 April 2012)*

9. Environment and Communications Legislation Committee—Report, together with documents presented to the committee—National Water Commission Amendment Bill 2012 *(received 1 May 2012)*

10. Environment and Communications Legislation Committee—Report, together with documents presented to the committee—Broadcasting Services Amendment (Anti-siphoning) Bill 2012 *(received 4 May 2012)*

(b) Government responses to parliamentary committee reports

1. Legal and Constitutional Affairs References Committee—Final report—A balancing act: provisions of the Water Act 2007 *(received 27 March 2012)*

2. Legal and Constitutional Affairs References Committee—Report—International parental child abduction to and from Australia *(received 30 March 2012)*

3. Parliamentary Joint Committee on the Australian Commission for Law Enforcement Integrity—Report—Inquiry into integrity testing *(received 30 March 2012)*

4. Environment, Communications, Information Technology and the Arts References Committee—Report—Living with salinity: A report on progress: The extent and economic impact of salinity in Australia *(received 12 April 2012)*

5. Joint Standing Committee on the National Broadband Network—Report—Review of the rollout of the National Broadband Network *(received 16 April 2012)*

6. Joint Select Committee on Gambling Reform—First Report—The design and implementation of a mandatory pre-commitment system for electronic gaming machines (received 4 May 2012)

(c) Government documents

1. Native Title Act 1993—Native title representation bodies—Northern Land Council—Report for 2010-11 *(received 29 March 2012)*

2. Productivity Commission—Economic regulation of airport services—Report No. 57—Government response *(received 30 March 2012)*

3. Department of Finance and Deregulation—Campaign advertising by Australian government departments and agencies—Report for the period 1 July to 31 December 2011 *(received 4 April 2012)*

4. Australian Communications and Media Authority (ACMA)—National relay service provider performance—Report 2010-11 *(received 4 April 2012)*

5. Medical Training Review Panel—Fifteenth report *(received 5 April 2012)*

6. Dairy Produce Act 1986—Funding deed between the Commonwealth of Australia and Dairy Australia Limited, dated 2 April 2012 *(received 12 April 2012)*

(d) Reports of the Auditor-General

1. Report no. 28 of 2011-12—Performance audit—Quality on line control for Centrelink payments: Department of Human Services *(received 29 March 2012)*

2. Report no. 29 of 2011-12—Performance audit—Administration of the Australia Network Tender: Department of Foreign Affairs and Trade; Department of Broadband, Communications and the Digital Economy; Department of the Prime Minister and Cabinet *(received 3 April 2012)*

3. Report no. 30 of 2011-12—Performance audit—Fighting terrorism at its source: Australian Federal Police *(received 19 April 2012)*

4. Report no. 31 of 2011-12—Performance audit—Establishment and use of procurement panels: Australian Securities and Investments Commission; Department of Broadband, Communications and the Digital Economy; Department of Foreign Affairs and Trade *(received 1 May 2012)*

5. Report no. 32 of 2011-12—Performance audit— Management of Complaints and Other Feedback by Department of Veterans' Affairs: Department of Veterans' Affairs *(received 1 May 2012)*

(e) Letters of advice relating to Senate orders

1. Statement of compliance relating to indexed lists of files:

Department of Climate Change and Energy Efficiency (with attachment) *(received 29 March 2012)*

2. Letter of advice relating to lists of contracts:

Education, Employment and Workplace Relations portfolio *(received 26 April 2012)*

(f) Portfolio Budget Statements 2012-13 – Parliamentary departments, portfolios and executive departments, and Portfolio Supplementary Additional Estimates Statements 2011-12 – portfolios and executive departments

In accordance with the usual practice and with the concurrence of the Senate I ask that the government responses be incorporated in *Hansard*.

The documents read as follows—

Australian Government Response to the Senate Legal and Constitutional Affairs References Committee Report: *A Balancing Act: provisions of the Water Act 2007*

Introduction

The Australian Government is committed to the protection and restoration of key environmental assets within the Murray-Darling Basin (the Basin) in a way that optimises economic, social and environmental outcomes for the Basin and for Australia.

The Australian Government's commitment to the Basin involves a number of actions collectively seeking to achieve healthy rivers, strong communities and sustainable food and fibre production, including investment in improving irrigation infrastructure efficiency, purchasing of water entitlements to provide water for the environment, improving the operation of the water market, improving the quality and extent of information on water resource availability and use, and legislative measures.

The making of the Basin Plan, which responds to the needs of the system as a whole, is an important part of these reforms. Sensible reform within the Basin will provide for a healthy river system, strong regional communities and food production.

Response to Recommendations

Majority Report

Recommendation 1

The committee recommends that the Australian Government publicly release the legal advice on the Water Act 2007 provided by the Australian Government Solicitor to the Murray-Darling Basin Authority on 26 November 2010 and 30 November 2010, and any other relevant legal advice, as a matter of urgency.

Not agreed.

The advice in question exposes not only matters in relation to which the Commonwealth could be expected to claim legal professional privilege in any litigation surrounding this scheme, but matters which may have implications for other schemes supported by the external affairs and other powers.

Summary advice regarding the role of social and economic factors in developing the Basin Plan was publicly released by the Minister for Sustainability, Environment, Water, Population and Communities, the Hon Tony Burke MP on 25 October 2010. This advice can be distinguished from other Australian Government Solicitor (AGS) advice as it was prepared on the understanding that it would be publicly released. The advice outlined the extent to which social and economic factors can be taken into account in developing the Basin Plan.

Recommendation 2

The committee recommends that the Australian Government appoint as a matter of urgency an independent panel of legal experts to review all relevant legal advice relating to the Water Act 2007 for the purpose of recommending specific amendments to the Act to ensure:

the Basin Plan has the security of sound legal underpinnings and certainty for all involved and affected;

the Basin Plan balances the optimisation of environmental, social and economic considerations; and

the Murray-Darling Basin Authority and the Minister are granted the discretion to give appropriate weight to economic, social and environmental considerations in order to balance these interests against each other.

Recommendation 3

Subject to Recommendation 2 and following the report of the independent panel of legal experts, the committee recommends that the Australian Government amend the Water Act 2007 as a matter of urgency.

Not Agreed.

The AGS advice released by the Minister on 25 October 2010 confirms that environmental, economic and social considerations are relevant to decisions under the Act, and that in particular development of the Basin Plan can appropriately take these into account. As such there is no need to amend the Water Act 2007 (the Act) to enable consideration of social and economic outcomes.

In addition, the Government notes that under the Legal Services Directions 2005, made by the Attorney-General under the Judiciary Act 1903, constitutional and international law advice to the Government is tied to the Solicitor-General, the Attorney-General's Department, the AGS, and, in relation to some aspects of international law advice, the Department of Foreign Affairs and Trade. As constitutional and international law issues permeate considerations of the Act it would not be appropriate for an independent third party to undertake review of legal advice or recommend amendment to the Act.

Recommendation 4

The committee recommends that the Australian Government take whatever measures are necessary to strengthen the constitutional validity of the Water Act 2007.

Not agreed.

The Government does not consider any measures are necessary to strengthen the constitutional validity of the Act and notes that the Majority Report does not identify any such measures.

Dissenting Report by Government Senators

The Australian Government agrees with the Dissenting Report by Government Senators.

Dissenting Report by the Australian Greens

The Australian Government notes this report, and provides the following further explanation of its position in relation to taking social and economic issues into account.

In summary, the general purposes of the Water Act and the Basin Plan are:

to give effect to relevant international agreements,

to provide for the establishment of environmentally sustainable limits on the quantities of water that may be taken from Basin water resources,

to provide for the use of the Basin water resources in a way that optimises economic, social and environmental outcomes,

improved water security for all uses, and

subject to the environmentally sustainable limits, to maximize the net economic returns to the Australian community.

An objective of the Act and the Basin Plan is to give effect to relevant international agreements, and this reflects the fact that the provisions of the Act relating to the Basin Plan are, to a large extent, supported by the treaty implementation aspect of the external affairs power in the Commonwealth Constitution. The agreements are international environmental agreements including the Convention on Biological Diversity and the Ramsar Convention relating to wetlands.

The international agreements themselves recognise economic and social factors, and their relevance to decision making.

The Act further makes clear that in giving effect to those agreements the Basin Plan needs to optimise economic, social and environmental outcomes. Therefore, where a discretionary choice must be made between a number of options the decision-maker should, having considered the economic, social and environmental impacts, choose the option which optimises those outcomes.

Australian Government Response to the Senate Legal and Constitutional Affairs References Committee Report:

International Parental Child Abduction to and from Australia

March 2012

INTRODUCTION

On 11 May 2011, the Senate referred the following matter to the Legal and Constitutional Affairs Committee for inquiry and report by 31 October 2011:

The incidence of international child abduction to and from Australia, including:

a) the costs, terms and conditions of legal and departmental assistance for parents whose child has been abducted overseas;

b) the effectiveness of the Hague Convention in returning children who were wrongly removed or retained, to their country of habitual residence;

c) the roles of various Commonwealth departments involved in returning children who were wrongly removed or retained, to their country of habitual residence;

d) policies, practices and strategies that could be introduced to streamline the return of abducted children; and

e) any other related matters.

While the committee's terms of reference were not confined to the issue of international parental child abduction, the Government notes that this issue formed the core focus of the committee's inquiry and recommendations. As such the Government's response is also focused on this issue.

BACKGROUND

International parental child abduction (IPCA) occurs where a child is either wrongfully removed from their country of habitual residence or is wrongfully retained outside their country of habitual residence without the consent of both parents and anyone who has parental responsibility for the child. The removal or retention is considered wrongful in that it is a breach of the rights of a person with parental responsibility. Broadly, subsection

111B(4) of the Family Law Act 1975 provides that for the purposes of the Hague Convention on the civil aspects of international child abduction, a parent who has parental responsibility is regarded as having 'rights of custody'.

Commonly it is a parent who has removed or retained the child without the consent of the other parent, however children may also be removed or retained by a grandparent, aunt, uncle or other family member who may have parental responsibility for the child.

Responsibility for providing assistance to parents affected by IPCA is primarily the responsibility of three Commonwealth agencies:

1. The Attorney-General's Department (AGD) is responsible for international child abduction matters arising under the Hague Convention on the Civil Aspects of International Child Abduction (the Convention) as the Commonwealth Central Authority (CCA) for the Convention, and matters arising under bilateral agreements. The AGD also provides financial assistance (both means and merits tested —for both Hague and non-Hague countries) to left behind parents seeking to have their child(ren) returned to Australia.

2. The Department of Foreign Affairs and Trade (DFAT) provides consular assistance (for both Hague and non-Hague countries), travel information, and passport issuance services.

3. The Australian Federal Police (AFP) assists in the prevention of IPCA through management of

the Airport Watchlist, and providing assistance in the location and recovery of abducted

children within Australia by facilitating the orders of Australian courts. The AFP also facilitates the promulgation of International Criminal Police Organisation (INTERPOL) Notices and/or Notifications to assist in locating an abducted child and engages with foreign law enforcement agencies. The AFP is the lead agency responsible for the investigation of alleged criminal conduct related to IPCA matters.

IMPROVING AUSTRALIA'S RESPONSE TO IPCA

Australia has been a signatory to the Hague Convention since 1986, and has been a strong advocate for the continued uptake of the Convention around the world. The Convention provides a lawful mechanism for the return of wrongfully removed or retained children to their country of habitual residence. Australia recognises that it is in the best interest of children to be protected internationally from the harmful effects of IPCA. The Australian Government also recognises that the Hague Convention alone is not enough, and that more can be done to strengthen Australia's response to, and management of, this important issue.

For this reason in November 2010 and August 2011, the then Attorney-General, the Hon Robert McClelland MP, sought the advice of the Family Law Council on ways to improve Australia's management and response to IPCA. The Family Law Council provided their advice on 14 March 2011 and 5 August 2011.

On 19 September 2011, in response to the recommendations of the Family Law Council, the Government announced the development of new legislation to improve Australia's response to IPCA. These changes include:

strengthening the criminal offences for IPCA to include the wrongful retention of a child overseas as a criminal offence;

extending the coverage of the offences to include where a parent attends, or has been invited to attend, family dispute resolution or where the CCA has received an application under the Hague Convention from another country;

removing potential barriers to the return of children to Australia by providing the Commonwealth Director of Public Prosecutions with the ability to give an undertaking that prosecution will not be pursued if a child is returned to Australia, the latter being to prevent re-abduction of children;

providing the Family Law Courts with the power to suspend the requirement for child support or maintenance to be paid by left-behind parents whose children have been abducted from Australia; and

increasing the information gathering powers of Australian authorities to locate children wrongfully removed from or retained outside Australia.

Draft legislation implementing these changes is expected to be introduced in Parliament in the first half of 2012.

EXECUTIVE SUMMARY

The Australian Government is committed to improving Australia's management of, and response to, IPCA. International law generally provides that children should be protected from the harmful effects of wrongful removal or retention across countries, and that the best interests of children are to have long term matters relating to their care and protection determined in their country of habitual residence. In this regard IPCA mainly relates to identifying which jurisdiction should determine the substantive issues relating to the long term care and protection of the child.

It is also recognised that the issue of IPCA is primarily a civil issue between parents, and that the Australian Government's role and responsibilities in relation to IPCA are limited. However, it should also be noted that removing or retaining a child overseas without the consent of all parties with parental responsibility may also constitute a criminal offence under Australian Law, and that having such laws can prove to be a key prevention mechanism.

The Australian Government supports the majority of the findings of the Senate inquiry, however it is noted that a number of the recommendations made by the Committee will need to be further considered by Government in the context of future Budgetary processes.

The Australian Government's responses to the specific recommendations in the Report are set out below.

Recommendation 1

6.11 The committee recommends that the Australian Government should develop a specific prosecution policy for the offences in sections 65Y and 65Z of the Family Law Act 1975; and update the policy as necessary to include guidance on any future amendments to the Family Law Act (including the proposed extension of the offences to wrongful retention and participation in family dispute resolution).

Response: Accept in Part

The Australian Government agrees that the investigation and prosecution of IPCA offences under the Family Law Act requires careful consideration, particularly where an application may also have been made under the Hague Convention for the return of a child to their country of habitual residence.

The Government also notes that a key reason for the existence of these offences is to act as deterrent and prevention mechanisms. Without the offences in sections 65Y and 65Z of the Family Law Act, the Australian Federal Police (AFP) would not be able to prevent the removal of children from Australia. It is anticipated that the reforms announced on 19 September 2011 will provide greater flexibility to prevent the wrongful removal of children from Australia, and encourage the return of wrongfully retained children to Australia.

The Government will develop a specific investigation policy for IPCA offences under the Family Law Act. This investigation policy will operate in conjunction with the Prosecution Policy of the Commonwealth which will remain as the primary policy for prosecuting Commonwealth offences, including those relating to IPCA.

The Government will also introduce new legislation providing the Commonwealth Director of Public Prosecutions with the ability to give an undertaking that prosecution for IPCA offences under the Family Law Act 1975 will not be pursued if a child is returned to Australia under the Hague Convention. It is envisaged the legislation dealing with the function to give an undertaking not to prosecute will list the criteria to be considered in making that decision, including a recommendation from the CCA relating to the offence in light of Australia's obligations under the Hague Convention.

Recommendation 2

6.23 The committee recommends that the Australian Government should maintain a 'watching brief on the implementation and impacts of the proposed amendments to the offences in sections 65Y and 65Z of the Family Law Act 1975, and the extension of the offences to parties who are participating in family dispute resolution. In the event that the proposed amendments do not achieve their intended objective, the committee recommends

that the Australian Government should reassess the need for the introduction of stronger measures, including the possibility of a stand-alone criminal offence for international parental child abduction.

Response: Accept

The Australian Government accepts the recommendation to maintain a 'watching brief on the implementation and impact of the proposed changes to IPCA offences announced on 19 September 2011. It is intended that the legislation implementing the changes to IPCA offences, in line with the recommendations of the Family Law Council, will be introduced into the Parliament in the first half of 2012. The Australian Government will continue to consult with stakeholders in the development of the legislation.

Recommendation 3

6.26 The committee recommends that the Australian Government should give consideration to strategies to improve public awareness of the offences in sections 65Y and 65Z of the Family Law Act 1975, including:

a standard notice in all orders made under Part VII of the Family Law Act about the existence and effect of the offence provisions;

information about the offences being included in existing Australian Government guidance materials (for example, the Travel Smart booklet published by the Department of Foreign Affairs, and Trade, and in the passport application and renewal process);

conspicuous signage at international departure points (such as airports and sea ports) about the offence provisions; and

information materials about the offences being made available at community legal centres, legal aid offices, family relationship centres, international departure points and government shop-fronts.

Response: Accept in Principle

The Australian Government agrees in principle with the Senate Committee's recommendation to improve public awareness of IPCA, including about possible offences under the Family Law Act. Provision of greater information and public awareness of IPCA could act to deter and prevent parents from abducting their children from Australia, and instead seek advice on proper mechanisms for relocation.

The Attorney-General's Department, as the Commonwealth Central Authority for the Hague Convention, has developed a range of information and guidance materials to raise parents' awareness of IPCA, and mechanisms available to prevent the wrongful removal of children from Australia. It is intended these information materials will be distributed throughout the family law system and will be available from early 2012.

The Department of Foreign Affairs and Trade has undertaken to provide information about IPCA in a range of publications, including through their Smartraveller publications and webpage, the Children and Parental Consent brochure produced by the Australian Passport Office, and in the information pages of future editions of the Australian Passport.

Customs and Border Protection has the capacity to display electronic signage at international airports to improve public awareness of international child abduction. These signs may be displayed on Customs'and Border Protection's electronic signage and visible when passengers are queuing

for immigration clearance when departing Australia. The signs would be subject to review as part of Customs and Border Protection's regular review of signage to ensure that current priority messages are displayed.

The provision of information about the existence and effect of IPCA offences through a standard notice in all orders made under Part VII of the Family Law Act will require further consideration by Government and consultation with affected agencies, particularly the Family Law Courts.

Recommendation 4

6.27 The committee recommends that the Australian Government should investigate the feasibility of incorporating international parental child abduction screening and risk-assessment processes into key stages of a family's post-separation engagement with the family law system.

Response: Accept

The Australian Government accepts the Committee's recommendation about incorporating IPCA screening and risk-assessment processes into key stages of a family's post-separation engagement with the family law system.

At the Australian Government Family Law System Conference in February 2009 there was strong support for the development of standard screening and assessment principles and a minimum set of questions for clients entering the family law system. To this end, Relationships Australia South Australia (RASA) has been contracted by the Attorney-General's Department (AGO) to develop a standardised frontline screening to identify safety risks for clients across the family law system. The framework is expected to be developed by mid-2012.

One of the safety risks that will be included within the screening and risk assessment framework will be risk of abduction (domestic or international). While the screening and risk assessment framework will be informed by the latest research and examples of best practice, use of the framework will not be mandatory throughout the family law system. Notwithstanding this, family law system agencies will be able use the framework to inform their own screening and risk assessment practices.

Recommendation 5

6.38 In consultation with State Central Authorities, the committee recommends that the Attorney-General's Department should adopt a coordinated strategy for communications between Australian Central Authorities and applicants in Hague Convention proceedings. The strategy should include provision for the following measures:

flexible, case-specific communication arrangements, such as enabling applicants to contact the Commonwealth Central Authority directly, rather than the relevant State Central Authority; and

routine progress updates (such as periodic teleconferences between applicants and case officers in the relevant Australian Central Authority).

Response: Accept

The Australian Government agrees that the current system of managing outgoing applicants under the Hague Convention has resulted in unnecessary 'red tape' for left behind parents and duplication between the Commonwealth and State Central Authorities. While it has been general practice that where applicants receive assistance from a State Central Authority (SCA) to prepare their application, the SCA will be the applicant's primary case manager, there is no restriction on applicants in Australia contacting the CCA directly.

Since the end of 2010, the CCA has formally written to all applicants to advise that, while the SCA may be their primary case manager, they may also contact the CCA directly if they choose. An increasing number of applicants are now taking up that invitation to deal directly with the CCA and the CCA is corresponding directly with applicants where this is appropriate.

The Australian Government has also provided funding to International Social Services (ISS) to establish a national legal assistance service for left behind parents. Following changes to the management of outgoing applications in January 2012, parents in Australia will be able to deal directly with the CCA, following some initial assistance from ISS. This change also addresses recommendation 8.

The Australian Government also notes that the assistance provided by SCAs is undertaken on a full fee for service basis, with all costs of such assistance met by the Australian Government. As such any services provided by SCAs funded by the Commonwealth need to reflect the effective and efficient use of Australian Government funds.

Recommendation 6

6.43 The committee recommends that the Australian Government should develop a specific and comprehensive online information portal about international parental child abduction to and from Australia.

Response: Accept in Principle

The Australian Government agrees that the development of a single specific and comprehensive online information portal about IPCA to and from Australia would be beneficial to families in Australia. Such information is currently provided through a variety of platforms, including through the Attorney-General's Department (the Hague Convention); the Department of Foreign Affairs and Trade (Consular assistance, passport, and travel information); and the AFP (the Airport Watchlist).

Implementation of this recommendation will be considered when the Budget allows. Recommendation 7

6.44 The committee recommends that the Australian Government should, in consultation with relevant stakeholders in the legal profession, re-instate and update international parental child abduction resources for legal practitioners, particularly in respect of Hague Convention matters.

Response: Accept

The Australian Government agrees that the development of resources for legal practitioners for IPCA matters, particularly in Hague Convention matters, would be beneficial. The Government will provide funding to the Law Council of Australia to develop the resources.

Recommendation 8

6.50 The committee recommends that the Australian Government should, in consultation with relevant stakeholders such as International Social Service Australia, investigate strategies to improve the availability and coordinated delivery of support services in international parental child abduction cases, including past-return services.

Response: Accept

The Australian Government agrees that additional resources should be provided to deliver nationally consistent support services for families in Australia in IPCA matters.

To date most applications received by the CCA under the Hague Convention have been prepared with the assistance of SCAB. However such assistance has not been available nationally, with applicants in Western Australia, the Northern Territory and the Australian Capital Territory required to seek assistance through Legal Aid Commission or private lawyers. Additionally, all costs for SCAB to provide assistance to left behind parents, including for both preparing the application and ongoing case management/communication, have been met by the Australian Government. This has resulted in duplication of costs for services to Convention applicants.

To provide a nationally consistent service to left behind parents, the Australian Government has decided to establish a centralised national assistance service for left behind parents dealing with

IPCA. For a number of years the Government has provided funding to International Social Services (ISS) to provide counselling and mediation support to families dealing with IPCA. From January 2012 ISS will also receive funding to provide a national service for legal assistance to assist left behind parents to prepare outgoing applications and documentation under the Hague Convention. Left behind parents will thus be able to access legal assistance to prepare their Hague Convention applications and targeted counselling and social support from one service provider. Ongoing case management will be provided directly between the CCA and applicants.

Post-return services are available through Australian Government funded post-separation services such as Family Relationship Centres.

Recommendation 9

6.55 The committee recommends that the Australian Government should continue to:

encourage non-contracting states to accede to the Hague Convention;

support new and existing contracting states to implement the Hague Convention effectively; and

pursue bilateral agreements, where appropriate, with countries which have not acceded to the Hague Convention, and which are unlikely to do so in the foreseeable future.

Response: Accept

The Australian Government agrees that the Hague Convention should be promoted internationally and that bilateral agreements should be pursued with those countries which are not parties to the Convention.

Australia consistently encourages non-contracting states to accede to the Hague Convention. Australia actively encouraged and provided information and support to both Singapore and Japan prior to those countries announcing their ascension to the Hague Convention.

Australia is also currently actively engaged with a number of countries in the Asia-Pacific region to enter into bilateral arrangements with Australia in relation to IPCA matters, where those countries have indicated an unwillingness to join the Hague Convention.

Recommendation 10

6.61 The committee recommends that the Australian Government should investigate strategies for the periodic collection and analysis by an appropriate government agency, or agencies, of comprehensive statistical data on international parental child abduction to and from Australia.

Response: Accept in Principle

The Australian Government agrees that comprehensive statistical data on IPCA to and from Australia would be of benefit. Currently information about IPCA is only available in relation to applications received under the Hague Convention or requests for consular assistance received by the DFAT.

Implementation of this recommendation will be considered when the Budget allows. Recommendation 11

6.63 The committee recommends that the Australian Government should review the continuing appropriateness of the exceptional circumstances requirement in subsection 68L(3) of the Family Law Act 1975, in respect of the appointment of the Independent Children's Lawyer in Hague Convention proceedings before the Family Court of Australia.

Response: Accept

The Australian Government is currently in the process of commissioning research to help inform future policy developments into the role and use of Independent Children's Lawyers in the family law system. It is expected that this research will include consideration of the effect of having an ICL involved in Hague Convention international parental child abduction proceedings.

Government Response Parliamentary Joint Committee on the Australian Commission for Law Enforcement Integrity (ACLEI)

Report on the Inquiry into Integrity Testing

The Government welcomes the Committee's Report on its inquiry into integrity testing and recognises the Committee's contribution to the further development of the Commonwealth public sector integrity system.

In its report the Committee has recommended that integrity testing be introduced for certain Commonwealth law enforcement agencies. The Committee has also made a number of recommendations regarding the broad scope of integrity testing and high level governance and accountability measures.

The Government is determined to address corruption wherever it may occur. This includes appropriate prevention, detection and investigation measures. It is important to ensure that the suite of existing anti-corruption tools available to law enforcement remain current and that new tools are considered to ensure the high standards

expected of law enforcement personnel can be maintained. The Government agrees with the Committee that integrity testing for certain law enforcement agencies should be available in appropriate circumstances.

Work will be done to develop a targeted integrity testing system based on consistent principles. This will also provide flexibility for law enforcement agencies to address the particular circumstances in which they operate. The scope and costs of an integrity testing system will be considered, along with consideration of specific legislative amendments required to support the scheme.

In this context, the Government is pleased to respond to the Committee's recommendations.

Recommendation 1:

The committee recommends that an integrity testing program be introduced for certain Commonwealth law enforcement agencies.

Agreed

The Government accepts the Committee's recommendation, which is supported by views expressed by ACLEI, the Australian Federal Police (AFP), the Australian Crime Commission (ACC) and the Australian Customs and Border Protection Service (Customs and Border Protection) that there would be value from introducing targeted integrity testing for certain Commonwealth law enforcement agencies within the context of the Government's broader integrity framework.

Recommendation 2:

The committee has received evidence about types of integrity testing and recommends that targeted integrity testing be the preferred method.

Agreed

The Government accepts the view that targeted integrity testing would be an appropriate form of integrity testing as it would minimise any negative impact on culture and morale and would be a more resource efficient method than random integrity testing. Targeted integrity testing could be a useful addition to the suite of tools available in investigating corruption.

Recommendation 3:

The committee recommends that an integrity testing program initially apply to law enforcement agencies within ACLEI's jurisdiction.

Agreed

The Government agrees that an integrity testing program should apply to the ACC, AFP and Customs and Border Protection, as the law enforcement agencies currently under the jurisdiction of ACLEI.

Recommendation 4:

The committee recommends that the Integrity Commissioner and heads of agencies under the jurisdiction of ACLEI be given the ability to authorise integrity tests in the course of their investigations into corruption issues.

Agreed

The Government agrees that it is appropriate that the Integrity Commissioner or an agency head within the respective agency be responsible for authorising integrity tests in the course of that agency's investigations into corruption issues. The sensitive nature of integrity tests makes it appropriate that approval be given at this high level.

Recommendation 5:

The committee recommends that relevant legislation be amended, or if necessary, created, so as to allow covert policing powers to be used for the purpose of targeted integrity testing of an officer or employee of an agency under the jurisdiction of ACLEI, or group thereof, where there are allegations or suspicions of corrupt behaviour.

Agreed

The Government will work with the relevant law enforcement authorities to develop legislative amendments that will be required to support integrity testing. As a part of this process, the Government will consider tools already available to agencies as part of their professional standards frameworks, and the extent to which these tools could be supported or expanded through changes to administrative and/or legislative arrangements.

Recommendation 6:

The committee recommends that legislative amendments be made mirroring the relevant parts of controlled operations legislation so that the Commonwealth Ombudsman is enabled to provide an annual report to Parliament on the use of integrity testing and associated covert policing powers.

Agreed in principle

The Government agrees that any integrity testing scheme should include reasonable and proportionate accountability measures. If regulated covert policing powers are used for the purposes of integrity testing, then existing reporting and accountability mechanisms for the use of those powers would be extended appropriately. These mechanisms include the Commonwealth Ombudsman's oversight role regarding the use of covert policing powers by Commonwealth law enforcement agencies, including ACLEI.

Recommendation 7:

The committee recommends that:

the Integrity Commissioner be notified of any integrity test that is to be conducted by an agency within ACLEI's jurisdiction as well as the outcome of such tests; and

the Integrity Commissioner may at his discretion be involved in or take control of the integrity test.

Agreed

The Government agrees that the Integrity Commissioner should have overall oversight of the Commonwealth's integrity testing regime and should be aware of integrity tests being undertaken within agencies in his or her jurisdiction and their outcomes. It is also appropriate that the Integrity Commissioner have the discretion to be involved in or take control of an integrity test consistently with the Commissioner's powers to deal with corruption investigations within an agency under his or her jurisdiction.

Recommendation 8:

The committee recommends that as part of the committee's annual examination of the ACLEI annual report, ACLEI provide a private briefing to the PJC-ACLEI on the number and outcome of integrity tests conducted.

Agreed

The Government agrees that it would be prudent to keep the Committee updated on the number and outcome of integrity tests conducted, consistent with the Committee's role in oversighting law enforcement integrity issues. The Government also agrees that such briefings should be private.

AUSTRALIAN GOVERNMENT RESPONSE TO THE ENVIRONMENT, COMMUNICATIONS, INFORMATION TECHNOLOGY AND THE ARTS SENATE STANDING COMMITTEE REPORT

Living with Salinity—a report on progress

On 17 March 2005, the then Senate Standing Committee on Environment, Communications, Information Technology and the Arts (the committee) was asked to examine the long-term success of the Australian Government programs to reduce the extent and economic impact of salinity. The Senate released the report, Living with Salinity—a report on progress (the report), in March 2006. The Senate Committee report made 23 recommendations:

Senate Committee report Recommendation 1

The committee recommends that the Australian Government and the state/territory governments extend the National Action Plan for Salinity and Water Quality for a further 10 years, with matched funding at least commensurate (on a per year average basis) with the first stage NAP funding. It is recommended that negotiations over the future of the NAP be expedited to provide certainty to regional bodies and other stake holders. It is recommended that any further consideration of the prioritisation of NAP funds include consultation with the states/territories and the wider community.

Senate Committee report Recommendation 2

The committee recommends that the Australian Government extend the National Heritage Trust for a further 10 years with funding at least commensurate (on a per year basis) with existing funding levels.

Senate Committee report Recommendation 3

The committee recommends that the Australian Government in cooperation with the states and territories continues to give priority to longer—term funding cycles and measures to ensure the continuity of funding so that where existing staff are likely to be continuing in a role there is no break in wages and the organisation's intellectual capital is not lost.

Senate Committee report Recommendation 4

The committee recommends that the Australian Government work with the state/territory governments and local government peak bodies to ensure that all local governments are adequately educated in, and have access to, salinity management information relevant to their locality. This will include the development of mechanisms to help local governments build and share capacity, knowledge and experience.

Senate Committee report Recommendation 5

The committee recommends that the Australian Government work with the state/territory governments to encourage reform of local government legislation to place a requirement on all local municipalities to align planning decisions with natural resource management principles and priorities.

Senate Committee report Recommendation 6

The committee recommends that the Australian Government work with the state/territory governments to examine the issue of statutory powers for regional bodies to address the current level of confusion between local government and regional bodies.

Senate Committee report Recommendation 7

The committee recommends that the Australian Government, through the Natural Resource Management Ministerial Council, seek greater assurance from the states/territories that land clearing is being effectively regulated. It is recommended that extensions to the NAP funding be conditional on the states/territories meeting more rigorous accountability measures.

Senate Committee report Recommendation 8

The committee recommends that the Australian Government, as a matter of urgency, work in cooperation with the states/territories to implement the Australian National Audit Office's recommendation to develop corporate governance templates and core training.

Senate Committee report Recommendation 9

The committee recommends that the Australian Government in cooperation with the state/territories, strengthen the accreditation process for regional bodies. The improved process will ensure that funding is conditional on rigorous investment planning, where decisions are:

Based in sound, up-to-date science

Outcome-focused

Subject to a cost-benefit analysis.

Senate Committee report Recommendation 10 The committee recommends that the Australian Government establish an independent body to coordinate salinity research. This body will:

Maintain a focus on dryland, irrigation and urban salinity

Identify and prioritise gaps in research across all research scales

Leverage research from existing providers where priority gaps are identified

Senate Committee report Recommendation 11

The committee recommends that the newly established coordinating body undertake, as one of its first pieces of work, a comprehensive audit of all salinity research and development activities in which the Australian Government invests. This will include:

National programs

Agencies within government departments

Cooperative Research Centres

Research and Development Corporations

National science agencies

Universities

Independent research centres

Industry initiatives

R&D needs for the development of new large-scale sustainable industries.

Senate Committee report Recommendation 12

The committee recommends that discrete funding be allocated in the new (post-2008) NAP funding for regional bodies to partner in regional scale research to deliver R&D outcomes that are more relevant to their regional priorities and needs. It is recommended that all research proposals be assessed by the newly created coordination body to avoid duplication of research efforts.

Senate Committee report Recommendation 13

The committee recommends, as a matter of urgency, that specific funds be allocated by the Australian Government for the promotion and distribution of the NDSP products—in particular, to newly established coordination bodies across Australia. It is further recommended that the newly established coordination body (see recommendation 10) take on the role of updating these products. Senate Committee report

Recommendation 14

The committee recommends that the Australian Government establish a working group to identify extension service issues and options for addressing these. Particular attention should be paid to:

The relationship between state, regional and private extension services

The employment conditions, professional development and career pathways of regional extension staff

Achieving nationally consistent and relevant training of extension staff, including the development of accredited courses for private extension staff that provide knowledge and skills in NRM and increase their awareness of, and engagement with, relevant regional plans

Ensuring that extension services meet the needs of regional groups.

Senate Committee report Recommendation 15

The committee recommends that the Australian Government review existing policy mechanisms (tax incentives, MBIs etc) in order to provide a policy environment that encourages and supports the development of new, large-scale sustainable industries that meet NRM priorities.

Senate Committee report Recommendation 16

The committee recommends that updated assessments of salinity risks be undertaken across the states/territories, followed by detailed mapping of high risk areas with particular attention paid to urban environments. It is recommended that priority areas under the NAP be re-assessed in light of the updated assessments.

Senate Committee report Recommendation 17

The committee recommends that mapping is conducted in areas in which salinity is known to be a potential hazard before further urban development is approved in those areas.

Senate Committee report Recommendation 18

The committee recommends that the Australian Government give greater emphasis to urban salinity at a national level by:

Building links between the administering departments and relevant agencies such as the Department of Transport and Regional Services and the Australian Transport Council

Supporting research into the development of technologies for managing urban salinity

Allocating funding to urban salinity in the next salinity program

Senate Committee report Recommendation 19

The committee recommends that the Australian Government in cooperation with the state/territory governments use the accreditation process to ensure that urban salinity is adequately accommodated in regional investment strategies.

Senate Committee report Recommendation 20

The committee recommends that the Australian Government establish a pool of special grants to be made available for local governments to address urban salinity issues. Access to grants will be contingent on a demonstrated willingness to align planning policies and decisions with sustainable natural resource management principles.

Senate Committee report Recommendation 21

The committee recommends that a suitable body such as the Productivity Commission or the Australian Bureau of Agricultural and Resource Economics (A BARE) undertakes a study into the future impacts and costs of salinity on infrastructure in urban and rural environments, and develop a long-term strategy that includes consideration of federal, state and local government levels.

Senate Committee report Recommendation 22

The committee recommends that the Australian Government in cooperation with the states and territories keep a watching brief on the development on the Salinity Investment Framework 3 (SIF3), with a view to potentially implementing it (or a modified version of it) across the country. It is recommended that the framework be applied within the context of the new (post—2008) program(s).

Senate Committee report Recommendation 23

The committee recommends that the Australian Government develops a national policy package to leverage large-scale private sector investment in new, sustainable and profitable solutions.

AUSTRALIAN GOVERNMENT RESPONSE

The Australian Government has considered the recommendations of the Senate Committee report and agreed, or agreed in part, with most of the recommendations. Current arrangements for salinity research coordination (Recommendation 10) are regarded as satisfactory; establishment of a new coordinating body is not seen as a high priority. Recommendation 14 has been addressed through the appointment of additional Landcare facilitators. The government's response to the recommendations is as follows:

Caring for our Country (Recommendations 1, 2 and 3)

The Australian Government disagrees with recommendation 1, and agrees in part with recommendations 2 and 3. The National Action Plan for Salinity and Water Quality (NAPSWQ) ceased on 30 June 2008. The Australian Government commenced the ongoing Caring for our Country initiative in July 2008, consolidating previous measures including the Natural Heritage Trust and the National Landcare Program.

The design of Caring for our Country reflects the Australian Government's recognition of the need for long term investment in natural resource management and the need to ensure, as far as possible, the continuity of funding to ensure a stable staff structure within regional organisations. All regional natural resource management organisations were provided with secure base-level funding for the five years until 30 June 2013. This commitment provides these organisations with certainty

about their operational arrangements and activities, including their staffing arrangements. Caring for our Country funding is also available for other groups through a competitive application process.

Under the Caring for our Country outcomes statement 2008-2013, the Sustainable Farm Practices national priority area aims to assist farmers to improve the condition of natural resources and the ability of ecosystems to provide services including food and fibre. This includes management practices to improve soil condition and manage existing salinity on farm. Activities are eligible for funding to encourage farmers to revegetate salt affected land to help reduce soil loss from wind and water erosion.

In establishing the extent to which support would be provided for salinity in Caring for our Country, the following issues were considered:

recent research had identified that [in south eastern Australia] salt is confined to specific

parts of the landscape, and that not all these salt stores will result in salinity problems

there has been a failure to include these key research findings in salinity programs and in regional planning in the past

there is a mistaken assumption that there are economically viable solutions for widespread on farm adoption

there is a need to provide guidance on the development of more targeted responses,

For example, recent research on the extent of salinity (refer above) conducted by the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES; an internal report) demonstrated that ground water levels across eastern Australia had fallen since 2000 as a result of

reduced rainfall. Climate change predictions suggest that there will be ongoing reductions in average annual rainfall, further reducing the area considered to be at risk from salinity.

The ABARES report recognised that parts of Western Australia are still severely affected by large scale dryland salinity. Some Western Australian communities have been keen to address salinity through extending deep drainage systems. It is now clear that these drains deliver saline acidic groundwaters, often with high concentrations of dissolved trace metals that can affect soils, waterbodies and aquatic life, and present major treatment and disposal problems. The Western Australian government has reviewed their Salinity Strategy; this includes an assessment of the extent of the threat of salinity and the costs and benefits of key management options. The Western Australian government is yet to respond to the findings of this review.

Salinity management is primarily a state issue. The Caring for our Country initiative is currently being reviewed. The review will examine program options for delivery on the full range of national natural resource management priorities.

Investment, planning and governance (Recommendations 5, 6, 8 and 9)

The Australian Government supports recommendation 5 in-principle. The Australian Government appreciates the importance of aligning planning decisions with natural resource principles and priorities and it supports greater collaboration and coordination between the Australian, state and territory, and local governments in this regard.

Some states are currently working with local municipalities to align planning decisions with natural resource management principles and priorities. The Department of Regional Australia, Local Government, Arts and Sport will take this into consideration in the development of its work.

The Australian Government does not support recommendation 9, as under Caring for our Country, the Australian Government is no longer involved in accreditation processes for regional plans through natural resource management organisations. Caring for our Country invites funding proposals through an annual Business Plan which establishes targets against the published five-year outcomes; this includes regional natural resource management organisations.

The Australian Government appreciates the intention of recommendation 8: Investment principles published in the Business Plan require proposals to be based on the best available science and to build on the collective knowledge of what works best. Proposals are assessed rigorously against these criteria and the contribution that they will make to delivering on the Caring for our Country targets. Proposals that achieve the greatest benefit against Caring for our Country target(s), for every dollar invested will receive a higher priority.

The Caring for our Country Business Plans require that that all proposals identify a strong governance structure for delivery of the project. The 2010-11 Business Plan also allowed non-statutory regional natural resource management organisations to apply to use a portion of their base-level allocation to improve their governance arrangements such as improving decision making, strategic planning or fiscal accountability.

Recommendation 6 is largely a state matter. Whether regional natural resource management organisations have statutory powers depends on the legislative and policy frameworks in each state and territory. Confusion between local government and the regional bodies may be addressed through better communication between organisations. The Caring for our Country and Australian government supported Landcare facilitator network can assist in this process at the local level. Further consideration of the relationship between regional natural resource management planning and local government will be considered in the context of the Caring for our Country review.

Capacity building (Recommendations 4 and 14)

The Australian Government agrees with the principle that all levels of government should have and provide ready access to salinity management information (recommendation 4). The Australian Government will continue to make research findings available to the public.

The Australian Government does not support recommendation 14. The Australian Government is working with state and territory governments and is currently chairing a task group that is identifying issues in building social capacity in natural resource management and will make recommendations for improvement.

Additionally, in June 2009, the Australian Government announced its decision to continue the national network of Landcare facilitators across the 56 natural resource management regions. This reflects the Australian

Government's commitment and understanding of the longer-term need to promote practices that will help secure the resource base and agricultural productivity in the face of climate change.

Policy mechanisms (Recommendation 15)

The government supports this in principle, and through a National Market Based Instrument pilot program, the Australian Government has assisted in the establishment of workable models to achieve natural resources management outcomes. A forum to discuss the results of this pilot project and investigate the implications and future application of market-based instruments in natural resource management was held in July 2011. Caring for our Country provides for the use of market-based instruments to deliver on targets such as Environmental Stewardship where this is the most cost effective option.

The 2010-2011 Caring for our Country business plan provided for projects which address landscape scale conservation through vegetation protection, revegetation and agroforestry, and in 2010 the Australian Government committed to investing $10 million over three years towards the development of a National Green Corridors Plan, to prepare biodiversity and agricultural landscapes for climate change. The plan will consider climate change impacts and adaptation, the identification of critical linkages in the landscape to allow the migration of species, and the protection of natural stores of carbon in native ecosystems. Through the Clean Energy Future land sector package and Carbon Farming Initiative, the Australian Government is assisting land managers to reduce carbon pollution and participate in the carbon market.

Salinity research (Recommendations 10, 11, 12, 13 and 16)

The Australian Government does not support recommendations 10 and 12. Salinity-related research is undertaken by CSIRO and Geoscience Australia, and some tertiary education institutions. There are adequate linkages between these groups, and establishment of a new independent body to coordinate salinity research is not a priority. Caring for our Country funding is provided for on ground work rather than research.

The Australian Government recognises that there is merit in a comprehensive audit of all salinity-related research and development activities in which the government invests (recommendation 11). The Department of Agriculture, Fisheries and Forestry is bringing together and making publicly accessible the recently completed data sets and reports developed through National Action Plan for Salinity and Water Quality funding (on http://www.daff.gov.au/natural-resources/soil-land-salinity/salinity-mapping/). The earlier information products generated by the National Dryland Salinity Program continue to be available and readily accessible at www.ndsp.gov.au (recommendation 13).

The Australian Government notes recommendation 16. The Caring for our Country initiative is currently being reviewed. The review will examine program options for delivery on the full range of national natural resource management priorities.

Regulation of land clearing— legislation outcomes (Recommendation 7)

The Australian Government recognises the critical role of native vegetation in maintaining biodiversity and ecosystem services including carbon storage, water quality protection, soil stability and reduced wind erosion. The Australian Government agrees in part with recommendation 7: there is a strong need for inter-jurisdictional alignment and cooperation and an effective national framework for managing land clearing. The Australian Government is working with state and territory governments through the Standing Council on Environment and Water on a review of the National Framework for the Management and Monitoring of Australia's Native Vegetation 1999 (Native Vegetation Framework). In addition, Australia's Biodiversity Conservation Strategy 2010¬2030 was released on 27 October 2010 by the Natural Resource Management Ministerial Council. Implementation arrangements and accountability measures are key issues in both reviews.

Urban salinity (Recommendations 17, 18, 19, 20 and 21)

The Australian Government agrees in principle with recommendations 17-21. The Australian Government recognises the importance of the issue associated with the impacts of salinity on urban local government infrastructure and revised planning guidelines. While this is a matter largely falling within the responsibilities of state, territory and local governments, the Australian Government has a coordination role between relevant agencies at the national level and through relevant Ministerial Councils.

The Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) has previously conducted studies into the major impacts and costs of salinity, with a particular focus on public and private infrastructure. This information has been provided to government agencies, local government, rural community groups and others to help develop salinity management plans. Falling ground water levels are thought to have reduced the extent of the problem for some localities in eastern Australia.

Future developments will rely on a coordinated approach, potentially facilitated at a federal level, between regional bodies, local government and the relevant Ministerial Councils to consider long-term strategies.

Salinity investment (Recommendations 22 and 23)

The Australian Government agrees in principle with recommendations 22 and 23.The Australian Government has cooperated with the states in trials of the Salinity Investment Framework 3. The Australian Government supports the use of the Framework as a tool for regional prioritisation of investment.

The Caring for our Country Business Plan encourages the leveraging of private sector and Non Government Organisation investment to deliver natural resources management outcomes.

Joint Committee on the National Broadband Network

Review of the Rollout of the National Broadband Network

Second Report

Australian Government Response to the Committee's

Second Report of 24 November 2011

April 2012

INTRODUCTION

In March 2011 the Parliament established the Joint Committee on the National Broadband Network (the Committee) to enable the ongoing parliamentary scrutiny of all aspects relating to the rollout of the National Broadband Network (NBN). The Committee is required to report to the Parliament on the rollout of the NBN on a six monthly basis until the completion of the project.

The Committee has been asked to provide progress reports on:

the rollout of the NBN;

the achievement of take-up targets as set out in NBN Co Limited's (NBN Co) Corporate Plan;

network rollout performance including service levels and faults;

the effectiveness of NBN Co in meeting its obligations as set out in its Stakeholder Charter;

NBN Co's strategy for engaging with consumers and handling complaints;

NBN Co's risk management processes; and

any other matter pertaining to the NBN rollout that the Committee considers relevant.

On 31 August 2011, the Committee tabled its first report, entitled Review of the Rollout of the National Broadband Network. The government tabled its response to the Committee's first report on 1 March 2012.

On 24 November 2011, the Committee tabled its second report, entitled Review of the Rollout of the National Broadband Network: Second Report. The Committee's second report was informed by four public hearings and public consultation which attracted 38 submissions and 11 exhibits. The report made five recommendations

ranging across: reporting arrangements that facilitate comparability of information over time; clearance processes for responding to questions on notice; NBN Co's policy position for the provision of costing extensions to its NBN fibre footprint, especially for regional and remote Australia; NBN Co's plans for community consultation with regional and remote Australia; and improved access for low income households and other disadvantaged groups to the NBN.

BACKGROUND

The NBN will provide access to high-speed broadband to 100 per cent of Australian premises. It will connect 93 per cent of homes, schools and businesses to a high-speed fibre network capable of providing broadband speeds of up to one gigabit per second (Gbps). Seven per cent of premises will be served by a combination of next-generation fixed wireless and satellite technologies providing peak speeds of 12 megabits per second (Mbps).

The NBN will be Australia's first national wholesale-only, open access broadband network offering equivalent terms and conditions to all access seekers or service providers. The Australian Government has established NBN Co to design. build and operate a new high-speed NBN. NBN Co will roll out the network and sell wholesale services to retail service providers. In turn retail service providers will offer retail services to consumers. This is a significant structural change to Australia's telecommunications industry, aimed at encouraging vibrant retail competition.

Planning and construction of the NBN is well underway. On 15 February 2012 NBN Co released an update to its 12-month national rollout schedule. The updated schedule lists the communities in each state and territory where work on the fibre network will begin before December 2012. The schedule lists 66 sites across Australia containing more than 758 000 premises, where work is completed, underway or due to begin by the end of 2012. This is an increase over the October plan of 191,000 premises across Australia. The schedule shows work commenced in areas to cover 58,000 premises during the previous three months, taking the total premises in areas where work is underway to 121,500. In addition to quarterly updates to the rollout schedule NBN Co also released its three-year indicative rollout plan on 29 March 2012, which will be updated annually until the rollout is complete. The rollout plan will see NBN construction either begin or be completed by mid 2015 for more than

3.5 million homes, businesses, schools and hospitals across Australia.

On 7 March 2012 the Definitive Agreements between NBN Co and Telstra came into force. The Agreements pave the way for a faster. cheaper and more efficient rollout of the NBN. They include the reuse of suitable Telstra infrastructure, avoiding infrastructure duplication and for Telstra to progressively structurally separate by decommissioning its copper network during the NBN rollout. In support of the NBN and the Definitive Agreements, in June 2010 the government made commitments on a package of important measures including:

new universal service arrangements will be able to commence on 1 July 2012;

the Commonwealth and Telstra $100 million retraining agreement which will provide Telstra with funding to assist in the retraining and deployment of Telstra staff affected by these reforms:

payment by the Commonwealth of the cash component of the Financial Heads of Agreement, valued at $190 million post-tax NP V;

the government declaring that Telstra is not required to provide undertakings about its control of hybrid fibre coaxial (HFC) networks and subscription television broadcasting licences. This means that Telstra will not be prevented from competing for spectrum released as part of the digital dividend; and

the start of the volume rollout, together with ACCC endorsement of the Migration Plan means customers will need to be advised of their options. NBN Co, in conjunction with industry, will undertake a public education campaign to inform consumers about the progressive migration of services from the copper-based infrastructure to the fibre optic infrastructure.

The Definitive Agreements will mean less disruption to communities, less use of overhead cables and faster access to the NBN for Australians.

AUSTRALIAN GOVERNMENT RESPONSE

The Australian government has considered the Committee's second report and provides the following response to the recommendations.

Recommendation 1

The committee recommends that where possible tables and graphs be used in the Government's Six Monthly National Broadband Rollout Performance Report to enable information to be compared across years.

The government broadly supports this recommendation.

Where possible, tables and graphs will be used in the government's six monthly report to the Committee to enable information to be compared across years, and illustrate trends.

These tables and graphs will, for example, summarise information relating to NBN Co's financial results, the number of premises passed, NBN Co's resources and key performance information.

Recommendation 2

The committee recommends that the Department of Broadband, Communications and the Digital Economy review its existing clearance processes for providing answers to questions on notice with the aim of providing answers to questions taken on notice where possible on the notified due date or within a reasonable timeframe thereafter.

The government supports this recommendation.

The department does prioritise its clearance processes for responding to Joint Committee on the National Broadband Network questions on notice. However, depending on the complexity of the question, on some occasions additional time will be required for detailed analysis and or wider consultation prior to finalising a response.

Recommendation 3

The Committee recommends that as a matter of urgency, the NBN Co formalise and publicise its policy for the provision of costing extensions to its planned National Broadband Network fibre footprint, especially for regional and remote Australia.

The government broadly supports this recommendation.

The government, through its Statement of Expectations for NBN Co publicly released on

20 December 2010, encourages NBN Co to explore mechanisms for a community to fully or partially fund the extension of the fibre network to cover its location. Premises connected with such community contributions will be accounted separately to the 93 per cent coverage objective. NBN Co should only seek to recover the incremental costs incurred in these extensions.

On 1 February 2012 NBN Co publicly released documents setting out the 'Network Extension Quote Method for the Tasmanian Trial'. This information represents NBN Co's interim network extension policy and methodology followed to develop the quotes to extend the fibre network during the Network Extension trial in Tasmania for selected properties that bordered sites of Triabunna, Sorrell, Deloraine, St Helens and South Hobart in Tasmania. The information is available at www.nbnco.com.au/assets/documents/d-f/foi-no-1112-14-nbn-co¬tas-fibre-extension-network-trial-released-l-february-2012.pdf on the NBN Co website.

NBN Co's Network Planning and Design can undertake studies to identify the incremental cost per premises to provide fibre to towns outside the fibre footprint, however the costs for construction are required and preparing these costings around individual propositions is a significant diversion of resources. Therefore, NBN Co is only intending to do costings for locations contiguous with the rollout and when an application under a properly defined process is received. The network extension process needs to be scheduled to fit within the overall construction timetable for an area, preferably around the finalisation of network design documentation, so that the overall costs of network extension on both end-users and the company are minimised and the process is able to be accommodated in an efficient and effective manner.

The precise optic fibre footprints for the NBN will only be known when NBN Co completes detailed suburb-by-suburb, region-by-region network designs. Current maps are high level, indicative only and may change as the rollout progresses. NBN Co's key objective is to cost effectively provide fibre coverage to 93 per cent of premises. Further details on the methodology adopted by NBN Co to determine the fibre footprint is outlined in NBN Co's Corporate Plan.

NBN Co will report on the outcomes of 'network extension' trials including providing information on its website regarding further network extension trials which will inform NBN Co's final policy.

Recommendation 4

The committee recommends that NBN Co:

Finalise and publicise its plans for community consultation with regional and remote Australia

In its report to the committee include:

- Details of the progress of its consultation plans;

- Issues raised; and

- Numbers of participants .

The government broadly supports these recommendations.

NBN Co has a dedicated team to engage with communities and stakeholders throughout the rollout process and is building relationships with local authorities and utilities to ensure it takes full account of their requirements and develops community understanding of the company's project plan as the project progresses.

In March 2011 NBN Co published a Community Consultation paper that outlined its engagement strategy for the NBN rollout. The paper is available at http://www.nbnco.com.au/assets/docurnents/community-consultation.pdf

NBN Co's key community relations objectives are to:

ensure all key stakeholders are identified and engaged in an appropriate, timely and consistent manner, and their needs and interests recognised;

foster open and ongoing channels of communication with stakeholders during each project phase;

understand issues and concerns and resolve or escalate them in an appropriate manner;

provide stakeholders with information about construction and / or environmental impacts that will affect them, and create awareness of mitigation measures to minimise these impacts; and

educate the community and key stakeholders about the benefits of the NBN.

During the construction phase for fibre serving areas in regional and rural areas NBN Co will:

place advertisements in local newspapers prior to construction commencement;

utilise community bulletins and notifications to provide information on specific construction impacts;

provide information upon semi-completion of work outlining timeframes in which contractors will return to complete work;

prepare specific site plans to map premises lead-in information and restoration information; and

notify the community upon completion of the rollout.

NBN Co's local area activities are being implemented in accordance with the timeline set out in the 12 month rollout schedule NBN Co published on 18 October 2011 and updated on

15 February 2012. The schedule is available on NBN Co's website at www.nbnco.com.au/rollout/index.html and includes an interactive map developed so that residents can identify the timing and status of their community regarding the rollout. NBN Co will provide quarterly updates to its 12-month national rollout schedule including advice on progress with construction, as well as listing new rollout sites where construction activity will start in the next twelve months. In addition to quarterly updates to the rollout schedule

NBN Co also released its three-year indicative rollout plan on 29 March 2012, which will be updated annually until the rollout is complete. The three-year rollout plan will see NBN construction either begin or be completed by mid 2015 for more than 3.5 million homes, businesses, schools and hospitals across Australia.

The government has agreed that as the NBN is rolled out and to facilitate the migration process, NBN Co will provide the Australian public with information on migration activities which will be developed in consultation with the government, Telstra and the wider industry. The objective of the public education activities will be to ensure to the maximum extent practicable that end users receive advance notice of the planned migration and are familiar with the action required to be taken by them to migrate to the NBN.

The public education activities will provide information concerning:

1. the timing for provision of new services;

2. the nature of the services;

3. the action that the consumer will need to take; and

4. the extent to which existing equipment is reusable, together with the responsibilities of the respective parties (that is, NBN Co, the retail service provider and the consumer) in implementing migration to the new infrastructure.

While NBN Co will be providing the public information on migration activities, it is the responsibility of Access Seekers to make their end-users aware of any impending Disconnection Dates which are applicable to those end-users.

NBN Co has commenced work on three key public outreach campaigns to launch in 2012. These being:

the Public Education Activity (PEA) (to facilitate continuity of Telecommunication services when the copper network is retired). NBN Co is working with government and industry on an appropriate governance and consultation structure for the PEA;

sectoral benefits campaign beginning with the education sector; and

a campaign to generate interest in and build understanding of the NBN.

NBN Co continues to engage with state-based NBN taskforces, local government and regional interest groups. As part of N13N Co's regional and rural community engagement it will provide community relations representatives for each site, deliver stakeholder briefings and community information sessions, provide a community information contact line including email address, advertise in local areas, circulate fact sheets and brochures and set-up information displays.

To further support NBN Co's engagement strategy, NBN Co launched two demonstration facilities on 25 November 2011; the Discovery Centre in Docklands, Melbourne and the NBN Co Discovery Truck to travel across Australia

The Discovery Centre and the NBN Co Truck provide an interactive opportunity for consumers to learn about how the NBN will work and how it can benefit them.

The NBN Co Truck is touring the country as the rollout progresses, visiting Australian towns and communities to inform Australians about how important the NBN will be in their lives. It has a physical mock-up of the NBN equipment being installed in homes to provide visitors a hands-on experience.

As at the end of February 2012, there have been more than 2700 visitors to both facilities. The Truck spent 30 days in Tasmania and covered 23 towns. At the end of February 2012 the truck had been open in Victoria for 13 days and covered 9 towns.

The NBN Co Truck has visited the following towns in Tasmania: Devonport, Deloraine, Launceston, Georgetown, Scottsdale, St Helens, Campbell Town, Triabunna, Port Arthur, Sorel!, Rosny Park, Kingston, I luonvi I le, South Hobart, Hobart, Glenorchy, Bridgewater, New Norfolk, Queenstown, Strahan, Zee/Ian, Ulverstone and Penguin. At the end of February 2012, the NBN Co Truck had visited the following nine destinations in Victoria: Bairnsdale, Sale, Morwell, Bacchus Marsh, Warragul, Wonthaggi, Brunswick, Mill Park (South Morang) and Broadmeadows (Tullamarine).

Bookings for the Discovery Centre and the NBN Co Truck can be made via the NBN Co website.

The top three questions asked by visitors are:

When will I be connected to the NBN?

How much will my NBN service and installation cost me?

What technology will I be getting (fibre, fixed wireless or satellite)?

Visitors to date include: Federal and State MPs, journalists, Mayors and Council Staff, seniors, NBN Tasmania Board, Media, Telco/RSP staff, professionals, small business owners, construction workers, health workers, online learning groups, tourists and farmers.

NBN Co is receiving an increasing number of requests from across Australia for visits by the Truck. NBN Co has combined a couple of visits with the fixed wireless and community information sessions and they went very well.

In addition to these activities, NBN Co has provided a call centre 1800 number and public website (www.nbnco.com.au) where the community and stakeholders can contact NBN Co directly with questions, queries, and problems. The engagement model provides a framework for the delivery of engagement activities in a coordinated and aligned manner.

Recommendation 5

The Committee recommends that the Department of Broadband, Communications and the Digital Economy and the NBN Co:

Undertake a study of methods to improve access for low income households and other disadvantaged groups to the National Broadband Network and report its findings to the committee.

In conducting the study, include examination of community proposals for measures which would support a basic broadband account and a broadband low income measure scheme.

The government notes these recommendations.

The government's objective is that the NBN will provide access to high-speed, affordable broadband for all Australians. As Australia's first national, wholesale-only, open access fixed-line network, the NBN will drive more vigorous competition between retail service providers, leading to better services and more choice for consumers and businesses.

Maintaining pricing parity between metropolitan areas, and regional, rural and remote Australia is a fundamental objective of the government's telecommunications policy. That is why NBN Co is delivering uniform national wholesale pricing within each of the three technology platforms of fibre to the premises, fixed wireless and next-generation satellite. NBN Co will provide a uniform national wholesale access price of $24 per month across all technologies for its basic service of 12 Mbps download and 1 Mbps upload.

As wholesale access is by far the largest single component influencing retail pricing, the government expects this will translate into retail prices that will be affordable. Recently released pricing structures by service providers confirm that current NBN retail service prices compare favourably with prices for ADSL2+ broadband.

The success of the government's approach is demonstrated by the fact that several retail service providers, including Telstra, Optus, iiNet. Internode and several satellite providers, are offering their retail services of improved quality wherever the NBN is available, at prices comparable to current services over DSL.

Retail service providers have announced and continue to announce very competitive pricing for voice and broadband services over the NBN. Telstra has now released its first series of bundled plans that are NBN ready. As part of its pricing announcement on 27 February 2012, Telstra committed to providing its existing suite of voice-only plans on the NBN, including the Homeline Budget, which costs $22.95 per month for those who want a voice only service. The prices of Telstra's NI3N bundles are similar to the ADSL and HFC bundles, but the speeds offered on the NBN can be up to 12 times faster than the average speeds on ADSL for the same price, depending on the bundle chosen.

On 18 October 2011, WhistleOut, a comparison website, released its analysis that showed on the entry-level 12/1 Mbps plans with data allowances of up to 50GB per month, consumers will pay around 24 per cent less on the NBN compared to ADSL2+ services.

The government expects that in future more service providers will release competitive pricing for broadband and voice only services.

The government notes Telstra's ongoing commitment to provide low income measures, and that the Low Income Measure Assessment Committee (LIMAC) will continue working with Telstra to guarantee low income products are offered. Under clause 22 of the Carrier License Conditions (Telstra Corporation limited) Declaration 1997, Telstra is required to:

have a low-income package in place endorsed by low-income consumer advocacy groups and specified in writing to the Australian Communications and Media Authority;

have a marketing plan in place for the package, approved by LIMAC; and

obtain and consider the views of LIMAC on proposed changes to the package1.

LIMAC has been an essential bridge between Telstra and advocates for those most in need when it comes to formulating socially-useful telephone products and services. Depending on future arrangements for low-income customers, LIMAC may continue to have a role to play in any future low-income policy arrangements.

The government also recognises that providing universal access to basic telecommunications services is an important social objective. On 21 March 2012, a package of legislative reforms to existing US(.) arrangements, including to establish a new entity, the Telecommunications Universal Service Management Agency (TUSMA) was passed by the Parliament. TUSMA will be responsible for entering into and administering service agreements from I July 2012 to ensure voice and payphone services and other public interest services continue to be available to consumers as the telecommunications industry transitions to the NBN environment.

The government has conducted a review of telecommunications retail price controls which are a key consumer safeguard. They aim to ensure that efficiency improvements are passed through to consumers in the form of lower prices for telecommunications services in markets where competition is not yet fully developed, and also protect the interests of low-income and regional users of telecommunications services2.

Over time, increased competition in an NBN environment is likely to remove one of the main reasons for the existence of price controls—the lack of competitive alternatives to Telstra in parts of the market. NBN Co's Special Access Undertaking (SAU) currently being assessed by the ACCC includes a range of price-related terms and conditions intended to provide the long-term framework necessary for uniform wholesale pricing. This includes an individual price increase limit of half the rate of the CPI over the next 30 years to each of NBN Co's Product Components, Product Features and Ancillary Services. The government anticipates that the level playing field afforded by the NBN will mean that carriage service providers will compete on price and non-price offerings to consumers in a manner that is not possible today.

In such an environment, the market is likely to be more effective in preventing instances of significant price increases, mainly through enhanced choice for consumers. In addition, the ACCC has powers granted

under Parts XIB and XIC of the Competition and Consumer Act 2010 to promote and protect competition in telecommunications markets. This includes mechanisms to deal with anti-competitive conduct.

In this context, the government considers there are appropriate regulatory and monitoring mechanisms in place and does not currently consider that a study of methods to improve access for low income households and other disadvantaged groups to the NBN is required.

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1 DBCDE — Retail Price Controls Review Discussion Paper, Q6

2 Media release, Senator the Hon Stephen Conroy, Minister for Broadband, Communications and the Digital Economy, 21 October 2011

Government Response

Joint Select Committee on Gambling Reform

Inquiry into Pre-commitment Schemes

First Report: The design and implementation of a mandatory pre-commitment system for electronic gaming machines

The Commonwealth Government ('the Commonwealth') welcomes this report and recognises the important work of the Joint Select Committee on Gambling Reform.

For many people, gambling is a form of recreation that is enjoyed responsibly. However, for some people it can be devastating – for them and their families. The Productivity Commission estimates that the social cost of problem gambling in Australia is at least $4.7 billion per year .

Up to half a million Australians are, or are at risk of becoming, problem gamblers. Gambling on electronic gaming machines ('EGMs') is significant with Australians spending nearly $12 billion a year on this form of gambling. The Productivity Commission also found that three-quarters of problem gamblers play EGMs.

The Commonwealth is committed to taking action to reduce the harm caused by problem gambling including by implementing pre-commitment technology on all EGMs in Australia.

Background: the Productivity Commission Inquiry Report into Gambling

In 2008 the Commonwealth Government asked the Productivity Commission to conduct a follow up inquiry to its 1999 Report into gambling in Australia.

The Productivity Commission conducted an extensive 18 month inquiry with particular consideration of measures to reduce the harm from problem gambling.

The Productivity Commission found that pre-commitment is the most effective way to target problem gamblers and at-risk gamblers without impacting upon the wider gambling community.

When the Government released the Productivity Commission's second report in 2010, it indicated its intention to progress a nationally consistent pre-commitment model for EGMs.

The Australian Government also wrote to the State and Territory Premiers and Chief Ministers to establish a new high-level Council of Australian Governments (COAG) Select Council on Gambling Reform to progress a national approach to minimise the harm caused by problem gambling. In May 2011 the COAG Select Council on Gambling Reform agreed to support the required infrastructure for pre commitment in every venue across Australia.

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1 Productivity Commission inquiry report into gambling, February 2010

The Commonwealth ' s reform plan

On 21 January 2012, the Prime Minister announced a comprehensive plan for national problem gambling reform. This reform plan includes Commonwealth legislation to roll-out pre commitment infrastructure on every EGM in the country. The Government also announced its support for a large scale trial of mandatory pre commitment in the Australian Capital Territory ('ACT') to build the evidence base for mandatory pre-commitment.

This staged, evidence-based pathway to implementing pre commitment reflects the approach recommended by the Productivity Commission.

The Commonwealth will legislate to ensure:

new machines manufactured or imported from the end of 2013 are pre commitment capable;

all gaming machines be part of a state-wide pre-commitment system and display electronic warnings by 2016, with longer implementation timelines for small venues; and

that there be a $250 a day Automatic Teller Machine ('ATM') withdrawal limit for gaming venues (other than casinos) from 1 February 2013.

Further, the Commonwealth recognises that gambling online and sports betting are a growing concern, and has committed to:

ban the promotion of live odds during sports coverage;

extend pre-commitment to online betting services;

crack down on online sports betting companies offering credit and introduce stricter limits on betting inducements; and

increase the powers of the Australian Communications and Media Authority (ACMA) to enforce these new rules.

These changes will be introduced as separate legislation later in 2012, following the completion of the Review of the Interactive Gambling Act.

A number of non-legislative measures were also announced including:

supporting a trial of mandatory pre commitment in the ACT, with a legislated review of the trial results by the Productivity Commission;

fifty new financial counsellors to work with problem gamblers;

expanding the reach of Gambling Help Online;

strengthening self-exclusion arrangements; and

improving training for staff in gaming venues.

The Commonwealth exposed draft legislation on 17 February 2012 and plans to introduce legislation in the Winter Parliamentary sittings of 2012 if support for the legislation is assured. These Bills will be the first ever national gaming machine regulations. They will make sure that pre-commitment technology is installed on every one of the country's more than 200,000 poker machines. This will mean that the infrastructure is in place to move to a mandatory pre-commitment system, if the results of the trial support it.

Response to Joint Select Committee ' s Report

The Commonwealth has carefully considered the recommendations of the Joint Select Committee on Gambling Reform in the development of Commonwealth legislation and thanks the committee for its considered report.

The Commonwealth agrees in principle with a significant number of the Committee's recommendations. The Commonwealth's draft legislation prescribes several of the key components of a pre commitment system as recommended by the Committee. In addition, some of the operational features recommended by the Committee will be considered as part of the trial of mandatory pre commitment to inform operational features of a pre commitment system.

Additionally, the Commonwealth provides in principle agreement to the Committee's recommendations for staff training, public awareness campaigns, education and counselling services and self-exclusion arrangements. Many of these recommendations have been accounted for in the non-legislative measures of the Commonwealth's announcement of 21 January 2012.

The Commonwealth acknowledges that the Committee has made several recommendations in areas in which state and territory governments have primary responsibility or where joint effort is required. These recommendations will require further jurisdictional consultation.

Government Response to the Joint Select Committee on Gambling Reform

Inquiry into Pre-commitment Scheme

Recommendation

Rec 1: EGM numbers

The committee notes that the number of EGMs and their distribution in any jurisdiction is a matter for state and territory governments to decide and recommends that the proposed reforms should in no way be used as an opportunity to increase numbers or alter distribution.

Government Response

Agree

The Commonwealth agrees that the number of electronic gaming machines ('EGMs') and their distribution in each jurisdiction should remain the responsibility of state and territory governments.

This is explicit in the Government's draft legislation.

Recommendation

Rec 2: Functions of a national regulator ('fake wins')

The committee recommends that aligning jurisdictional standards on the issue of 'fake wins' be referred to the national regulatory authority (see recommendation 28) with a view to agreeing a national approach.

Government Response

Matter for jurisdictional consultation

The issue of 'fake wins' is outside the scope of the Commonwealth's draft legislation.

It is the Commonwealth's preference that the regulation of gaming machines is conducted by state and territory regulators. This includes implementing the provisions in the Commonwealth's draft legislation. The Commonwealth is continuing discussions with state and territory governments to reach agreement on this matter.

Note the comments made in response to recommendations 28 and 29.

Recommendation

Rec 3, 26: Pre-commitment public information campaign

The committee recommends that the public information campaign on pre-commitment (referred to in chapter six) include other messages connected to pre-commitment including clear and simple messages explaining the Return to Player percentage and the warning signs of problem gambling (rec 3).

The committee recommends the new national regulatory authority be tasked with developing an appropriate national awareness campaign aligning with the principles of the Ottawa Charter, to raise public awareness of pre-commitment (rec 26).

Government Response

Agree in principle

The Government will consider conducting a public information campaign leading up to and as part of the implementation of state-wide pre-commitment systems.

An awareness campaign will also be part of the trial of mandatory pre-commitment in the Australian Capital Territory ('ACT') which will inform the public information requirements for the national roll-out of pre commitment.

In relation to information for players about the risks of playing, the Commonwealth's legislation includes requirements for dynamic warnings on EGMs.

The Commonwealth is conducting a trial of dynamic warnings on EGMs with the Queensland Government. This trial will inform the detailed requirements for dynamic warnings to be set in the Commonwealth's regulations.

The states and territories also have regulations requiring the provision of information to players on EGMs and gambling in general. The Commonwealth will work with state and territory governments through the COAG Select Council on Gambling Reform ('COAG Select Council') on connecting this type of information and messaging with pre commitment information.

Recommendation

Rec 4: Public health approach

The committee recommends that in line with the Productivity Commission recommendations a public health approach to problem gambling be adopted across jurisdictions with a view to reducing the levels of problem gambling.

Government Response

Agree

The Commonwealth Government supports a public health approach.

Recommendation

Rec 5, 6 and 7: Training

The committee recommends that an independent review of training programs be undertaken to assess whether these are effectively equipping staff with adequate training to apply problem gambling interventions (rec 5).

The committee recommends that industry codes of conduct should include effective protection for venue staff who highlight shortcomings with training (rec 6).

The committee recommends that venue staff receive appropriate training in assisting patrons with pre commitment (rec 7).

Government Response

Agree

The Government recognises the importance of proper training for staff in gaming venues, especially in implementing a pre commitment system.

Research conducted on voluntary pre commitment trials in Australia has demonstrated that gaming venue staff are integral to ensuring patrons understand how the pre commitment system operates, how to register to use the system and how to set realistic limits.

As part of the national gambling reform announcement of 21 January 2012, the Commonwealth has committed to working with states and territories, through the COAG Select Council, to review and update responsible gambling training in all jurisdictions. This will include a particular focus on staff interaction with players in a pre-commitment system.

The Government further supports this review considering protections for venue staff who highlight shortcomings with training, and the review of training being conducted independently as recommended by the Committee.

The Commonwealth is also funding staff training as part of the trial of mandatory pre-commitment in the ACT. These training programs will ensure that venue staff understand the pre commitment system and are well equipped to assist patrons. The effectiveness of these training programs will be assessed as part of the trial and will provide an evidence base for future training programs.

Recommendation

Rec 8: Functions of national regulator (risk management)

The committee recommends a risk management framework be developed by the national regulatory authority (see recommendation 28). The framework should be made available to other bodies involved in implementation to draw upon.

Government Response

Agree in principle

The Commonwealth regulator, or the agency overseeing the delegation to state and territory regulators, will develop a risk management framework.

Note the comments made in response to recommendations 28 and 29.

Recommendation

Rec 9, 25: ID and player privacy

The committee recommends that pre-commitment cards will need to demonstrate sufficient integrity and robustness in order to minimise identity fraud but not require onerous signing up processes or infringe upon individual's privacy (rec 9).

The committee recommends that only basic identification information be collected for the purposes of verification (rec 25).

Government Response

Agree

Protecting the privacy of player's information is of the utmost importance to the Government. The draft legislation establishes a robust privacy framework to support the privacy of registered players of gaming machines. Additionally, a comprehensive offence and penalty regime, as well as a monitoring and enforcement regime ensures adherence to the strict penalty provisions.

The Government does not support a pre commitment solution requiring invasive personal data collection. The draft pre commitment legislation prohibits the use of fingerprinting or other biometrics for registration and player identification.

The Commonwealth's draft legislation does not prescribe a particular type of pre-commitment system (or card) but does require a single registration for each player to ensure the system is robust.

The information required for players to register and identify to the pre commitment system, as well as registration processes, will be determined by regulation.

The trial of mandatory pre commitment will also test these features to inform the national roll-out of pre commitment.

Recommendation

Rec 10: Ministerial Expert Advisory Group on Gambling

The committee recommends that representatives of problem gamblers and consumer groups be invited to join the membership of the Ministerial Expert Advisory Group on Gambling.

Government Response

Agree

The Ministerial Expert Advisory Group on Gambling included a representative from the Gambling Impact Society, which is a problem gambling consumer body. The Ministerial Expert Advisory Group on Gambling was established to provide specialist and technical implementation advice to the Government to assist in delivering the national gambling reforms, and was intended as a time limited body. Its final meeting was in April 2011.

Recommendation

Rec 11: Research Institute

The committee recommends that a national, accountable and fully independent research institute on gambling be established to: drive and coordinate national research efforts, monitor the effectiveness of policies to reduce harms from problem gambling and build an evidence base sufficient to better inform future policy development. The committee recommends that annual funding for this new body be derived in part from a small levy on gambling taxes collected by state and territory governments and a commensurate contribution from the Commonwealth.

Government Response

Matter for jurisdictional consultation

In 2009, the Commonwealth renewed its Memorandum of Understanding with all states and territories for the funding of the national research body, Gambling Research Australia, until 2014.

Future research arrangements are a matter to be discussed with states and territories through the COAG Select Council.

Recommendation

Rec 12: Pre-commitment start date

The committee recommends that a mandatory pre commitment scheme apply to all players of high intensity electronic gaming machines by 2014.

Government Response

Disagree

The Commonwealth intends to implement a state-linked pre commitment scheme across all states and territories from 2016. This reflects independent technical advice commissioned by the Government that found that a 2014 timeline was not achievable.

The Commonwealth is committed to supporting a large-scale, jurisdiction-wide trial of mandatory pre-commitment in the ACT starting in 2013. This trial will build the evidence base of mandatory pre commitment as well as testing the design features and technological aspects of a mandatory pre commitment system.

The trial will allow an assessment of whether mandatory pre commitment delivers stronger benefits to communities and individuals than a voluntary pre commitment system.

Recommendation

Rec 13: Setting limits

The committee recommends that players set binding spending limits but does not specify an upper limit.

Government Response

Agree

The trial of mandatory pre commitment will include this feature.

In addition, the Commonwealth's draft legislation provides for pre commitment limits to be binding for registered users within the pre commitment system who choose to set a limit.

The Commonwealth agrees with the Committee around the considerations of maintaining consumer sovereignty. Draft legislation does not prescribe an upper maximum loss limit, instead leaving this up to the individual.

Recommendation

Rec 14: Player lock out

The committee recommends that players be prevented from further play—locked out—once they reach their pre-set spending limit.

Government Response

Agree

The trial of mandatory pre-commitment will include this feature.

In addition, the Commonwealth's draft legislation provides that if a registered player has set a limit, that this limit be binding and that further play within the pre-commitment system as a registered user be prevented.

Recommendation

Rec 15: Changing limits

The committee recommends that players be unable to increase their spending limit during the time period they have specified for their limit to apply.

Government Response

Agree

The trial of mandatory pre commitment will include this feature.

In addition, the draft legislation prescribes that the pre-commitment system must provide a person who chooses to register with a limit period. The length of time for which a registered user's loss limit applies will be no less than 24 hours.

The draft legislation provides that for a player wishing to decrease their limit period or increase their loss limit, the pre-commitment system must ensure that the change does not take effect until the current limit period has ended.

Should a player wish to increase their limit period or decrease their loss limit, the pre-commitment system must enable the change to take effect as soon as is practicable, with the intention that this take place immediately.

Recommendation

Rec 16: Education and counselling services

The committee recommends that player education be made available and counselling services be offered to assist players set affordable limits.

Government Response

Agree

The trial of mandatory pre commitment will include player education as well as access to, and linkages with, counselling services. See the response to recommendations on information campaigns (rec 3, 26) and staff training (rec 5, 6, 7).

Further, the Government has announced its commitment to increasing counselling and support services for individuals and families affected by problem gambling. The Commonwealth will fund 50 new financial counsellors through the existing financial counselling network, to work closely with local gaming venues and state and territory government gambling counselling services.

Additionally, the Government will provide funding towards enhancements to the Gambling Help Online website, as well as expanding the reach of this service.

Recommendation

Rec 17: Default spending limits

The committee recommends that all pre-commitment cards be issued with a pre-set default spending limit which the player can choose to use or modify.

Government Response

For further consideration

Advice from the Ministerial Expert Advisory Group was that there was limited evidence about the benefits of default limits. Some academic members were concerned that default limits could actually undermine harm minimisation efforts.

Further research is required to assess the potential benefits and harms to players.

Recommendation

Rec 18: Default limit periods

The committee recommends that the card include a default time period which specifies the duration of the spending limit (decreasing a limit will take immediate effect) which the player can choose to use or modify. The committee suggests the length of this default time period could be a common budgetary period such as a fortnight. The minimum timeframe it could be modified down to is 24 hours.

Government Response

Agree in principle

The draft legislation prescribes that the pre-commitment system must provide a person who chooses to register with a 'limit period'. The length of time for which a registered user's loss limit applies will be no less than 24 hours.

Pre commitment systems may also allow players to choose their own limit periods. Should a player wish to decrease their spending limit within this limit period, this decrease should take effect immediately, or as soon as practicable.

Should a player wish to increase their limit period, the pre commitment system must enable the change to take effect as soon as is practicable, with the intention that this take place immediately.

In addition, the trial of mandatory pre commitment will include default time limits.

Recommendation

Rec 19: Scheme coverage

The committee recommends that players be prevented from circumventing pre-set spending limits by machine and/or venue hopping.

Government Response

Agree in principle

The Commonwealth is seeking the participation of all venues and machines in the ACT for the trial of mandatory pre commitment. This means that players will not be able to change machines or venue-hop to avoid the system.

In addition, the Commonwealth's draft legislation provides that a person who chooses to register with the pre commitment system will have one registration that applies to them across the particular state or territory. This will ensure that a players pre-set limits, when playing as a registered player, will be binding across machines and venues within that state or territory. This sets up the system capability for a mandatory system, if amendments were made to the Act to require all players to register.

Recommendation

Rec 20: Limit reviewing

The committee recommends that players be prompted to review their limits every twelve months.

Government Response

Agree in part

The Commonwealth's draft legislation provides for information to be displayed at the gaming machine on commencement of play including the length of time since the person last changed their limit.

The Commonwealth's draft legislation provides that registered players will be allowed to change their loss limit, set a loss limit or exclude themselves from the system at any time. Making the limits more stringent must take effect immediately but increasing the limits must not take effect until the end of the current limit period.

Transaction statements are also provided for in the draft legislation where registered users can access as many transaction statements as they choose in any given period. Each transaction statement will provide them with information in relation to their use of a gaming machine during the previous 12 months including when their last changed their limit.

Recommendation

Rec 21: Where limits are set

The committee recommends that the process of setting limits not occur in close proximity to gaming machines.

Government Response

For further consideration

The Commonwealth has committed to supporting a trial of mandatory pre commitment in the ACT. This trial will test operational features of a pre commitment system including the process of setting limits.

The trial will be independently evaluated and will inform the national roll-out of pre commitment.

Recommendation

Rec 22: Dynamic warnings

The committee recommends that the system include dynamic warnings to alert players when their limit is approaching and it include the capacity to personalise messages.

Government Response

Agree in principle

The Commonwealth's draft legislation provides for the implementation of dynamic warnings on all machines by 2016, except in small venues. The warnings will relate to:

- use by a specific person; or

- potential harm from and cost of using gaming machines generally.

The form, frequency, content and position of these messages will be prescribed in regulations.

The Commonwealth is currently undertaking a trial of dynamic warning parameters that is being facilitated by the Queensland Government. This trial will inform the design features to be prescribed in regulations.

The draft legislation also ensures that players will be informed of the amount remaining of their loss limit both at the commencement of a play session and periodically during play through the pre commitment system. Again, the form, frequency, content and position of these messages will be set by regulations.

Recommendation

Rec 23, 24: Self exclusion

The committee recommends that a self-exclusion option be enabled on the pre-commitment card and varying periods for self-exclusion be made available. This could be linked to existing jurisdictional exclusion schemes to provide players with effective self-exclusion options (rec 23).

The committee recommends that players who self exclude for a certain period of time should not be able to shorten that period within the specified timeframe (rec 24).

Government Response

Agree

The Government believes that self-exclusion arrangements are an important support for problem gamblers and their families. The draft legislation allows registered users of the pre-commitment system to effectively exclude themselves from using gaming machines. This is intended to be an additional harm minimisation tool to complement existing arrangements currently operating in states and territories which enable people to self-exclude from gaming venues.

The Commonwealth has also committed to work with the states and territories and industry to develop a nationally consistent approach to self-exclusion, incorporating better counselling support, consideration of third party exclusions and more central oversight.

Recommendation

Rec 27: Linking pre-commitment with loyalty marketing schemes

The committee recommends that linking loyalty schemes with pre commitment schemes not be prohibited, but this be monitored by the new national regulatory authority for adverse consequences.

Government Response

Agree

The Government will monitor the linking of loyalty marketing schemes in the context of implementing the legislation. As recommended by the Committee, the draft legislation does not prohibit linking.

Recommendation

Rec 28 and 29: Establishment of national regulator

The committee recommends that a national independent regulatory body be established by the end of 2011 to oversee mandatory pre commitment and associated reforms in all Australian jurisdictions (rec 28).

The committee recommends that pending the establishment of the national regulatory authority, the Department of Families, Housing, Community Services and Indigenous Affairs perform the functions of the new authority. (rec 29)

Government Response

Matter for jurisdictional consultation

It is the Commonwealth's preference that the regulation of gaming machines is conducted by state and territory regulators. This includes implementing the provisions in the Commonwealth's draft legislation. The Commonwealth is continuing discussions with state and territory governments to reach agreement on this matter.

The Commonwealth has developed draft legislation that provides for a national regulatory framework but allows the Commonwealth to delegate the regulatory function to the states and territories with the approval of the relevant state or territory Minister.

The Commonwealth's draft legislation provides that the Regulator is the Secretary of the Department who has portfolio responsibility for the new Act. At this time, this responsibility sits within the Department of Families, Housing, Community Services and Indigenous Affairs.

Recommendation

Rec 30: Pre-commitment trial

The committee recommends that a pre commitment trial be conducted in one jurisdiction in order to further inform and refine key pre-commitment design features and help identify any unintended consequences. The trial should commence as soon as possible but not delay the timeframe for implementation.

Government Response

Agree in part

The Commonwealth has committed to supporting a large-scale, jurisdiction-wide trial of mandatory pre commitment in the ACT.

As recommended by the Productivity Commission, the trial will test the operational features of mandatory pre commitment, and assess whether mandatory pre commitment delivers stronger benefits to communities and individuals than voluntary pre commitment.

The trial will assess the impacts on problem gamblers, recreational gamblers, venues and communities.

The trial will conclude in early 2014 and will be rigorously evaluated by an independent research institution.

Recommendation

Rec 31 and 32: Functions of national regulator

The committee recommends that development of the broad design of mandatory pre-commitment be progressed by the national regulatory authority.

The committee recommends that a detailed solution for registration, identification and privacy be referred to the national regulatory authority for progressing (rec 32).

Government Response

Agree in principle

The Commonwealth's legislation, developed by the Department of Families, Housing, Community Services and Indigenous Affairs, and the Treasury, sets out the key features of pre-commitment systems and new and imported gaming machines.

These features would deliver the capability for mandatory pre commitment if the Bills were amended to require players to register.

Further operational requirements will be set by regulation, by the Commonwealth regulator.

The trial of mandatory pre commitment in the ACT will test the operational features of a pre commitment system. The trial will be independently designed, managed and evaluated.

Recommendation

Rec 33, 34, 35, 38: National standards

The committee recommends a phased approach to achieving harmonised national standards. In the first stage, mandatory pre commitment in all jurisdictions for players of high intensity machines is introduced by 2014. Jurisdictions may elect to use differing technological solutions to meet the national pre commitment features. (rec 33)

The committee recommends that in phase two the national regulatory authority develop a timetable to move toward harmonisation of the Australia/New Zealand Gaming Machine National Standard, and adopt an agreed national standard reflecting consumer safety and harm minimisation principles (rec 34).

The committee recommends that phase three would see full implementation of uniform national technical standards (rec 35).

The committee recommends that the process towards harmonisation of the national technical standards by the national regulatory authority include an independent review of the barriers currently impeding greater uniformity and competition as a matter of urgency. This should include a review of the continued use of the Mutual Recognition (Commonwealth) Act 1992, Schedule 1(3) and an analysis of the costs and benefits of the restriction as this was beyond the scope of the last COAG review (rec 38).

Government Response

Matter for jurisdictional consultation

The Commonwealth's draft legislation delivers minimum national standards for pre commitment.

The Commonwealth will discuss any further national standards with states and territories through the COAG Select Council.

Recommendation

Rec 36, 37, 42: Low intensity machines

The committee recommends that low intensity machines, configured to reliably limit player losses to an average loss of around $120 per hour, do not need to be part of the mandatory pre-commitment system. Specifically

the committee recommends these machines feature a $1 maximum bet limit, a $500 maximum prize and a $20 maximum load up. The use of these machines should be monitored by the national regulatory authority to identify any unintended consequences and the extent to which they contribute to reducing problem gambling prevalence rates (rec 36).

The committee recommends that the timeline to introduce low intensity machines with the parameters specified in the recommendation above is consistent with the timeline to implement mandatory pre-commitment (rec 37).

The committee recommends that venues be given the choice to either run high intensity EGMs with mandatory pre-commitment or low intensity EGMs without pre-commitment enabled, or a combination of both (rec 42).

Government Response

Disagree

The Government agrees with the recommendations of the Productivity Commission that pre commitment would be the most targeted and effective measure to address problem gambling without impacting on recreational players.

The Government has also received independent advice regarding implementation of low intensity machines or $1 maximum bet limits on games. This advice is that all games would need to be reconfigured or re-designed as currently, there are no games in Australia that would enable a maximum $1 bet. This would cost in excess of $1.5 billion.

The Commonwealth is considering whether low intensity machines can be trialled as part of the broader trial of mandatory pre commitment in the ACT, if supported by trial partners.

Recommendation

Rec 39, 40: Small venues

The committee recommends that the definition of a small venue be 15 machines or less but that it also take into consideration revenue per machine (rec 39).

The committee recommends that small venues, particularly those in regional and rural areas, be allowed until 2018 to implement mandatory pre-commitment (rec 40).

Government Response

Agree in part

The Government understands the challenges faced by smaller venues, many in regional and rural communities. Under the draft legislation, small venues will have additional time to implement pre commitment technology.

Venues with 11 to 20 gaming machines will have an additional four years (until 2020) to introduce the changes and venues with 10 or fewer machines will be able to align implementation with their machine replacement cycles.

Recommendation

Rec 41: Industry transition fund

The committee recommends the COAG Select Council on Gambling Reform investigate establishing an industry transition fund to assist small venues to diversify their revenue stream away from gambling, cover a shortfall in a community service or enable low intensity machines. The criteria for access to the fund would be developed in consultation with industry.

Government Response

Matter for jurisdictional consultation

The Commonwealth will discuss this matter further with states and territories through the COAG Select Council.

The states and territories raise revenues from gaming venues and would be best placed to consider proposals for industry assistance.

Recommendation

Rec 43: Foreign Tourist exemption

The committee recommends that, upon proof of identity, foreign tourists in casinos be issued with a card that overrides the mandatory pre-commitment scheme for a period of 24 hours. This should be monitored by the national regulatory authority for abuse.

Government Response

For further consideration

The draft legislation provides that any player of gaming machines (both international and local players) can choose to register for and set limits on their use of a gaming machine.

The Commonwealth recognises that casinos are a tourist gambling destination and if amendments were made to the Bills to instead require all players to register, the Government would consider exemptions for international tourists at that time.

The draft legislation also excludes casino venues from ATM withdrawal limits due to the nature of their diversified business environment and their role in international tourism, as was recommended by the Productivity Commission.

Government Response to the Joint Select Committee on Gambling Reform

Inquiry into Pre-commitment Scheme

Coalition Members' Dissenting Report recommendations

Recommendation

Rec 1:

Coalition committee members recommend that the differences in technical standards and communication protocols be harmonised by jurisdictions

Government Response

Matter for jurisdictional consultation

The Commonwealth's draft legislation delivers minimum national standards for pre commitment.

The Commonwealth will discuss any further harmonisation with states and territories through the COAG Select Council.

Recommendation

Rec 2:

Coalition committee members recommend that further research is required to understand the effect of mandatory pre commitment on employment, tourism, and contributions to the community

Government Response

Agree

The Commonwealth has committed to supporting a large-scale, jurisdiction-wide trial of mandatory pre commitment in the ACT.

As recommended by the Productivity Commission, the trial will test the operational features of mandatory pre commitment, and assess whether mandatory pre commitment delivers stronger benefits to communities and individuals than voluntary pre commitment.

The trial will assess the impacts on problem gamblers, recreational gamblers, venues and communities.

The trial will conclude in early 2014 and will be rigorously evaluated by an independent research institution.

Recommendation

Rec 3:

Coalition committee members recommend that a full cost-benefit analysis of the final mandatory pre-commitment scheme be undertaken before any decision is made on implementation

Government Response

For consideration by the Productivity Commission

The Commonwealth has committed to a legislated independent review of the trial results to assess whether mandatory pre commitment delivers stronger benefits to communities and individuals than voluntary pre commitment.

This independent review will be undertaken by the Productivity Commission. The Productivity Commission is best placed to determine what methodologies they will use to make this assessment.